

105TH CONGRESS  
2D SESSION

# H. R. 4733

To amend the Trade Act of 1974 to consolidate and enhance the trade adjustment assistance and NAFTA transitional adjustment assistance programs under that Act, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 8, 1998

Mr. MATSUI (for himself and Mr. BONIOR) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Trade Act of 1974 to consolidate and enhance the trade adjustment assistance and NAFTA transitional adjustment assistance programs under that Act, and for other purposes.

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 “Trade Adjustment As-  
5       sistance Reform Act of 1998”.

1 **SEC. 2. AUTHORIZATION OF CONSOLIDATED TRADE AD-**  
2 **JUSTMENT ASSISTANCE.**

3 (a) AUTHORIZATION OF APPROPRIATIONS.—Section  
4 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amend-  
5 ed to read as follows:

6 **“SEC. 245. AUTHORIZATION OF APPROPRIATIONS.**

7 “There are authorized to be appropriated to the De-  
8 partment of Labor for each of the fiscal years 1999  
9 through 2003 such sums as may be necessary to carry  
10 out the purposes of this chapter.”.

11 (b) REPEAL OF NAFTA TRANSITIONAL ADJUST-  
12 MENT ASSISTANCE PROGRAM.—

13 (1) IN GENERAL.—Subchapter D of chapter 2  
14 of title II of such Act (19 U.S.C. 2331) is hereby  
15 repealed.

16 (2) CONFORMING AMENDMENTS.—(A) Section  
17 249A of such Act (19 U.S.C. 2322) is hereby re-  
18 pealed.

19 (B) The table of contents of such Act is amend-  
20 ed—

21 (i) by striking the item relating to section  
22 249A; and

23 (ii) by striking the items relating to sub-  
24 chapter D of chapter 2 of title II.

25 (c) TERMINATION.—Section 285(c) of such Act (19  
26 U.S.C. 2271 note) is amended to read as follows:

1 “(c) No assistance, vouchers, allowances, or other  
2 payments may be provided under chapter 2, and no tech-  
3 nical assistance may be provided under chapter 3, after  
4 September 30, 2003.”.

5 **SEC. 3. FILING OF PETITIONS AND PROVISION OF RAPID**  
6 **RESPONSE ASSISTANCE; EXPEDITED REVIEW**  
7 **OF PETITIONS BY SECRETARY OF LABOR.**

8 (a) FILING OF PETITIONS AND PROVISION OF RAPID  
9 RESPONSE ASSISTANCE.—Section 221(a) of the Trade  
10 Act of 1974 (19 U.S.C. 2271(a)) is amended to read as  
11 follows:

12 “(a)(1) A petition for certification of eligibility to  
13 apply for adjustment assistance for a group of workers  
14 under this chapter may be filed with the Governor of the  
15 State in which such workers’ firm or subdivision is located  
16 by the following:

17 “(A) The group of workers (including workers  
18 in an agricultural firm or subdivision of any agricul-  
19 tural firm).

20 “(B) The certified or recognized union or other  
21 duly authorized representative of such workers.

22 “(C) Employers of such workers, one-stop ca-  
23 reer centers, or State employment agencies, on be-  
24 half of such workers.

1       “(2) Upon receipt of a petition filed under paragraph  
2 (1), the Governor—

3               “(A) shall immediately transmit the petition to  
4 the Secretary of Labor (hereinafter in this chapter  
5 referred to as the ‘Secretary’);

6               “(B) shall ensure that rapid response assistance  
7 and basic readjustment services authorized under  
8 other Federal laws are made available to the workers  
9 covered by the petition to the extent authorized  
10 under such laws; and

11              “(C) shall assist the Secretary in the review of  
12 the petition by verifying such information and pro-  
13 viding such other assistance as the Secretary may  
14 request.

15       “(3) Upon receipt of the petition, the Secretary shall  
16 promptly publish notice in the Federal Register that the  
17 Secretary has received the petition and initiated an inves-  
18 tigation.”.

