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107TH CONGRESS
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S. 1209

[Report No. 107-134]

To amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 19, 2001

Mr. BINGAMAN (for himself, Mr. BAUCUS, Mr. DASCHLE, Mr. CONRAD, Mr. ROCKEFELLER, Mr. BREAUX, Mr. KERRY, Mr. TORRICELLI, Mrs. LINCOLN, Mr. JEFFORDS, Mr. BAYH, Mr. DAYTON, Mr. LIEBERMAN, Mr. DORGAN, Mr. DURBIN, Mr. SCHUMER, Mr. COCHRAN, Mr. CARPER, Ms. CANTWELL, Mr. DODD, Ms. STABENOW, Mrs. CLINTON, Mrs. FEINSTEIN, Mr. NELSON of Nebraska, Mrs. BOXER, Ms. COLLINS, Ms. SNOWE, Mr. WELLSTONE, Mrs. MURRAY, Mr. HARKIN, Mrs. CARNAHAN, Mr. KENNEDY, Mr. LEVIN, Mr. EDWARDS, Mr. GRAHAM, Mr. BIDEN, Mr. REID, Mr. JOHNSON, Mr. CLELAND, Mr. CORZINE, Mr. KOHL, Mr. SARBANES, Mr. INOUE, and Ms. LANDRIEU) introduced the following bill; which was read twice and referred to the Committee on Finance

FEBRUARY 4, 2002

Reported by Mr. BAUCUS, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide

community-based economic development assistance for trade-affected communities, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
 5 “Trade Adjustment Assistance for Workers, Farmers,
 6 Communities, and Firms Act of 2001”.

7 (b) **TABLE OF CONTENTS.**—

Sec. 1. Short title; table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Sec. 101. Adjustment assistance for workers.

Sec. 102. 50 percent refundable tax credit toward premiums for COBRA continuation coverage.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Sec. 201. Reauthorization of program.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

Sec. 301. Purpose.

Sec. 302. Trade adjustment assistance for communities.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Sec. 401. Trade adjustment assistance for farmers.

TITLE V—CONFORMING AMENDMENTS AND EFFECTIVE DATE

Sec. 501. Conforming amendments.

TITLE VI—SAVINGS PROVISIONS AND EFFECTIVE DATE

Sec. 601. Savings provisions.

Sec. 602. Effective date.

1 **TITLE I—TRADE ADJUSTMENT**
 2 **ASSISTANCE FOR WORKERS**

3 **SEC. 101. ADJUSTMENT ASSISTANCE FOR WORKERS.**

4 Chapter 2 of title II of the Trade Act of 1974 (19
 5 U.S.C. 2271 et seq.) is amended to read as follows:

6 **“CHAPTER 2—ADJUSTMENT ASSISTANCE**
 7 **FOR WORKERS**

8 **“Subchapter A—General Provisions**

9 **“SEC. 221. DEFINITIONS.**

10 ~~“In this chapter:~~

11 ~~“(1) ADDITIONAL COMPENSATION.—The term~~
 12 ~~‘additional compensation’ has the meaning given~~
 13 ~~that term in section 205(3) of the Federal-State Ex-~~
 14 ~~tended Unemployment Compensation Act of 1970~~
 15 ~~(26 U.S.C. 3304 note).~~

16 ~~“(2) ADVERSELY AFFECTED EMPLOYMENT.—~~
 17 ~~The term ‘adversely affected employment’ means~~
 18 ~~employment in a firm or appropriate subdivision of~~
 19 ~~a firm, if workers of that firm or subdivision are eli-~~
 20 ~~gible to apply for adjustment assistance under this~~
 21 ~~chapter.~~

22 ~~“(3) ADVERSELY AFFECTED WORKER.—~~

23 ~~“(A) IN GENERAL.—The term ‘adversely~~
 24 ~~affected worker’ means a worker who is a mem-~~
 25 ~~ber of a group of workers certified by the Sec-~~

1 retary under section 231(a)(1) as eligible for
2 trade adjustment assistance.

3 ~~“(B) ADVERSELY AFFECTED SECONDARY~~
4 ~~WORKER.—~~The term ‘adversely affected worker’
5 includes an adversely affected secondary worker
6 who is a member of a group of workers em-
7 ployed at a downstream producer or a supplier,
8 that is certified by the Secretary under section
9 231(a)(2) as eligible for trade adjustment as-
10 sistance.

11 ~~“(4) AVERAGE WEEKLY HOURS.—~~The term ‘av-
12 erage weekly hours’ means the average hours worked
13 by a worker (excluding overtime) in the employment
14 from which the worker has been or claims to have
15 been separated in the 52 weeks (excluding weeks
16 during which the worker was on leave for purposes
17 of vacation, sickness, maternity, military service, or
18 any other employer-authorized leave) preceding the
19 week specified in paragraph (5)(B)(ii).

20 ~~“(5) AVERAGE WEEKLY WAGE.—~~

21 ~~“(A) IN GENERAL.—~~The term ‘average
22 weekly wage’ means $\frac{1}{13}$ of the total wages paid
23 to an individual in the high quarter.

24 ~~“(B) DEFINITIONS.—~~For purposes of com-
25 puting the average weekly wage—

1 “(i) the term ‘high quarter’ means the
2 quarter in which the individual’s total
3 wages were highest among the first 4 of
4 the last 5 completed calendar quarters im-
5 mediately before the quarter in which oc-
6 curs the week with respect to which the
7 computation is made; and

8 “(ii) the term ‘week’ means the week
9 in which total separation occurred; or, in
10 cases where partial separation is claimed;
11 an appropriate week, as defined in regula-
12 tions prescribed by the Secretary.

13 “(6) BENEFIT PERIOD.—The term ‘benefit pe-
14 riod’ means, with respect to an individual, the fol-
15 lowing:

16 “(A) STATE LAW.—The benefit year and
17 any ensuing period, as determined under appli-
18 cable State law, during which the individual is
19 eligible for regular compensation, additional
20 compensation, or extended compensation.

21 “(B) FEDERAL LAW.—The equivalent to
22 the benefit year or ensuing period provided for
23 under the applicable Federal unemployment in-
24 surance law.

1 “(7) BENEFIT YEAR.—The term ‘benefit year’
 2 has the same meaning given that term in the Fed-
 3 eral-State Extended Unemployment Compensation
 4 Act of 1970 (26 U.S.C. 3304 note).

5 “(8) CONTRIBUTED IMPORTANTLY.—The term
 6 ‘contributed importantly’ means a cause that is im-
 7 portant but not necessarily more important than any
 8 other cause.

9 “(9) COOPERATING STATE.—The term ‘coop-
 10 erating State’ means any State that has entered into
 11 an agreement with the Secretary under section 222.

12 “(10) DOWNSTREAM PRODUCER.—The term
 13 ‘downstream producer’ means a firm that performs
 14 additional, value-added production processes, includ-
 15 ing a firm that performs final assembly, finishing,
 16 or packaging of articles produced by another firm.

17 “(11) EXTENDED COMPENSATION.—The term
 18 ‘extended compensation’ has the meaning given that
 19 term in section 205(4) of the Federal-State Ex-
 20 tended Unemployment Compensation Act of 1970
 21 (26 U.S.C. 3304 note).

22 “(12) JOB FINDING CLUB.—The term ‘job find-
 23 ing club’ means a job search workshop which in-
 24 cludes a period of structured, supervised activity in
 25 which participants attempt to obtain jobs.

1 “(13) ~~JOB SEARCH PROGRAM.~~—The term ‘job
2 search program’ means a job search workshop or job
3 finding club.

4 “(14) ~~JOB SEARCH WORKSHOP.~~—The term ‘job
5 search workshop’ means a short (1- to 3-day) sem-
6 inar, covering subjects such as labor market infor-
7 mation, résumé writing, interviewing techniques, and
8 techniques for finding job openings, that is designed
9 to provide participants with knowledge that will en-
10 able the participants to find jobs.

11 “(15) ~~ON-THE-JOB TRAINING.~~—The term ‘on-
12 the-job training’ means training provided by an em-
13 ployer to an individual who is employed by the em-
14 ployer.

15 “(16) ~~PARTIAL SEPARATION.~~—A partial separa-
16 tion shall be considered to exist with respect to an
17 individual if—

18 “(A) the individual has had a 20-percent
19 or greater reduction in the average weekly
20 hours worked by that individual in adversely af-
21 fected employment; and

22 “(B) the individual has had a 20-percent
23 or greater reduction in the average weekly wage
24 of the individual with respect to adversely af-
25 fected employment.

1 “(17) REGULAR COMPENSATION.—The term
2 ‘regular compensation’ has the meaning given that
3 term in section 205(2) of the Federal-State Ex-
4 tended Unemployment Compensation Act of 1970
5 (26 U.S.C. 3304 note).

6 “(18) SECRETARY.—The term ‘Secretary’
7 means the Secretary of Labor.

8 “(19) STATE.—The term ‘State’ includes each
9 State of the United States, the District of Columbia,
10 and the Commonwealth of Puerto Rico.

11 “(20) STATE AGENCY.—The term ‘State agen-
12 cy’ means the agency of the State that administers
13 the State law.

14 “(21) STATE LAW.—The term ‘State law’
15 means the unemployment insurance law of the State
16 approved by the Secretary under section 3304 of the
17 Internal Revenue Code of 1986.

18 “(22) SUPPLIER.—The term ‘supplier’ means a
19 firm that produces component parts for, or articles
20 considered to be a part of, the production process
21 for articles produced by a firm or subdivision cov-
22 ered by a certification of eligibility under section
23 231. The term ‘supplier’ also includes a firm that
24 provides services under contract to a firm or subdivi-
25 sion covered by such certification.

1 “(23) TOTAL SEPARATION.—The term ‘total
2 separation’ means the layoff or severance of an indi-
3 vidual from employment with a firm in which or in
4 a subdivision of which, adversely affected employ-
5 ment exists.

6 “(24) UNEMPLOYMENT INSURANCE.—The term
7 ‘unemployment insurance’ means the unemployment
8 compensation payable to an individual under any
9 State law or Federal unemployment compensation
10 law, including chapter 85 of title 5, United States
11 Code, and the Railroad Unemployment Insurance
12 Act (45 U.S.C. 351 et seq.).

13 “(25) WEEK.—Except as provided in paragraph
14 5(B)(ii), the term ‘week’ means a week as defined
15 in the applicable State law.

16 “(26) WEEK OF UNEMPLOYMENT.—The term
17 ‘week of unemployment’ means a week of total, part-
18 total, or partial unemployment as determined under
19 the applicable State law or Federal unemployment
20 insurance law.

21 **“SEC. 222. AGREEMENTS WITH STATES.**

22 “(a) IN GENERAL.—The Secretary is authorized on
23 behalf of the United States to enter into an agreement
24 with any State to facilitate the provision of services under
25 this chapter.

1 ~~“(b) TERMS OF AGREEMENTS.—~~

2 ~~“(1) IN GENERAL.—Any agreement entered~~
 3 ~~into under subsection (a) shall require that the deliv-~~
 4 ~~ery of services under this chapter take place under~~
 5 ~~title I of the Workforce Investment Act of 1998 (29~~
 6 ~~U.S.C. 2801 et seq.); upon terms and conditions as~~
 7 ~~are established by the Secretary in consultation with~~
 8 ~~the State and set forth in the agreement.~~

9 ~~“(2) PROVISIONS OF AGREEMENTS.—Under an~~
 10 ~~agreement entered into under subsection (a), and as~~
 11 ~~an agent of the United States, the State shall—~~

12 ~~“(A) facilitate the early filing of petitions~~
 13 ~~under section 231(b) for any group of workers~~
 14 ~~that the State considers are likely to be eligible~~
 15 ~~for benefits under this chapter;~~

16 ~~“(B) assist the Secretary in the review of~~
 17 ~~any petition submitted from that State by~~
 18 ~~verifying the information and providing other~~
 19 ~~assistance as the Secretary may request;~~

20 ~~“(C) provide to adversely affected workers~~
 21 ~~statewide rapid response activities under section~~
 22 ~~134(a)(2)(A) of the Workforce Investment Act~~
 23 ~~of 1998 (29 U.S.C. 2864(a)(2)(A)) in the same~~
 24 ~~manner and to the same extent as any other~~
 25 ~~worker eligible for those activities;~~

1 “(D) arrange for the provision of services
2 through the one-stop delivery system estab-
3 lished in section 134(c) of the Workforce In-
4 vestment Act of 1998 (29 U.S.C. 2864(c));

5 “(E) advise each worker who applies for
6 unemployment insurance of the available bene-
7 fits under this chapter and the procedures and
8 deadlines for applying for those benefits;

9 “(F) receive applications for services under
10 this chapter;

11 “(G) provide payments on the basis pro-
12 vided in this chapter;

13 “(H) afford adversely affected workers the
14 services provided under section 134(d) of the
15 Workforce Investment Act of 1998 (29 U.S.C.
16 2864(d)) in the same manner and to the same
17 extent as any other worker eligible for those
18 services;

19 “(I) advise each adversely affected worker
20 to apply for training under section 240, and of
21 the deadlines for benefits related to enrollment
22 in training under this chapter;

23 “(J) ensure that State employees with re-
24 sponsibility for carrying out an agreement en-
25 tered into under subsection (a)—

1 “(i) inform adversely affected workers
2 covered by a certification issued under sec-
3 tion 231(e) of the workers’ (and individual
4 member’s of the worker’s family) potential
5 eligibility for—

6 “(I) medical assistance under the
7 medicaid program established under
8 title XIX of the Social Security Act
9 (42 U.S.C. 1396a et seq.);

10 “(II) child health assistance
11 under the State children’s health in-
12 surance program established under
13 title XXI of that Act (42 U.S.C.
14 1397aa et seq.);

15 “(III) child care services for
16 which assistance is provided under the
17 Child Care and Development Block
18 Grant Act of 1990 (42 U.S.C. 9858 et
19 seq.); and

20 “(IV) other Federal and State
21 funded health care, child care, trans-
22 portation, and assistance programs
23 that the workers may be eligible for;
24 and

1 “(ii) provide such workers with infor-
2 mation regarding how to apply for such as-
3 sistance, services, and programs;

4 “(K) provide adversely affected workers re-
5 ferral to training under title I of the Workforce
6 Investment Act of 1998 (29 U.S.C. 2801 et
7 seq.); or any other available Federal or State
8 program designed to assist dislocated workers
9 or unemployed individuals;

10 “(L) provide services under this chapter
11 using individuals approved by the Secretary to
12 effectively assist workers eligible for assistance
13 under this chapter;

14 “(M) collect and transmit to the Secretary
15 any data as the Secretary shall reasonably re-
16 quire to assist the Secretary in assuring the ef-
17 fective and efficient performance of the pro-
18 grams carried out under this chapter; and

19 “(N) otherwise actively cooperate with the
20 Secretary and with other Federal and State
21 agencies in providing payments and services
22 under this chapter, including participation in
23 the performance measurement system estab-
24 lished by the Secretary under section 224.

25 “(e) OTHER PROVISIONS.—

1 “(1) APPROVAL OF PROVIDERS.—The Secretary
2 shall ensure that the services provided by cooper-
3 ating States are provided by individuals approved by
4 the Secretary to effectively assist workers eligible for
5 assistance under this chapter.

6 “(2) AMENDMENT, SUSPENSION, OR TERMI-
7 NATION OF AGREEMENTS.—Each agreement entered
8 into under this section shall provide the terms and
9 conditions upon which the agreement may be amend-
10 ed, suspended, or terminated.

11 “(3) EFFECT ON UNEMPLOYMENT INSUR-
12 ANCE.—Each agreement entered into under this sec-
13 tion shall provide that unemployment insurance oth-
14 erwise payable to any adversely affected worker will
15 not be denied or reduced for any week by reason of
16 any right to payments under this chapter.

17 “(4) COORDINATION OF WORKFORCE INVEST-
18 MENT ACTIVITIES.—In order to promote the coordi-
19 nation of Workforce Investment Act activities in
20 each State with activities carried out under this
21 chapter, each agreement entered into under this sec-
22 tion shall provide that the State shall submit to the
23 Secretary, in a form as the Secretary may require,
24 the description and information described in para-
25 graphs (8) and (14) of section 112(b) of the Work-

1 force Investment Act of 1998 (29 U.S.C. 2822(b)
2 (8) and (14)).

3 “(d) REVIEW OF STATE DETERMINATIONS.—

4 “(1) IN GENERAL.—A determination by a co-
5 operating State regarding entitlement to program
6 benefits under this chapter is subject to review in
7 the same manner and to the same extent as deter-
8 minations under the applicable State law.

9 “(2) APPEAL.—A review undertaken by a co-
10 operating State under paragraph (1) may be ap-
11 pealed to the Secretary pursuant to such regulations
12 as the Secretary may prescribe.

13 **“SEC. 223. ADMINISTRATION ABSENT STATE AGREEMENT.**

14 “(a) IN GENERAL.—In any State in which there is
15 no agreement in force under section 222, the Secretary
16 shall arrange, under regulations prescribed by the Sec-
17 retary, for the performance of all necessary functions
18 under this chapter, including providing a hearing for any
19 worker whose application for payment is denied.

20 “(b) FINALITY OF DETERMINATION.—A final deter-
21 mination under subsection (a) regarding entitlement to
22 program benefits under this chapter is subject to review
23 by the courts in the same manner and to the same extent
24 as is provided by section 205(g) of the Social Security Act
25 (42 U.S.C. 405(g)).

1 **~~“SEC. 224. DATA COLLECTION; EVALUATIONS; REPORTS.~~**

2 ~~“(a) DATA COLLECTION.—The Secretary shall, pur-~~
 3 ~~suant to regulations prescribed by the Secretary, collect~~
 4 ~~any data necessary to meet the requirements of this chap-~~
 5 ~~ter.~~

6 ~~“(b) PERFORMANCE EVALUATIONS.—The Secretary~~
 7 ~~shall establish an effective performance measuring system~~
 8 ~~to evaluate the following:~~

9 ~~“(1) PROGRAM PERFORMANCE.—~~

10 ~~“(A) speed of petition processing;~~

11 ~~“(B) quality of petition processing;~~

12 ~~“(C) cost of training programs;~~

13 ~~“(D) coordination of programs under this~~
 14 ~~title with programs under the Workforce Invest-~~
 15 ~~ment Act (29 U.S.C. 2801 et seq.);~~

16 ~~“(E) length of time participants take to~~
 17 ~~enter and complete training programs;~~

18 ~~“(F) the effectiveness of individual con-~~
 19 ~~tractors in providing appropriate retraining in-~~
 20 ~~formation;~~

21 ~~“(G) the effectiveness of individual ap-~~
 22 ~~proved training programs in helping workers~~
 23 ~~obtain employment;~~

24 ~~“(H) best practices related to the provision~~
 25 ~~of benefits and retraining; and~~

1 “(I) other data to evaluate how individual
2 States are implementing the requirements of
3 this title.

4 “(2) PARTICIPANT OUTCOMES.—

5 “(A) reemployment rates;

6 “(B) types of jobs in which displaced work-
7 ers have been placed;

8 “(C) wage and benefit maintenance results;

9 “(D) training completion rates; and

10 “(E) other data to evaluate how effective
11 programs under this chapter are for partici-
12 pants.

13 “(3) PROGRAM PARTICIPATION DATA.—

14 “(A) the number of workers receiving ben-
15 efits and the type of benefits being received;

16 “(B) the number of workers enrolled in,
17 and the duration of, training by major types of
18 training; and

19 “(C) earnings history of workers that re-
20 flects wages before separation and wages in any
21 job obtained after receiving benefits under this
22 Act.

23 “(e) STATE PARTICIPATION.—The Secretary shall
24 ensure, to the extent practicable, through oversight and
25 effective internal control measures the following:

1 ~~“(1) STATE PARTICIPATION.—~~Participation by
 2 each State in the performance measurement system
 3 established under subsection (b).
 4

5 ~~“(2) MONITORING.—~~Monitoring by each State
 6 of internal control measures with respect to perform-
 7 ance measurement data collected by each State.
 8

9 ~~“(3) RESPONSE.—~~The quality and speed of the
 10 rapid response provided by each State under section
 11 ~~134(a)(2)(A) of the Workforce Investment Act of~~
 12 ~~1998 (29 U.S.C. 2864(a)(2)(A)).~~
 13

14 ~~“(d) REPORTS.—~~

15 ~~“(1) REPORTS BY THE SECRETARY.—~~

16 ~~“(A) INITIAL REPORT.—~~Not later than 6
 17 months after the date of enactment of this Act,
 18 the Secretary shall submit to the Committee on
 19 Finance of the Senate and the Committee on
 20 Ways and Means of the House of Representa-
 21 tives a report that—
 22

23 ~~“(i) describes the performance meas-~~
 24 ~~urement system established under sub-~~
 25 ~~section (b);~~

26 ~~“(ii) includes analysis of data col-~~
 27 ~~lected through the system established~~
 28 ~~under subsection (b);~~

1 “(iii) includes information identifying
2 the number of workers who received waiv-
3 ers under section 235(e) and the average
4 duration of those during the preceding
5 year;

6 “(iv) describes and analyzes State
7 participation in the system;

8 “(v) analyzes the quality and speed of
9 the rapid response provided by each State
10 under section 134(a)(2)(A) of the Work-
11 force Investment Act of 1998 (29 U.S.C.
12 2864(a)(2)(A)); and

13 “(vi) provides recommendations for
14 program improvements.

15 “(B) ANNUAL REPORT.—Not later than 1
16 year after the date the report is submitted
17 under subparagraph (A), and annually there-
18 after, the Secretary shall submit to the Com-
19 mittee on Finance of the Senate and the Com-
20 mittee on Ways and Means of the House of
21 Representatives a report that includes the infor-
22 mation collected under clauses (ii) through (iv)
23 of subparagraph (A).

24 “(2) STATE REPORTS.—Pursuant to regulations
25 prescribed by the Secretary, each State shall submit

1 to the Secretary a report that details its participa-
 2 tion in the programs established under this chapter,
 3 and that contains the data necessary to allow the
 4 Secretary to submit the report required under para-
 5 graph (1).

6 “(3) PUBLICATION.—The Secretary shall make
 7 available to each State, and other public and private
 8 organizations as determined by the Secretary, the
 9 data gathered and evaluated through the perform-
 10 ance measurement system established under para-
 11 graph (1).

12 **“SEC. 225. STUDY BY SECRETARY OF LABOR WHEN INTER-**
 13 **NATIONAL TRADE COMMISSION BEGINS IN-**
 14 **VESTIGATION.**

15 “(a) NOTIFICATION OF INVESTIGATION.—Whenever
 16 the International Trade Commission begins an investiga-
 17 tion under section 202 with respect to an industry, the
 18 Commission shall immediately notify the Secretary of that
 19 investigation, and the Secretary shall immediately begin
 20 a study of—

21 “(1) the number of workers in the domestic in-
 22 dustry producing the like or directly competitive ar-
 23 ticle who have been or are likely to be certified as
 24 eligible for adjustment assistance under this chapter;
 25 and

1 “(2) the extent to which the adjustment of
2 those workers to the import competition may be fa-
3 cilitated through the use of existing programs.

4 “(b) REPORT.—

5 “(1) IN GENERAL.—The Secretary shall provide
6 a report based on the study conducted under sub-
7 section (a) to the President not later than 15 days
8 after the day on which the Commission makes its re-
9 port under section 202(f).

10 “(2) PUBLICATION.—The Secretary shall
11 promptly make public the report provided to the
12 President under paragraph (1) (with the exception
13 of information which the Secretary determines to be
14 confidential) and shall have a summary of the report
15 published in the Federal Register.

16 **“Subchapter B—Certifications**

17 **“SEC. 231. CERTIFICATION AS ADVERSELY AFFECTED** 18 **WORKERS.**

19 “(a) ELIGIBILITY FOR CERTIFICATION.—

20 “(1) GENERAL RULE.—A group of workers (in-
21 cluding workers in any agricultural firm or subdivi-
22 sion of an agricultural firm) shall be certified by the
23 Secretary as adversely affected workers and eligible
24 for trade adjustment assistance benefits under this

chapter pursuant to a petition filed under subsection
 (b) if the Secretary determines that—

“(A) a significant number or proportion of
 the workers in the workers’ firm or an appropriate
 subdivision of the firm have become totally or
 partially separated, or are threatened to become
 totally or partially separated; and

“(B)(i)(I) the value and volume of imports
 of articles like or directly competitive with articles
 produced by that firm or subdivision have increased;
 and

“(H) the increase in the value and volume of
 imports described in subclause (I) contributed
 importantly to the workers’ separation or threat of
 separation; or

“(ii)(I) there has been a shift in production
 by the workers’ firm or subdivision to a foreign
 country of articles like or directly competitive
 with articles which are produced by that firm or
 subdivision; and

“(H) the shift in production described in
 subclause (I) contributed importantly to the
 workers’ separation or threat of separation.

“(2) ADVERSELY AFFECTED SECONDARY WORKER.—A
 group of workers (including workers in any

1 agricultural firm or subdivision of an agricultural
 2 firm) shall be certified by the Secretary as adversely
 3 affected and eligible for trade adjustment assistance
 4 benefits under this chapter pursuant to a petition
 5 filed under subsection (b) if the Secretary deter-
 6 mines that—

7 “(A) a significant number or proportion of
 8 the workers in the workers’ firm or an appro-
 9 priate subdivision of the firm have become to-
 10 tally or partially separated, or are threatened to
 11 become totally or partially separated;

12 “(B) the workers’ firm (or subdivision) is
 13 a supplier to a firm (or subdivision) or down-
 14 stream producer to a firm (or subdivision) de-
 15 scribed in paragraph (1)(B) (i) or (ii); and

16 “(C) a loss of business with a firm (or sub-
 17 division) described in paragraph (1)(B) (i) or
 18 (ii) contributed importantly to the workers’ sep-
 19 aration or threat of separation determined
 20 under subparagraph (A).

21 “(3) SPECIAL PROVISIONS.—For purposes of
 22 this section—

23 “(A) OIL AND NATURAL GAS PRO-
 24 DUCERS.—Any firm, or appropriate subdivision
 25 of a firm, that engages in exploration or drilling

1 for oil or natural gas shall be considered to be
2 a firm producing oil or natural gas.

3 ~~“(B) OIL AND NATURAL GAS IMPORTS.—~~
4 Any firm, or appropriate subdivision of a firm,
5 that engages in exploration or drilling for oil or
6 natural gas, or otherwise produces oil or nat-
7 ural gas, shall be considered to be producing ar-
8 ticles directly competitive with imports of oil
9 and with imports of natural gas.

10 ~~“(C) TACONITE.—~~For purposes of this
11 Act, taconite pellets produced in the United
12 States shall be considered to be an article that
13 is like or directly competitive with imports of
14 semifinished steel slab.

15 ~~“(D) TRUCKERS.—~~Not later than 6
16 months after the date of enactment of the
17 Trade Adjustment Assistance for Workers,
18 Farmers, Communities, and Firms Act of 2001,
19 the Secretary shall establish a program to pro-
20 vide assistance under this chapter to domestic
21 operators of motor carriers who are adversely
22 affected by competition from foreign owned and
23 operated motor carriers.

24 ~~“(b) PETITIONS.—~~

1 ~~“(1) IN GENERAL.—A petition for certification~~
 2 ~~of eligibility for trade adjustment assistance under~~
 3 ~~this chapter for a group of adversely affected work-~~
 4 ~~ers shall be filed with the Secretary and with the~~
 5 ~~Governor of the State in which the firm or subdivi-~~
 6 ~~sion of the firm employing the workers is located.~~

7 ~~“(2) PERSONS WHO MAY FILE A PETITION.—A~~
 8 ~~petition under paragraph (1) may be filed by any of~~
 9 ~~the following:~~

10 ~~“(A) WORKERS.—The group of workers~~
 11 ~~(including workers in an agricultural firm or~~
 12 ~~subdivision or any agricultural firm).~~

13 ~~“(B) WORKER REPRESENTATIVES.—The~~
 14 ~~certified or recognized union or other duly ap-~~
 15 ~~pointed representative of the workers.~~

16 ~~“(C) WORKER ADJUSTMENT AND RE-~~
 17 ~~TRAINING NOTIFICATION.—Any entity to which~~
 18 ~~notice of a plant closing or mass layoff must be~~
 19 ~~given under section 3 of the Worker Adjust-~~
 20 ~~ment and Retraining Notification Act (29~~
 21 ~~U.S.C. 2102).~~

22 ~~“(D) OTHER.—Employers of workers de-~~
 23 ~~scribed in subparagraph (A); one-stop operators~~
 24 ~~or one-stop partners (as defined in section 101~~
 25 ~~of the Workforce Investment Act of 1998 (29~~

U.S.C. 2801)), or State employment agencies,
on behalf of the workers.

~~“(E) REQUEST TO INITIATE CERTIFI-~~
~~CATION.—The President, or the Committee on~~
~~Finance of the Senate or the Committee on~~
~~Ways and Means of the House of Representa-~~
~~tives (by resolution), may direct the Secretary~~
~~to initiate a certification process under this~~
~~chapter to determine the eligibility for trade ad-~~
~~justment assistance of a group of workers.~~

~~“(3) ACTIONS BY GOVERNOR.—~~

~~“(A) COOPERATING STATE.—Upon receipt~~
~~of a petition, the Governor of a cooperating~~
~~State shall ensure that the requirements of the~~
~~agreement entered into under section 222 are~~
~~met.~~

~~“(B) OTHER STATES.—Upon receipt of a~~
~~petition, the Governor of a State that has not~~
~~entered into an agreement under section 222~~
~~shall coordinate closely with the Secretary to~~
~~ensure that workers covered by a petition are—~~

~~“(i) provided with all available serv-~~
~~ices, including rapid response activities~~
~~under section 134 of the Workforce Invest-~~
~~ment Act (29 U.S.C. 2864);~~

1 “(ii) informed of the workers’ (and in-
2 dividual member’s of the worker’s family)
3 potential eligibility for—

4 “(I) medical assistance under the
5 medicaid program established under
6 title XIX of the Social Security Act
7 (42 U.S.C. 1396a et seq.);

8 “(II) child health assistance
9 under the State children’s health in-
10 surance program established under
11 title XXI of that Act (42 U.S.C.
12 1397aa et seq.);

13 “(III) child care services for
14 which assistance is provided under the
15 Child Care and Development Block
16 Grant Act of 1990 (42 U.S.C. 9858 et
17 seq.); and

18 “(IV) other Federal and State
19 funded health care, child care, trans-
20 portation, and assistance programs
21 that the workers may be eligible for;
22 and

23 “(iii) provided with information re-
24 garding how to apply for the assistance;

1 services, and programs described in clause
 2 (ii).

