

107TH CONGRESS
1ST SESSION

H. R. 1691

To amend the Service Contract Act of 1965 to provide for the responsibility in certain cases of a parent corporation of a Federal contractor to provide health care benefits to retired employees of the contractor if the contractor fails to provide such benefits.

IN THE HOUSE OF REPRESENTATIVES

MAY 2, 2001

Mr. WELDON of Florida introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Service Contract Act of 1965 to provide for the responsibility in certain cases of a parent corporation of a Federal contractor to provide health care benefits to retired employees of the contractor if the contractor fails to provide such benefits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Service Contract
5 Health Security Act”.

1 **SEC. 2. RESPONSIBILITY OF PARENT CORPORATION TO**
2 **PROVIDE HEALTH CARE COVERAGE TO RE-**
3 **TIREES OF SUBSIDIARY CORPORATION.**

4 (a) **IN GENERAL.**—Section 2(a) of the Service Con-
5 tract Act of 1965 (Public Law 89–286; 41 U.S.C. 351(a))
6 is amended by adding at the end the following new para-
7 graph:

8 “(6) A provision specifying that if the contract
9 is terminated, if the contract or a collective bar-
10 gaining agreement required that the contractor pro-
11 vide health care to contractor employees who per-
12 formed work to carry out the contract and who re-
13 tired before the contract was terminated, a parent
14 corporation of the contractor shall be responsible for
15 the provision of such health care coverage to such
16 retired employees if the contractor fails to provide
17 such coverage.”.

18 (b) **APPLICABILITY.**—The amendment made by sub-
19 section (a) shall apply with respect to contracts for which
20 bids are solicited after the date of the enactment of this
21 Act.

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