19       (b) EXPEDITED REVIEW OF PETITIONS BY SEC-  
20 RETARY OF LABOR.—Section 223(a) of such Act (19  
21 U.S.C. 2273(a)) is amended in the first sentence by strik-  
22 ing “60 days” and inserting “40 days”.

1 **SEC. 4. ADDITION OF SHIFT IN PRODUCTION AS BASIS FOR**  
2 **ELIGIBILITY FOR TRADE ADJUSTMENT AS-**  
3 **SISTANCE.**

4 Section 222(a) of the Trade Act of 1974 (19 U.S.C.  
5 2272(a)) is amended to read as follows:

6 “(a) A group of workers (including workers in any  
7 agricultural firm or subdivision of an agricultural firm)  
8 shall be certified by the Secretary as eligible to apply for  
9 adjustment assistance under this chapter pursuant to a  
10 petition filed under section 221 if the Secretary deter-  
11 mines that—

12 “(1) a significant number or proportion of the  
13 workers in such workers’ firm or an appropriate sub-  
14 division of the firm have become totally or partially  
15 separated, or are threatened to become totally or  
16 partially separated; and

17 “(2)(A)(i) the sales or production, or both, of  
18 such firm or subdivision have decreased absolutely;

19 “(ii) imports of articles like or directly competi-  
20 tive with articles produced by such firm or subdivi-  
21 sion have increased; and

22 “(iii) the increase in imports under clause (ii)  
23 contributed importantly to such workers’ separation  
24 or threat of separation and to the decline in the  
25 sales or production of such firm or subdivision; or

1           “(B) there has been a shift in production by  
2           such workers’ firm or subdivision to a foreign coun-  
3           try of articles like or directly competitive with arti-  
4           cles which are produced by such firm or subdivi-  
5           sion.”.

6 **SEC. 5. INFORMATION ON CERTAIN CERTIFICATIONS.**

7           Section 223 of the Trade Act of 1974 (19 U.S.C.  
8           2273) is amended by adding at the end the following sub-  
9           section:

10          “(e) The Secretary shall collect and maintain infor-  
11          mation—

12               “(1) identifying the countries to which firms  
13               have shifted production resulting in certifications  
14               under section 222(a)(2)(B), including the number of  
15               such certifications relating to each country; and

16               “(2) to the extent feasible, identifying the coun-  
17               tries from which imports of articles have resulted in  
18               certifications under section 222(a)(2)(A), including  
19               the number of such certifications relating to each  
20               country.”.

21 **SEC. 6. ENROLLMENT IN TRAINING REQUIREMENT.**

22           Section 231(a)(5)(A) of the Trade Act of 1974 (19  
23           U.S.C. 2291(a)(5)(A)) is amended—

24               (1) by inserting “(i)” after “(A)”;

1           (2) by adding “and” after the comma at the  
2       end; and

3           (3) by adding at the end the following:

4                   “(ii) the enrollment required under clause  
5       (i) occurs no later than the latest of—

6                           “(I) the last day of the 16th week  
7                   after the worker’s most recent total sepa-  
8                   ration from adversely affected employment  
9                   which meets the requirements of para-  
10                  graphs (1) and (2);

11                           “(II) the last day of the 8th week  
12                   after the week in which the Secretary  
13                   issues a certification covering the worker;  
14                   or

15                           “(III) 45 days after the later of the  
16                   dates specified in subclause (I) or (II), if  
17                   the Secretary determines there are extenu-  
18                   ating circumstances that justify an exten-  
19                   sion in the enrollment period;”.

20   **SEC. 7. WAIVERS OF TRAINING REQUIREMENTS.**

21       (a) IN GENERAL.—Section 231(c) of the Trade Act  
22   of 1974 (19 U.S.C. 2291(c)) is amended to read as fol-  
23   lows:

24       “(c)(1) The Secretary may issue a written statement  
25   to a worker waiving the enrollment in training require-

1 ment of subsection (a)(5)(A) if the Secretary determines  
2 that such training requirement is not feasible or appro-  
3 priate for the worker, as indicated by 1 or more of the  
4 following:

5           “(A) The worker has been notified that the  
6 worker will be recalled by the firm from which the  
7 qualifying separation occurred.