3 ~~“(c) ACTIONS BY SECRETARY.—~~

4 ~~“(1) IN GENERAL.—As soon as possible after~~
 5 ~~the date on which a petition is filed under subsection~~
 6 ~~(b), but not later than 45 days after that date, the~~
 7 ~~Secretary shall determine whether the petitioning~~
 8 ~~group meets the requirements of subsection (a) and~~
 9 ~~if warranted, shall issue a certification of eligibility~~
 10 ~~for trade adjustment assistance under this sub-~~
 11 ~~chapter.~~

12 ~~“(2) PUBLICATION OF DETERMINATION.—Upon~~
 13 ~~making a determination under paragraph (1), the~~
 14 ~~Secretary shall promptly publish a summary of the~~
 15 ~~determination in the Federal Register together with~~
 16 ~~the reasons for making that determination.~~

17 ~~“(3) DATE SPECIFIED IN CERTIFICATION.—~~
 18 ~~Each certification made under this subsection shall~~
 19 ~~specify the date on which the total or partial separa-~~
 20 ~~tion began or threatened to begin with respect to a~~
 21 ~~group of certified workers.~~

22 ~~“(4) PROJECTED TRAINING NEEDS.—The Sec-~~
 23 ~~retary shall inform the State Workforce Investment~~
 24 ~~Board or equivalent agency, and other public or pri-~~
 25 ~~vate agencies, institutions, and employers, as appro-~~

1 prate, of each certification issued under section 231
 2 and of projections, if available, of the needs for
 3 training under section 240 as a result of that certifi-
 4 cation.

5 “(d) SCOPE OF CERTIFICATION.—

6 “(1) IN GENERAL.—A certification issued under
 7 subsection (c) shall cover adversely affected workers
 8 in any group that meets the requirements of sub-
 9 section (a), whose total or partial separation oc-
 10 curred on or after the date on which the petition
 11 was filed under subsection (b).

12 “(2) WORKERS SEPARATED PRIOR TO CERTIFI-
 13 CATION.—A certification issued under subsection (c)
 14 shall cover adversely affected workers whose total or
 15 partial separation occurred not more than 1 year
 16 prior to the date on which the petition was filed
 17 under subsection (b).

18 “(e) TERMINATION OF CERTIFICATION.—

19 “(1) IN GENERAL.—If the Secretary deter-
 20 mines, with respect to any certification of eligibility,
 21 that workers separated from a firm or subdivision
 22 covered by a certification of eligibility are no longer
 23 adversely affected workers, the Secretary shall ter-
 24 minate the certification.

1 ~~“(2) PUBLICATION OF TERMINATION.—~~The
 2 Secretary shall promptly publish notice of any termi-
 3 nation made under paragraph (1) in the Federal
 4 Register together with the reasons for making that
 5 determination.

6 ~~“(3) APPLICATION.—~~Any determination made
 7 under paragraph (1) shall apply only to total or par-
 8 tial separations occurring after the termination date
 9 specified by the Secretary.

10 **~~“SEC. 232. BENEFIT INFORMATION TO WORKERS.~~**

11 ~~“(a) IN GENERAL.—~~The Secretary shall, in accord-
 12 ance with the provisions of section 222 or 223, as appro-
 13 priate, provide prompt and full information to adversely
 14 affected workers covered by a certification issued under
 15 section 231(e), including information regarding—

16 ~~“(1) benefit allowances, training, and other em-~~
 17 ployment services available under this chapter;

18 ~~“(2) petition and application procedures under~~
 19 this chapter;

20 ~~“(3) appropriate filing dates for the allowances,~~
 21 training, and services available under this chapter;
 22 and

23 ~~“(4) procedures for applying for and receiving~~
 24 all other Federal benefits and services available to
 25 separated workers during a period of unemployment.

1 “(b) ASSISTANCE TO GROUPS OF WORKERS.—

2 “(1) IN GENERAL.—The Secretary shall provide
3 any necessary assistance to enable groups of workers
4 to prepare petitions or applications for program ben-
5 efits.

6 “(2) ASSISTANCE FROM STATES.—The Sec-
7 retary shall ensure that cooperating States fully
8 comply with the agreements entered into under sec-
9 tion 222 and shall periodically review that compli-
10 ance.

11 “(c) NOTICE.—

12 “(1) IN GENERAL.—Not later than 15 days
13 after a certification is issued under section 231 (or
14 as soon as practicable after separation), the Sec-
15 retary shall provide written notice of the benefits
16 available under this chapter to each worker whom
17 the Secretary has reason to believe is covered by the
18 certification.

19 “(2) PUBLICATION OF NOTICE.—The Secretary
20 shall publish notice of the benefits available under
21 this chapter to workers covered by each certification
22 made under section 231 in newspapers of general
23 circulation in the areas in which those workers re-
24 side.

1 **“Subchapter C—Program Benefits**

2 **“PART I—GENERAL PROVISIONS**

3 **“SEC. 234. COMPREHENSIVE ASSISTANCE.**

4 “Workers covered by a certification issued by the Sec-
5 retary under section 231 shall be eligible for the following:

6 ““(1) Trade adjustment allowances as described
7 in sections 235 through 238.

8 ““(2) Employment services as described in sec-
9 tion 239.

10 ““(3) Training as described in section 240.

11 ““(4) Job search allowances as described in sec-
12 tion 241.

13 ““(5) Relocation allowances as described in sec-
14 tion 242.

15 ““(6) Supportive services and wage insurance as
16 described in section 243.

17 **“PART II—TRADE ADJUSTMENT ALLOWANCES**

18 **“SEC. 235. QUALIFYING REQUIREMENTS FOR WORKERS.**

19 ““(a) IN GENERAL.—Payment of a trade adjustment
20 allowance shall be made to an adversely affected worker
21 covered by a certification under section 231 who files an
22 application for the allowance for any week of unemploy-
23 ment that begins more than 60 days after the date on
24 which the petition that resulted in the certification was
25 filed under section 231, if the following conditions are met:

1 “(1) TIME OF TOTAL OR PARTIAL SEPARATION
2 FROM EMPLOYMENT.—The adversely affected work-
3 er’s total or partial separation before the worker’s
4 application under this chapter occurred—

5 “(A) on or after the date, as specified in
6 the certification under which the worker is cov-
7 ered, on which total or partial separation from
8 adversely affected employment began or threat-
9 ened to begin in the adversely affected employ-
10 ment;

11 “(B) before the expiration of the 2-year
12 period beginning on the date on which the cer-
13 tification under section 231 was issued; and

14 “(C) before the termination date (if any)
15 determined pursuant to section 231(e).

16 “(2) EMPLOYMENT REQUIRED.—

17 “(A) IN GENERAL.—The adversely affected
18 worker had, in the 52-week period ending with
19 the week in which the total or partial separa-
20 tion occurred, at least 26 weeks of employment
21 at wages of \$20 or more a week with a single
22 firm or subdivision of a firm.

23 “(B) UNAVAILABILITY OF DATA.—If data
24 with respect to weeks of employment with a
25 firm are not available, the worker had equiva-

1 lent amounts of employment computed under
2 regulations prescribed by the Secretary.

3 ~~“(C) WEEK OF EMPLOYMENT.—~~For the
4 purposes of this paragraph any week shall be
5 treated as a week of employment at wages of
6 \$30 or more, if an adversely affected worker—

7 ~~“(i) is on employer-authorized leave~~
8 ~~for purposes of vacation, sickness, injury,~~
9 ~~maternity, or inactive duty or active duty~~
10 ~~military service for training;~~

11 ~~“(ii) does not work because of a dis-~~
12 ~~ability that is compensable under a work-~~
13 ~~men’s compensation law or plan of a State~~
14 ~~or the United States;~~

15 ~~“(iii) had employment interrupted in~~
16 ~~order to serve as a full-time representative~~
17 ~~of a labor organization in that firm or sub-~~
18 ~~division; or~~

19 ~~“(iv) is on call-up for purposes of ac-~~
20 ~~tive duty in a reserve status in the Armed~~
21 ~~Forces of the United States; provided that~~
22 ~~active duty is ‘Federal service’ as defined~~
23 ~~in section 8521(a)(1) of title 5, United~~
24 ~~States Code.~~

25 ~~“(D) EXCEPTIONS.—~~

1 “(i) In the case of weeks described in
 2 clause (i) or (iii) of subparagraph (C), or
 3 both, not more than 7 weeks may be treat-
 4 ed as weeks of employment under subpara-
 5 graph (C).

6 “(ii) In the case of weeks described in
 7 clause (ii) or (iv) of subparagraph (C), not
 8 more than 26 weeks may be treated as
 9 weeks of employment under subparagraph
 10 (C).

11 “(3) UNEMPLOYMENT COMPENSATION.—The
 12 adversely affected worker meets all of the following
 13 requirements:

14 “(A) ENTITLEMENT TO UNEMPLOYMENT
 15 INSURANCE.—The worker was entitled to (or
 16 would be entitled to if the worker applied for)
 17 unemployment insurance for a week within the
 18 benefit period—

19 “(i) in which total or partial separa-
 20 tion took place; or

21 “(ii) which began (or would have
 22 begun) by reason of the filing of a claim
 23 for unemployment insurance by the worker
 24 after total or partial separation.

1 ~~“(B) EXHAUSTION OF UNEMPLOYMENT IN-~~
 2 ~~SURANCE.—The worker has exhausted all rights~~
 3 ~~to any unemployment insurance to which the~~
 4 ~~worker was entitled (or would be entitled if the~~
 5 ~~worker had applied for any unemployment in-~~
 6 ~~surance).~~

7 ~~“(C) NO UNEXPIRED WAITING PERIOD.—~~
 8 ~~The worker does not have an unexpired waiting~~
 9 ~~period applicable to the worker for any unem-~~
 10 ~~ployment insurance.~~

11 ~~“(4) EXTENDED UNEMPLOYMENT COMPENSA-~~
 12 ~~TION.—The adversely affected worker, with respect~~
 13 ~~to a week of unemployment, would not be disquali-~~
 14 ~~fied for extended compensation payable under the~~
 15 ~~Federal-State Extended Unemployment Compensa-~~
 16 ~~tion Act of 1970 (26 U.S.C. 3304 note) by reason~~
 17 ~~of the work acceptance and job search requirements~~
 18 ~~in section 202(a)(3) of that Act.~~

19 ~~“(5) TRAINING.—The adversely affected worker~~
 20 ~~is enrolled in a training program approved by the~~
 21 ~~Secretary under section 240(a), and the enrollment~~
 22 ~~occurred not later than the latest of the periods de-~~
 23 ~~scribed in subparagraph (A), (B), or (C).~~

24 ~~“(A) 16 WEEKS.—The worker enrolled not~~
 25 ~~later than the last day of the 16th week after~~

1 the worker's most recent total separation that
 2 meets the requirements of paragraphs (1) and
 3 ~~(2)~~.

4 “(B) 8 WEEKS.—The worker enrolled not
 5 later than the last day of the 8th week after the
 6 week in which the Secretary issues a certifi-
 7 cation covering the worker.

8 “(C) EXTENUATING CIRCUMSTANCES.—
 9 Notwithstanding subparagraphs (A) and (B),
 10 the adversely affected worker is eligible for
 11 trade adjustment assistance if the worker en-
 12 rolled not later than 45 days after the later of
 13 the dates specified in subparagraph (A) or (B),
 14 and the Secretary determines there are extenu-
 15 ating circumstances that justify an extension in
 16 the enrollment period.

17 “(b) FAILURE TO PARTICIPATE IN TRAINING.—

18 “(1) IN GENERAL.—Until the adversely affected
 19 worker begins or resumes participation in a training
 20 program approved under section 240(a), no trade
 21 adjustment allowance may be paid under subsection
 22 (a) to an adversely affected worker for any week or
 23 any succeeding week in which—

24 “(A) the Secretary determines that—

25 “(i) the adversely affected worker—

1 “(I) has failed to begin participa-
 2 tion in a training program the enroll-
 3 ment in which meets the requirement
 4 of subsection (a)(5); or

5 “(II) has ceased to participate in
 6 such a training program before com-
 7 pleting the training program; and

8 “(ii) there is no justifiable cause for
 9 the failure or cessation; or

10 “(B) the waiver issued to that worker
 11 under subsection (c)(1) is revoked under sub-
 12 section (c)(2).

13 “(2) EXCEPTION.—The provisions of subsection
 14 (a)(5) and paragraph (1) shall not apply with re-
 15 spect to any week of unemployment that begins be-
 16 fore the first week following the week in which the
 17 certification is issued under section 231.

18 “(c) WAIVERS OF TRAINING REQUIREMENTS.—

19 “(1) ISSUANCE OF WAIVERS.—The Secretary
 20 may issue a written statement to an adversely af-
 21 fected worker waiving the requirement to be enrolled
 22 in training described in subsection (a) if the Sec-
 23 retary determines that the training requirement is
 24 not feasible or appropriate for the worker, as indi-
 25 cated by 1 or more of the following:

1 “(A) **RECALL.**—The worker has been noti-
2 fied that the worker will be recalled by the firm
3 from which the separation occurred.

4 “(B) **MARKETABLE SKILLS.**—The worker
5 has marketable skills as determined pursuant to
6 an assessment of the worker, which may include
7 the profiling system under section 303(j) of the
8 Social Security Act (42 U.S.C. 503(j)), carried
9 out in accordance with guidelines issued by the
10 Secretary.

11 “(C) **RETIREMENT.**—The worker is within
12 2 years of meeting all requirements for entitle-
13 ment to old-age insurance benefits under title II
14 of the Social Security Act (42 U.S.C. 401 et
15 seq.) (except for application therefore).

16 “(D) **HEALTH.**—The worker is unable to
17 participate in training due to the health of the
18 worker, except that a waiver under this sub-
19 paragraph shall not be construed to exempt a
20 worker from requirements relating to the avail-
21 ability for work, active search for work, or re-
22 fusal to accept work under Federal or State un-
23 employment compensation laws.

24 “(E) **ENROLLMENT UNAVAILABLE.**—The
25 first available enrollment date for the approved

1 training of the worker is within 60 days after
 2 the date of the determination made under this
 3 paragraph, or, if later, there are extenuating
 4 circumstances for the delay in enrollment, as
 5 determined pursuant to guidelines issued by the
 6 Secretary.

7 “(F) DURATION.—The duration of train-
 8 ing appropriate for the individual to obtain suit-
 9 able employment exceeds the individual’s max-
 10 imum entitlement to basic and additional trade
 11 adjustment allowances and, in addition, finan-
 12 cial support available through other Federal or
 13 State programs, including chapter 5 of subtitle
 14 B of title I of the Workforce Investment Act of
 15 1998 (29 U.S.C. 2861 et seq.), that would en-
 16 able the individual to complete a suitable train-
 17 ing program cannot be assured.

18 “(G) EMPLOYMENT AVAILABLE.—There is
 19 employment (which may include technical and
 20 professional employment) available for an ad-
 21 versely affected worker that offers equivalent
 22 wages to those that the adversely affected work-
 23 er earned prior to separation.

24 “(H) NO BENEFIT.—The worker would
 25 not benefit from any training, or no training

1 that is suitable for the worker is available at a
2 reasonable cost.

3 “(I) NO REASONABLE EXPECTATION OF
4 EMPLOYMENT.—There is no reasonable expecta-
5 tion of employment following completion of the
6 training.

7 “(J) TRAINING NOT AVAILABLE.—Training
8 approved by the Secretary is not reasonably
9 available to the worker from either govern-
10 mental agencies or private sources (which may
11 include area vocational education schools, as de-
12 fined in section 3 of the Carl D. Perkins Voca-
13 tional and Technical Education Act of 1998 (20
14 U.S.C. 2302), and employers).

15 “(K) WORKER NOT QUALIFIED.—The
16 worker is not qualified to undertake and com-
17 plete any training.

18 “(2) DURATION OF WAIVERS.—

19 “(A) IN GENERAL.—A waiver issued under
20 paragraph (1) shall be effective for not more
21 than 6 months after the date on which the
22 waiver is issued, unless the Secretary deter-
23 mines otherwise.

24 “(B) REVOCATION.—The Secretary shall
25 revoke a waiver issued under paragraph (1) if

1 the Secretary determines that the basis of a
 2 waiver is no longer applicable to the worker.

3 ~~“(3) AMENDMENTS UNDER SECTION 222.—~~

4 ~~“(A) ISSUANCE BY COOPERATING~~
 5 ~~STATES.—Pursuant to an agreement under sec-~~
 6 ~~tion 222, the Secretary may authorize a cooper-~~
 7 ~~ating State to issue waivers as described in~~
 8 ~~paragraph (1) (except for the determination~~
 9 ~~under subparagraphs (F) and (G) of paragraph~~
 10 ~~(1)).~~

11 ~~“(B) SUBMISSION OF STATEMENTS.—An~~
 12 ~~agreement under section 222 shall include a re-~~
 13 ~~quirement that the cooperating State submit to~~
 14 ~~the Secretary the written statements provided~~
 15 ~~pursuant to paragraph (1) and a statement of~~
 16 ~~the reasons for the waiver.~~

17 ~~“(4) REASONABLE EXPECTATION OF EMPLOY-~~
 18 ~~MENT.—For purposes of applying subsection~~
 19 ~~(c)(1)(I), a reasonable expectation of employment~~
 20 ~~does not require that employment opportunities for~~
 21 ~~a worker be available, or offered, immediately upon~~
 22 ~~the completion of training approved under this sec-~~
 23 ~~tion.~~

1 **“SEC. 236. WEEKLY AMOUNTS.**

2 “(a) IN GENERAL.—Subject to subsections (b) and
3 (c), the trade adjustment allowance payable to an ad-
4 versely affected worker for a week of total unemployment
5 shall be an amount equal to the most recent weekly benefit
6 amount of the unemployment insurance payable to the
7 worker for a week of total unemployment preceding the
8 worker’s first exhaustion of unemployment insurance (as
9 determined for purposes of section 235(a)(3)(B)) reduced
10 (but not below zero) by—

11 “(1) any training allowance deductible under
12 subsection (c); and

13 “(2) any income that is deductible from unem-
14 ployment insurance under the disqualifying income
15 provisions of the applicable State law or Federal un-
16 employment insurance law.

17 “(b) ADJUSTMENT FOR WORKERS RECEIVING
18 TRAINING.—

19 “(1) IN GENERAL.—Any adversely affected
20 worker who is entitled to a trade adjustment allow-
21 ance and who is receiving training approved by the
22 Secretary, shall receive for each week in which the
23 worker is undergoing that training, a trade adjust-
24 ment allowance in an amount (computed for such
25 week) equal to the greater of—

1 “(A) the amount computed under sub-
2 section (a); or

3 “(B) the amount of any weekly allowance
4 for that training to which the worker would be
5 entitled under any other Federal law for the
6 training of workers, if the worker applied for
7 that allowance.

8 “(2) ALLOWANCE PAID IN LIEU OF.—Any trade
9 adjustment allowance calculated under paragraph
10 (1) shall be paid in lieu of any training allowance to
11 which the worker would be entitled under any other
12 Federal law.

13 “(3) COORDINATION WITH UNEMPLOYMENT IN-
14 SURANCE.—Any week in which a worker undergoing
15 training approved by the Secretary receives pay-
16 ments from unemployment insurance shall be sub-
17 tracted from the total number of weeks for which a
18 worker may receive trade adjustment allowance
19 under this chapter.

20 “(e) ADJUSTMENT FOR WORKERS RECEIVING AL-
21 LOWANCES UNDER OTHER FEDERAL LAW.—

22 “(1) REDUCTION IN WEEKS FOR WHICH AL-
23 LOWANCE WILL BE PAID.—If a training allowance
24 under any Federal law (other than this Act) is paid
25 to an adversely affected worker for any week of un-

1 employment with respect to which the worker would
2 be entitled (determined without regard to any dis-
3 qualification under section 235(b)) to a trade adjust-
4 ment allowance if the worker applied for that allow-
5 ance; each week of unemployment shall be deducted
6 from the total number of weeks of trade adjustment
7 allowance otherwise payable to that worker under
8 section 235(a) when the worker applies for a trade
9 adjustment allowance and is determined to be enti-
10 tled to the allowance.

11 “(2) PAYMENT OF DIFFERENCE.—If the train-
12 ing allowance paid to a worker for any week of un-
13 employment is less than the amount of the trade ad-
14 justment allowance to which the worker would be en-
15 titled if the worker applied for the trade adjustment
16 allowance; the worker shall receive, when the worker
17 applies for a trade adjustment allowance and is de-
18 termined to be entitled to the allowance; a trade ad-
19 justment allowance for that week equal to the dif-
20 ference between the training allowance and the trade
21 adjustment allowance computed under subsection
22 (b).

1 **“SEC. 237. LIMITATIONS ON TRADE ADJUSTMENT ALLOW-**
 2 **ANCES.**

3 “(a) **AMOUNT PAYABLE.**—The maximum amount of
 4 trade adjustment allowance payable to an adversely af-
 5 fected worker, with respect to the period covered by any
 6 certification, shall be the amount that is the product of
 7 104 multiplied by the trade adjustment allowance payable
 8 to the worker for a week of total unemployment (as deter-
 9 mined under section 236) reduced by the total sum of the
 10 unemployment insurance to which the worker was entitled
 11 (or would have been entitled if the worker had applied for
 12 unemployment insurance) in the worker’s first benefit pe-
 13 riod described in section 235(a)(3)(A).

14 “(b) **DURATION OF PAYMENTS.**—

15 “(1) **IN GENERAL.**—Except as provided in para-
 16 graph (2), a trade adjustment allowance shall not be
 17 paid for any week occurring after the close of the
 18 104-week period that begins with the first week fol-
 19 lowing the week in which the adversely affected
 20 worker was most recently totally separated—

21 “(A) within the period that is described in
 22 section 235(a)(1); and

23 “(B) with respect to which the worker
 24 meets the requirements of section 235(a)(2).

25 “(2) **SPECIAL RULES.**—

1 “(A) BREAK IN TRAINING.—For purposes
 2 of this chapter, a worker shall be treated as
 3 participating in a training program approved by
 4 the Secretary under section 240(a) during any
 5 week that is part of a break in a training that
 6 does not exceed 30 days if—

7 “(i) the worker was participating in a
 8 training program approved under section
 9 240(a) before the beginning of the break in
 10 training; and

11 “(ii) the break is provided under the
 12 training program.

13 “(B) ON-THE-JOB TRAINING.—No trade
 14 adjustment allowance shall be paid to a worker
 15 under this chapter for any week during which
 16 the worker is receiving on-the-job training.

17 “(c) ADJUSTMENT OF AMOUNTS PAYABLE.—
 18 Amounts payable to an adversely affected worker under
 19 this chapter shall be subject to adjustment on a week-to-
 20 week basis as may be required by section 236.

21 “(d) YEAR-END ADJUSTMENT.—

22 “(1) IN GENERAL.—Notwithstanding any other
 23 provision of this Act or any other provision of law,
 24 if the benefit year of a worker ends within an ex-
 25 tended benefit period, the number of weeks of ex-

1 tended benefits that the worker would, but for this
 2 subsection, be entitled to in that extended benefit
 3 period shall not be reduced by the number of weeks
 4 for which the worker was entitled, during that ben-
 5 efit year, to trade adjustment allowances under this
 6 part.

7 “(2) EXTENDED BENEFITS PERIOD.—For the
 8 purpose of this section the term ‘extended benefit
 9 period’ has the same meaning given that term in the
 10 Federal-State Extended Unemployment Compensa-
 11 tion Act of 1970 (26 U.S.C. 3304 note).

12 **“SEC. 238. APPLICATION OF STATE LAWS.**

13 “(a) IN GENERAL.—Except where inconsistent with
 14 the provisions of this chapter and subject to such regula-
 15 tions as the Secretary may prescribe, the availability and
 16 disqualification provisions of the State law under which
 17 an adversely affected worker is entitled to unemployment
 18 insurance (whether or not the worker has filed a claim
 19 for such insurance); or, if the worker is not so entitled
 20 to unemployment insurance, of the State in which the
 21 worker was totally or partially separated, shall apply to
 22 a worker that files an application for trade adjustment as-
 23 sistance.

24 “(b) DURATION OF APPLICABILITY.—The State law
 25 determined to be applicable with respect to a separation

1 of an adversely affected worker shall remain applicable for
 2 purposes of subsection (a), with respect to a separation
 3 until the worker becomes entitled to unemployment insur-
 4 ance under another State law (whether or not the worker
 5 has filed a claim for that insurance).

6 **~~“PART III—EMPLOYMENT SERVICES, TRAINING,~~**
 7 **~~AND OTHER ALLOWANCES~~**

8 **~~“SEC. 239. EMPLOYMENT SERVICES.~~**

9 ~~“The Secretary shall, in accordance with section 222~~
 10 ~~or 223, as applicable, make every reasonable effort to se-~~
 11 ~~cure for adversely affected workers covered by a certifi-~~
 12 ~~cation under section 231, counseling, testing, placement,~~
 13 ~~and other services provided for under any other Federal~~
 14 ~~law.~~

15 **~~“SEC. 240. TRAINING.~~**

16 ~~“(a) APPROVED TRAINING PROGRAMS.—~~

17 ~~“(1) IN GENERAL.—The Secretary shall ap-~~
 18 ~~prove training programs that include—~~

19 ~~“(A) on-the-job training;~~

20 ~~“(B) any employment or training activity~~
 21 ~~provided through a one-stop delivery system~~
 22 ~~under chapter 5 of subtitle B of title I of the~~
 23 ~~Workforce Investment Act of 1998 (29 U.S.C.~~
 24 ~~2861 et seq.);~~

25 ~~“(C) any program of adult education;~~

1 “(D) any training program (other than a
2 training program described in paragraph (3) for
3 which all, or any portion, of the costs of train-
4 ing the worker are paid—

5 “(i) under any Federal or State pro-
6 gram other than this chapter; or

7 “(ii) from any source other than this
8 section; and

9 “(E) any other training program that the
10 Secretary determines is acceptable to meet the
11 needs of an adversely affected worker.

12 “(2) TRAINING AGREEMENTS.—Before approv-
13 ing any training to which subsection (f)(1)(C) may
14 apply, the Secretary may require that the adversely
15 affected worker enter into an agreement with the
16 Secretary under which the Secretary will not be re-
17 quired to pay under subsection (b) the portion of the
18 costs of the training that the worker has reason to
19 believe will be paid under the program, or by the
20 source, described in clause (i) or (ii) of subsection
21 (f)(1)(C).

22 “(3) LIMITATION ON APPROVALS.—The Sec-
23 retary shall not approve a training program if all of
24 the following apply:

1 “(A) PAYMENT BY PLAN.—Any portion of
2 the costs of the training program are paid
3 under any nongovernmental plan or program.

4 “(B) RIGHT TO OBTAIN.—The adversely
5 affected worker has a right to obtain training
6 or funds for training under that plan or pro-
7 gram.

8 “(C) REIMBURSEMENT.—The plan or pro-
9 gram requires the worker to reimburse the plan
10 or program from funds provided under this
11 chapter, or from wages paid under the training
12 program, for any portion of the costs of that
13 training program paid under the plan or pro-
14 gram.

15 “(b) PAYMENT OF TRAINING COSTS.—

16 “(1) IN GENERAL.—Upon approval of a train-
17 ing program under subsection (a), and subject to the
18 limitations imposed by this section, an adversely af-
19 fected worker covered by a certification issued under
20 section 231 may be eligible to have payment of the
21 costs of that training, including any costs of an ap-
22 proved training program incurred by a worker before
23 a certification was issued under section 231, made
24 on behalf of the worker by the Secretary directly or
25 through a voucher system.

1 ~~“(2) ON-THE-JOB TRAINING.—~~

2 ~~“(A) PROVISION OF TRAINING ON THE~~
 3 ~~JOB.—If the Secretary approves training under~~
 4 ~~subsection (a), the Secretary shall, insofar as~~
 5 ~~possible, provide or assure the provision of that~~
 6 ~~training on the job, and any training on the job~~
 7 ~~that is approved by the Secretary under sub-~~
 8 ~~section (a) shall include related education nec-~~
 9 ~~essary for the acquisition of skills needed for a~~
 10 ~~position within a particular occupation.~~

11 ~~“(B) MONTHLY INSTALLMENTS.—If the~~
 12 ~~Secretary approves payment of any on-the-job~~
 13 ~~training under subsection (a), the Secretary~~
 14 ~~shall pay the costs of that training in equal~~
 15 ~~monthly installments.~~

16 ~~“(C) LIMITATIONS.—The Secretary may~~
 17 ~~pay the costs of on-the-job training only if—~~

18 ~~“(i) no employed worker is displaced~~
 19 ~~by the adversely affected worker (including~~
 20 ~~partial displacement such as a reduction in~~
 21 ~~the hours of nonovertime work, wages, or~~
 22 ~~employment benefits);~~

23 ~~“(ii) the training does not impair con-~~
 24 ~~tracts for services or collective bargaining~~
 25 ~~agreements;~~

1 “(iii) in the case of training that
2 would be inconsistent with the terms of a
3 collective bargaining agreement, the writ-
4 ten concurrence of the labor organization
5 concerned has been obtained;

6 “(iv) no other individual is on layoff
7 from the same, or any substantially equiva-
8 lent, job for which the adversely affected
9 worker is being trained;

10 “(v) the employer has not terminated
11 the employment of any regular employee or
12 otherwise reduced the workforce of the em-
13 ployer with the intention of filling the va-
14 cancy so created by hiring the adversely af-
15 fected worker;

16 “(vi) the job for which the adversely
17 affected worker is being trained is not
18 being created in a promotional line that
19 will infringe in any way upon the pro-
20 motional opportunities of employed individ-
21 uals;

22 “(vii) the training is not for the same
23 occupation from which the worker was sep-
24 arated and with respect to which the work-

er's group was certified pursuant to section
231;

“(viii) the employer certifies to the
Secretary that the employer will continue
to employ the worker for at least 26 weeks
after completion of the training if the
worker desires to continue the employment
and the employer does not have due cause
to terminate the employment;

“(ix) the employer has not received
payment under subsection (b)(1) with re-
spect to any other on-the-job training pro-
vided by the employer that failed to meet
the requirements of clauses (i) through
(vi); and

“(x) the employer has not taken, at
any time, any action that violated the
terms of any certification described in
clause (viii) made by that employer with
respect to any other on-the-job training
provided by the employer for which the
Secretary has made a payment under para-
graph (1).

“(c) CERTAIN WORKERS ELIGIBLE FOR TRAINING
BENEFITS.—An adversely affected worker covered by a

1 certification issued under section 231, who is not qualified
 2 to receive a trade adjustment allowance under section 235,
 3 may be eligible to have payment of the costs of training
 4 made under this section, if the worker enters a training
 5 program approved by the Secretary not later than 6
 6 months after the date on which the certification that cov-
 7 ers the worker is issued or the Secretary determines that
 8 one of the following applied:

9 “(1) Funding was not available at the time at
 10 which the adversely affected worker was required to
 11 enter training under paragraph (1).

12 “(2) The adversely affected worker was covered
 13 by a waiver issued under section 235(c).

14 “(d) EXHAUSTION OF UNEMPLOYMENT INSURANCE
 15 NOT REQUIRED.—The Secretary may approve training,
 16 and pay the costs thereof, for any adversely affected work-
 17 er who is a member of a group certified under section 231
 18 at any time after the date on which the group is certified,
 19 without regard to whether the worker has exhausted all
 20 rights to any unemployment insurance to which the worker
 21 is entitled.

22 “(e) SUPPLEMENTAL ASSISTANCE.—

23 “(1) IN GENERAL.—Subject to paragraphs (2)
 24 and (3), when training is provided under a training
 25 program approved by the Secretary under subsection

(a) in facilities that are not within commuting distance of a worker's regular place of residence, the Secretary may authorize supplemental assistance to defray reasonable transportation and subsistence expenses for separate maintenance.

~~“(2) TRANSPORTATION EXPENSES.—The Secretary may not authorize payments for travel expenses exceeding the prevailing mileage rate authorized under the Federal travel regulations.~~

~~“(3) SUBSISTENCE EXPENSES.—The Secretary may not authorize payments for subsistence that exceed the lesser of—~~

~~“(A) the actual per diem expenses for subsistence of the worker; or~~

~~“(B) an amount equal to 50 percent of the prevailing per diem allowance rate authorized under Federal travel regulations.~~

~~“(f) SPECIAL PROVISIONS; LIMITATIONS.—~~

~~“(1) LIMITATION ON MAKING PAYMENTS.—~~

~~“(A) DISALLOWANCE OF OTHER PAYMENT.—If the costs of training an adversely affected worker are paid by the Secretary under subsection (b), no other payment for those training costs may be made under any other provision of Federal law.~~

1 “(B) NO PAYMENT OF REIMBURSABLE
2 COSTS.—No payment for the cost of approved
3 training may be made under subsection (b) if
4 those costs—

5 “(i) have already been paid under any
6 other provision of Federal law; or

7 “(ii) are reimbursable under any other
8 provision of Federal law and a portion of
9 those costs have already been paid under
10 that other provision of Federal law.

11 “(C) NO PAYMENT OF COSTS PAID ELSE-
12 WHERE.—The Secretary is not required to pay
13 the costs of any training approved under sub-
14 section (a) to the extent that those costs are
15 paid—

16 “(i) under any Federal or State pro-
17 gram other than this chapter; or

18 “(ii) from any source other than this
19 section.

20 “(D) EXCEPTION.—The provisions of this
21 paragraph shall not apply to, or take into ac-
22 count, any funds provided under any other pro-
23 vision of Federal law that are used for any pur-
24 pose other than the direct payment of the costs
25 incurred in training a particular adversely af-

1 affected worker, even if the use of those funds
 2 has the effect of indirectly paying for or reduc-
 3 ing any portion of the costs involved in training
 4 the adversely affected worker.

5 “(2) UNEMPLOYMENT ELIGIBILITY.—A worker
 6 may not be determined to be ineligible or disquali-
 7 fied for unemployment insurance or program bene-
 8 fits under this subchapter because the individual is
 9 in training approved under subsection (a), because
 10 of leaving work which is not suitable employment to
 11 enter the training, or because of the application to
 12 any week in training of provisions of State law or
 13 Federal unemployment insurance law relating to
 14 availability for work, active search for work, or re-
 15 fusal to accept work.

16 “(3) DEFINITION.—For purposes of this section
 17 the term ‘suitable employment’ means, with respect
 18 to a worker, work of a substantially equal or higher
 19 skill level than the worker’s past adversely affected
 20 employment, and wages for such work at not less
 21 than 80 percent of the worker’s average weekly
 22 wage.

23 “(4) PAYMENTS AFTER REEMPLOYMENT.—

24 “(A) IN GENERAL.—In the case of an ad-
 25 versely affected worker who secures reemploy-

ment, the Secretary may approve and pay the costs of training (or shall continue to pay the costs of training previously approved) for that adversely affected worker, for the completion of their training program or up to 26 weeks, whichever is less, after the date the adversely affected worker becomes reemployed.

~~“(B) TRADE ADJUSTMENT ALLOWANCE.—~~

An adversely affected worker who is reemployed and is undergoing training approved by the Secretary pursuant to subparagraph (A) may continue to receive trade adjustment allowance, subject to the income offsets provided for in the worker’s State unemployment compensation law in accordance with the provisions of section 237.

~~“(5) FUNDING.—~~The total amount of payments that may be made under this section for any fiscal year shall not exceed \$300,000,000.

~~SEC. 241. JOB SEARCH ALLOWANCES.~~

~~“(a) JOB SEARCH ALLOWANCE AUTHORIZED.—~~

~~“(1) IN GENERAL.—~~An adversely affected worker covered by a certification issued under section 231 may file an application with the Secretary for payment of a job search allowance.

1 “(2) APPROVAL OF APPLICATIONS.—The Sec-
 2 retary may grant an allowance pursuant to an appli-
 3 cation filed under paragraph (1) when all of the fol-
 4 lowing apply:

5 “(A) ASSIST ADVERSELY AFFECTED WORK-
 6 ER.—The allowance is paid to assist an ad-
 7 versely affected worker who has been totally
 8 separated in securing a job within the United
 9 States.

10 “(B) LOCAL EMPLOYMENT NOT AVAIL-
 11 ABLE.—The Secretary determines that the
 12 worker cannot reasonably be expected to secure
 13 suitable employment in the commuting area in
 14 which the worker resides.

15 “(C) APPLICATION.—The worker has filed
 16 an application for the allowance with the Sec-
 17 retary before—

18 “(i) the later of—

19 “(I) the 365th day after the date
 20 of the certification under which the
 21 worker is certified as eligible; or

22 “(II) the 365th day after the
 23 date of the worker’s last total separa-
 24 tion; or

1 “(ii) the date that is the 182d day
 2 after the date on which the worker con-
 3 cluded training; unless the worker received
 4 a waiver under section 235(c).

5 “(b) AMOUNT OF ALLOWANCE.—

6 “(1) IN GENERAL.—An allowance granted
 7 under subsection (a) shall provide reimbursement to
 8 the worker of 90 percent of the cost of necessary job
 9 search expenses as prescribed by the Secretary in
 10 regulations.

11 “(A) MAXIMUM ALLOWANCE.—Reimburse-
 12 ment may not exceed \$1,200 for any worker.

13 “(B) ALLOWANCE FOR SUBSISTENCE AND
 14 TRANSPORTATION.—Reimbursement may not be
 15 made for subsistence and transportation ex-
 16 penses at levels exceeding those allowable under
 17 section 240(c).

18 “(c) EXCEPTION.—Notwithstanding subsection (b),
 19 the Secretary shall reimburse any adversely affected work-
 20 er for necessary expenses incurred by the worker in par-
 21 ticipating in a job search program approved by the Sec-
 22 retary.

23 “**SEC. 242. RELOCATION ALLOWANCES.**

24 “(a) RELOCATION ALLOWANCE AUTHORIZED.—

1 “(1) IN GENERAL.—Any adversely affected
2 worker covered by a certification issued under sec-
3 tion 231 may file an application for a relocation al-
4 lowance with the Secretary, and the Secretary may
5 grant the relocation allowance, subject to the terms
6 and conditions of this section.

7 “(2) CONDITIONS FOR GRANTING ALLOW-
8 ANCE.—A relocation allowance may be granted if all
9 of the following terms and conditions are met:

10 “(A) ASSIST AN ADVERSELY AFFECTED
11 WORKER.—The relocation allowance will assist
12 an adversely affected worker in relocating with-
13 in the United States.

14 “(B) LOCAL EMPLOYMENT NOT AVAIL-
15 ABLE.—The Secretary determines that the
16 worker cannot reasonably be expected to secure
17 suitable employment in the commuting area in
18 which the worker resides.

19 “(C) TOTAL SEPARATION.—The worker is
20 totally separated from employment at the time
21 relocation commences.

22 “(D) SUITABLE EMPLOYMENT OB-
23 TAINED.—The worker—

24 “(i) has obtained suitable employment
25 affording a reasonable expectation of long-

1 term duration in the area in which the
 2 worker wishes to relocate; or

3 “(ii) has obtained a bona fide offer of
 4 such employment.

5 “(E) APPLICATION.—The worker filed an
 6 application with the Secretary before—

7 “(i) the later of—

8 “(I) the 425th day after the date
 9 of the certification under section 231;
 10 or

11 “(II) the 425th day after the
 12 date of the worker’s last total separa-
 13 tion; or

14 “(ii) the date that is the 182d day
 15 after the date on which the worker con-
 16 cluded training; unless the worker received
 17 a waiver under section 235(c).

18 “(b) AMOUNT OF ALLOWANCE.—The relocation al-
 19 lowance granted to a worker under subsection (a)
 20 includes—

21 “(1) 90 percent of the reasonable and necessary
 22 expenses (including, but not limited to, subsistence
 23 and transportation expenses at levels not exceeding
 24 those allowable under section 240(c)) specified in
 25 regulations prescribed by the Secretary, incurred in

1 transporting the worker, the worker's family, and
 2 household effects; and

3 ~~“(2) a lump sum equivalent to 3 times the~~
 4 ~~worker's average weekly wage, up to a maximum~~
 5 ~~payment of \$1,500.~~

6 ~~“(c) LIMITATIONS.—A relocation allowance may not~~
 7 ~~be granted to a worker unless—~~

8 ~~“(1) the relocation occurs within 182 days after~~
 9 ~~the filing of the application for relocation assistance;~~
 10 ~~or~~

11 ~~“(2) the relocation occurs within 182 days after~~
 12 ~~the conclusion of training, if the worker entered a~~
 13 ~~training program approved by the Secretary under~~
 14 ~~section 240(a).~~

15 **~~“SEC. 243. SUPPORTIVE SERVICES; WAGE INSURANCE.~~**

16 ~~“(a) SUPPORTIVE SERVICES.—~~

17 ~~“(1) APPLICATION.—~~

18 ~~“(A) IN GENERAL.—The State may, on be-~~
 19 ~~half of any adversely affected worker or group~~
 20 ~~of workers covered by a certification issued~~
 21 ~~under section 231—~~

22 ~~“(i) file an application with the Sec-~~
 23 ~~retary for services under section 173 of the~~
 24 ~~Workforce Investment Act of 1998 (relat-~~
 25 ~~ing to National Emergency Grants); and~~

1 “(ii) provide other services under title
2 I of the Workforce Investment Act of
3 1998.

4 “(B) SERVICES.—The services available
5 under this paragraph include transportation,
6 child care, and dependent care that are nec-
7 essary to enable a worker to participate in ac-
8 tivities authorized under this chapter.

9 “(2) CONDITIONS.—The Secretary may approve
10 an application filed under paragraph (1)(A)(i) and
11 provide supportive services to an adversely affected
12 worker only if the Secretary determines that all of
13 the following apply:

14 “(A) NECESSITY.—Providing services is
15 necessary to enable the worker to participate in
16 or complete training.

17 “(B) CONSISTENT WITH WORKFORCE IN-
18 VESTMENT ACT.—The services are consistent
19 with the supportive services provided to partici-
20 pants under the provisions relating to dislocated
21 worker employment and training activities set
22 forth in chapter 5 of subtitle B of title I of the
23 Workforce Investment Act of 1998 (29 U.S.C.
24 2861 et seq.).

25 “(b) WAGE INSURANCE PROGRAM.—

1 “(1) IN GENERAL.—Not later than 1 year after
 2 the date of enactment of this Act, the Secretary
 3 shall establish a Wage Insurance Program under
 4 which a State shall use the funds provided to the
 5 State for trade adjustment allowances to pay to an
 6 adversely affected worker certified under section 231
 7 a wage subsidy of up to 50 percent of the difference
 8 between the wages received by the adversely affected
 9 worker from reemployment and the wages received
 10 by the adversely affected worker at the time of separation for a period not to exceed 2 years.

12 “(2) AMOUNT OF PAYMENT.—

13 “(A) WAGES UNDER \$40,000.—If the wages
 14 the worker receives from reemployment are less
 15 than \$40,000 a year, the wage subsidy shall be
 16 50 percent of the difference between the
 17 amount of the wages received by the worker
 18 from reemployment and the amount of the
 19 wages received by the worker at the time of
 20 separation.

21 “(B) WAGES BETWEEN \$40,000 AND
 22 \$50,000.—If the wages received by the worker
 23 from reemployment are greater than \$40,000 a
 24 year but less than \$50,000 a year, the wage
 25 subsidy shall be 25 percent of the difference be-

1 between the amount of the wages received by the
 2 worker from reemployment and the amount of
 3 the wages received by the worker at the time of
 4 separation.

5 “(2) ELIGIBILITY.—An adversely affected work-
 6 er may be eligible to receive a wage subsidy under
 7 this subsection if the worker—

8 “(A) enrolls in the Wage Insurance Pro-
 9 gram;

10 “(B) obtains reemployment not more than
 11 26 weeks after the date of separation from the
 12 adversely affected employment;

13 “(C) is at least 50 years of age;

14 “(D) earns not more than \$50,000 a year
 15 in wages from reemployment;

16 “(E) is employed at least 30 hours a week
 17 in the reemployment; and

18 “(F) does not return to the employment
 19 from which the worker was separated.

20 “(3) AMOUNT OF PAYMENTS.—The payments
 21 made under paragraph (1) to an adversely affected
 22 worker may not exceed \$10,000 over the 2-year pe-
 23 riod.

24 “(4) LIMITATION ON OTHER BENEFITS.—At
 25 the time a worker begins to receive a wage subsidy

1 under this subsection the worker shall not be eligible
 2 to receive any benefits under this Act other than the
 3 wage subsidy.

4 “(c) STUDIES OF ASSISTANCE AVAILABLE TO ECO-
 5 NOMICALLY DISTRESSED WORKERS.—

6 “(1) STUDY BY THE GENERAL ACCOUNTING OF-
 7 FICE.—

8 “(A) IN GENERAL.—The Comptroller Gen-
 9 eral of the United States shall conduct a study
 10 of all assistance provided by the Federal Gov-
 11 ernment for workers facing job loss and eco-
 12 nomic distress.

13 “(B) REPORT.—Not later than 1 year
 14 after the date of enactment of this Act, the
 15 Comptroller General shall submit to the Com-
 16 mittee on Finance of the Senate and the Com-
 17 mittee on Ways and Means of the House of
 18 Representatives a report on the study con-
 19 ducted under subparagraph (A). The report
 20 shall include a description of—

21 “(i) all Federal programs designed to
 22 assist workers facing job loss and economic
 23 distress, including all benefits and services;

24 “(ii) eligibility requirements for each
 25 of the programs; and

1 “(iii) procedures for applying for and
2 receiving benefits and services under each
3 of the programs.

4 “(C) DISTRIBUTION OF GAO REPORT.—
5 The report described in subparagraph (B) shall
6 be distributed to all one-stop partners author-
7 ized under the Workforce Investment Act of
8 1998.

9 “(2) STUDIES BY THE STATES.—

10 “(A) IN GENERAL.—Each State may con-
11 duct a study of its assistance programs for
12 workers facing job loss and economic distress.

13 “(B) GRANTS.—The Secretary may award
14 to each State a grant, not to exceed \$100,000,
15 to enable the State to conduct the study de-
16 scribed in subparagraph (A).

17 “(C) REPORT.—Not later than 1 year
18 after the date of enactment of this Act, each
19 State that receives a grant under subparagraph
20 (B) shall submit to the Committee on Finance
21 of the Senate and the Committee on Ways and
22 Means of the House of Representatives the re-
23 port described in subparagraph (A).

24 “(D) DISTRIBUTION OF STATE RE-
25 PORTS.—A report prepared by a State under

1 this paragraph shall be distributed to the one-
2 stop partners in the State.

3 **“Subchapter D—Payment and Enforcement**
4 **Provisions**

5 **“SEC. 244. PAYMENTS TO STATES.**

6 “(a) IN GENERAL.—The Secretary, from time to
7 time, shall certify to the Secretary of the Treasury for pay-
8 ment to each cooperating State, the sums necessary to en-
9 able that State as agent of the United States to make pay-
10 ments provided for by this chapter.

11 “(b) LIMITATION ON USE OF FUNDS.—

12 “(1) IN GENERAL.—All money paid to a cooper-
13 ating State under this section shall be used solely
14 for the purposes for which it is paid.

15 “(2) RETURN OF FUNDS NOT SO USED.—

16 Money paid that is not used for the purpose under
17 subsection (a) shall be returned, at the time speci-
18 fied in the agreement entered into under section
19 222, to the Secretary of the Treasury.

20 “(c) SURETY BOND.—Any agreement under section
21 222 may require any officer or employee of the cooper-
22 ating State certifying payments or disbursing funds under
23 the agreement or otherwise participating in the perform-
24 ance of the agreement, to give a surety bond to the United
25 States in an amount the Secretary deems necessary, and

1 may provide for the payment of the cost of that bond from
 2 funds for carrying out the purposes of this chapter.

3 **“SEC. 245. LIABILITIES OF CERTIFYING AND DISBURSING**
 4 **OFFICERS.**

5 “(a) LIABILITY OF CERTIFYING OFFICIALS.—No
 6 person designated by the Secretary, or designated pursu-
 7 ant to an agreement entered into under section 222, as
 8 a certifying officer, in the absence of gross negligence or
 9 intent to defraud the United States, shall be liable with
 10 respect to any payment certified by that person under this
 11 chapter.

12 “(b) LIABILITY OF DISBURSING OFFICERS.—No dis-
 13 bursing officer, in the absence of gross negligence or intent
 14 to defraud the United States, shall be liable with respect
 15 to any payment by that officer under this chapter if the
 16 payment was based on a voucher signed by a certifying
 17 officer designated according to subsection (a).

18 **“SEC. 246. FRAUD AND RECOVERY OF OVERPAYMENTS.**

19 “(a) IN GENERAL.—

20 “(1) OVERPAYMENT.—If a cooperating State,
 21 the Secretary, or a court of competent jurisdiction
 22 determines that any person has received any pay-
 23 ment under this chapter to which the person was not
 24 entitled, including a payment referred to in sub-
 25 section (b), that person shall be liable to repay that

1 amount to the cooperating State or the Secretary, as
 2 the case may be.

3 “(2) EXCEPTION.—The cooperating State or
 4 the Secretary may waive repayment if the cooper-
 5 ating State or the Secretary determines, in accord-
 6 ance with guidelines prescribed by the Secretary,
 7 that all of the following apply:

8 “(A) NO FAULT.—The payment was made
 9 without fault on the part of the person.

10 “(B) REPAYMENT CONTRARY TO EQ-
 11 UITY.—Requiring repayment would be contrary
 12 to equity and good conscience.

13 “(3) PROCEDURE FOR RECOVERY.—

14 “(A) RECOVERY FROM OTHER ALLOW-
 15 ANCES AUTHORIZED.—Unless an overpayment
 16 is otherwise recovered or waived under para-
 17 graph (2), the cooperating State or the Sec-
 18 retary shall recover the overpayment by deduc-
 19 tions from any sums payable to that person
 20 under this chapter, under any Federal unem-
 21 ployment compensation law administered by the
 22 cooperating State or the Secretary, or under
 23 any other Federal law administered by the co-
 24 operating State or the Secretary that provides

1 for the payment of assistance or an allowance
2 with respect to unemployment.

3 ~~“(B) RECOVERY FROM STATE ALLOW-~~
4 ~~ANCES AUTHORIZED.—~~Notwithstanding any
5 other provision of Federal or State law, the
6 Secretary may require a cooperating State to
7 recover any overpayment under this chapter by
8 deduction from any unemployment insurance
9 payable to that person under State law, except
10 that no single deduction under this paragraph
11 shall exceed 50 percent of the amount otherwise
12 payable.

13 ~~“(b) INELIGIBILITY FOR FURTHER PAYMENTS.—~~Any
14 person, in addition to any other penalty provided by law,
15 shall be ineligible for any further payments under this
16 chapter if a cooperating State, the Secretary, or a court
17 of competent jurisdiction determines that one of the fol-
18 lowing applies:

19 ~~“(1) FALSE STATEMENT.—~~The person know-
20 ingly made, or caused another to make, a false state-
21 ment or representation of a material fact, and as a
22 result of the false statement or representation, the
23 person received any payment under this chapter to
24 which the person was not entitled.

1 “(2) ~~FAILURE TO DISCLOSE.~~—The person
 2 knowingly failed, or caused another to fail, to dis-
 3 close a material fact, and as a result of the non-
 4 disclosure, the person received any payment under
 5 this chapter to which the person was not entitled.

6 “(c) ~~HEARING.~~—Except for overpayments deter-
 7 mined by a court of competent jurisdiction, no repayment
 8 may be required, and no deduction may be made, under
 9 this section until a determination under subsection (a) by
 10 the cooperating State or the Secretary, as the case may
 11 be, has been made, notice of the determination and an
 12 opportunity for a fair hearing has been given to the person
 13 concerned, and the determination has become final.

14 “(d) ~~RECOVERED FUNDS.~~—Any amount recovered
 15 under this section shall be returned to the Treasury of
 16 the United States.

17 **“SEC. 247. CRIMINAL PENALTIES.**

18 “Whoever makes a false statement of a material fact
 19 knowing it to be false, or knowingly fails to disclose a ma-
 20 terial fact, for the purpose of obtaining or increasing for
 21 that person or for any other person any payment author-
 22 ized to be furnished under this chapter or pursuant to an
 23 agreement under section 222 shall be fined not more than
 24 \$1,000, imprisoned for not more than 1 year, or both.

1 **~~“SEC. 248. AUTHORIZATION OF APPROPRIATIONS.~~**

2 ~~“There are authorized to be appropriated to the De-~~
 3 ~~partment of Labor, for the period beginning October 1,~~
 4 ~~2001, and ending September 30, 2006, such sums as may~~
 5 ~~be necessary to carry out the purposes of this chapter.~~
 6 ~~Amounts appropriated under this section shall remain~~
 7 ~~available until expended.~~

8 **~~“SEC. 249. REGULATIONS.~~**

9 ~~“The Secretary shall prescribe such regulations as~~
 10 ~~may be necessary to carry out the provisions of this chap-~~
 11 ~~ter.~~

12 **~~“SEC. 250. SUBPOENA POWER.~~**

13 ~~“(a) IN GENERAL.—The Secretary may require by~~
 14 ~~subpoena the attendance of witnesses and the production~~
 15 ~~of evidence necessary to make a determination under the~~
 16 ~~provisions of this chapter.~~

17 ~~“(b) COURT ORDER.—If a person refuses to obey a~~
 18 ~~subpoena issued under subsection (a), a competent United~~
 19 ~~States district court, upon petition by the Secretary, may~~
 20 ~~issue an order requiring compliance with such subpoena.”.~~

21 **~~SEC. 102. 50 PERCENT REFUNDABLE TAX CREDIT TOWARD~~**
 22 **~~PREMIUMS FOR COBRA CONTINUATION COV-~~**
 23 **~~ERAGE.~~**

24 ~~(a) IN GENERAL.—Subpart C of part IV of sub-~~
 25 ~~chapter A of chapter 1 of the Internal Revenue Code of~~
 26 ~~1986 (relating to refundable credits) is amended by redес-~~

1 ignating section 35 as section 36 and by inserting after
 2 section 34 the following new section:

3 **“SEC. 35. COBRA CONTINUATION COVERAGE PREMIUMS.**

4 “(a) **IN GENERAL.**—In the case of an eligible indi-
 5 vidual, there shall be allowed as a credit against the tax
 6 imposed by this subtitle for the taxable year an amount
 7 equal to 50 percent of the amount paid by the taxpayer
 8 during such year as continuation health coverage pre-
 9 miums.

10 “(b) **ELIGIBLE INDIVIDUAL.**—For purposes of this
 11 section, the term ‘eligible individual’ means any individual
 12 who is a member of a group of workers certified as eligible
 13 to apply for adjustment assistance under chapter 2 of title
 14 II of the Trade Act of 1974 (19 U.S.C. 221, et seq.).

15 “(c) **CONTINUATION HEALTH COVERAGE PREMIUMS**
 16 **DEFINED.**—For purposes of this section, the term ‘con-
 17 tinuation health coverage premiums’ means, for any period
 18 during which a taxpayer is an eligible individual, pre-
 19 miums paid for continuation coverage (as defined in sec-
 20 tion 4980B(f)) under a group health plan for such period
 21 but only if failure to offer such coverage to the taxpayer
 22 for such period would constitute a failure by such health
 23 plan to meet the requirements of section 4980B(f).

24 “(d) **COORDINATION WITH MEDICAL EXPENSE DE-**
 25 **DUCTION.**—The amount which would (but for this sub-

1 section) be taken into account by the taxpayer under sec-
 2 tion 213 for the taxable year shall be reduced by the credit
 3 (if any) allowed by this section to the taxpayer for such
 4 year.”.

5 (b) CONFORMING AMENDMENTS.—

6 (1) Paragraph (2) of section 1324(b) of title
 7 31, United States Code, is amended by inserting be-
 8 fore the period “, or from section 35 of such Code”.

9 (2) The table of sections for subpart C of part
 10 IV of subchapter A of chapter 1 of the Internal Rev-
 11 enue Code of 1986 is amended by striking the last
 12 item and inserting the following new items:

“Sec. 35. COBRA continuation coverage premiums.
 “Sec. 36. Overpayments of tax.”.

13 (c) EFFECTIVE DATE.—The amendments made by
 14 this section shall apply to taxable years beginning after
 15 December 31, 2001, for premiums for months beginning
 16 with January 2002.

17 **TITLE H—TRADE ADJUSTMENT** 18 **ASSISTANCE FOR FIRMS**

19 **SEC. 201. REAUTHORIZATION OF PROGRAM.**

20 (a) IN GENERAL.—Section 256(b) of chapter 3 of
 21 title H of the Trade Act of 1974 (19 U.S.C. 2346(b)) is
 22 amended to read as follows:

23 “(b) There are authorized to be appropriated to the
 24 Secretary for the period beginning October 1, 2001, and

1 ending on September 30, 2006, such sums as may be nec-
 2 essary to carry out the Secretary's functions under this
 3 chapter in connection with furnishing adjustment assist-
 4 ance to firms. Amounts appropriated under this subsection
 5 shall remain available until expended.”.

6 (b) ELIGIBILITY CRITERIA.—Section 251(e) of Chap-
 7 ter 3 of title H of the Trade Act of 1974 (19 U.S.C.
 8 2341(e)(1)) is amended—

9 (1) in paragraph (1), by striking subparagraphs
 10 (B) and (C) and inserting the following:

11 “(B) increases of imports of articles like or di-
 12 rectly competitive with articles which are produced
 13 by such firm contributed importantly to such total
 14 or partial separation, or threat thereof; and

15 “(C) a shift in production by the workers' firm
 16 or subdivision to a foreign country of articles like or
 17 directly competitive with articles which are produced
 18 by that firm or subdivision contributed importantly
 19 to the workers' separation or threat of separation.”;
 20 and

21 (2) in paragraph (2), by striking “paragraph
 22 (1)(C)” and inserting “subparagraphs (B) and (C)
 23 of paragraph (1)”.

1 **TITLE III—TRADE ADJUSTMENT**
 2 **ASSISTANCE FOR COMMUNITIES**

3 **SEC. 301. PURPOSE.**

4 The purpose of this title is to assist communities with
 5 economic adjustment through the integration of political
 6 and economic organizations; the coordination of Federal,
 7 State, and local resources; the creation of community-
 8 based development strategies; and the provision of eco-
 9 nomic transition assistance.

10 **SEC. 302. TRADE ADJUSTMENT ASSISTANCE FOR COMMU-**
 11 **NITIES.**

12 Chapter 4 of title II of the Trade Act of 1974 (19
 13 U.S.C. 2371 et seq.) is amended to read as follows:

14 **“CHAPTER 4—COMMUNITY ECONOMIC**
 15 **ADJUSTMENT**

16 **“SEC. 271. DEFINITIONS.**

17 “In this chapter:

18 “(1) **CIVILIAN LABOR FORCE.**—The term ‘civil-
 19 ian labor force’ has the meaning given that term in
 20 regulations prescribed by the Secretary of Labor.