8           “(B) The worker has marketable skills as deter-  
9 mined pursuant to an assessment of the worker,  
10 which may include the profiling system under section  
11 303(j) of the Social Security Act (42 U.S.C. 503(j)),  
12 carried out in accordance with guidelines issued by  
13 the Secretary.

14           “(C) The worker is within 2 years of meeting  
15 all requirements for entitlement to old-age insurance  
16 benefits under title II of the Social Security Act (42  
17 U.S.C. 401 et seq.) (except for application therefor).

18           “(D) The worker is unable to participate in  
19 training due to health of the worker, except that a  
20 waiver under this subparagraph shall not be con-  
21 strued to exempt a worker from requirements relat-  
22 ing to the availability for work, active search for  
23 work, or refusal to accept work under Federal or  
24 State unemployment compensation laws.



1           “(E) The first available enrollment date for the  
2           approved training of the worker is within 45 days  
3           after the date of the determination made under this  
4           paragraph, or, if later, there are extenuating cir-  
5           cumstances for the delay in enrollment, as deter-  
6           mined pursuant to guidelines issued by the Sec-  
7           retary.

8           “(F) There are insufficient funds available for  
9           training under this chapter, taking into account the  
10          limitation under section 236(a)(2)(A).

11          “(G) The duration of training appropriate for  
12          the individual to obtain suitable employment exceeds  
13          the individual’s maximum entitlement to basic and  
14          additional trade readjustment allowances and, in ad-  
15          dition, financial support available through other  
16          Federal or State programs, including title III of the  
17          Job Training Partnership Act (29 U.S.C. 1651 et  
18          seq.) or chapter 5 of subtitle B of title I of the  
19          Workforce Investment Act of 1998, that would en-  
20          able the individual to complete a suitable training  
21          program cannot be assured.

22          “(2) The Secretary shall specify the duration of the  
23          waiver under paragraph (1) and shall periodically review  
24          the waiver to determine whether the basis for issuing the  
25          waiver remains applicable. If at any time the Secretary

1 determines such basis is no longer applicable to the work-  
 2 er, the Secretary shall revoke the waiver.

3 “(3) Pursuant to the agreement under section 239,  
 4 the Secretary may authorize the State or State agency to  
 5 carry out activities described in paragraph (1) (except for  
 6 the determination under subparagraphs (F) and (G) of  
 7 paragraph (1)). Such agreement shall include a require-  
 8 ment that the State or State agency submit to the Sec-  
 9 retary the written statements provided pursuant to para-  
 10 graph (1) and a statement of the reasons for the waiver.

11 “(4) The Secretary shall submit an annual report to  
 12 the Committee on Finance of the Senate and the Commit-  
 13 tee on Ways and Means of the House of Representatives  
 14 identifying the number of workers who received waivers  
 15 and the average duration of such waivers issued under this  
 16 subsection during the preceding year.”.

17 (b) CONFORMING AMENDMENT.—Section  
 18 231(a)(5)(C) of such Act (19 U.S.C. 2291(a)(5)(C)) is  
 19 amended by striking “certified”.

20 **SEC. 8. PROVISION OF TRADE READJUSTMENT ALLOW-**  
 21 **ANCES DURING BREAKS IN TRAINING.**

22 Section 233(f) of the Trade Act of 1974 (19 U.S.C.  
 23 2293(f)) is amended in the matter preceding paragraph  
 24 (1) by striking “14 days” and inserting “30 days”.

1 **SEC. 9. INCREASE IN ANNUAL TOTAL AMOUNT OF PAY-**  
2 **MENTS FOR TRAINING.**

3 Section 236(a)(2)(A) of the Trade Act of 1974 (19  
4 U.S.C. 2296(a)(2)(A)) is amended by striking  
5 “\$80,000,000” and inserting “\$150,000,000”.

6 **SEC. 10. ELIMINATION OF QUARTERLY REPORT.**

7 Section 236(d) of the Trade Act of 1974 (19 U.S.C.  
8 2296(d)) is amended by striking the last sentence of such  
9 subsection.