21 “(2) **COMMUNITY.**—The term ‘community’
 22 means a county or equivalent political subdivision of
 23 a State.

1 “(A) RURAL COMMUNITY.—The term
2 ‘rural community’ means a community that has
3 a rural-urban continuum code of 4 through 9.

4 “(B) URBAN COMMUNITY.—The term
5 ‘urban community’ means a community that
6 has a rural-urban continuum code of 0 through
7 3.

8 “(3) COMMUNITY ECONOMIC DEVELOPMENT CO-
9 ORDINATING COMMITTEE.—The term ‘Community
10 Economic Development Coordinating Committee’ or
11 ‘Committee’ means a community group established
12 under section 274 that consists of major groups sig-
13 nificantly affected by an increase in imports or a
14 shift in production, including local, regional, tribal,
15 and State governments, regional councils of govern-
16 ments and economic development, and business,
17 labor, education, health, religious, and other commu-
18 nity-based organizations.

19 “(4) DIRECTOR.—The term ‘Director’ means
20 the Director of the Office of Community Economic
21 Adjustment.

22 “(5) ELIGIBLE COMMUNITY.—The term ‘eligible
23 community’ means a community certified under sec-
24 tion 273 as eligible for assistance under this chap-
25 ter.

1 “(6) ~~JOB LOSS.~~—The term ‘job loss’ means the
2 total or partial separation of an individual, as those
3 terms are defined in section 221.

4 “(7) ~~OFFICE.~~—The term ‘Office’ means the Of-
5 fice of Community Economic Adjustment established
6 under section 272.

7 “(8) ~~RURAL-URBAN CONTINUUM CODE.~~—The
8 term ‘rural-urban continuum code’ means a code as-
9 signed to a community according to the rural-urban
10 continuum code system, as defined by the Economic
11 Research Service of the Department of Agriculture.

12 “(9) ~~SECRETARY.~~—The term ‘Secretary’ means
13 the Secretary of Commerce.

14 **“SEC. 272. OFFICE OF COMMUNITY ECONOMIC ADJUST-**
15 **MENT.**

16 “(a) ~~ESTABLISHMENT.~~—There is established an Of-
17 fice of Community Economic Adjustment in the Office of
18 the Secretary of Commerce.

19 “(b) ~~PERSONNEL.~~—The Office shall be headed by a
20 Director, and such staff as may be necessary to carry out
21 the responsibilities described in this chapter.

22 “(c) ~~COORDINATION OF FEDERAL RESPONSE.~~—The
23 Office shall—

1 “(1) provide leadership, support, and coordina-
2 tion for a comprehensive management program to
3 address economic dislocation in eligible communities;

4 “(2) establish an easily accessible, one-stop
5 clearinghouse for States and eligible communities to
6 obtain information regarding economic development
7 assistance available under Federal law;

8 “(3) coordinate the Federal response to an eli-
9 gible community—

10 “(A) by identifying all Federal, State, and
11 local resources that are available to assist the
12 eligible community in recovering from economic
13 distress;

14 “(B) by ensuring that all Federal agencies
15 offering assistance to an eligible community do
16 so in a targeted, integrated manner that en-
17 sures that an eligible community has access to
18 all available Federal assistance;

19 “(C) by assuring timely consultation and
20 cooperation between Federal, State, and re-
21 gional officials concerning community economic
22 adjustment;

23 “(D) by identifying and strengthening ex-
24 isting agency mechanisms designed to assist

1 communities in economic adjustment and work-
2 force reemployment;

3 “(E) by applying consistent policies, prac-
4 tices, and procedures in the administration of
5 Federal programs that are used to assist com-
6 munities adversely impacted by an increase in
7 imports or a shift in production;

8 “(F) by creating, maintaining, and using a
9 uniform economic database to analyze commu-
10 nity adjustment activities; and

11 “(G) by assigning a community economic
12 adjustment advisor to work with each eligible
13 community;

14 “(4) provide comprehensive technical assistance
15 to any eligible community in the efforts of that com-
16 munity to—

17 “(A) identify serious economic problems in
18 the community that result from an increase in
19 imports or shift in production;

20 “(B) integrate the major groups and orga-
21 nizations significantly affected by the economic
22 adjustment;

23 “(C) organize a Community Economic De-
24 velopment Coordinating Committee;

1 “(D) access Federal, State, and local re-
 2 sources designed to assist in economic develop-
 3 ment and trade adjustment assistance;

4 “(E) diversify and strengthen the commu-
 5 nity economy; and

6 “(F) develop a community-based strategie
 7 plan to address workforce dislocation and eco-
 8 nomic development;

9 “(5) establish specific criteria for submission
 10 and evaluation of a strategie plan submitted under
 11 section 276(d);

12 “(6) administer the grant programs established
 13 under sections 276 and 277; and

14 “(7) establish an interagency Trade Adjustment
 15 Assistance Working Group, consisting of the rep-
 16 resentatives of any Federal department or agency
 17 with responsibility for economic adjustment assist-
 18 ance, including the Department of Agriculture, the
 19 Department of Defense, the Department of Edu-
 20 cation, the Department of Labor, the Department of
 21 Housing and Urban Development, the Department
 22 of Health and Human Services, the Small Business
 23 Administration, the Department of the Treasury, the
 24 Department of Commeree, the Office of the United

1 States Trade Representative, and the National Eco-
 2 nomic Council.

3 **“SEC. 273. NOTIFICATION AND CERTIFICATION AS AN ELI-**
 4 **GIBLE COMMUNITY.**

5 “(a) NOTIFICATION.—The Secretary of Labor, not
 6 later than 15 days after making a determination that a
 7 group of workers is eligible for trade adjustment assist-
 8 ance under section 231, shall notify the Governor of the
 9 State in which the community in which the worker’s firm
 10 is located and the Director, of the Secretary’s determina-
 11 tion.

12 “(b) CERTIFICATION.—Not later than 30 days after
 13 notification by the Secretary of Labor described in sub-
 14 section (a), the Director shall certify as eligible for assist-
 15 ance under this chapter a community in which 1 of the
 16 following conditions apply:

17 “(1) NUMBER OF JOB LOSSES.—The Director
 18 shall certify that a community is eligible for assist-
 19 ance under this chapter if—

20 “(A) in an urban community, at least 500
 21 workers have been certified for assistance under
 22 section 231 in the most recent 36-month period
 23 preceding the date of certification under this
 24 section for which data are available; or

1 “(B) in a rural community, at least 300
 2 workers have been certified for assistance under
 3 section 231 in the most recent 36-month period
 4 preceding the date of certification under this
 5 section for which data are available.

6 “(2) PERCENT OF WORKFORCE UNEM-
 7 PLOYED.—The Director shall certify that a commu-
 8 nity is eligible for assistance under this chapter if
 9 the unemployment rate for the community is at least
 10 1 percent greater than the national unemployment
 11 rate for the most recent 12-month period for which
 12 data are available.

13 “(c) NOTIFICATION TO ELIGIBLE COMMUNITIES.—
 14 Not later than 15 days after the Director certifies a com-
 15 munity as eligible under subsection (b), the Director shall
 16 notify the community—

17 “(1) of its determination under subsection (b);

18 “(2) of the provisions of this chapter;

19 “(3) how to access the clearinghouse established
 20 under section 272(e)(2); and

21 “(4) how to obtain technical assistance provided
 22 under section 272(e)(4).

1 **“SEC. 274. COMMUNITY ECONOMIC DEVELOPMENT COORDI-**
 2 **NATING COMMITTEE.**

3 “(a) **ESTABLISHMENT.**—In order to receive benefits
 4 under this chapter, an eligible community shall establish
 5 a Community Economic Development Coordinating Com-
 6 mittee.

7 “(b) **COMPOSITION OF THE COMMITTEE.**—

8 “(1) **LOCAL PARTICIPATION.**—The Community
 9 Economic Development Coordinating Committee es-
 10 tablished by an eligible community under subsection
 11 (a) shall include representatives of those groups sig-
 12 nificantly affected by economic dislocation, such as
 13 local, regional, tribal, and State governments, re-
 14 gional councils of governments and economic devel-
 15 opment, business, labor, education, health organiza-
 16 tions, religious, and other community-based groups
 17 providing assistance to workers, their families, and
 18 communities.

19 “(2) **FEDERAL PARTICIPATION.**—Pursuant to
 20 section 275(b)(3), the community economic adjust-
 21 ment advisor, assigned by the Director to assist an
 22 eligible community, shall serve as an ex officio mem-
 23 ber of the Community Economic Development Co-
 24 ordinating Committee, and shall arrange for partici-
 25 pation by representatives of other Federal agencies
 26 on that Committee as necessary.

1 “(3) EXISTING ORGANIZATION.—An eligible
 2 community may designate an existing organization
 3 in that community as the Community Economic De-
 4 velopment Coordinating Committee if that organiza-
 5 tion meets the requirements of paragraph (1) for the
 6 purposes of this chapter.

7 “(c) DUTIES.—The Community Economic Develop-
 8 ment Coordinating Committee shall—

9 “(1) ascertain the severity of the community
 10 economic adjustment required as a result of the in-
 11 crease in imports or shift in production;

12 “(2) assess the capacity of the community to
 13 respond to the required economic adjustment and
 14 the needs of the community as it undertakes eco-
 15 nomic adjustment, taking into consideration such
 16 factors as the number of jobs lost, the size of the
 17 community, the diversity of industries, the skills of
 18 the labor force, the condition of the current labor
 19 market, the availability of financial resources, the
 20 quality and availability of educational facilities, and
 21 the existence of a basic and advanced infrastructure
 22 in the community;

23 “(3) facilitate a dialogue between concerned in-
 24 terests in the community, represent the impacted
 25 community, and ensure all interests in the commu-

1 nity work collaboratively toward collective goals
2 without duplication of effort or resources;

3 “(4) oversee the development of a strategic plan
4 for community economic development, taking into
5 consideration the factors mentioned under para-
6 graph (2); and consistent with the criteria estab-
7 lished by the Secretary for the strategic plan devel-
8 oped under section 276;

9 “(5) create an executive council with an equi-
10 table representation of community interests to pro-
11 mote the strategic plan within the community and
12 ensure coordination and cooperation among all
13 stakeholders; and

14 “(6) apply for any grant, loan, or loan guar-
15 antee available under Federal law to develop or im-
16 plement the strategic plan; and be an eligible recipi-
17 ent for funding for economic adjustment for that
18 community.

19 **“SEC. 275. COMMUNITY ECONOMIC ADJUSTMENT ADVI-**
20 **SORS.**

21 “(a) IN GENERAL.—Pursuant to section
22 272(c)(3)(G), the Director shall assign a community eco-
23 nomic adjustment advisor to each eligible community.

24 “(b) DUTIES.—The community economic adjustment
25 advisor shall—

1 “(1) provide technical assistance to the eligible
2 community, assist in the development and implemen-
3 tation of a strategic plan, including applying for any
4 grant available under this or any other Federal law
5 to develop or implement that plan;

6 “(2) at the local and regional level, coordinate
7 the response of all Federal agencies offering assist-
8 ance to the eligible community;

9 “(3) serve as an ex officio member of the Com-
10 munity Economic Development Coordinating Com-
11 mittee established by an eligible community under
12 section 274;

13 “(4) act as liaison between the Community Eco-
14 nomic Development Coordinating Committee estab-
15 lished by the eligible community and all other Fed-
16 eral agencies that offer assistance to eligible commu-
17 nities, including the Department of Agriculture, the
18 Department of Defense, the Department of Edu-
19 cation, the Department of Labor, the Department of
20 Housing and Urban Development, the Department
21 of Health and Human Services, the Small Business
22 Administration, the Department of the Treasury, the
23 National Economic Council, and other offices or
24 agencies of the Department of Commerce;

1 “(5) report regularly to the Director regarding
2 the progress of development activities in the commu-
3 nity to which the community economic adjustment
4 advisor is assigned; and

5 “(6) perform other duties as directed by the
6 Secretary or the Director.

7 **“SEC. 276. STRATEGIC PLANS.**

8 “(a) IN GENERAL.—With the assistance of the com-
9 munity economic adjustment advisor, an eligible commu-
10 nity may develop a strategic plan for community economic
11 adjustment and diversification.

12 “(b) REQUIREMENTS FOR STRATEGIC PLAN.—A
13 strategic plan shall contain, at a minimum, the following:

14 “(1) A description and justification of the ca-
15 pacity for economic adjustment, including the meth-
16 od of financing to be used, the anticipated manage-
17 ment structure of the Community Economic Devel-
18 opment Coordinating Committee, and the commit-
19 ment of the community to the strategic plan over the
20 long term.

21 “(2) A description of, and a plan to accomplish,
22 the projects to be undertaken by the eligible commu-
23 nity.

24 “(3) A description of how the plan and the
25 projects to be undertaken by the eligible community

1 will lead to job creation and job retention in the
2 community.

3 “(4) A description of any alternative develop-
4 ment plans that were considered, particularly less
5 costly alternatives, and why those plans were re-
6 jected in favor of the proposed plan.

7 “(5) A description of any additional steps the
8 eligible community will take to achieve economic ad-
9 justment and diversification.

10 “(6) A description and justification for the cost
11 and timing of proposed basic and advanced infra-
12 structure improvements in the eligible community.

13 “(7) A description of the occupational and
14 workforce conditions in the eligible community, in-
15 cluding but not limited to existing levels of work-
16 force skills and competencies, and educational pro-
17 grams available for workforce training and future
18 employment needs.

19 “(8) A description of how the plan will adapt to
20 changing markets, business cycles, and other vari-
21 ables.

22 “(9) A graduation strategy through which the
23 eligible community demonstrates that the community
24 will terminate the need for Federal assistance.

25 “(c) GRANTS TO DEVELOP STRATEGIC PLANS.—

1 ~~“(1) IN GENERAL.—~~The Director, upon receipt
 2 of an application from a Community Economic De-
 3 velopment Coordinating Committee on behalf of an
 4 eligible community, shall award a grant to that com-
 5 munity to be used to develop the strategic plan.

6 ~~“(2) AMOUNT.—~~The amount of a grant made
 7 under paragraph (1) shall be determined by the Sec-
 8 retary, but may not exceed \$100,000.

9 ~~“(3) LIMIT.—~~Each community can only receive
 10 1 grant for the purpose of developing a strategic
 11 plan in any 5-year period.

12 ~~“(d) SUBMISSION OF PLAN.—~~The strategic plan cre-
 13 ated under subsection (a) shall be submitted to the Direc-
 14 tor for evaluation and approval.

15 **~~“SEC. 277. GRANTS FOR ECONOMIC DEVELOPMENT.~~**

16 ~~“The Director, upon receipt of an application from~~
 17 the Community Economic Development Coordinating
 18 Committee on behalf of an eligible community, may award
 19 a grant to that community to carry out any project or
 20 program included in the strategic plan approved under
 21 section 276(d) that—

22 ~~“(1) will be located in, or will create or preserve~~
 23 jobs, in that eligible community; and

1 “(2) implements the strategy of that eligible
2 community to create jobs in sectors that are ex-
3 pected to expand, including projects that—

4 “(A) encourage industries to locate in that
5 eligible community;

6 “(B) leverage resources to create or im-
7 prove Internet or telecommunications capabili-
8 ties to make the community more attractive for
9 business;

10 “(C) establish a funding pool for job cre-
11 ation through entrepreneurial activities;

12 “(D) assist existing firms in that commu-
13 nity to restructure or retool to become more
14 competitive in world markets and prevent job
15 loss; or

16 “(E) assist the community in acquiring the
17 resources necessary to meet the objectives set
18 out in the strategic plan.

19 **“SEC. 278. AUTHORIZATION OF APPROPRIATIONS.**

20 “There are authorized to be appropriated to the De-
21 partment of Commerce, for the period beginning October
22 1, 2001, and ending September 30, 2006, such sums as
23 may be necessary to carry out the purposes of this chap-
24 ter.

1 **“SEC. 279. GENERAL PROVISIONS.**

2 “(a) **REPORT BY THE DIRECTOR.**—Not later than 6
3 months after the date of enactment of this Act and annu-
4 ally thereafter, the Director shall submit to the Committee
5 on Finance of the Senate and the Committee on Ways and
6 Means of the House of Representatives a report regarding
7 the programs established under this title.

8 “(b) **REGULATIONS.**—The Secretary shall prescribe
9 such regulations as are necessary to carry out the provi-
10 sions of this chapter.”.

11 “(c) **SUPPLEMENT NOT SUPPLANT.**—Funds appro-
12 priated under this chapter shall be used to supplement and
13 not supplant other Federal, State, and local public funds
14 expended to provide economic development assistance for
15 communities.”.

16 **TITLE IV—TRADE ADJUSTMENT**
17 **ASSISTANCE FOR FARMERS**

18 **SEC. 401. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.**

19 Title II of the Trade Act of 1974 (19 U.S.C. 2251
20 et seq.) is amended by adding at the end the following
21 new chapter:

22 **“CHAPTER 6—ADJUSTMENT ASSISTANCE**
23 **FOR FARMERS**

24 **“SEC. 291. DEFINITIONS.**

25 “**In this chapter:**

1 “(1) AGRICULTURAL COMMODITY.—The term
2 ‘agricultural commodity’ means any agricultural
3 commodity (including livestock, fish, or harvested
4 seafood) in its raw or natural state.

5 “(2) AGRICULTURAL COMMODITY PRODUCER.—
6 The term ‘agricultural commodity producer’ means
7 any person who is engaged in the production and
8 sale of an agricultural commodity in the United
9 States and who owns or shares the ownership and
10 risk of loss of the agricultural commodity.

11 “(3) CONTRIBUTED IMPORTANTLY.—

12 “(A) IN GENERAL.—The term ‘contributed
13 importantly’ means a cause which is important
14 but not necessarily more important than any
15 other cause.

16 “(B) DETERMINATION OF CONTRIBUTED
17 IMPORTANTLY.—The determination of whether
18 imports of articles like or directly competitive
19 with an agricultural commodity with respect to
20 which the petition under this chapter was filed
21 contributed importantly to a decline in the price
22 of the agricultural commodity shall be made by
23 the Secretary of Agriculture.

1 “(4) DULY AUTHORIZED REPRESENTATIVE.—

2 The term ‘duly authorized representative’ means an
3 association of agricultural commodity producers.

4 “(5) NATIONAL AVERAGE PRICE.—The term

5 ‘national average price’ means the national average
6 price paid to an agricultural commodity producer for
7 an agricultural commodity in a marketing year as
8 determined by the Secretary of Agriculture.

9 “(6) SECRETARY.—The term ‘Secretary’ means

10 the Secretary of Agriculture.

11 **“SEC. 292. PETITIONS; GROUP ELIGIBILITY.**

12 “(a) IN GENERAL.—A petition for a certification of
13 eligibility to apply for adjustment assistance under this
14 chapter may be filed with the Secretary by a group of agri-
15 cultural commodity producers or by their duly authorized
16 representative. Upon receipt of the petition, the Secretary
17 shall promptly publish notice in the Federal Register that
18 the Secretary has received the petition and initiated an
19 investigation.

20 “(b) HEARINGS.—If the petitioner, or any other per-
21 son found by the Secretary to have a substantial interest
22 in the proceedings, submits not later than 10 days after
23 the date of the Secretary’s publication under subsection
24 (a) a request for a hearing, the Secretary shall provide
25 for a public hearing and afford such interested persons

1 an opportunity to be present, to produce evidence, and to
2 be heard.

3 “(c) GROUP ELIGIBILITY REQUIREMENTS.—The
4 Secretary shall certify a group of agricultural commodity
5 producers as eligible to apply for adjustment assistance
6 under this chapter if the Secretary determines—

7 “(1) that the national average price for the ag-
8 ricultural commodity, or a class of goods within the
9 agricultural commodity, produced by the group for
10 the most recent marketing year for which the na-
11 tional average price is available is less than 80 per-
12 cent of the average of the national average price for
13 such agricultural commodity, or such class of goods,
14 for the 5 marketing years preceding the most recent
15 marketing year; and

16 “(2) that increases in imports of articles like or
17 directly competitive with the agricultural commodity,
18 or class of goods within the agricultural commodity,
19 produced by the group contributed importantly to
20 the decline in price described in paragraph (1).

21 “(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT
22 YEARS.—A group of agricultural commodity producers
23 certified as eligible under section 293 shall be eligible to
24 apply for assistance under this chapter in any qualified

1 year after the year the group is first certified; if the Sec-
 2 retary determines that—

3 “(1) the national average price for the agricul-
 4 tural commodity, or class of goods within the agri-
 5 cultural commodity, produced by the group for the
 6 most recent marketing year for which the national
 7 average price is available is equal to or less than the
 8 price determined under subsection (c)(1); and

9 “(2) the requirements of subsection (c)(2) are
 10 met.

11 “(e) DETERMINATION OF QUALIFIED YEAR AND
 12 COMMODITY.—In this chapter:

13 “(1) QUALIFIED YEAR.—The term ‘qualified
 14 year’, with respect to a group of agricultural com-
 15 modity producers certified as eligible under section
 16 293, means each consecutive year after the year in
 17 which the group is certified that the Secretary
 18 makes the determination under subsection (c) or (d),
 19 as the case may be.

20 “(2) CLASSES OF GOODS WITHIN A COM-
 21 MODITY.—In any case in which there are separate
 22 classes of goods within an agricultural commodity,
 23 the Secretary shall treat each class as a separate
 24 commodity in determining group eligibility; the na-

1 tional average price, and level of imports under this
 2 section and section 296.

3 **“SEC. 293. DETERMINATIONS BY SECRETARY OF AGRI-**
 4 **CULTURE.**

5 “(a) IN GENERAL.—As soon as practicable after the
 6 date on which a petition is filed under section 292, but
 7 in any event not later than 60 days after that date, the
 8 Secretary shall determine whether the petitioning group
 9 meets the requirements of section 292 (c) or (d), as the
 10 case may be and shall, if the group meets the require-
 11 ments, issue a certification of eligibility to apply for assist-
 12 ance under this chapter covering agricultural commodity
 13 producers in any group that meet the requirements. Each
 14 certification shall specify the date on which eligibility
 15 under this chapter begins.

16 “(b) NOTICE.—Upon making a determination on a
 17 petition, the Secretary shall promptly publish a summary
 18 of the determination in the Federal Register, together with
 19 the Secretary’s reasons for making the determination.

20 “(c) TERMINATION OF CERTIFICATION.—Whenever
 21 the Secretary determines, with respect to any certification
 22 of eligibility under this chapter, that the decline in price
 23 for the agricultural commodity covered by the certification
 24 is no longer attributable to the conditions described in sec-
 25 tion 292, the Secretary shall terminate such certification

1 and promptly cause notice of such termination to be pub-
 2 lished in the Federal Register, together with the Sec-
 3 retary's reasons for making such determination.

4 **“SEC. 294. STUDY BY SECRETARY OF AGRICULTURE WHEN**
 5 **INTERNATIONAL TRADE COMMISSION BE-**
 6 **GINS INVESTIGATION.**

7 “(a) IN GENERAL.—Whenever the International
 8 Trade Commission (in this chapter referred to as the
 9 ‘Commission’) begins an investigation under section 202
 10 with respect to an agricultural commodity, the Commis-
 11 sion shall immediately notify the Secretary of the inves-
 12 tigation. Upon receipt of the notification, the Secretary
 13 shall immediately conduct a study of—

14 “(1) the number of agricultural commodity pro-
 15 ducers producing a like or directly competitive agri-
 16 cultural commodity who have been or are likely to be
 17 certified as eligible for adjustment assistance under
 18 this chapter; and

19 “(2) the extent to which the adjustment of such
 20 producers to the import competition may be facili-
 21 tated through the use of existing programs.

22 “(b) REPORT.—Not later than 15 days after the day
 23 on which the Commission makes its report under section
 24 202(f), the Secretary shall submit a report to the Presi-
 25 dent setting forth the findings of the study under sub-

1 section (a). Upon making his report to the President, the
 2 Secretary shall also promptly make it public (with the ex-
 3 ception of information which the Secretary determines to
 4 be confidential) and shall have a summary of it published
 5 in the Federal Register.

6 **“SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL**
 7 **COMMODITY PRODUCERS.**

8 “(a) IN GENERAL.—The Secretary shall provide full
 9 information to producers about the benefit allowances,
 10 training, and other employment services available under
 11 this title and about the petition and application proce-
 12 dures, and the appropriate filing dates, for such allow-
 13 ances, training, and services. The Secretary shall provide
 14 whatever assistance is necessary to enable groups to pre-
 15 pare petitions or applications for program benefits under
 16 this title.

17 “(b) NOTICE OF BENEFITS.—

18 “(1) IN GENERAL.—The Secretary shall mail
 19 written notice of the benefits available under this
 20 chapter to each agricultural commodity producer
 21 that the Secretary has reason to believe is covered
 22 by a certification made under this chapter.

23 “(2) OTHER NOTICE.—The Secretary shall pub-
 24 lish notice of the benefits available under this chap-
 25 ter to agricultural commodity producers that are

1 covered by each certification made under this chap-
 2 ter in newspapers of general circulation in the areas
 3 in which such producers reside.

4 “(3) OTHER FEDERAL ASSISTANCE.—The Sec-
 5 retary shall also provide information concerning pro-
 6 cedures for applying for and receiving all other Fed-
 7 eral assistance and services available to workers fac-
 8 ing economic distress.

9 **“SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICUL-**
 10 **TURAL COMMODITY PRODUCERS.**

11 “(a) IN GENERAL.—Payment of a trade adjustment
 12 allowance shall be made to an adversely affected agricul-
 13 tural commodity producer covered by a certification under
 14 this chapter who files an application for such allowance
 15 within 90 days after the date on which the Secretary
 16 makes a determination and issues a certification of eligi-
 17 bility under section 293, if the following conditions are
 18 met:

19 “(1) The producer submits to the Secretary suf-
 20 ficient information to establish the amount of agri-
 21 cultural commodity covered by the application filed
 22 under subsection (a) that was produced by the pro-
 23 ducer in the most recent year.

1 ~~“(2) The producer certifies that the producer~~
 2 ~~has not received cash benefits under any provision of~~
 3 ~~this title other than this chapter.~~

4 ~~“(3) The producer’s net farm income (as deter-~~
 5 ~~mined by the Secretary) for the most recent year is~~
 6 ~~less than the producer’s net farm income for the lat-~~
 7 ~~est year in which no adjustment assistance was re-~~
 8 ~~ceived by the producer under this chapter.~~

9 ~~“(4) The producer certifies that the producer~~
 10 ~~has met with an Extension Service employee or~~
 11 ~~agent to obtain, at no cost to the producer, informa-~~
 12 ~~tion and technical assistance that will assist the pro-~~
 13 ~~ducer in adjusting to import competition with re-~~
 14 ~~spect to the adversely affected agricultural com-~~
 15 ~~modity, including—~~

16 ~~“(A) information regarding the feasibility~~
 17 ~~and desirability of substituting 1 or more alter-~~
 18 ~~native commodities for the adversely affected~~
 19 ~~agricultural commodity; and~~

20 ~~“(B) technical assistance that will improve~~
 21 ~~the competitiveness of the production and mar-~~
 22 ~~keting of the adversely affected agricultural~~
 23 ~~commodity by the producer, including yield and~~
 24 ~~marketing improvements.~~

25 ~~“(b) AMOUNT OF CASH BENEFITS.—~~

1 “(1) IN GENERAL.—Subject to the provisions of
 2 section 298, an adversely affected agricultural com-
 3 modity producer described in subsection (a) shall be
 4 entitled to adjustment assistance under this chapter
 5 in an amount equal to the product of—

6 “(A) one-half of the difference between—

7 “(i) an amount equal to 80 percent of
 8 the average of the national average price of
 9 the agricultural commodity covered by the
 10 application described in subsection (a) for
 11 the 5 marketing years preceding the most
 12 recent marketing year; and

13 “(ii) the national average price of the
 14 agricultural commodity for the most recent
 15 marketing year; and

16 “(B) the amount of the agricultural com-
 17 modity produced by the agricultural commodity
 18 producer in the most recent marketing year.

19 “(2) SPECIAL RULE FOR SUBSEQUENT QUALI-
 20 FIED YEARS.—The amount of cash benefits for a
 21 qualified year shall be determined in the same man-
 22 ner as cash benefits are determined under paragraph
 23 (1) except that the average national price of the ag-
 24 ricultural commodity shall be determined under
 25 paragraph (1)(A)(i) by using the 5-marketing-year

1 period used to determine the amount of cash bene-
2 fits for the first certification.

3 ~~“(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—~~

4 The maximum amount of cash benefits an agricultural
5 commodity producer may receive in any 12-month period
6 shall not exceed \$10,000.

7 ~~“(d) LIMITATIONS ON OTHER ASSISTANCE.—An ag-~~
8 ~~ricultural commodity producer entitled to receive a cash~~
9 ~~benefit under this chapter—~~

10 ~~“(1) shall not be eligible for any other cash~~
11 ~~benefit under this title; and~~

12 ~~“(2) shall be entitled to employment services~~
13 ~~and training benefits under part III of subchapter C~~
14 ~~of chapter 2.~~

15 **~~“SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.~~**

16 ~~“(a) IN GENERAL.—~~

17 ~~“(1) REPAYMENT.—If the Secretary, or a court~~
18 ~~of competent jurisdiction, determines that any per-~~
19 ~~son has received any payment under this chapter to~~
20 ~~which the person was not entitled, such person shall~~
21 ~~be liable to repay such amount to the Secretary, ex-~~
22 ~~cept that the Secretary may waive such repayment~~
23 ~~if the Secretary determines, in accordance with~~
24 ~~guidelines prescribed by the Secretary, that—~~

1 “(A) the payment was made without fault
2 on the part of such person; and

3 “(B) requiring such repayment would be
4 contrary to equity and good conscience.

5 “(2) RECOVERY OF OVERPAYMENT.—Unless an
6 overpayment is otherwise recovered, or waived under
7 paragraph (1), the Secretary shall recover the over-
8 payment by deductions from any sums payable to
9 such person under this chapter.

10 “(b) FALSE STATEMENTS.—If the Secretary, or a
11 court of competent jurisdiction, determines that a
12 person—

13 “(1) knowingly has made, or caused another to
14 make, a false statement or representation of a mate-
15 rial fact, or

16 “(2) knowingly has failed, or caused another to
17 fail, to disclose a material fact,

18 and, as a result of such false statement or representation,
19 or of such nondisclosure, such person has received any
20 payment under this chapter to which the person was not
21 entitled, such person shall, in addition to any other pen-
22 alty provided by law, be ineligible for any further pay-
23 ments under this chapter.

24 “(c) NOTICE AND DETERMINATION.—Except for
25 overpayments determined by a court of competent jurisdic-

tion, no repayment may be required, and no deduction may be made, under this section until a determination under subsection (a)(1) by the Secretary has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the person concerned, and the determination has become final.

“(d) PAYMENT TO TREASURY.—Any amount recovered under this section shall be returned to the Treasury of the United States.

“(e) PENALTIES.—Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this chapter shall be fined not more than \$10,000 or imprisoned for not more than 1 year, or both.

“SEC. 298. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—There are authorized to be appropriated and there are appropriated to the Department of Agriculture not to exceed \$100,000,000 for each of the fiscal years 2002 through 2006 to carry out the purposes of this chapter.

“(b) PROPORTIONATE REDUCTION.—If in any year, the amount appropriated under this chapter is insufficient to meet the requirements for adjustment assistance pay-

1 able under this chapter, the amount of assistance payable
 2 under this chapter shall be reduced proportionately.”.

3 **TITLE V—CONFORMING AMEND-** 4 **MENTS AND EFFECTIVE DATE**

5 **SEC. 501. CONFORMING AMENDMENTS.**

6 (a) AMENDMENTS TO THE TRADE ACT OF 1974.—

7 (1) ASSISTANCE TO INDUSTRIES.—Section 265
 8 of the Trade Act of 1974 (19 U.S.C. 2355) is
 9 amended by striking “certified as eligible to apply
 10 for adjustment assistance under sections 231 or
 11 251”, and inserting “certified as eligible for trade
 12 adjustment assistance benefits under section 231, or
 13 as eligible to apply for adjustment assistance under
 14 section 251”.

15 (2) GENERAL ACCOUNTING OFFICE REPORT.—

16 Section 280(a) of the Trade Act of 1974 is amended
 17 by striking “January 31, 1980” and inserting “Jan-
 18 uary 31, 2004”.

19 (3) JUDICIAL REVIEW.—Section 284(a) of the

20 Trade Act of 1974 (19 U.S.C. 2395(a)) is amended
 21 by striking “under section 223 or section 250(c)”
 22 and all that follows through “the Secretary of Com-
 23 merce under section 271” and inserting “under sec-
 24 tion 231, a firm or its representative, or any other
 25 interested domestic party aggrieved by a final deter-

1 mination of the Secretary of Commerce under sec-
 2 tion 251 or a farmer aggrieved by a determination
 3 of the Secretary of Agriculture under section 292, or
 4 a community or any other interested domestic party
 5 aggrieved by a final determination of the Director of
 6 the Office of Community Economic Adjustment
 7 under section 273”.

8 (4) TERMINATION.—Section 285 of the Trade
 9 Act of 1974 is amended to read as follows:

10 **“SEC. 285. TERMINATION.**

11 “(a) ASSISTANCE FOR WORKERS.—

12 “(1) IN GENERAL.—Except as provided in para-
 13 graph (2), trade adjustment assistance, vouchers, al-
 14 lowances, and other payments or benefits may not be
 15 provided under chapter 2 after September 30, 2006.

16 “(2) EXCEPTION.—Notwithstanding subsection
 17 (a)(1), a worker shall continue to receive trade ad-
 18 justment assistance benefits and other benefits
 19 under chapter 2 for any week for which the worker
 20 meets the eligibility requirements of that chapter, if
 21 on or before September 30, 2006, the worker is—

22 “(A) certified as eligible for trade adjust-
 23 ment assistance benefits under section 231; and

24 “(B) is otherwise eligible to receive trade
 25 adjustment assistance benefits under chapter 2.

1 “(b) OTHER ASSISTANCE.—

2 “(1) ASSISTANCE FOR FIRMS.—Technical as-
3 sistance may not be provided under chapter 3 after
4 September 30, 2006.

5 “(2) ASSISTANCE FOR COMMUNITIES.—Tech-
6 nical assistance and other payments may not be pro-
7 vided under chapter 4 after September 30, 2006.”.

8 (5) TABLE OF CONTENTS.—

9 (A) IN GENERAL.—The table of contents
10 for chapters 2, 3, and 4 of title II of the Trade
11 Act of 1974 is amended to read as follows:

“CHAPTER 2—Adjustment Assistance for Workers

“SUBCHAPTER A—GENERAL PROVISIONS

“Sec. 221. Definitions.

“Sec. 222. Agreements with States.

“Sec. 223. Administration absent State agreement.

“Sec. 224. Data collection; evaluations; reports.

“Sec. 225. Study by Secretary of Labor when International Trade Com-
mission begins investigation.

“SUBCHAPTER B—CERTIFICATIONS

“Sec. 231. Certification as adversely affected workers.

“Sec. 232. Benefit information to workers.

“SUBCHAPTER C—PROGRAM BENEFITS

“PART I—GENERAL PROVISIONS

“Sec. 234. Comprehensive assistance.

“PART II—TRADE ADJUSTMENT ALLOWANCES

“Sec. 235. Qualifying requirements for workers.

“Sec. 236. Weekly amounts.

“Sec. 237. Limitations on trade adjustment allowances.

“Sec. 238. Application of State laws.

“PART III—EMPLOYMENT SERVICES, TRAINING, AND OTHER ALLOWANCES

“Sec. 239. Employment services.

“Sec. 240. Training.

- “Sec. 241. Job search allowances.
- “Sec. 242. Relocation allowances.
- “Sec. 243. Supportive services.

“SUBCHAPTER D—PAYMENT AND ENFORCEMENT PROVISIONS

- “Sec. 244. Payments to States.
- “Sec. 245. Liabilities of certifying and disbursing officers.
- “Sec. 246. Fraud and recovery of overpayments.
- “Sec. 247. Criminal penalties.
- “Sec. 248. Authorization of appropriations.
- “Sec. 249. Regulations.
- “Sec. 250. Subpoena power.

“CHAPTER 3—Trade Adjustment Assistance for Firms

- “Sec. 251. Petitions and determinations.
- “Sec. 252. Approval of adjustment proposals.
- “Sec. 253. Technical assistance.
- “Sec. 254. Financial assistance.
- “Sec. 255. Conditions for financial assistance.
- “Sec. 256. Delegation of functions to Small Business Administration; authorization of appropriations.
- “Sec. 257. Administration of financial assistance.
- “Sec. 258. Protective provisions.
- “Sec. 259. Penalties.
- “Sec. 260. Suits.
- “Sec. 261. Definition of firm.
- “Sec. 262. Regulations.
- “Sec. 264. Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is affirmative finding.
- “Sec. 265. Assistance to industries.

“CHAPTER 4—Community Economic Adjustment

- “Sec. 271. Definitions.
- “Sec. 272. Office of Community Economic Adjustment.
- “Sec. 273. Notification and certification as an eligible community.
- “Sec. 274. Community Economic Development Coordinating Committee.
- “Sec. 275. Community economic adjustment advisors.
- “Sec. 276. Strategic plans.
- “Sec. 277. Grants for economic development.
- “Sec. 278. Authorization of appropriations.
- “Sec. 279. General Provisions.”.

1 (B) CHAPTER 6.—The table of contents for
 2 title II of the Trade Act of 1974, as amended
 3 by subparagraph (A), is amended by inserting
 4 after the items relating to chapter 5 the fol-
 5 lowing:

“CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

“Sec. 291. Definitions.

“Sec. 292. Petitions; group eligibility.

“Sec. 293. Determinations by Secretary.

“Sec. 294. Study by Secretary when International Trade Commission begins investigation.

“Sec. 295. Benefit information to agricultural commodity producers.

“Sec. 296. Qualifying requirements for agricultural commodity producers.

“Sec. 297. Fraud and recovery of overpayments.

“Sec. 298. Authorization of appropriations.”.

1 (b) INTERNAL REVENUE CODE.—

2 (1) ADJUSTED GROSS INCOME.—Section
3 62(a)(12) of the Internal Revenue Code of 1986 (re-
4 lating to the definition of adjusted gross income) is
5 amended by striking “trade readjustment allowances
6 under section 231 or 232” and inserting “trade ad-
7 justment allowances under section 235 or 236”.

8 (2) FEDERAL UNEMPLOYMENT.—

9 (A) IN GENERAL.—Section 3304(a)(8) of
10 the Internal Revenue Code of 1986 (relating to
11 the approval of State unemployment insurance
12 laws) is amended to read as follows:

13 “(8) compensation shall not be denied to an in-
14 dividual for any week because the individual is in
15 training with the approval of the State agency, or in
16 training approved by the Secretary of Labor pursu-
17 ant to chapter 2 of title II of the Trade Act of 1974
18 (or because of the application, to any such week in
19 training, of State law provisions relating to avail-

1 ability for work, active search for work, or refusal to
 2 accept work);”.

3 ~~(B) EFFECTIVE DATE.—~~

4 (i) IN GENERAL.—Except as provided
 5 in clause (ii), the amendments made by
 6 this paragraph shall apply in the case of
 7 compensation paid for weeks beginning on
 8 or after October 1, 2001.

9 (ii) MEETING OF STATE LEGISLA-
 10 TURE.—

11 (I) IN GENERAL.—If the Sec-
 12 retary of Labor identifies a State as
 13 requiring a change to its statutes or
 14 regulations in order to comply with
 15 the amendments made by subpara-
 16 graph (A), the amendments made by
 17 subparagraph (A) shall apply in the
 18 case of compensation paid for weeks
 19 beginning after the earlier of—

20 (aa) the date the State
 21 changes its statutes or regula-
 22 tions in order to comply with the
 23 amendments made by this sec-
 24 tion; or

1 (bb) the end of the first ses-
 2 sion of the State legislature
 3 which begins after the date of en-
 4 actment of this Act or which
 5 began prior to such date and re-
 6 mained in session for at least 25
 7 calendar days after such date;
 8 except that in no case shall the
 9 amendments made by this Act apply
 10 before October 1, 2001.

11 (H) SESSION DEFINED.—In this
 12 clause, the term “session” means a
 13 regular, special, budget, or other ses-
 14 sion of a State legislature.

15 (c) AMENDMENTS TO TITLE 28.—

16 (1) CIVIL ACTIONS AGAINST THE UNITED
 17 STATES.—Section 1581(d) of title 28, United States
 18 Code, is amended—

19 (A) in paragraph (1), by striking “section
 20 223” and inserting “section 231”; and

21 (B) in paragraph (3), by striking “section
 22 271” and inserting “section 273”.

23 (2) PERSONS ENTITLED TO COMMENCE A CIVIL
 24 ACTION.—Section 2631 of title 28, United States
 25 Code, is amended—

1 (A) by amending subsection (d)(1) to read
2 as follows:

3 ~~“(d)(1) A civil action to review any final determina-~~
4 ~~tion of the Secretary of Labor under section 231 of the~~
5 ~~Trade Act of 1974 with respect to the certification of~~
6 ~~workers as adversely affected and eligible for trade adjust-~~
7 ~~ment assistance under that Act may be commenced by a~~
8 ~~worker, a group of workers, a certified or recognized~~
9 ~~union, or an authorized representative of such worker or~~
10 ~~group, that petitions for certification under that Act and~~
11 ~~is aggrieved by the final determination.”; and~~

12 (B) in subsection (d)(3), by striking “Sec-
13 retary of Commerce under section 271” and in-
14 serting “Director of the Office of Community
15 Economic Adjustment under section 273”.

16 (3) TIME FOR COMMENCEMENT OF ACTION.—
17 Section 2636(d) of title 28, United States Code, is
18 amended by striking “under section 223 of the
19 Trade Act of 1974 or a final determination of the
20 Secretary of Commerce under section 251 or section
21 271 of such Act” and inserting “under section 231
22 of the Trade Act of 1974, a final determination of
23 the Secretary of Commerce under section 251 of
24 that Act, or a final determination of the Director of

1 the Office of Community Economic Adjustment
2 under section 273 of that Act”.

3 (4) SCOPE AND STANDARD OF REVIEW.—Sec-
4 tion 2640(e) of title 28, United States Code, is
5 amended by striking “under section 223 of the
6 Trade Act of 1974 or any final determination of the
7 Secretary of Commerce under section 251 or section
8 271 of such Act” and inserting “under section 231
9 of the Trade Act of 1974, a final determination of
10 the Secretary of Commerce under section 251 of
11 that Act, or a final determination of the Director of
12 the Office of Community Economic Adjustment
13 under section 273 of that Act”.

14 (5) RELIEF.—Section 2643(e)(2) of title 28,
15 United States Code, is amended by striking “under
16 section 223 of the Trade Act of 1974 or any final
17 determination of the Secretary of Commerce under
18 section 251 or section 271 of such Act” and insert-
19 ing “under section 231 of the Trade Act of 1974,
20 a final determination of the Secretary of Commerce
21 under section 251 of that Act, or a final determina-
22 tion of the Director of the Office of Community Eco-
23 nomic Adjustment under section 273 of that Act”.

24 (d) AMENDMENT TO THE FOOD STAMP ACT OF
25 1977.—Section 6(o)(1)(B) of the Food Stamp Act of 1977

1 ~~(7 U.S.C. 2015(o)(1)(B))~~ is amended by striking “section
2 236” and inserting “section 240”.

3 **TITLE VI—SAVINGS PROVISIONS**
4 **AND EFFECTIVE DATE**

5 **SEC. 601. SAVINGS PROVISIONS.**

6 ~~(a) PROCEEDINGS NOT AFFECTED.—~~

7 ~~(1) IN GENERAL.—~~The provisions of this Act
8 shall not affect any petition for certification for ben-
9 efits under chapter 2 of title II of the Trade Act of
10 1974 that is in effect on September 30, 2001. De-
11 terminations shall be issued, appeals shall be taken
12 therefrom, and payments shall be made under those
13 determinations, as if this Act had not been enacted,
14 and orders issued in any proceeding shall continue
15 in effect until modified, terminated, superseded, or
16 revoked by a duly authorized official, by a court of
17 competent jurisdiction, or by operation of law.

18 ~~(2) MODIFICATION OR DISCONTINUANCE.—~~

19 Nothing in this subsection shall be deemed to pro-
20 hibit the discontinuance or modification of any pro-
21 ceeding under the same terms and conditions and to
22 the same extent that the proceeding could have been
23 discontinued or modified if this Act had not been en-
24 acted.

1 (b) ~~SUITS NOT AFFECTED.~~—The provisions of this
 2 Act shall not affect any suit commenced before October
 3 ~~1, 2001,~~ and in all those suits, proceedings shall be had,
 4 appeals taken, and judgments rendered in the same man-
 5 ner and with the same effect as if this Act had not been
 6 enacted.

7 (c) ~~NONABATEMENT OF ACTIONS.~~—No suit, action,
 8 or other proceeding commenced by or against the Federal
 9 Government, or by or against any individual in the official
 10 capacity of that individual as an officer of the Federal
 11 Government, shall abate by reason of enactment of this
 12 Act.

13 **SEC. 602. EFFECTIVE DATE.**

14 (a) ~~IN GENERAL.~~—Except as otherwise provided in
 15 section ~~402,~~ section 501(b)(2)(B), and subsection (b) of
 16 this section, the amendments made by this Act shall apply
 17 to—

18 (1) petitions for certification filed under chapter
 19 ~~2~~ or ~~3~~ of title II of the Trade Act of 1974 on or
 20 after October 1, 2001;

21 (2) petitions for certification filed under chapter
 22 ~~2~~ or ~~3~~ of title II of the Trade Act of 1974 before
 23 October 1, 2001, that are pending on such date; and

1 ~~(3) certifications for assistance under chapter 4~~
 2 ~~of title II of the Trade Act of 1974 issued on or~~
 3 ~~after October 1, 2001.~~

4 ~~(b) WORKERS CERTIFIED AS ELIGIBLE BEFORE OC-~~
 5 ~~TOBER 1, 2001.—Notwithstanding subsection (a), a work-~~
 6 ~~er shall continue to receive (or be eligible to receive) trade~~
 7 ~~adjustment assistance and other benefits under chapter 2~~
 8 ~~of title II of the Trade Act of 1974, as in effect on Sep-~~
 9 ~~tember 30, 2001, for any week for which the worker meets~~
 10 ~~the eligibility requirements of such chapter II as in effect~~
 11 ~~on such date, if on or before September 30, 2001, the~~
 12 ~~worker—~~

13 ~~(1) was certified as eligible for trade adjust-~~
 14 ~~ment assistance benefits under such chapter as in~~
 15 ~~effect on such date; and~~

16 ~~(2) would otherwise be eligible to receive trade~~
 17 ~~adjustment assistance benefits under such chapter~~
 18 ~~as in effect on such date.~~

19 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

20 ~~(a) SHORT TITLE.—This Act may be cited as the~~
 21 ~~“Trade Adjustment Assistance for Workers, Farmers, Fish-~~
 22 ~~ermen, Communities, and Firms Act of 2002”.~~

23 ~~(b) TABLE OF CONTENTS.—~~

Sec. 1. Short title; table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Sec. 101. Adjustment assistance for workers.

Sec. 102. Displaced worker self-employment training pilot program.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Sec. 201. Reauthorization of program.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

Sec. 301. Purpose.

Sec. 302. Trade adjustment assistance for communities.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Sec. 401. Trade adjustment assistance for farmers.

TITLE V—TRADE ADJUSTMENT ASSISTANCE FOR FISHERMEN

Sec. 501. Trade adjustment assistance for fishermen.

*TITLE VI—HEALTH INSURANCE COVERAGE OPTIONS FOR
INDIVIDUALS ELIGIBLE FOR TRADE ADJUSTMENT ASSISTANCE*

*Sec. 601. Premium assistance for COBRA continuation coverage for individuals
and their families.*

*Sec. 602. State option to provide temporary medicaid coverage for certain unin-
sured individuals.*

*Sec. 603. State option to provide temporary coverage under medicaid for the un-
subsidized portion of COBRA continuation premiums.*

Sec. 604. Definitions.

TITLE VII—CONFORMING AMENDMENTS AND EFFECTIVE DATE

Sec. 701. Conforming amendments.

TITLE VIII—SAVINGS PROVISIONS AND EFFECTIVE DATE

Sec. 801. Savings provisions.

Sec. 802. Effective date.

TITLE IX—CUSTOMS REAUTHORIZATION

Sec. 900. Short title.

Subtitle A—United States Customs Service

*CHAPTER 1—DRUG ENFORCEMENT AND OTHER NONCOMMERCIAL AND
COMMERCIAL OPERATIONS*

*Sec. 901. Authorization of appropriations for noncommercial operations, commer-
cial operations, and air and marine interdiction.*

*Sec. 902. Antiterrorist and illicit narcotics detection equipment for the United
States-Mexico border, United States-Canada border, and Florida
and the Gulf Coast seaports.*

Sec. 903. Compliance with performance plan requirements.

CHAPTER 2—CHILD CYBER-SMUGGLING CENTER OF THE CUSTOMS SERVICE

*Sec. 911. Authorization of appropriations for program to prevent child pornog-
raphy/child sexual exploitation.*

CHAPTER 3—MISCELLANEOUS PROVISIONS

- Sec. 921. Additional Customs Service officers for United States-Canada border.*
Sec. 922. Study and report relating to personnel practices of the Customs Service.
Sec. 923. Study and report relating to accounting and auditing procedures of the Customs Service.
Sec. 924. Establishment and implementation of cost accounting system; reports.
Sec. 925. Study and report relating to timeliness of prospective rulings.
Sec. 926. Study and report relating to customs user fees.

CHAPTER 4—ANTITERRORISM PROVISIONS

- Sec. 931. Emergency adjustments to offices, ports of entry, or staffing of the Customs Service.*
Sec. 932. Mandatory advanced electronic information for cargo and passengers.
Sec. 933. Border search authority for certain contraband in outbound mail.
Sec. 934. Authorization of appropriations for reestablishment of customs operations in New York City.

CHAPTER 5—TEXTILE TRANSSHIPMENT PROVISIONS

- Sec. 941. GAO audit of textile transshipment monitoring by Customs Service.*
Sec. 942. Authorization of appropriations for textile transshipment enforcement operations.
Sec. 943. Implementation of the African Growth and Opportunity Act.

Subtitle B—Office of the United States Trade Representative

- Sec. 951. Authorization of appropriations.*

Subtitle C—United States International Trade Commission

- Sec. 961. Authorization of appropriations.*

Subtitle D—Other Trade Provisions

- Sec. 971. Increase in aggregate value of articles exempt from duty acquired abroad by United States residents.*
Sec. 972. Regulatory audit procedures.

Subtitle E—Sense of Senate

- Sec. 981. Sense of Senate.*

TITLE X—MISCELLANEOUS PROVISIONS

- Sec. 1001. Country of origin labeling of fish and shellfish products.*
Sec. 1002. Sugar policy.

1 **TITLE I—TRADE ADJUSTMENT**

2 **ASSISTANCE FOR WORKERS**

3 **SEC. 101. ADJUSTMENT ASSISTANCE FOR WORKERS.**

4 Chapter 2 of title II of the Trade Act of 1974 (19
 5 U.S.C. 2271 *et seq.*) is amended to read as follows:

1 **“CHAPTER 2—ADJUSTMENT ASSISTANCE**
 2 **FOR WORKERS**

3 **“Subchapter A—General Provisions**

4 **“SEC. 221. DEFINITIONS.**

5 *“In this chapter:*

6 *“(1) ADDITIONAL COMPENSATION.—The term*
 7 *‘additional compensation’ has the meaning given that*
 8 *term in section 205(3) of the Federal-State Extended*
 9 *Unemployment Compensation Act of 1970 (26 U.S.C.*
 10 *3304 note).*

11 *“(2) ADVERSELY AFFECTED EMPLOYMENT.—The*
 12 *term ‘adversely affected employment’ means employ-*
 13 *ment in a firm or appropriate subdivision of a firm,*
 14 *if workers of that firm or subdivision are eligible to*
 15 *apply for adjustment assistance under this chapter.*

16 *“(3) ADVERSELY AFFECTED WORKER.—*

17 *“(A) IN GENERAL.—The term ‘adversely af-*
 18 *ected worker’ means a worker who is a member*
 19 *of a group of workers certified by the Secretary*
 20 *under section 231(a)(1) as eligible for trade ad-*
 21 *justment assistance.*

22 *“(B) ADVERSELY AFFECTED SECONDARY*
 23 *WORKER.—The term ‘adversely affected worker’*
 24 *includes an adversely affected secondary worker*
 25 *who is a member of a group of workers employed*

1 *at a downstream producer or a supplier, that is*
 2 *certified by the Secretary under section 231(a)(2)*
 3 *as eligible for trade adjustment assistance.*

4 “(4) *AVERAGE WEEKLY HOURS.*—*The term ‘aver-*
 5 *age weekly hours’ means the average hours worked by*
 6 *a worker (excluding overtime) in the employment*
 7 *from which the worker has been or claims to have*
 8 *been separated in the 52 weeks (excluding weeks dur-*
 9 *ing which the worker was on leave for purposes of va-*
 10 *cation, sickness, maternity, military service, or any*
 11 *other employer-authorized leave) preceding the week*
 12 *specified in paragraph (5)(B)(ii).*

13 “(5) *AVERAGE WEEKLY WAGE.*—

14 “(A) *IN GENERAL.*—*The term ‘average*
 15 *weekly wage’ means $\frac{1}{1.3}$ of the total wages paid*
 16 *to an individual in the high quarter.*

17 “(B) *DEFINITIONS.*—*For purposes of com-*
 18 *puting the average weekly wage—*

19 “(i) *the term ‘high quarter’ means the*
 20 *quarter in which the individual’s total*
 21 *wages were highest among the first 4 of the*
 22 *last 5 completed calendar quarters imme-*
 23 *diately preceding the quarter in which oc-*
 24 *curs the week with respect to which the com-*
 25 *putation is made; and*

1 “(ii) the term ‘week’ means the week in
 2 which total separation occurred, or, in cases
 3 where partial separation is claimed, an ap-
 4 propriate week, as defined in regulations
 5 prescribed by the Secretary.

6 “(6) *BENEFIT PERIOD.*—The term ‘benefit pe-
 7 riod’ means, with respect to an individual, the fol-
 8 lowing:

9 “(A) *STATE LAW.*—The benefit year and
 10 any ensuing period, as determined under appli-
 11 cable State law, during which the individual is
 12 eligible for regular compensation, additional
 13 compensation, or extended compensation.

14 “(B) *FEDERAL LAW.*—The equivalent to the
 15 benefit year or ensuing period provided for
 16 under the applicable Federal unemployment in-
 17 surance law.

18 “(7) *BENEFIT YEAR.*—The term ‘benefit year’
 19 has the same meaning given that term in the Federal-
 20 State Extended Unemployment Compensation Act of
 21 1970 (26 U.S.C. 3304 note).

22 “(8) *CONTRIBUTED IMPORTANTLY.*—The term
 23 ‘contributed importantly’ means a cause that is im-
 24 portant but not necessarily more important than any
 25 other cause.

1 “(9) *COOPERATING STATE*.—The term ‘cooper-
 2 ating State’ means any State that has entered into an
 3 agreement with the Secretary under section 222.

4 “(10) *CUSTOMIZED TRAINING*.—The term ‘cus-
 5 tomized training’ means training undertaken by an
 6 individual to specifications provided by and in close
 7 consultation with an employer in consideration of the
 8 employer’s commitment to hire the individual upon
 9 successful completion of the agreed training program.

10 “(11) *DOWNSTREAM PRODUCER*.—The term
 11 ‘downstream producer’ means a firm that performs
 12 additional, value-added production processes, includ-
 13 ing a firm that performs final assembly, finishing, or
 14 packaging of articles produced by another firm.

15 “(12) *EXTENDED COMPENSATION*.—The term ‘ex-
 16 tended compensation’ has the meaning given that
 17 term in section 205(4) of the Federal-State Extended
 18 Unemployment Compensation Act of 1970 (26 U.S.C.
 19 3304 note).

20 “(13) *JOB FINDING CLUB*.—The term ‘job finding
 21 club’ means a job search workshop which includes a
 22 period of structured, supervised activity in which
 23 participants attempt to obtain jobs.