10 **SEC. 11. COORDINATION WITH ONE-STOP CAREER CEN-**  
11 **TERS, THE JOB TRAINING PARTNERSHIP ACT,**  
12 **AND THE WORKFORCE INVESTMENT ACT OF**  
13 **1998.**

14 (a) COORDINATION WITH ONE-STOPS.—Section 235  
15 of the Trade Act of 1974 (19 U.S.C. 2295) is amended  
16 by inserting “, including the services provided through  
17 one-stop career centers” before the period at the end of  
18 the first sentence.

19 (b) COORDINATION WITH JOB TRAINING PARTNER-  
20 SHIP ACT AND WORKFORCE INVESTMENT ACT OF  
21 1998.—Section 239(e) such Act (19 U.S.C. 2311(e)) is  
22 amended—

23 (1) in the first sentence, by inserting after “Job  
24 Training Partnership Act” the following: “or under  
25 provisions relating to dislocated worker employment  
26 and training activities under chapter 5 of subtitle B

1 of title I of the Workforce Investment Act of 1998,  
 2 as the case may be,”; and

3 (2) by inserting after the first sentence the fol-  
 4 lowing: “Such coordination shall include common re-  
 5 porting systems and elements, including common  
 6 elements relating to participant data and perform-  
 7 ance outcomes (including employment, retention of  
 8 employment, and wages).”.

9 **SEC. 12. SUPPORTIVE SERVICES.**

10 (a) IN GENERAL.—Part II of subchapter B of chap-  
 11 ter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295  
 12 et seq.) is amended by adding at the end the following:

13 **“SEC. 238A. SUPPORTIVE SERVICES.**

14 “(a) APPLICATION.—Any adversely affected worker  
 15 covered by a certification under subchapter A of this chap-  
 16 ter may file an application with the Secretary for the pro-  
 17 vision of supportive services, including transportation,  
 18 child and dependent care, and other similar services.

19 “(b) CONDITIONS.—The Secretary may approve an  
 20 application filed under subsection (a) and provide support-  
 21 ive services to an adversely affected worker only if the Sec-  
 22 retary determines that—

23 “(1) the provision of such services is necessary  
 24 to enable the worker to participate in or complete  
 25 training; and

1           “(2) the provision of such services is consistent  
 2           with the provision of supportive services to partici-  
 3           pants under the employment and training assistance  
 4           for dislocated workers program under title III of the  
 5           Job Training Partnership Act (29 U.S.C. 1651 et  
 6           seq.), as in effect on the date of the enactment of  
 7           the Trade Adjustment Assistance Reform Act of  
 8           1998, or under the provisions relating to dislocated  
 9           worker employment and training activities under  
 10          chapter 5 of subtitle B of title I of the Workforce  
 11          Investment Act of 1998, as the case may be.”.

12          (b) CONFORMING AMENDMENT.—The table of con-  
 13          tents of such Act is amended by inserting after the item  
 14          relating to section 238 the following:

          “Sec. 238A. Supportive services.”.

15       **SEC. 13. ADDITIONAL CONFORMING AMENDMENTS.**

16          (a) SECTION 225.—Section 225(b) of the Trade Act  
 17          of 1974 (19 U.S.C. 2275(b)) is amended in each of para-  
 18          graphs (1) and (2) by striking “or subchapter D”.

19          (b) SECTION 240.—Section 240(a) of such Act (19  
 20          U.S.C. 2312(a)) is amended by striking “subchapter B  
 21          of”.

22       **SEC. 14. AVAILABILITY OF CONTINGENCY FUNDS.**

23          Section 245 of the Trade Act of 1974 (19 U.S.C.  
 24          2317), as amended by this Act, is further amended—

1           (1) by striking “There are authorized” and in-  
 2           serting “(a) IN GENERAL.—There are authorized”;  
 3           and

4           (2) by adding at the end the following:

5           “(b) CONTINGENCY FUNDS.—Subject to the limita-  
 6           tion contained in section 236(a)(2), if in any fiscal year  
 7           the funds available to carry out the programs under this  
 8           chapter are exhausted, there shall be made available from  
 9           funds in the Treasury not otherwise appropriated amounts  
 10          sufficient to carry out such programs for the remainder  
 11          of the fiscal year.”.