1 “(14) *JOB SEARCH PROGRAM.*—*The term ‘job*
 2 *search program’ means a job search workshop or job*
 3 *finding club.*

4 “(15) *JOB SEARCH WORKSHOP.*—*The term ‘job*
 5 *search workshop’ means a short (1- to 3-day) sem-*
 6 *inar, covering subjects such as labor market informa-*
 7 *tion, résumé writing, interviewing techniques, and*
 8 *techniques for finding job openings, that is designed*
 9 *to provide participants with knowledge that will en-*
 10 *able the participants to find jobs.*

11 “(16) *ON-THE-JOB TRAINING.*—*The term ‘on-the-*
 12 *job training’ has the same meaning as that term has*
 13 *in section 101(31) of the Workforce Investment Act.*

14 “(17) *PARTIAL SEPARATION.*—*A partial separa-*
 15 *tion shall be considered to exist with respect to an in-*
 16 *dividual if—*

17 “(A) *the individual has had a 20-percent or*
 18 *greater reduction in the average weekly hours*
 19 *worked by that individual in adversely affected*
 20 *employment; and*

21 “(B) *the individual has had a 20-percent or*
 22 *greater reduction in the average weekly wage of*
 23 *the individual with respect to adversely affected*
 24 *employment.*

1 “(18) *REGULAR COMPENSATION.*—*The term ‘reg-*
 2 *ular compensation’ has the meaning given that term*
 3 *in section 205(2) of the Federal-State Extended Un-*
 4 *employment Compensation Act of 1970 (26 U.S.C.*
 5 *3304 note).*

6 “(19) *SECRETARY.*—*The term ‘Secretary’ means*
 7 *the Secretary of Labor.*

8 “(20) *STATE.*—*The term ‘State’ includes each*
 9 *State of the United States, the District of Columbia,*
 10 *and the Commonwealth of Puerto Rico.*

11 “(21) *STATE AGENCY.*—*The term ‘State agency’*
 12 *means the agency of the State that administers the*
 13 *State law.*

14 “(22) *STATE LAW.*—*The term ‘State law’ means*
 15 *the unemployment insurance law of the State ap-*
 16 *proved by the Secretary under section 3304 of the In-*
 17 *ternal Revenue Code of 1986.*

18 “(23) *SUPPLIER.*—*The term ‘supplier’ means a*
 19 *firm that produces component parts for, or articles*
 20 *considered to be a part of, the production process for*
 21 *articles produced by a firm or subdivision covered by*
 22 *a certification of eligibility under section 231. The*
 23 *term ‘supplier’ also includes a firm that provides*
 24 *services under contract to a firm or subdivision cov-*
 25 *ered by such certification.*

1 “(24) *TOTAL SEPARATION.*—*The term ‘total sep-*
 2 *aration’ means the layoff or severance of an indi-*
 3 *vidual from employment with a firm in which or in*
 4 *a subdivision of which, adversely affected employment*
 5 *exists.*

6 “(25) *UNEMPLOYMENT INSURANCE.*—*The term*
 7 *‘unemployment insurance’ means the unemployment*
 8 *compensation payable to an individual under any*
 9 *State law or Federal unemployment compensation*
 10 *law, including chapter 85 of title 5, United States*
 11 *Code, and the Railroad Unemployment Insurance Act*
 12 *(45 U.S.C. 351 et seq.).*

13 “(26) *WEEK.*—*Except as provided in paragraph*
 14 *5(B)(ii), the term ‘week’ means a week as defined in*
 15 *the applicable State law.*

16 “(27) *WEEK OF UNEMPLOYMENT.*—*The term*
 17 *‘week of unemployment’ means a week of total, part-*
 18 *total, or partial unemployment as determined under*
 19 *the applicable State law or Federal unemployment*
 20 *insurance law.*

21 **“SEC. 222. AGREEMENTS WITH STATES.**

22 “(a) *IN GENERAL.*—*The Secretary is authorized on be-*
 23 *half of the United States to enter into an agreement with*
 24 *any State or with any State agency (referred to in this*
 25 *chapter as ‘cooperating State’ and ‘cooperating State agen-*

1 *cy', respectively) to facilitate the provision of services under*
 2 *this chapter.*

3 “(b) *PROVISIONS OF AGREEMENTS.—Under an agree-*
 4 *ment entered into under subsection (a)—*

5 “(1) *the cooperating State agency as an agent of*
 6 *the United States shall—*

7 “(A) *facilitate the early filing of petitions*
 8 *under section 231(b) for any group of workers*
 9 *that the State considers is likely to be eligible for*
 10 *benefits under this chapter;*

11 “(B) *assist the Secretary in the review of*
 12 *any petition submitted from that State by*
 13 *verifying the information and providing other*
 14 *assistance as the Secretary may request;*

15 “(C) *advise each worker who applies for un-*
 16 *employment insurance of the available benefits*
 17 *under this chapter and the procedures and dead-*
 18 *lines for applying for those benefits;*

19 “(D) *receive applications for services under*
 20 *this chapter;*

21 “(E) *provide payments on the basis pro-*
 22 *vided for in this chapter;*

23 “(F) *advise each adversely affected worker*
 24 *to apply for training under section 240, and of*

1 *the deadlines for benefits related to enrollment in*
 2 *training under this chapter;*

3 *“(G) ensure that the State employees with*
 4 *responsibility for carrying out an agreement en-*
 5 *tered into under subsection (a)—*

6 *“(i) inform adversely affected workers*
 7 *covered by a certification issued under sec-*
 8 *tion 231(c) of the workers’ (and individual*
 9 *member’s of the worker’s family) potential*
 10 *eligibility for—*

11 *“(I) medical assistance under the*
 12 *medicaid program established under*
 13 *title XIX of the Social Security Act (42*
 14 *U.S.C. 1396a et seq.);*

15 *“(II) child health assistance under*
 16 *the State children’s health insurance*
 17 *program established under title XXI of*
 18 *that Act (42 U.S.C. 1397aa et seq.);*

19 *“(III) child care services for*
 20 *which assistance is provided under the*
 21 *Child Care and Development Block*
 22 *Grant Act of 1990 (42 U.S.C. 9858 et*
 23 *seq.); and*

24 *“(IV) other Federal- and State-*
 25 *funded health care, child care, trans-*

1 *portation, and assistance programs for*
 2 *which the workers may be eligible; and*

3 *“(ii) provide such workers with infor-*
 4 *mation regarding how to apply for such as-*
 5 *sistance, services, and programs;*

6 *“(H) provide adversely affected workers re-*
 7 *ferral to training services approved under title I*
 8 *of the Workforce Investment Act of 1998 (29*
 9 *U.S.C. 2801 et seq.), and any other appropriate*
 10 *Federal or State program designed to assist dis-*
 11 *located workers or unemployed individuals, con-*
 12 *sistent with the requirements of subsection (b)(2);*

13 *“(I) collect and transmit to the Secretary*
 14 *any data as the Secretary shall reasonably re-*
 15 *quire to assist the Secretary in assuring the ef-*
 16 *fective and efficient performance of the programs*
 17 *carried out under this chapter; and*

18 *“(J) otherwise actively cooperate with the*
 19 *Secretary and with other Federal and State*
 20 *agencies in providing payments and services*
 21 *under this chapter, including participation in*
 22 *the performance measurement system established*
 23 *by the Secretary under section 224.*

24 *“(2) the cooperating State shall—*

1 “(A) arrange for the provision of services
2 under this chapter through the one-stop delivery
3 system established in section 134(c) of the Work-
4 force Investment Act of 1998 (29 U.S.C. 2864(c))
5 where available;

6 “(B) provide to adversely affected workers
7 statewide rapid response activities under section
8 134(a)(2)(A) of the Workforce Investment Act of
9 1998 (29 U.S.C. 2864(a)(2)(A)) in the same
10 manner and to the same extent as any other
11 worker eligible for those activities;

12 “(C) afford adversely affected workers the
13 services provided under section 134(d) of the
14 Workforce Investment Act of 1998 (29 U.S.C.
15 92864(d)) in the same manner and to the same
16 extent as any other worker eligible for those serv-
17 ices; and

18 “(D) provide training services under this
19 chapter using training providers approved under
20 title I of the Workforce Investment Act of 1998
21 (29 U.S.C. 2801 et seq.) which may include com-
22 munity colleges, and other effective providers of
23 training services.

24 “(c) OTHER PROVISIONS.—

1 “(1) *APPROVAL OF TRAINING PROVIDERS.*—The
 2 *Secretary shall ensure that the training services pro-*
 3 *vided by cooperating States are provided by organiza-*
 4 *tions approved by the Secretary to effectively assist*
 5 *workers eligible for assistance under this chapter.*

6 “(2) *AMENDMENT, SUSPENSION, OR TERMI-*
 7 *NATION OF AGREEMENTS.*—*Each agreement entered*
 8 *into under this section shall provide the terms and*
 9 *conditions upon which the agreement may be amend-*
 10 *ed, suspended, or terminated.*

11 “(3) *EFFECT ON UNEMPLOYMENT INSURANCE.*—
 12 *Each agreement entered into under this section shall*
 13 *provide that unemployment insurance otherwise pay-*
 14 *able to any adversely affected worker will not be de-*
 15 *nied or reduced for any week by reason of any right*
 16 *to payments under this chapter.*

17 “(4) *COORDINATION OF WORKFORCE INVESTMENT*
 18 *ACTIVITIES.*—*In order to promote the coordination of*
 19 *Workforce Investment Act activities in each State*
 20 *with activities carried out under this chapter, each*
 21 *agreement entered into under this section shall pro-*
 22 *vide that the State shall submit to the Secretary, in*
 23 *such form as the Secretary may require, the descrip-*
 24 *tion and information described in paragraphs (8)*

1 *and (14) of section 112(b) of the Workforce Invest-*
 2 *ment Act of 1998 (29 U.S.C. 2822(b) (8) and (14)).*

3 “(d) *REVIEW OF STATE DETERMINATIONS.*—

4 “(1) *IN GENERAL.*—A determination by a co-
 5 operating State regarding entitlement to program
 6 benefits under this chapter is subject to review in the
 7 same manner and to the same extent as determina-
 8 tions under the applicable State law.

9 “(2) *APPEAL.*—A review undertaken by a cooper-
 10 ating State under paragraph (1) may be appealed to
 11 the Secretary pursuant to such regulations as the Sec-
 12 retary may prescribe.

13 **“SEC. 223. ADMINISTRATION ABSENT STATE AGREEMENT.**

14 “(a) *IN GENERAL.*—In any State in which there is no
 15 agreement in force under section 222, the Secretary shall
 16 arrange, under regulations prescribed by the Secretary, for
 17 the performance of all necessary functions under this chap-
 18 ter, including providing a hearing for any worker whose
 19 application for payment is denied.

20 “(b) *FINALITY OF DETERMINATION.*—A final deter-
 21 mination under subsection (a) regarding entitlement to pro-
 22 gram benefits under this chapter is subject to review by the
 23 courts in the same manner and to the same extent as is
 24 provided by section 205(g) of the Social Security Act (42
 25 U.S.C. 405(g)).

1 **“SEC. 224. DATA COLLECTION; EVALUATIONS; REPORTS.**

2 “(a) *DATA COLLECTION.*—*The Secretary shall, pursu-*
3 *ant to regulations prescribed by the Secretary, collect any*
4 *data necessary to meet the requirements of this chapter.*

5 “(b) *PERFORMANCE EVALUATIONS.*—*The Secretary*
6 *shall establish an effective performance measuring system*
7 *to evaluate the following:*

8 “(1) *PROGRAM PERFORMANCE.*—

9 “(A) *speed of petition processing;*

10 “(B) *quality of petition processing;*

11 “(C) *cost of training programs;*

12 “(D) *coordination of programs under this*
13 *title with programs under the Workforce Invest-*
14 *ment Act (29 U.S.C. 2801 et seq.);*

15 “(E) *length of time participants take to*
16 *enter and complete training programs;*

17 “(F) *the effectiveness of individual contrac-*
18 *tors in providing appropriate retraining infor-*
19 *mation;*

20 “(G) *the effectiveness of individual approved*
21 *training programs in helping workers obtain em-*
22 *ployment;*

23 “(H) *best practices related to the provision*
24 *of benefits and retraining; and*

1 “(I) other data to evaluate how individual
2 States are implementing the requirements of this
3 title.

4 “(2) *PARTICIPANT OUTCOMES.*—

5 “(A) reemployment rates;

6 “(B) types of jobs in which displaced work-
7 ers have been placed;

8 “(C) wage and benefit maintenance results;

9 “(D) training completion rates; and

10 “(E) other data to evaluate how effective
11 programs under this chapter are for partici-
12 pants, taking into consideration current eco-
13 nomic conditions in the State.

14 “(3) *PROGRAM PARTICIPATION DATA.*—

15 “(A) the number of workers receiving bene-
16 fits and the type of benefits being received;

17 “(B) the number of workers enrolled in, and
18 the duration of, training by major types of
19 training;

20 “(C) earnings history of workers that re-
21 flects wages before separation and wages in any
22 job obtained after receiving benefits under this
23 Act;

24 “(D) the cause of dislocation identified in
25 each certified petition; and

1 “(E) the number of petitions filed and
2 workers certified in each United States congres-
3 sional district.

4 “(c) *STATE PARTICIPATION.*—The Secretary shall en-
5 sure, to the extent practicable, through oversight and effec-
6 tive internal control measures the following:

7 “(1) *STATE PARTICIPATION.*—Participation by
8 each State in the performance measurement system
9 established under subsection (b).

10 “(2) *MONITORING.*—Monitoring by each State of
11 internal control measures with respect to performance
12 measurement data collected by each State.

13 “(3) *RESPONSE.*—The quality and speed of the
14 rapid response provided by each State under section
15 134(a)(2)(A) of the Workforce Investment Act of 1998
16 (29 U.S.C. 2864(a)(2)(A)).

17 “(d) *REPORTS.*—

18 “(1) *REPORTS BY THE SECRETARY.*—

19 “(A) *INITIAL REPORT.*—Not later than 6
20 months after the date of enactment of the Trade
21 Adjustment Assistance for Workers, Farmers,
22 Fishermen, Communities, and Firms Act of
23 2002, the Secretary shall submit to the Com-
24 mittee on Finance of the Senate and the Com-

1 *mittee on Ways and Means of the House of Rep-*
2 *resentatives a report that—*

3 *“(i) describes the performance measure-*
4 *ment system established under subsection*
5 *(b);*

6 *“(ii) includes analysis of data collected*
7 *through the system established under sub-*
8 *section (b);*

9 *“(iii) includes information identifying*
10 *the number of workers who received waivers*
11 *under section 235(c) and the average dura-*
12 *tion of those during the preceding year;*

13 *“(iv) describes and analyzes State par-*
14 *ticipation in the system;*

15 *“(v) analyzes the quality and speed of*
16 *the rapid response provided by each State*
17 *under section 134(a)(2)(A) of the Workforce*
18 *Investment Act of 1998 (29 U.S.C.*
19 *2864(a)(2)(A)); and*

20 *“(vi) provides recommendations for*
21 *program improvements.*

22 *“(B) ANNUAL REPORT.—Not later than 1*
23 *year after the date the report is submitted under*
24 *subparagraph (A), and annually thereafter, the*
25 *Secretary shall submit to the Committee on Fi-*

1 *nance of the Senate and the Committee on Ways*
 2 *and Means of the House of Representatives a re-*
 3 *port that includes the information collected*
 4 *under clauses (ii) through (v) of subparagraph*
 5 *(A).*

6 “(2) *STATE REPORTS.*—*Pursuant to regulations*
 7 *prescribed by the Secretary, each State shall submit*
 8 *to the Secretary a report that details its participation*
 9 *in the programs established under this chapter, and*
 10 *that contains the data necessary to allow the Sec-*
 11 *retary to submit the report required under paragraph*
 12 *(1).*

13 “(3) *PUBLICATION.*—*The Secretary shall make*
 14 *available to each State, and other public and private*
 15 *organizations as determined by the Secretary, the*
 16 *data gathered and evaluated through the performance*
 17 *measurement system established under paragraph (1).*

18 **“SEC. 225. STUDY BY SECRETARY OF LABOR WHEN INTER-**
 19 **NATIONAL TRADE COMMISSION BEGINS IN-**
 20 **VESTIGATION.**

21 “(a) *NOTIFICATION OF INVESTIGATION.*—*Whenever the*
 22 *International Trade Commission begins an investigation*
 23 *under section 202 with respect to an industry, the Commis-*
 24 *sion shall immediately notify the Secretary of that inves-*

1 *tigation, and the Secretary shall immediately begin a study*
 2 *of—*

3 “(1) *the number of workers in the domestic in-*
 4 *dustry producing the like or directly competitive arti-*
 5 *cle who have been or are likely to be certified as eligi-*
 6 *ble for adjustment assistance under this chapter; and*

7 “(2) *the extent to which the adjustment of those*
 8 *workers to the import competition may be facilitated*
 9 *through the use of existing programs.*

10 “(b) *REPORT.—*

11 “(1) *IN GENERAL.—The Secretary shall provide*
 12 *a report based on the study conducted under sub-*
 13 *section (a) to the President not later than 15 days*
 14 *after the day on which the Commission makes its re-*
 15 *port under section 202(f).*

16 “(2) *PUBLICATION.—The Secretary shall*
 17 *promptly make public the report provided to the*
 18 *President under paragraph (1) (with the exception of*
 19 *information which the Secretary determines to be con-*
 20 *fidential) and shall have a summary of the report*
 21 *published in the Federal Register.*

22 **“Subchapter B—Certifications**

23 **“SEC. 231. CERTIFICATION AS ADVERSELY AFFECTED**
 24 **WORKERS.**

25 “(a) *ELIGIBILITY FOR CERTIFICATION.—*

1 “(1) *GENERAL RULE.*—A group of workers (in-
 2 cluding workers in any agricultural firm or subdivi-
 3 sion of an agricultural firm) shall be certified by the
 4 Secretary as adversely affected workers and eligible
 5 for trade adjustment assistance benefits under this
 6 chapter pursuant to a petition filed under subsection
 7 (b) if the Secretary determines that—

8 “(A) a significant number or proportion of
 9 the workers in the workers’ firm or an appro-
 10 priate subdivision of the firm have become to-
 11 tally or partially separated, or are threatened to
 12 become totally or partially separated; and

13 “(B)(i)(I) the value or volume of imports of
 14 articles like or directly competitive with articles
 15 produced by that firm or subdivision have in-
 16 creased; and

17 “(II) the increase in the value or volume of
 18 imports described in subclause (I) contributed
 19 importantly to the workers’ separation or threat
 20 of separation; or

21 “(ii)(I) there has been a shift in production
 22 by the workers’ firm or subdivision to a foreign
 23 country of articles like or directly competitive
 24 with articles which are produced by that firm or
 25 subdivision; and

1 “(II) the shift in production described in
2 subclause (I) contributed importantly to the
3 workers’ separation or threat of separation.

4 “(2) *ADVERSELY AFFECTED SECONDARY WORK-*
5 *ER.*—A group of workers (including workers in any
6 agricultural firm or subdivision of an agricultural
7 firm) shall be certified by the Secretary as adversely
8 affected and eligible for trade adjustment assistance
9 benefits under this chapter pursuant to a petition
10 filed under subsection (b) if the Secretary determines
11 that—

12 “(A) a significant number or proportion of
13 the workers in the workers’ firm or an appro-
14 priate subdivision of the firm have become to-
15 tally or partially separated, or are threatened to
16 become totally or partially separated;

17 “(B) the workers’ firm (or subdivision) is a
18 supplier to a firm (or subdivision) or down-
19 stream producer to a firm (or subdivision) de-
20 scribed in paragraph (1)(B) (i) or (ii); and

21 “(C) a loss of business with a firm (or sub-
22 division) described in paragraph (1)(B) (i) or
23 (ii) contributed importantly to the workers’ sepa-
24 ration or threat of separation determined under
25 subparagraph (A).

1 “(3) *SPECIAL PROVISIONS.*—

2 “(A) *OIL AND NATURAL GAS PRODUCERS.*—

3 *For purposes of this section, any firm, or appro-*
 4 *priate subdivision of a firm, that engages in ex-*
 5 *ploration or drilling for oil or natural gas shall*
 6 *be considered to be a firm producing oil or nat-*
 7 *ural gas.*

8 “(B) *OIL AND NATURAL GAS IMPORTS.*—*For*

9 *purposes of this section, any firm, or appro-*
 10 *priate subdivision of a firm, that engages in ex-*
 11 *ploration or drilling for oil or natural gas, or*
 12 *otherwise produces oil or natural gas, shall be*
 13 *considered to be producing articles directly com-*
 14 *petitive with imports of oil and with imports of*
 15 *natural gas.*

16 “(C) *TACONITE.*—*For purposes of this sec-*
 17 *tion, taconite pellets produced in the United*
 18 *States shall be considered to be an article that is*
 19 *like or directly competitive with imports of semi-*
 20 *finished steel slab.*

21 “(D) *SERVICE WORKERS.*—

22 “(i) *IN GENERAL.*—*Not later than 6*
 23 *months after the date of enactment of the*
 24 *Trade Adjustment Assistance for Workers,*
 25 *Farmers, Fishermen, Communities, and*

1 *Firms Act of 2002, the Secretary shall es-*
2 *tablish a program to provide assistance*
3 *under this chapter to domestic operators of*
4 *motor carriers who are adversely affected by*
5 *competition from foreign owned and oper-*
6 *ated motor carriers.*

7 “(ii) *DATA COLLECTION SYSTEM.*—Not
8 *later than 6 months after the date of enact-*
9 *ment of the Trade Adjustment Assistance for*
10 *Workers, Farmers, Fishermen, Commu-*
11 *nities, and Firms Act of 2002, the Secretary*
12 *shall put in place a system to collect data*
13 *on adversely affected service workers that*
14 *includes the number of workers by State, in-*
15 *dustry, and cause of dislocation for each*
16 *worker.*

17 “(iii) *REPORT.*—Not later than 2
18 *years after the date of enactment of the*
19 *Trade Adjustment Assistance for Workers,*
20 *Farmers, Fishermen, Communities, and*
21 *Firms Act of 2002, the Secretary shall re-*
22 *port to Congress the results of a study on*
23 *ways for extending the programs in this*
24 *chapter to adversely affected service workers,*
25 *including recommendations for legislation.*

1 “(b) *PETITIONS.*—

2 “(1) *IN GENERAL.*—*A petition for certification of*
 3 *eligibility for trade adjustment assistance under this*
 4 *chapter for a group of adversely affected workers shall*
 5 *be filed simultaneously with the Secretary and with*
 6 *the Governor of the State in which the firm or sub-*
 7 *division of the firm employing the workers is located.*

8 “(2) *PERSONS WHO MAY FILE A PETITION.*—*A*
 9 *petition under paragraph (1) may be filed by any of*
 10 *the following:*

11 “(A) *WORKERS.*—*A group of workers (in-*
 12 *cluding workers in an agricultural firm or sub-*
 13 *division of any agricultural firm).*

14 “(B) *WORKER REPRESENTATIVES.*—*The*
 15 *certified or recognized union or other duly ap-*
 16 *pointed representative of the workers.*

17 “(C) *WORKER ADJUSTMENT AND RETRAIN-*
 18 *ING NOTIFICATION.*—*Any entity to which notice*
 19 *of a plant closing or mass layoff must be given*
 20 *under section 3 of the Worker Adjustment and*
 21 *Retraining Notification Act (29 U.S.C. 2102).*

22 “(D) *OTHER.*—*Employers of workers de-*
 23 *scribed in subparagraph (A), one-stop operators*
 24 *or one-stop partners (as defined in section 101 of*
 25 *the Workforce Investment Act of 1998 (29 U.S.C.*

2801)), or State employment agencies, on behalf of the workers.

“(E) *REQUEST TO INITIATE CERTIFICATION.*—The President, or the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives (by resolution), may direct the Secretary to initiate a certification process under this chapter to determine the eligibility for trade adjustment assistance of a group of workers.

“(3) *ACTIONS BY GOVERNOR.*—

“(A) *COOPERATING STATE.*—Upon receipt of a petition, the Governor of a cooperating State shall ensure that the requirements of the agreement entered into under section 222 are met.

“(B) *OTHER STATES.*—Upon receipt of a petition, the Governor of a State that has not entered into an agreement under section 222 shall coordinate closely with the Secretary to ensure that workers covered by a petition are—

“(i) *provided with all available services, including rapid response activities under section 134 of the Workforce Investment Act (29 U.S.C. 2864);*

1 “(ii) informed of the workers’ (and in-
2 dividual member’s of the worker’s family)
3 potential eligibility for—

4 “(I) medical assistance under the
5 medicaid program established under
6 title XIX of the Social Security Act (42
7 U.S.C. 1396a et seq.);

8 “(II) child health assistance under
9 the State children’s health insurance
10 program established under title XXI of
11 that Act (42 U.S.C. 1397aa et seq.);

12 “(III) child care services for
13 which assistance is provided under the
14 Child Care and Development Block
15 Grant Act of 1990 (42 U.S.C. 9858 et
16 seq.); and

17 “(IV) other Federal and State
18 funded health care, child care, trans-
19 portation, and assistance programs
20 that the workers may be eligible for;
21 and

22 “(iii) provided with information re-
23 garding how to apply for the assistance,
24 services, and programs described in clause
25 (ii).

1 “(c) *ACTIONS BY SECRETARY.*—

2 “(1) *IN GENERAL.*—As soon as possible after the
3 date on which a petition is filed under subsection (b),
4 but not later than 40 days after that date, the Sec-
5 retary shall determine whether the petitioning group
6 meets the requirements of subsection (a), and if war-
7 ranted, shall issue a certification of eligibility for
8 trade adjustment assistance pursuant to this sub-
9 chapter. In making the determination, the Secretary
10 shall consult with all petitioning entities.

11 “(2) *PUBLICATION OF DETERMINATION.*—Upon
12 making a determination under paragraph (1), the
13 Secretary shall promptly publish a summary of the
14 determination in the Federal Register together with
15 the reasons for making that determination.

16 “(3) *DATE SPECIFIED IN CERTIFICATION.*—Each
17 certification made under this subsection shall specify
18 the date on which the total or partial separation
19 began or threatened to begin with respect to a group
20 of certified workers.

21 “(4) *PROJECTED TRAINING NEEDS.*—The Sec-
22 retary shall inform the State Workforce Investment
23 Board or equivalent agency, and other public or pri-
24 vate agencies, institutions, employers, and labor orga-
25 nizations, as appropriate, of each certification issued

1 *under section 231 and of projections, if available, of*
2 *the need for training under section 240 as a result of*
3 *that certification.*

4 “(d) *SCOPE OF CERTIFICATION.*—

5 “(1) *IN GENERAL.*—*A certification issued under*
6 *subsection (c) shall cover adversely affected workers in*
7 *any group that meets the requirements of subsection*
8 *(a), whose total or partial separation occurred on or*
9 *after the date on which the petition was filed under*
10 *subsection (b).*

11 “(2) *WORKERS SEPARATED PRIOR TO CERTIFI-*
12 *CATION.*—*A certification issued under subsection (c)*
13 *shall cover adversely affected workers whose total or*
14 *partial separation occurred not more than 1 year*
15 *prior to the date on which the petition was filed*
16 *under subsection (b).*

17 “(e) *TERMINATION OF CERTIFICATION.*—

18 “(1) *IN GENERAL.*—*If the Secretary determines,*
19 *with respect to any certification of eligibility, that*
20 *workers separated from a firm or subdivision covered*
21 *by a certification of eligibility are no longer adversely*
22 *affected workers, the Secretary shall terminate the cer-*
23 *tification.*

24 “(2) *PUBLICATION OF TERMINATION.*—*The Sec-*
25 *retary shall promptly publish notice of any termi-*

1 *nation made under paragraph (1) in the Federal Reg-*
 2 *ister together with the reasons for making that deter-*
 3 *mination.*

4 “(3) *APPLICATION.—Any determination made*
 5 *under paragraph (1) shall apply only to total or par-*
 6 *tial separations occurring after the termination date*
 7 *specified by the Secretary.*

8 **“SEC. 232. BENEFIT INFORMATION TO WORKERS.**

9 “(a) *IN GENERAL.—The Secretary shall, in accordance*
 10 *with the provisions of section 222 or 223, as appropriate,*
 11 *provide prompt and full information to adversely affected*
 12 *workers covered by a certification issued under section*
 13 *231(c), including information regarding—*

14 “(1) *benefit allowances, training, and other em-*
 15 *ployment services available under this chapter;*

16 “(2) *petition and application procedures under*
 17 *this chapter;*

18 “(3) *appropriate filing dates for the allowances,*
 19 *training, and services available under this chapter;*
 20 *and*

21 “(4) *procedures for applying for and receiving*
 22 *all other Federal benefits and services available to*
 23 *separated workers during a period of unemployment.*

24 “(b) *ASSISTANCE TO GROUPS OF WORKERS.—*

1 “(1) *IN GENERAL.*—*The Secretary shall provide*
 2 *any necessary assistance to enable groups of workers*
 3 *to prepare petitions or applications for program bene-*
 4 *fits.*

5 “(2) *ASSISTANCE FROM STATES.*—*The Secretary*
 6 *shall ensure that cooperating States fully comply with*
 7 *the agreements entered into under section 222 and*
 8 *shall periodically review that compliance.*

9 “(c) *NOTICE.*—

10 “(1) *IN GENERAL.*—*Not later than 15 days after*
 11 *a certification is issued under section 231 (or as soon*
 12 *as practicable after separation), the Secretary shall*
 13 *provide written notice of the benefits available under*
 14 *this chapter to each worker whom the Secretary has*
 15 *reason to believe is covered by the certification.*

16 “(2) *PUBLICATION OF NOTICE.*—*The Secretary*
 17 *shall publish notice of the benefits available under*
 18 *this chapter to workers covered by each certification*
 19 *made under section 231 in newspapers of general cir-*
 20 *culation in the areas in which those workers reside.*

21 **“Subchapter C—Program Benefits**

22 **“PART I—GENERAL PROVISIONS**

23 **“SEC. 234. COMPREHENSIVE ASSISTANCE.**

24 *“Workers covered by a certification issued by the Sec-*
 25 *retary under section 231 shall be eligible for the following:*

1 “(1) *Trade adjustment allowances as described*
2 *in sections 235 through 238.*

3 “(2) *Employment services as described in section*
4 *239.*

5 “(3) *Training as described in section 240.*

6 “(4) *Job search allowances as described in sec-*
7 *tion 241.*

8 “(5) *Relocation allowances as described in sec-*
9 *tion 242.*

10 “(6) *Supportive services and wage insurance as*
11 *described in section 243.*

12 “(7) *Health insurance coverage options as de-*
13 *scribed in title VI of the Trade Adjustment Assistance*
14 *for Workers, Farmers, Fishermen, Communities, and*
15 *Firms Act of 2002.*

16 **“PART II—TRADE ADJUSTMENT ALLOWANCES**

17 **“SEC. 235. QUALIFYING REQUIREMENTS FOR WORKERS.**

18 “(a) *IN GENERAL.—Payment of a trade adjustment al-*
19 *lowance shall be made to an adversely affected worker cov-*
20 *ered by a certification under section 231 who files an appli-*
21 *cation for the allowance for any week of unemployment that*
22 *begins more than 60 days after the date on which the peti-*
23 *tion that resulted in the certification was filed under section*
24 *231, if the following conditions are met:*

1 “(1) *TIME OF TOTAL OR PARTIAL SEPARATION*
 2 *FROM EMPLOYMENT.*—*The adversely affected worker’s*
 3 *total or partial separation before the worker’s appli-*
 4 *cation under this chapter occurred—*

5 “(A) *on or after the date, as specified in the*
 6 *certification under which the worker is covered,*
 7 *on which total or partial separation from ad-*
 8 *versely affected employment began or threatened*
 9 *to begin;*

10 “(B) *before the expiration of the 2-year pe-*
 11 *riod beginning on the date on which the certifi-*
 12 *cation under section 231 was issued; and*

13 “(C) *before the termination date (if any)*
 14 *determined pursuant to section 231(e).*

15 “(2) *EMPLOYMENT REQUIRED.*—

16 “(A) *IN GENERAL.*—*The adversely affected*
 17 *worker had, in the 52-week period ending with*
 18 *the week in which the total or partial separation*
 19 *occurred, at least 26 weeks of employment at*
 20 *wages of \$30 or more a week with a single firm*
 21 *or subdivision of a firm.*

22 “(B) *UNAVAILABILITY OF DATA.*—*If data*
 23 *with respect to weeks of employment with a firm*
 24 *are not available, the worker had equivalent*

1 *amounts of employment computed under regula-*
2 *tions prescribed by the Secretary.*

3 “(C) *WEEK OF EMPLOYMENT.*—*For the pur-*
4 *poses of this paragraph any week shall be treated*
5 *as a week of employment at wages of \$30 or*
6 *more, if an adversely affected worker—*

7 “(i) *is on employer-authorized leave for*
8 *purposes of vacation, sickness, injury, or*
9 *maternity, or inactive duty training or ac-*
10 *tive duty for training in the Armed Forces*
11 *of the United States;*

12 “(ii) *does not work because of a dis-*
13 *ability that is compensable under a work-*
14 *men’s compensation law or plan of a State*
15 *or the United States;*

16 “(iii) *had employment interrupted in*
17 *order to serve as a full-time representative*
18 *of a labor organization in that firm or sub-*
19 *division; or*

20 “(iv) *is on call-up for purposes of ac-*
21 *tive duty in a reserve status in the Armed*
22 *Forces of the United States, provided that*
23 *active duty is ‘Federal service’ as defined in*
24 *section 8521(a)(1) of title 5, United States*
25 *Code.*

1 “(D) *EXCEPTIONS.*—

2 “(i) *In the case of weeks described in*
 3 *clause (i) or (iii) of subparagraph (C), or*
 4 *both, not more than 7 weeks may be treated*
 5 *as weeks of employment under subpara-*
 6 *graph (C).*

7 “(ii) *In the case of weeks described in*
 8 *clause (ii) or (iv) of subparagraph (C), not*
 9 *more than 26 weeks may be treated as weeks*
 10 *of employment under subparagraph (C).*

11 “(3) *UNEMPLOYMENT COMPENSATION.*—*The ad-*
 12 *versely affected worker meets all of the following re-*
 13 *quirements:*

14 “(A) *ENTITLEMENT TO UNEMPLOYMENT IN-*
 15 *SURANCE.*—*The worker was entitled to (or would*
 16 *be entitled to if the worker applied for) unem-*
 17 *ployment insurance for a week within the benefit*
 18 *period—*

19 “(i) *in which total or partial separa-*
 20 *tion took place; or*

21 “(ii) *which began (or would have*
 22 *begun) by reason of the filing of a claim for*
 23 *unemployment insurance by the worker*
 24 *after total or partial separation.*

1 “(B) *EXHAUSTION OF UNEMPLOYMENT IN-*
 2 *SURANCE.—The worker has exhausted all rights*
 3 *to any regular State unemployment insurance to*
 4 *which the worker was entitled (or would be enti-*
 5 *tled if the worker had applied for any regular*
 6 *State unemployment insurance).*

7 “(C) *NO UNEXPIRED WAITING PERIOD.—*
 8 *The worker does not have an unexpired waiting*
 9 *period applicable to the worker for any unem-*
 10 *ployment insurance.*

11 “(4) *EXTENDED UNEMPLOYMENT COMPENSA-*
 12 *TION.—The adversely affected worker, with respect to*
 13 *a week of unemployment, would not be disqualified*
 14 *for extended compensation payable under the Federal-*
 15 *State Extended Unemployment Compensation Act of*
 16 *1970 (26 U.S.C. 3304 note) by reason of the work ac-*
 17 *ceptance and job search requirements in section*
 18 *202(a)(3) of that Act.*

19 “(5) *TRAINING.—The adversely affected worker is*
 20 *enrolled in a training program approved by the Sec-*
 21 *retary under section 240(a), and the enrollment oc-*
 22 *curred not later than the latest of the periods de-*
 23 *scribed in subparagraph (A), (B), or (C).*

24 “(A) *16 WEEKS.—The worker enrolled not*
 25 *later than the last day of the 16th week after the*

1 *worker's most recent total separation that meets*
 2 *the requirements of paragraphs (1) and (2).*

3 “(B) 8 WEEKS.—*The worker enrolled not*
 4 *later than the last day of the 8th week after the*
 5 *week in which the Secretary issues a certification*
 6 *covering the worker.*

7 “(C) EXTENUATING CIRCUMSTANCES.—*Not-*
 8 *withstanding subparagraphs (A) and (B), the*
 9 *adversely affected worker is eligible for trade ad-*
 10 *justment assistance if the worker enrolled not*
 11 *later than 45 days after the later of the dates*
 12 *specified in subparagraph (A) or (B), and the*
 13 *Secretary determines there are extenuating cir-*
 14 *cumstances that justify an extension in the en-*
 15 *rollment period.*

16 “(b) FAILURE TO PARTICIPATE IN TRAINING.—

17 “(1) IN GENERAL.—*Until the adversely affected*
 18 *worker begins or resumes participation in a training*
 19 *program approved under section 240(a), no trade ad-*
 20 *justment allowance may be paid under subsection (a)*
 21 *to an adversely affected worker for any week or any*
 22 *succeeding week in which—*

23 “(A) *the Secretary determines that—*

24 “(i) *the adversely affected worker—*

1 “(I) has failed to begin participa-
 2 tion in a training program the enroll-
 3 ment in which meets the requirement
 4 of subsection (a)(5); or

5 “(II) has ceased to participate in
 6 such a training program before com-
 7 pleting the training program; and

8 “(ii) there is no justifiable cause for
 9 the failure or cessation; or

10 “(B) the waiver issued to that worker under
 11 subsection (c)(1) is revoked under subsection
 12 (c)(2).

13 “(2) *EXCEPTION.*—The provisions of subsection
 14 (a)(5) and paragraph (1) shall not apply with respect
 15 to any week of unemployment that begins before the
 16 first week following the week in which the certifi-
 17 cation is issued under section 231.

18 “(c) *WAIVERS OF TRAINING REQUIREMENTS.*—

19 “(1) *ISSUANCE OF WAIVERS.*—The Secretary
 20 may issue a written statement to an adversely af-
 21 fected worker waiving the requirement to be enrolled
 22 in training described in subsection (a) if the Sec-
 23 retary determines that the training requirement is
 24 not feasible or appropriate for the worker, because of
 25 1 or more of the following reasons:

1 “(A) *RECALL.*—*The worker has been noti-*
2 *fied that the worker will be recalled by the firm*
3 *from which the separation occurred.*

4 “(B) *MARKETABLE SKILLS.*—*The worker*
5 *has marketable skills as determined pursuant to*
6 *an assessment of the worker, which may include*
7 *the profiling system under section 303(j) of the*
8 *Social Security Act (42 U.S.C. 503(j)), carried*
9 *out in accordance with guidelines issued by the*
10 *Secretary.*

11 “(C) *RETIREMENT.*—*The worker is within 2*
12 *years of meeting all requirements for entitlement*
13 *to either—*

14 “(i) *old-age insurance benefits under*
15 *title II of the Social Security Act (42*
16 *U.S.C. 401 et seq.) (except for application*
17 *therefore); or*

18 “(ii) *a private pension sponsored by*
19 *an employer or labor organization.*

20 “(D) *HEALTH.*—*The worker is unable to*
21 *participate in training due to the health of the*
22 *worker, except that a waiver under this subpara-*
23 *graph shall not be construed to exempt a worker*
24 *from requirements relating to the availability for*
25 *work, active search for work, or refusal to accept*

1 *work under Federal or State unemployment com-*
2 *pensation laws.*

3 “(E) *ENROLLMENT UNAVAILABLE.—The*
4 *first available enrollment date for the approved*
5 *training of the worker is within 60 days after*
6 *the date of the determination made under this*
7 *paragraph, or, if later, there are extenuating cir-*
8 *cumstances for the delay in enrollment, as deter-*
9 *mined pursuant to guidelines issued by the Sec-*
10 *retary.*

11 “(F) *DURATION.—The duration of training*
12 *appropriate for the worker to obtain suitable em-*
13 *ployment exceeds the worker’s maximum entitle-*
14 *ment to basic and additional trade adjustment*
15 *allowances, and financial support available*
16 *through other Federal or State programs, includ-*
17 *ing chapter 5 of subtitle B of title I of the Work-*
18 *force Investment Act of 1998 (29 U.S.C. 2861 et*
19 *seq.), that would enable the worker to complete a*
20 *suitable training program cannot be assured.*

21 “(G) *EMPLOYMENT AVAILABLE.—There is*
22 *employment (which may include technical and*
23 *professional employment) available for the work-*
24 *er that offers equivalent wages to those that the*
25 *worker earned prior to separation.*

1 “(H) *NO BENEFIT.*—*The worker would not*
 2 *benefit from any training, or no training that is*
 3 *suitable for the worker is available at a reason-*
 4 *able cost.*

5 “(I) *NO REASONABLE EXPECTATION OF EM-*
 6 *PLOYMENT.*—*There is no reasonable expectation*
 7 *of employment following completion of the train-*
 8 *ing.*

9 “(J) *TRAINING NOT AVAILABLE.*—*Training*
 10 *approved by the Secretary is not reasonably*
 11 *available to the worker from either governmental*
 12 *agencies or private sources (which may include*
 13 *area vocational education schools, as defined in*
 14 *section 3 of the Carl D. Perkins Vocational and*
 15 *Technical Education Act of 1998 (20 U.S.C.*
 16 *2302), and employers).*

17 “(K) *WORKER NOT QUALIFIED.*—*The work-*
 18 *er is not qualified to undertake and complete*
 19 *any training.*

20 “(2) *DURATION OF WAIVERS.*—

21 “(A) *IN GENERAL.*—*A waiver issued under*
 22 *paragraph (1) shall be effective for not more*
 23 *than 6 months after the date on which the waiv-*
 24 *er is issued, unless the Secretary determines oth-*
 25 *erwise.*

1 “(B) *REVOCATION.*—*The Secretary shall re-*
 2 *voked a waiver issued under paragraph (1) if the*
 3 *Secretary determines that the basis of a waiver*
 4 *is no longer applicable to the worker.*

5 “(3) *AMENDMENTS UNDER SECTION 222.*—

6 “(A) *ISSUANCE BY COOPERATING STATES.*—
 7 *Pursuant to an agreement under section 222, the*
 8 *Secretary may authorize a cooperating State to*
 9 *issue waivers as described in paragraph (1) (ex-*
 10 *cept for the determination under subparagraphs*
 11 *(F) and (G) of paragraph (1)).*

12 “(B) *SUBMISSION OF STATEMENTS.*—*An*
 13 *agreement under section 222 shall include a re-*
 14 *quirement that the cooperating State submit to*
 15 *the Secretary the written statements provided*
 16 *under paragraph (1) and a statement of the rea-*
 17 *sons for the waiver.*

18 “(4) *REASONABLE EXPECTATION OF EMPLOY-*
 19 *MENT.*—*For purposes of applying subsection (c)(1)(I),*
 20 *a reasonable expectation of employment does not re-*
 21 *quire that employment opportunities for a worker be*
 22 *available, or offered, immediately upon the comple-*
 23 *tion of training approved under this section.*

1 **“SEC. 236. WEEKLY AMOUNTS.**

2 “(a) *IN GENERAL.*—Subject to subsections (b) and (c),
 3 *the trade adjustment allowance payable to an adversely af-*
 4 *ected worker for a week of total unemployment shall be an*
 5 *amount equal to the most recent weekly benefit amount of*
 6 *the unemployment insurance payable to the worker for a*
 7 *week of total unemployment preceding the worker’s first ex-*
 8 *haustion of unemployment insurance (as determined for*
 9 *purposes of section 235(a)(3)(B)) reduced (but not below*
 10 *zero) by—*

11 “(1) *any training allowance deductible under*
 12 *subsection (c); and*

13 “(2) *any income that is deductible from unem-*
 14 *ployment insurance under the disqualifying income*
 15 *provisions of the applicable State law or Federal un-*
 16 *employment insurance law.*

17 “(b) *ADJUSTMENT FOR WORKERS RECEIVING TRAIN-*
 18 *ING.*—

19 “(1) *IN GENERAL.*—Any adversely affected work-
 20 *er who is entitled to a trade adjustment allowance*
 21 *and who is receiving training approved by the Sec-*
 22 *retary, shall receive for each week in which the worker*
 23 *is undergoing that training, a trade adjustment al-*
 24 *lowance in an amount (computed for such week)*
 25 *equal to the greater of—*

1 “(A) *the amount computed under subsection*
 2 *(a); or*

3 “(B) *the amount of any weekly allowance*
 4 *for that training to which the worker would be*
 5 *entitled under any other Federal law for the*
 6 *training of workers, if the worker applied for*
 7 *that allowance.*

8 “(2) *ALLOWANCE PAID IN LIEU OF.—Any trade*
 9 *adjustment allowance calculated under paragraph (1)*
 10 *shall be paid in lieu of any training allowance to*
 11 *which the worker would be entitled under any other*
 12 *Federal law.*

13 “(3) *COORDINATION WITH UNEMPLOYMENT IN-*
 14 *SURANCE.—Any week in which a worker undergoing*
 15 *training approved by the Secretary receives payments*
 16 *from unemployment insurance shall be subtracted*
 17 *from the total number of weeks for which a worker*
 18 *may receive trade adjustment allowance under this*
 19 *chapter.*

20 “(c) *ADJUSTMENT FOR WORKERS RECEIVING ALLOW-*
 21 *ANCES UNDER OTHER FEDERAL LAW.—*

22 “(1) *REDUCTION IN WEEKS FOR WHICH ALLOW-*
 23 *ANCE WILL BE PAID.—If a training allowance under*
 24 *any Federal law (other than this Act) is paid to an*
 25 *adversely affected worker for any week of unemploy-*

1 *ment with respect to which the worker would be enti-*
 2 *tled (determined without regard to any disqualifica-*
 3 *tion under section 235(b)) to a trade adjustment al-*
 4 *lowance if the worker applied for that allowance, each*
 5 *week of unemployment shall be deducted from the*
 6 *total number of weeks of trade adjustment allowance*
 7 *otherwise payable to that worker under section 235(a)*
 8 *when the worker applies for a trade adjustment allow-*
 9 *ance and is determined to be entitled to the allowance.*

10 *“(2) PAYMENT OF DIFFERENCE.—If the training*
 11 *allowance paid to a worker for any week of unem-*
 12 *ployment is less than the amount of the trade adjust-*
 13 *ment allowance to which the worker would be entitled*
 14 *if the worker applied for the trade adjustment allow-*
 15 *ance, the worker shall receive, when the worker ap-*
 16 *plies for a trade adjustment allowance and is deter-*
 17 *mined to be entitled to the allowance, a trade adjust-*
 18 *ment allowance for that week equal to the difference*
 19 *between the training allowance and the trade adjust-*
 20 *ment allowance computed under subsection (b).*

21 **“SEC. 237. LIMITATIONS ON TRADE ADJUSTMENT ALLOW-**
 22 **ANCES.**

23 *“(a) AMOUNT PAYABLE.—The maximum amount of*
 24 *trade adjustment allowance payable to an adversely affected*
 25 *worker, with respect to the period covered by any certifi-*

1 cation, shall be the amount that is the product of 104 multi-
 2 plied by the trade adjustment allowance payable to the
 3 worker for a week of total unemployment (as determined
 4 under section 236) reduced by the total sum of the regular
 5 State unemployment insurance to which the worker was en-
 6 titled (or would have been entitled if the worker had applied
 7 for unemployment insurance) in the worker's first benefit
 8 period described in section 235(a)(3)(A).

9 “(b) DURATION OF PAYMENTS.—

10 “(1) IN GENERAL.—Except as provided in para-
 11 graph (2), a trade adjustment allowance shall not be
 12 paid for any week occurring after the close of the 104-
 13 week period that begins with the first week following
 14 the week in which the adversely affected worker was
 15 most recently totally separated—

16 “(A) within the period that is described in
 17 section 235(a)(1); and

18 “(B) with respect to which the worker meets
 19 the requirements of section 235(a)(2).

20 “(2) SPECIAL RULES.—

21 “(A) BREAK IN TRAINING.—For purposes of
 22 this chapter, a worker shall be treated as partici-
 23 pating in a training program approved by the
 24 Secretary under section 240(a) during any week

1 *that is part of a break in a training that does*
 2 *not exceed 30 days if—*

3 “(i) *the worker was participating in a*
 4 *training program approved under section*
 5 *240(a) before the beginning of the break in*
 6 *training; and*

7 “(ii) *the break is provided under the*
 8 *training program.*

9 “(B) *ON-THE-JOB TRAINING.—No trade ad-*
 10 *justment allowance shall be paid to a worker*
 11 *under this chapter for any week during which*
 12 *the worker is receiving on-the-job training, ex-*
 13 *cept that a trade adjustment allowance shall be*
 14 *paid if a worker is enrolled in a non-paid cus-*
 15 *tomized training program.*

16 “(C) *SMALL BUSINESS ADMINISTRATION*
 17 *PILOT PROGRAM.—An adversely affected worker*
 18 *who is participating in a self-employment train-*
 19 *ing program established by the Director of the*
 20 *Small Business Administration pursuant to sec-*
 21 *tion 102 of the Trade Adjustment Assistance for*
 22 *Workers, Farmers, Fishermen, Communities, and*
 23 *Firms Act of 2002, shall not be ineligible to re-*
 24 *ceive benefits under this chapter.*

1 “(c) *ADJUSTMENT OF AMOUNTS PAYABLE.*—Amounts
 2 *payable to an adversely affected worker under this chapter*
 3 *shall be subject to adjustment on a week-to-week basis as*
 4 *may be required by section 236.*

5 “(d) *YEAR-END ADJUSTMENT.*—

6 “(1) *IN GENERAL.*—Notwithstanding any other
 7 *provision of this Act or any other provision of law,*
 8 *if the benefit year of a worker ends within an ex-*
 9 *tended benefit period, the number of weeks of extended*
 10 *benefits that the worker would, but for this subsection,*
 11 *be entitled to in that extended benefit period shall not*
 12 *be reduced by the number of weeks for which the*
 13 *worker was entitled, during that benefit year, to trade*
 14 *adjustment allowances under this part.*

15 “(2) *EXTENDED BENEFITS PERIOD.*—For the
 16 *purpose of this section the term ‘extended benefit pe-*
 17 *riod’ has the same meaning given that term in the*
 18 *Federal-State Extended Unemployment Compensation*
 19 *Act of 1970 (26 U.S.C. 3304 note).*

20 **“SEC. 238. APPLICATION OF STATE LAWS.**

21 “(a) *IN GENERAL.*—Except where inconsistent with
 22 *the provisions of this chapter and subject to such regulations*
 23 *as the Secretary may prescribe, the availability and dis-*
 24 *qualification provisions of the State law under which an*
 25 *adversely affected worker is entitled to unemployment in-*

1 surance (whether or not the worker has filed a claim for
 2 such insurance), or, if the worker is not so entitled to unem-
 3 ployment insurance, of the State in which the worker was
 4 totally or partially separated, shall apply to a worker that
 5 files an application for trade adjustment assistance.

6 “(b) *DURATION OF APPLICABILITY.*—The State law de-
 7 termined to be applicable with respect to a separation of
 8 an adversely affected worker shall remain applicable for
 9 purposes of subsection (a), with respect to a separation
 10 until the worker becomes entitled to unemployment insur-
 11 ance under another State law (whether or not the worker
 12 has filed a claim for that insurance).

13 **“PART III—EMPLOYMENT SERVICES, TRAINING,**
 14 **AND OTHER ALLOWANCES**

15 **“SEC. 239. EMPLOYMENT SERVICES.**

16 “The Secretary shall, in accordance with section 222
 17 or 223, as applicable, make every reasonable effort to secure
 18 for adversely affected workers covered by a certification
 19 under section 231, counseling, testing, placement, and other
 20 services provided for under any other Federal law.

21 **“SEC. 240. TRAINING.**

22 “(a) *APPROVED TRAINING PROGRAMS.*—

23 “(1) *IN GENERAL.*—The Secretary shall approve
 24 training programs that include—

1 “(A) *on-the-job training or customized*
2 *training;*

3 “(B) *any employment or training activity*
4 *provided through a one-stop delivery system*
5 *under chapter 5 of subtitle B of title I of the*
6 *Workforce Investment Act of 1998 (29 U.S.C.*
7 *2861 et seq.);*

8 “(C) *any program of adult education;*

9 “(D) *any training program (other than a*
10 *training program described in paragraph (3))*
11 *for which all, or any portion, of the costs of*
12 *training the worker are paid—*

13 “(i) *under any Federal or State pro-*
14 *gram other than this chapter; or*

15 “(ii) *from any source other than this*
16 *section; and*

17 “(E) *any other training program that the*
18 *Secretary determines is acceptable to meet the*
19 *needs of an adversely affected worker.*

20 *In making the determination under subparagraph*
21 *(E), the Secretary shall consult with interested par-*
22 *ties.*

23 “(2) *TRAINING AGREEMENTS.—Before approving*
24 *any training to which subsection (f)(1)(C) may*
25 *apply, the Secretary may require that the adversely*

1 *affected worker enter into an agreement with the Sec-*
 2 *retary under which the Secretary will not be required*
 3 *to pay under subsection (b) the portion of the costs*
 4 *of the training that the worker has reason to believe*
 5 *will be paid under the program, or by the source, de-*
 6 *scribed in clause (i) or (ii) of subsection (f)(1)(C).*

7 *“(3) LIMITATION ON APPROVALS.—The Secretary*
 8 *shall not approve a training program if all of the fol-*
 9 *lowing apply:*

10 *“(A) PAYMENT BY PLAN.—Any portion of*
 11 *the costs of the training program are paid under*
 12 *any nongovernmental plan or program.*

13 *“(B) RIGHT TO OBTAIN.—The adversely af-*
 14 *fected worker has a right to obtain training or*
 15 *funds for training under that plan or program.*

16 *“(C) REIMBURSEMENT.—The plan or pro-*
 17 *gram requires the worker to reimburse the plan*
 18 *or program from funds provided under this*
 19 *chapter, or from wages paid under the training*
 20 *program, for any portion of the costs of that*
 21 *training program paid under the plan or pro-*
 22 *gram.*

23 *“(b) PAYMENT OF TRAINING COSTS.—*

24 *“(1) IN GENERAL.—Upon approval of a training*
 25 *program under subsection (a), and subject to the limi-*

1 *tations imposed by this section, an adversely affected*
 2 *worker covered by a certification issued under section*
 3 *231 may be eligible to have payment of the costs of*
 4 *that training, including any costs of an approved*
 5 *training program incurred by a worker before a cer-*
 6 *tification was issued under section 231, made on be-*
 7 *half of the worker by the Secretary directly or through*
 8 *a voucher system.*

9 *“(2) ON-THE-JOB TRAINING AND CUSTOMIZED*
 10 *TRAINING.—*

11 *“(A) PROVISION OF TRAINING ON THE JOB*
 12 *OR CUSTOMIZED TRAINING.—If the Secretary ap-*
 13 *proves training under subsection (a), the Sec-*
 14 *retary shall, insofar as possible, provide or as-*
 15 *sure the provision of that training on the job or*
 16 *customized training, and any training on the job*
 17 *or customized training that is approved by the*
 18 *Secretary under subsection (a) shall include re-*
 19 *lated education necessary for the acquisition of*
 20 *skills needed for a position within a particular*
 21 *occupation.*

22 *“(B) MONTHLY INSTALLMENTS.—If the Sec-*
 23 *retary approves payment of any on-the-job train-*
 24 *ing or customized training under subsection (a),*

1 *the Secretary shall pay the costs of that training*
2 *in equal monthly installments.*

3 “(C) *LIMITATIONS.—The Secretary may*
4 *pay the costs of on-the-job training or customized*
5 *training only if—*

6 “(i) *no employed worker is displaced*
7 *by the adversely affected worker (including*
8 *partial displacement such as a reduction in*
9 *the hours of nonovertime work, wages, or*
10 *employment benefits);*

11 “(ii) *the training does not impair con-*
12 *tracts for services or collective bargaining*
13 *agreements;*

14 “(iii) *in the case of training that*
15 *would affect a collective bargaining agree-*
16 *ment, the written concurrence of the labor*
17 *organization concerned has been obtained;*

18 “(iv) *no other individual is on layoff*
19 *from the same, or any substantially equiva-*
20 *lent, job for which the adversely affected*
21 *worker is being trained;*

22 “(v) *the employer has not terminated*
23 *the employment of any regular employee or*
24 *otherwise reduced the workforce of the em-*
25 *ployer with the intention of filling the va-*

1 *cancy so created by hiring the adversely af-*
2 *ected worker;*

3 “(vi) *the job for which the adversely af-*
4 *ected worker is being trained is not being*
5 *created in a promotional line that will in-*
6 *fringe in any way upon the promotional*
7 *opportunities of employed individuals;*

8 “(vii) *the training is not for the same*
9 *occupation from which the worker was sepa-*
10 *rated and with respect to which the worker’s*
11 *group was certified pursuant to section 231;*

12 “(viii) *the employer certifies to the*
13 *Secretary that the employer will continue to*
14 *employ the worker for at least 26 weeks*
15 *after completion of the training if the work-*
16 *er desires to continue the employment and*
17 *the employer does not have due cause to ter-*
18 *minate the employment;*

19 “(ix) *the employer has not received*
20 *payment under subsection (b)(1) with re-*
21 *spect to any other on-the-job training pro-*
22 *vided by the employer or customized train-*
23 *ing that failed to meet the requirements of*
24 *clauses (i) through (vi); and*

1 “(x) the employer has not taken, at
 2 any time, any action that violated the terms
 3 of any certification described in clause
 4 (viii) made by that employer with respect to
 5 any other on-the-job training provided by
 6 the employer or customized training for
 7 which the Secretary has made a payment
 8 under paragraph (1).

9 “(c) CERTAIN WORKERS ELIGIBLE FOR TRAINING
 10 BENEFITS.—An adversely affected worker covered by a cer-
 11 tification issued under section 231, who is not qualified to
 12 receive a trade adjustment allowance under section 235,
 13 may be eligible to have payment of the costs of training
 14 made under this section, if the worker enters a training pro-
 15 gram approved by the Secretary not later than 6 months
 16 after the date on which the certification that covers the
 17 worker is issued or the Secretary determines that one of the
 18 following applied:

19 “(1) Funding was not available at the time at
 20 which the adversely affected worker was required to
 21 enter training under paragraph (1).

22 “(2) The adversely affected worker was covered
 23 by a waiver issued under section 235(c).

24 “(d) EXHAUSTION OF UNEMPLOYMENT INSURANCE
 25 NOT REQUIRED.—The Secretary may approve training,

1 *and pay the costs thereof, for any adversely affected worker*
 2 *who is a member of a group certified under section 231*
 3 *at any time after the date on which the group is certified,*
 4 *without regard to whether the worker has exhausted all*
 5 *rights to any unemployment insurance to which the worker*
 6 *is entitled.*

7 “(e) *SUPPLEMENTAL ASSISTANCE.*—

8 “(1) *IN GENERAL.*—*Subject to paragraphs (2)*
 9 *and (3), when training is provided under a training*
 10 *program approved by the Secretary under subsection*
 11 *(a) in facilities that are not within commuting dis-*
 12 *tance of a worker’s regular place of residence, the Sec-*
 13 *retary may authorize supplemental assistance to de-*
 14 *fray reasonable transportation and subsistence ex-*
 15 *penses for separate maintenance.*

16 “(2) *TRANSPORTATION EXPENSES.*—*The Sec-*
 17 *retary may not authorize payments for travel ex-*
 18 *penses exceeding the prevailing mileage rate author-*
 19 *ized under the Federal travel regulations.*

20 “(3) *SUBSISTENCE EXPENSES.*—*The Secretary*
 21 *may not authorize payments for subsistence that ex-*
 22 *ceed the lesser of—*

23 “(A) *the actual per diem expenses for sub-*
 24 *sistence of the worker; or*

1 “(B) *an amount equal to 50 percent of the*
 2 *prevailing per diem allowance rate authorized*
 3 *under Federal travel regulations.*

4 “(f) *SPECIAL PROVISIONS; LIMITATIONS.—*

5 “(1) *LIMITATION ON MAKING PAYMENTS.—*

6 “(A) *DISALLOWANCE OF OTHER PAY-*
 7 *MENT.—If the costs of training an adversely af-*
 8 *ected worker are paid by the Secretary under*
 9 *subsection (b), no other payment for those train-*
 10 *ing costs may be made under any other provi-*
 11 *sion of Federal law.*

12 “(B) *NO PAYMENT OF REIMBURSABLE*
 13 *COSTS.—No payment for the costs of approved*
 14 *training may be made under subsection (b) if*
 15 *those costs—*

16 “(i) *have already been paid under any*
 17 *other provision of Federal law; or*

18 “(ii) *are reimbursable under any other*
 19 *provision of Federal law and a portion of*
 20 *those costs has already been paid under that*
 21 *other provision of Federal law.*

22 “(C) *NO PAYMENT OF COSTS PAID ELSE-*
 23 *WHERE.—The Secretary is not required to pay*
 24 *the costs of any training approved under sub-*
 25 *section (a) to the extent that those costs are paid*

1 *under any Federal or State program other than*
2 *this chapter.*

3 “(D) *EXCEPTION.*—*The provisions of this*
4 *paragraph shall not apply to, or take into ac-*
5 *count, any funds provided under any other pro-*
6 *vision of Federal law that are used for any pur-*
7 *pose other than the direct payment of the costs*
8 *incurred in training a particular adversely af-*
9 *ected worker, even if the use of those funds has*
10 *the effect of indirectly paying for or reducing*
11 *any portion of the costs involved in training the*
12 *adversely affected worker.*

13 “(2) *UNEMPLOYMENT ELIGIBILITY.*—*A worker*
14 *may not be determined to be ineligible or disqualified*
15 *for unemployment insurance or program benefits*
16 *under this subchapter because the individual is in*
17 *training approved under subsection (a), because of*
18 *leaving work which is not suitable employment to*
19 *enter the training, or because of the application to*
20 *any week in training of provisions of State law or*
21 *Federal unemployment insurance law relating to*
22 *availability for work, active search for work, or re-*
23 *fusal to accept work.*

24 “(3) *DEFINITION.*—*For purposes of this section*
25 *the term ‘suitable employment’ means, with respect to*

1 *a worker, work of a substantially equal or higher skill*
 2 *level than the worker's past adversely affected employ-*
 3 *ment, and wages for such work at not less than 80*
 4 *percent of the worker's average weekly wage.*

5 “(4) *PAYMENTS AFTER REEMPLOYMENT.*—

6 “(A) *IN GENERAL.*—*In the case of an ad-*
 7 *versely affected worker who secures reemploy-*
 8 *ment, the Secretary may approve and pay the*
 9 *costs of training (or shall continue to pay the*
 10 *costs of training previously approved) for that*
 11 *adversely affected worker, for the completion of*
 12 *the training program or up to 26 weeks, which-*
 13 *ever is less, after the date the adversely affected*
 14 *worker becomes reemployed.*

15 “(B) *TRADE ADJUSTMENT ALLOWANCE.*—

16 *An adversely affected worker who is reemployed*
 17 *and is undergoing training approved by the Sec-*
 18 *retary pursuant to subparagraph (A) may con-*
 19 *tinue to receive a trade adjustment allowance,*
 20 *subject to the income offsets provided for in the*
 21 *worker's State unemployment compensation law*
 22 *in accordance with the provisions of section 237.*

23 “(5) *FUNDING.*—*The total amount of payments*
 24 *that may be made under this section for any fiscal*
 25 *year shall not exceed \$300,000,000.*

1 **“SEC. 241. JOB SEARCH ALLOWANCES.**

2 “(a) *JOB SEARCH ALLOWANCE AUTHORIZED.*—

3 “(1) *IN GENERAL.*—*An adversely affected worker*
 4 *covered by a certification issued under section 231*
 5 *may file an application with the Secretary for pay-*
 6 *ment of a job search allowance.*

7 “(2) *APPROVAL OF APPLICATIONS.*—*The Sec-*
 8 *retary may grant an allowance pursuant to an appli-*
 9 *cation filed under paragraph (1) when all of the fol-*
 10 *lowing apply:*

11 “(A) *ASSIST ADVERSELY AFFECTED WORK-*
 12 *ER.*—*The allowance is paid to assist an ad-*
 13 *versely affected worker who has been totally sepa-*
 14 *rated in securing a job within the United States.*

15 “(B) *LOCAL EMPLOYMENT NOT AVAIL-*
 16 *ABLE.*—*The Secretary determines that the work-*
 17 *er cannot reasonably be expected to secure suit-*
 18 *able employment in the commuting area in*
 19 *which the worker resides.*

20 “(C) *APPLICATION.*—*The worker has filed*
 21 *an application for the allowance with the Sec-*
 22 *retary before—*

23 “(i) *the later of—*

24 “(I) *the 365th day after the date*
 25 *of the certification under which the*
 26 *worker is certified as eligible; or*

1 “(II) the 365th day after the date
 2 of the worker’s last total separation; or
 3 “(ii) the date that is the 182d day
 4 after the date on which the worker con-
 5 cluded training, unless the worker received
 6 a waiver under section 235(c).