12   **SEC. 15. REAUTHORIZATION OF ADJUSTMENT ASSISTANCE**  
 13                           **FOR FIRMS.**

14          Section 256(b) of the Trade Act of 1974 (19 U.S.C.  
 15   2346(b)) is amended by striking “and 1998” and inserting  
 16   “1998, and 1999 through 2003”.

17   **SEC. 16. PRESIDENTIAL COMMISSION ON WORKERS AND**  
 18                           **ECONOMIC CHANGE IN THE NEW ECONOMY.**

19          (a) ESTABLISHMENT.—There is established a com-  
 20          mission to be known as the “Presidential Commission on  
 21          Workers and Economic Change in the New Economy” (in  
 22          this section referred to as the “Commission”).

23          (b) DUTIES.—

1           (1) STUDY.—The Commission shall conduct a  
2           thorough study of matters relating to economic dis-  
3           location and worker adjustment to such dislocations.

4           (2) CONDUCT OF STUDY.—In carrying out the  
5           study under paragraph (1), the Commission shall ex-  
6           amine—

7                   (A) the impact of trade, technology, and  
8                   the changing nature of work organizations on  
9                   workers and the economy, including worker dis-  
10                  locations resulting from these factors;

11                  (B) the effectiveness of existing education  
12                  and job training programs at the Federal level  
13                  in assisting workers in adjusting to economic  
14                  change, including the adequacy of the design of  
15                  such programs and resources devoted to such  
16                  programs;

17                  (C) the strategies for providing workplace  
18                  education and training to assist workers in ac-  
19                  quiring new skills;

20                  (D) the role of public-private partnerships  
21                  in implementing worker education and training;  
22                  and

23                  (E) the role of income support and eco-  
24                  nomic security programs in facilitating worker

1 adjustment in rapidly changing economic cir-  
2 cumstances.

3 (c) MEMBERSHIP.—The Commission shall be com-  
4 posed of 15 members appointed by the President. The  
5 members of the Commission shall include individuals who  
6 are—

- 7 (1) Members of Congress;
- 8 (2) workforce development professionals;
- 9 (3) educators;
- 10 (4) heads of appropriate State agencies;
- 11 (5) business leaders; and
- 12 (6) representatives of labor organizations who  
13 are nominated by a national labor federation.

14 (d) POWERS AND PERSONNEL.—The Commission  
15 shall have such general powers and authority with respect  
16 to personnel matters in the same manner and to the same  
17 extent as the general powers and authority with respect  
18 to personnel matters provided to the Twenty-First Cen-  
19 tury Workforce Commission under sections 336 and 337  
20 of the Workforce Investment Act of 1998.

21 (e) REPORT.—Not later than 18 months after the  
22 first meeting of the Commission, the Commission shall  
23 prepare and submit to the President and the Congress a  
24 report that contains—



1           (1) a detailed statement of the findings and  
2           conclusions of the Commission relating to the study  
3           carried out under subsection (b);

4           (2) a compendium of best practices and policies  
5           carried out by employers and public-private partner-  
6           ships in providing workers with the education and  
7           training needed to effectively adjust to economic  
8           change; and

9           (3) any recommendations relating to legislative  
10          and administrative actions that the Commission de-  
11          termines to be appropriate.

12          (f) AUTHORIZATION OF APPROPRIATIONS.—There  
13          are authorized to be appropriated to carry out this section  
14          such sums as may be necessary for fiscal year 1999.

15      **SEC. 17. EFFECTIVE DATE; TRANSITION PROVISION.**

16          (a) EFFECTIVE DATE.—This Act, and the amend-  
17          ments made by this Act, shall take effect on the date of  
18          the enactment of this Act.

19          (b) TRANSITION.—The Secretary of Labor is author-  
20          ized to establish such rules as the Secretary determines  
21          to be appropriate to provide for an orderly transition from  
22          the provisions of law amended or repealed by this Act.

○