7 “(b) *AMOUNT OF ALLOWANCE.*—

8 “(1) *IN GENERAL.*—An allowance granted under
 9 subsection (a) shall provide reimbursement to the
 10 worker of 90 percent of the cost of necessary job search
 11 expenses as prescribed by the Secretary in regulations.

12 “(2) *MAXIMUM ALLOWANCE.*—Reimbursement
 13 under this subsection may not exceed \$1,200 for any
 14 worker.

15 “(3) *ALLOWANCE FOR SUBSISTENCE AND TRANS-*
 16 *PORTATION.*—Reimbursement under this subsection
 17 may not be made for subsistence and transportation
 18 expenses at levels exceeding those allowable under sec-
 19 tion 240(e).

20 “(c) *EXCEPTION.*—Notwithstanding subsection (b), the
 21 Secretary shall reimburse any adversely affected worker for
 22 necessary expenses incurred by the worker in participating
 23 in a job search program approved by the Secretary.

24 **“SEC. 242. RELOCATION ALLOWANCES.**

25 “(a) *RELOCATION ALLOWANCE AUTHORIZED.*—

1 “(1) *IN GENERAL.*—Any adversely affected work-
 2 er covered by a certification issued under section 231
 3 may file an application for a relocation allowance
 4 with the Secretary, and the Secretary may grant the
 5 relocation allowance, subject to the terms and condi-
 6 tions of this section.

7 “(2) *CONDITIONS FOR GRANTING ALLOWANCE.*—
 8 A relocation allowance may be granted if all of the
 9 following terms and conditions are met:

10 “(A) *ASSIST AN ADVERSELY AFFECTED*
 11 *WORKER.*—The relocation allowance will assist
 12 an adversely affected worker in relocating within
 13 the United States.

14 “(B) *LOCAL EMPLOYMENT NOT AVAIL-*
 15 *ABLE.*—The Secretary determines that the work-
 16 er cannot reasonably be expected to secure suit-
 17 able employment in the commuting area in
 18 which the worker resides.

19 “(C) *TOTAL SEPARATION.*—The worker is
 20 totally separated from employment at the time
 21 relocation commences.

22 “(D) *SUITABLE EMPLOYMENT OBTAINED.*—
 23 The worker—

24 “(i) has obtained suitable employment
 25 affording a reasonable expectation of long-

1 *term duration in the area in which the*
 2 *worker wishes to relocate; or*

3 *“(ii) has obtained a bona fide offer of*
 4 *such employment.*

5 *“(E) APPLICATION.—The worker filed an*
 6 *application with the Secretary before—*

7 *“(i) the later of—*

8 *“(I) the 425th day after the date*
 9 *of the certification under section 231;*
 10 *or*

11 *“(II) the 425th day after the date*
 12 *of the worker’s last total separation; or*

13 *“(ii) the date that is the 182d day*
 14 *after the date on which the worker con-*
 15 *cluded training, unless the worker received*
 16 *a waiver under section 235(c).*

17 *“(b) AMOUNT OF ALLOWANCE.—The relocation allow-*
 18 *ance granted to a worker under subsection (a) includes—*

19 *“(1) 90 percent of the reasonable and necessary*
 20 *expenses (including, but not limited to, subsistence*
 21 *and transportation expenses at levels not exceeding*
 22 *those allowable under section 240(e)) specified in reg-*
 23 *ulations prescribed by the Secretary, incurred in*
 24 *transporting the worker, the worker’s family, and*
 25 *household effects; and*

1 “(2) a lump sum equivalent to 3 times the work-
 2 er’s average weekly wage, up to a maximum payment
 3 of \$1,500.

4 “(c) *LIMITATIONS.*—A relocation allowance may not
 5 be granted to a worker unless—

6 “(1) the relocation occurs within 182 days after
 7 the filing of the application for relocation assistance;
 8 or

9 “(2) the relocation occurs within 182 days after
 10 the conclusion of training, if the worker entered a
 11 training program approved by the Secretary under
 12 section 240(a).

13 **“SEC. 243. SUPPORTIVE SERVICES; WAGE INSURANCE.**

14 “(a) *SUPPORTIVE SERVICES.*—

15 “(1) *APPLICATION.*—

16 “(A) *IN GENERAL.*—The State may, on be-
 17 half of any adversely affected worker or group of
 18 workers covered by a certification issued under
 19 section 231—

20 “(i) file an application with the Sec-
 21 retary for services under section 173 of the
 22 Workforce Investment Act of 1998 (relating
 23 to National Emergency Grants); and

24 “(ii) provide other services under title
 25 I of the Workforce Investment Act of 1998.

1 “(B) *SERVICES.*—*The services available*
 2 *under this paragraph include transportation,*
 3 *child care, and dependent care that are necessary*
 4 *to enable a worker to participate in activities*
 5 *authorized under this chapter.*

6 “(2) *CONDITIONS.*—*The Secretary may approve*
 7 *an application filed under paragraph (1)(A)(i) and*
 8 *provide supportive services to an adversely affected*
 9 *worker only if the Secretary determines that all of the*
 10 *following apply:*

11 “(A) *NECESSITY.*—*Providing services is*
 12 *necessary to enable the worker to participate in*
 13 *or complete training.*

14 “(B) *CONSISTENT WITH WORKFORCE IN-*
 15 *VESTMENT ACT.*—*The services are consistent with*
 16 *the supportive services provided to participants*
 17 *under the provisions relating to dislocated work-*
 18 *er employment and training activities set forth*
 19 *in chapter 5 of subtitle B of title I of the Work-*
 20 *force Investment Act of 1998 (29 U.S.C. 2861 et*
 21 *seq.).*

22 “(b) *WAGE INSURANCE PROGRAM.*—

23 “(1) *IN GENERAL.*—*Not later than 1 year after*
 24 *the date of enactment of the Trade Adjustment Assist-*
 25 *ance for Workers, Farmers, Fishermen, Communities,*

1 *and Firms Act of 2002, the Secretary shall establish*
 2 *a Wage Insurance Program under which a State shall*
 3 *use the funds provided to the State for trade adjust-*
 4 *ment allowances to pay to an adversely affected work-*
 5 *er certified under section 231 a wage subsidy of up*
 6 *to 50 percent of the difference between the wages re-*
 7 *ceived by the adversely affected worker from reemploy-*
 8 *ment and the wages received by the adversely affected*
 9 *worker at the time of separation for a period not to*
 10 *exceed 2 years.*

11 *“(2) AMOUNT OF PAYMENT.—*

12 *“(A) WAGES UNDER \$40,000.—If the wages*
 13 *the worker receives from reemployment are less*
 14 *than \$40,000 a year, the wage subsidy shall be*
 15 *50 percent of the difference between the amount*
 16 *of the wages received by the worker from reem-*
 17 *ployment and the amount of the wages received*
 18 *by the worker at the time of separation.*

19 *“(B) WAGES BETWEEN \$40,000 AND*
 20 *\$50,000.—If the wages received by the worker*
 21 *from reemployment are greater than \$40,000 a*
 22 *year but less than \$50,000 a year, the wage sub-*
 23 *sidy shall be 25 percent of the difference between*
 24 *the amount of the wages received by the worker*

1 *from reemployment and the amount of the wages*
 2 *received by the worker at the time of separation.*

3 “(3) *ELIGIBILITY.—An adversely affected worker*
 4 *may be eligible to receive a wage subsidy under this*
 5 *subsection if the worker—*

6 “(A) *enrolls in the Wage Insurance Pro-*
 7 *gram;*

8 “(B) *obtains reemployment not more than*
 9 *26 weeks after the date of separation from the*
 10 *adversely affected employment;*

11 “(C) *is at least 50 years of age;*

12 “(D) *earns not more than \$50,000 a year in*
 13 *wages from reemployment;*

14 “(E) *is employed at least 30 hours a week*
 15 *in the reemployment; and*

16 “(F) *does not return to the employment*
 17 *from which the worker was separated.*

18 “(4) *AMOUNT OF PAYMENTS.—The payments*
 19 *made under paragraph (1) to an adversely affected*
 20 *worker may not exceed \$10,000 over the 2-year pe-*
 21 *riod.*

22 “(5) *LIMITATION ON OTHER BENEFITS.—At the*
 23 *time a worker begins to receive a wage subsidy under*
 24 *this subsection the worker shall not be eligible to re-*
 25 *ceive any benefits under this Act other than the wage*

1 *subsidy unless the Secretary determines, pursuant to*
 2 *standards established by the Secretary, that the work-*
 3 *er has shown circumstances that warrant eligibility*
 4 *for training benefits under section 240.*

5 *“(c) STUDIES OF ASSISTANCE AVAILABLE TO ECO-*
 6 *NOMICALLY DISTRESSED WORKERS.—*

7 *“(1) STUDY BY THE GENERAL ACCOUNTING OF-*
 8 *FICE.—*

9 *“(A) IN GENERAL.—The Comptroller Gen-*
 10 *eral of the United States shall conduct a study*
 11 *of all assistance provided by the Federal Govern-*
 12 *ment for workers facing job loss and economic*
 13 *distress.*

14 *“(B) REPORT.—Not later than 1 year after*
 15 *the date of enactment of the Trade Adjustment*
 16 *Assistance for Workers, Farmers, Fishermen,*
 17 *Communities, and Firms Act of 2002, the Comp-*
 18 *troller General shall submit to the Committee on*
 19 *Finance of the Senate and the Committee on*
 20 *Ways and Means of the House of Representatives*
 21 *a report on the study conducted under subpara-*
 22 *graph (A). The report shall include a description*
 23 *of—*

1 “(i) all Federal programs designed to
2 assist workers facing job loss and economic
3 distress, including all benefits and services;

4 “(ii) eligibility requirements for each
5 of the programs; and

6 “(iii) procedures for applying for and
7 receiving benefits and services under each of
8 the programs.

9 “(C) DISTRIBUTION OF GAO REPORT.—The
10 report described in subparagraph (B) shall be
11 distributed to all one-stop partners authorized
12 under the Workforce Investment Act of 1998.

13 “(2) STUDIES BY THE STATES.—

14 “(A) IN GENERAL.—Each State may con-
15 duct a study of its assistance programs for work-
16 ers facing job loss and economic distress.

17 “(B) GRANTS.—The Secretary may award
18 to each State a grant, not to exceed \$50,000, to
19 enable the State to conduct the study described
20 in subparagraph (A). Each study shall be under-
21 taken in consultation with affected parties.

22 “(C) REPORT.—Not later than 1 year after
23 the date of the grant, each State that receives a
24 grant under subparagraph (B) shall submit to
25 the Committee on Finance of the Senate and the

1 *Committee on Ways and Means of the House of*
 2 *Representatives the report described in subpara-*
 3 *graph (A).*

4 “(D) *DISTRIBUTION OF STATE REPORTS.—*
 5 *A report prepared by a State under this para-*
 6 *graph shall be distributed to all the one-stop*
 7 *partners in the State.*

8 **“Subchapter D—Payment and Enforcement**
 9 **Provisions**

10 **“SEC. 244. PAYMENTS TO STATES.**

11 “(a) *IN GENERAL.—The Secretary, from time to time,*
 12 *shall certify to the Secretary of the Treasury for payment*
 13 *to each cooperating State, the sums necessary to enable that*
 14 *State as agent of the United States to make payments pro-*
 15 *vided for by this chapter.*

16 “(b) *LIMITATION ON USE OF FUNDS.—*

17 “(1) *IN GENERAL.—All money paid to a cooper-*
 18 *ating State under this section shall be used solely for*
 19 *the purposes for which it is paid.*

20 “(2) *RETURN OF FUNDS NOT SO USED.—Money*
 21 *paid that is not used for the purpose for which it is*
 22 *paid under subsection (a) shall be returned to the Sec-*
 23 *retary of the Treasury at the time specified in the*
 24 *agreement entered into under section 222.*

1 “(c) *SURETY BOND.*—Any agreement under section
 2 222 may require any officer or employee of the cooperating
 3 State certifying payments or disbursing funds under the
 4 agreement or otherwise participating in the performance of
 5 the agreement, to give a surety bond to the United States
 6 in an amount the Secretary deems necessary, and may pro-
 7 vide for the payment of the cost of that bond from funds
 8 for carrying out the purposes of this chapter.

9 **“SEC. 245. LIABILITIES OF CERTIFYING AND DISBURSING**
 10 **OFFICERS.**

11 “(a) *LIABILITY OF CERTIFYING OFFICIALS.*—No per-
 12 son designated by the Secretary, or designated pursuant to
 13 an agreement entered into under section 222, as a certifying
 14 officer, in the absence of gross negligence or intent to de-
 15 fraud the United States, shall be liable with respect to any
 16 payment certified by that person under this chapter.

17 “(b) *LIABILITY OF DISBURSING OFFICERS.*—No dis-
 18 bursing officer, in the absence of gross negligence or intent
 19 to defraud the United States, shall be liable with respect
 20 to any payment by that officer under this chapter if the
 21 payment was based on a voucher signed by a certifying offi-
 22 cer designated according to subsection (a).

23 **“SEC. 246. FRAUD AND RECOVERY OF OVERPAYMENTS.**

24 “(a) *IN GENERAL.*—

1 “(1) *OVERPAYMENT.*—If a cooperating State, the
 2 Secretary, or a court of competent jurisdiction deter-
 3 mines that any person has received any payment
 4 under this chapter to which the person was not enti-
 5 tled, including a payment referred to in subsection
 6 (b), that person shall be liable to repay that amount
 7 to the cooperating State or the Secretary, as the case
 8 may be.

9 “(2) *EXCEPTION.*—The cooperating State or the
 10 Secretary may waive repayment if the cooperating
 11 State or the Secretary determines, in accordance with
 12 guidelines prescribed by the Secretary, that all of the
 13 following apply:

14 “(A) *NO FAULT.*—The payment was made
 15 without fault on the part of the person.

16 “(B) *REPAYMENT CONTRARY TO EQUITY.*—
 17 Requiring repayment would be contrary to eq-
 18 uity and good conscience.

19 “(3) *PROCEDURE FOR RECOVERY.*—

20 “(A) *RECOVERY FROM OTHER ALLOWANCES*
 21 *AUTHORIZED.*—Unless an overpayment is other-
 22 wise recovered or waived under paragraph (2),
 23 the cooperating State or the Secretary shall re-
 24 cover the overpayment by deductions from any
 25 sums payable to that person under this chapter,

1 *under any Federal unemployment compensation*
 2 *law administered by the cooperating State or the*
 3 *Secretary, or under any other Federal law ad-*
 4 *ministered by the cooperating State or the Sec-*
 5 *retary that provides for the payment of assist-*
 6 *ance or an allowance with respect to unemploy-*
 7 *ment.*

8 “(B) *RECOVERY FROM STATE ALLOWANCES*
 9 *AUTHORIZED.*—*Notwithstanding any other pro-*
 10 *vision of Federal or State law, the Secretary*
 11 *may require a cooperating State to recover any*
 12 *overpayment under this chapter by deduction*
 13 *from any unemployment insurance payable to*
 14 *that person under State law, except that no sin-*
 15 *gle deduction under this paragraph shall exceed*
 16 *50 percent of the amount otherwise payable.*

17 “(b) *INELIGIBILITY FOR FURTHER PAYMENTS.*—*Any*
 18 *person, in addition to any other penalty provided by law,*
 19 *shall be ineligible for any further payments under this*
 20 *chapter if a cooperating State, the Secretary, or a court*
 21 *of competent jurisdiction determines that one of the fol-*
 22 *lowing applies:*

23 “(1) *FALSE STATEMENT.*—*The person knowingly*
 24 *made, or caused another to make, a false statement or*
 25 *representation of a material fact, and as a result of*

1 *the false statement or representation, the person re-*
 2 *ceived any payment under this chapter to which the*
 3 *person was not entitled.*

4 “(2) *FAILURE TO DISCLOSE.*—*The person know-*
 5 *ingly failed, or caused another to fail, to disclose a*
 6 *material fact, and as a result of the nondisclosure, the*
 7 *person received any payment under this chapter to*
 8 *which the person was not entitled.*

9 “(c) *HEARING.*—*Except for overpayments determined*
 10 *by a court of competent jurisdiction, no repayment may*
 11 *be required, and no deduction may be made, under this sec-*
 12 *tion until a determination under subsection (a) by the co-*
 13 *operating State or the Secretary, as the case may be, has*
 14 *been made, notice of the determination and an opportunity*
 15 *for a fair hearing has been given to the person concerned,*
 16 *and the determination has become final.*

17 “(d) *RECOVERED FUNDS.*—*Any amount recovered*
 18 *under this section shall be returned to the Treasury of the*
 19 *United States.*

20 **“SEC. 247. CRIMINAL PENALTIES.**

21 “Whoever makes a false statement of a material fact
 22 knowing it to be false, or knowingly fails to disclose a mate-
 23 rial fact, for the purpose of obtaining or increasing for that
 24 person or for any other person any payment authorized to
 25 be furnished under this chapter or pursuant to an agree-

1 *ment under section 222 shall be fined not more than*
 2 *\$10,000, imprisoned for not more than 1 year, or both.*

3 **“SEC. 248. AUTHORIZATION OF APPROPRIATIONS.**

4 *“There are authorized to be appropriated to the De-*
 5 *partment of Labor, for the period beginning October 1,*
 6 *2001, and ending September 30, 2006, such sums as may*
 7 *be necessary to carry out the purposes of this chapter.*
 8 *Amounts appropriated under this section shall remain*
 9 *available until expended.*

10 **“SEC. 249. REGULATIONS.**

11 *“The Secretary shall prescribe such regulations as may*
 12 *be necessary to carry out the provisions of this chapter.*

13 **“SEC. 250. SUBPOENA POWER.**

14 *“(a) IN GENERAL.—The Secretary may require by*
 15 *subpoena the attendance of witnesses and the production of*
 16 *evidence necessary to make a determination under the pro-*
 17 *visions of this chapter.*

18 *“(b) COURT ORDER.—If a person refuses to obey a sub-*
 19 *poena issued under subsection (a), a competent United*
 20 *States district court, upon petition by the Secretary, may*
 21 *issue an order requiring compliance with such subpoena.”.*

22 **SEC. 102. DISPLACED WORKER SELF-EMPLOYMENT TRAIN-**
 23 **ING PILOT PROGRAM.**

24 *(a) ESTABLISHMENT.—Not later than 6 months after*
 25 *the date of enactment of this Act, the Administrator of the*

1 *Small Business Administration (in this section referred to*
 2 *as the “Administrator”) shall establish a self-employment*
 3 *training program (in this section referred to as the “Pro-*
 4 *gram”) for adversely affected workers (as defined in chapter*
 5 *2 of title II of the Trade Act of 1974), to be administered*
 6 *by the Small Business Administration.*

7 (b) *ELIGIBILITY FOR ASSISTANCE.—If an adversely af-*
 8 *ected worker seeks or receives assistance through the Pro-*
 9 *gram, such action shall not affect the eligibility of that*
 10 *worker to receive benefits under chapter 2 of title II of the*
 11 *Trade Act of 1974.*

12 (c) *TRAINING ASSISTANCE.—The Program shall in-*
 13 *clude, at a minimum, training in—*

14 (1) *pre-business startup planning;*

15 (2) *awareness of basic credit practices and credit*
 16 *requirements; and*

17 (3) *developing business plans, financial pack-*
 18 *ages, and credit applications.*

19 (d) *OUTREACH.—The Program should include out-*
 20 *reach to adversely affected workers and counseling and lend-*
 21 *ing partners of the Small Business Administration.*

22 (e) *REPORTS TO CONGRESS.—Beginning not later*
 23 *than 180 days after the date of enactment of this Act, the*
 24 *Administrator shall submit quarterly reports to the Com-*
 25 *mittee on Small Business and Entrepreneurship of the Sen-*

1 *ate and the Committee on Small Business of the House of*
 2 *Representatives regarding the implementation of the Pro-*
 3 *gram, including Program delivery, staffing, and adminis-*
 4 *trative expenses related to such implementation.*

5 *(f) GUIDELINES.—Not later than 180 days after the*
 6 *date of enactment of this Act, the Administrator, shall issue*
 7 *such guidelines as the Administrator determines to be nec-*
 8 *essary to carry out the Program.*

9 *(g) EFFECTIVE DATE.—The Program shall terminate*
 10 *3 years after the date of final publication of guidelines*
 11 *under subsection (f).*

12 ***TITLE II—TRADE ADJUSTMENT*** 13 ***ASSISTANCE FOR FIRMS***

14 ***SEC. 201. REAUTHORIZATION OF PROGRAM.***

15 *(a) IN GENERAL.—Section 256(b) of chapter 3 of title*
 16 *II of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended*
 17 *to read as follows:*

18 *“(b) There are authorized to be appropriated to the*
 19 *Secretary \$16,000,000 for each of fiscal years 2002 through*
 20 *2006, to carry out the Secretary’s functions under this*
 21 *chapter in connection with furnishing adjustment assist-*
 22 *ance to firms. Amounts appropriated under this subsection*
 23 *shall remain available until expended.”.*

1 (b) *ELIGIBILITY CRITERIA.*—Section 251(c) of chapter
 2 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341(c)(1))
 3 is amended—

4 (1) in paragraph (1), by striking subparagraphs
 5 (B) and (C) and inserting the following:

6 “(B) increases in value or volume of imports of
 7 articles like or directly competitive with articles
 8 which are produced by such firm contributed impor-
 9 tantly to such total or partial separation, or threat
 10 thereof, or

11 “(C) a shift in production by the workers’ firm
 12 or subdivision to a foreign country of articles like or
 13 directly competitive with articles which are produced
 14 by that firm or subdivision contributed importantly
 15 to the workers’ separation or threat of separation.”;
 16 and

17 (2) in paragraph (2), by striking “paragraph
 18 (1)(C)” and inserting “subparagraphs (B) and (C) of
 19 paragraph (1)”.

20 ***TITLE III—TRADE ADJUSTMENT***
 21 ***ASSISTANCE FOR COMMUNITIES***

22 ***SEC. 301. PURPOSE.***

23 *The purpose of this title is to assist communities with*
 24 *economic adjustment through the integration of political*
 25 *and economic organizations, the coordination of Federal,*

1 *State, and local resources, the creation of community-based*
 2 *development strategies, and the provision of economic tran-*
 3 *sition assistance.*

4 **SEC. 302. TRADE ADJUSTMENT ASSISTANCE FOR COMMU-**
 5 **NITIES.**

6 *Chapter 4 of title II of the Trade Act of 1974 (19*
 7 *U.S.C. 2371 et seq.) is amended to read as follows:*

8 **“CHAPTER 4—COMMUNITY ECONOMIC**
 9 **ADJUSTMENT**

10 **“SEC. 271. DEFINITIONS.**

11 *“In this chapter:*

12 *“(1) CIVILIAN LABOR FORCE.—The term ‘civilian*
 13 *labor force’ has the meaning given that term in regu-*
 14 *lations prescribed by the Secretary of Labor.*

15 *“(2) COMMUNITY.—The term ‘community’ means*
 16 *a county or equivalent political subdivision of a*
 17 *State.*

18 *“(A) RURAL COMMUNITY.—The term ‘rural*
 19 *community’ means a community that has a*
 20 *rural-urban continuum code of 4 through 9.*

21 *“(B) URBAN COMMUNITY.—The term ‘urban*
 22 *community’ means a community that has a*
 23 *rural-urban continuum code of 0 through 3.*

24 *“(3) COMMUNITY ECONOMIC DEVELOPMENT CO-*
 25 *ORDINATING COMMITTEE.—The term ‘Community*

1 *Economic Development Coordinating Committee’*
 2 *means a community group established under section*
 3 *274 that consists of major groups significantly af-*
 4 *ected by an increase in imports or a shift in produc-*
 5 *tion, including local, regional, tribal, and State gov-*
 6 *ernments, regional councils of governments and eco-*
 7 *nomie development, and business, labor, education,*
 8 *health, religious, and other community-based organi-*
 9 *zations.*

10 “(4) *DIRECTOR.*—*The term ‘Director’ means the*
 11 *Director of the Office of Community Trade Adjust-*
 12 *ment.*

13 “(5) *ELIGIBLE COMMUNITY.*—*The term ‘eligible*
 14 *community’ means a community certified under sec-*
 15 *tion 273 as eligible for assistance under this chapter.*

16 “(6) *JOB LOSS.*—*The term ‘job loss’ means the*
 17 *total or partial separation of an individual, as those*
 18 *terms are defined in section 221.*

19 “(7) *OFFICE.*—*The term ‘Office’ means the Office*
 20 *of Community Trade Adjustment established under*
 21 *section 272.*

22 “(8) *RURAL-URBAN CONTINUUM CODE.*—*The*
 23 *term ‘rural-urban continuum code’ means a code as-*
 24 *signed to a community according to the rural-urban*

1 *continuum code system, as defined by the Economic*
 2 *Research Service of the Department of Agriculture.*

3 “(9) *SECRETARY.*—*The term ‘Secretary’ means*
 4 *the Secretary of Commerce.*

5 **“SEC. 272. OFFICE OF COMMUNITY TRADE ADJUSTMENT.**

6 “(a) *ESTABLISHMENT.*—*Within 6 months of the date*
 7 *of enactment of the Trade Adjustment Assistance for Work-*
 8 *ers, Farmers, Fishermen, Communities, and Firms Act of*
 9 *2002, there shall be established in the Economic Develop-*
 10 *ment Administration of the Department of Commerce an*
 11 *Office of Community Trade Adjustment.*

12 “(b) *PERSONNEL.*—*The Office shall be headed by a Di-*
 13 *rector, and shall have such staff as may be necessary to*
 14 *carry out the responsibilities described in this chapter.*

15 “(c) *COORDINATION OF FEDERAL RESPONSE.*—*The*
 16 *Office shall—*

17 “(1) *provide leadership, support, and coordina-*
 18 *tion for a comprehensive management program to ad-*
 19 *dress economic dislocation in eligible communities;*

20 “(2) *establish an easily accessible, one-stop clear-*
 21 *inghouse for States and eligible communities to obtain*
 22 *information regarding economic development assist-*
 23 *ance available under Federal law;*

24 “(3) *coordinate the Federal response to an eligi-*
 25 *ble community—*

1 “(A) by identifying all Federal, State, and
2 local resources that are available to assist the eli-
3 gible community in recovering from economic
4 distress;

5 “(B) by ensuring that all Federal agencies
6 offering assistance to an eligible community do
7 so in a targeted, integrated manner that ensures
8 that an eligible community has access to all
9 available Federal assistance;

10 “(C) by assuring timely consultation and
11 cooperation between Federal, State, and regional
12 officials concerning community economic adjust-
13 ment;

14 “(D) by identifying and strengthening exist-
15 ing agency mechanisms designed to assist com-
16 munities in economic adjustment and workforce
17 reemployment;

18 “(E) by applying consistent policies, prac-
19 tices, and procedures in the administration of
20 Federal programs that are used to assist commu-
21 nities adversely impacted by an increase in im-
22 ports or a shift in production;

23 “(F) by creating, maintaining, and using a
24 uniform economic database to analyze commu-
25 nity adjustment activities; and

1 “(G) by assigning a community economic
2 adjustment advisor to work with each eligible
3 community;

4 “(4) provide comprehensive technical assistance
5 to any eligible community in the efforts of that com-
6 munity to—

7 “(A) identify serious economic problems in
8 the community that result from an increase in
9 imports or shift in production;

10 “(B) integrate the major groups and orga-
11 nizations significantly affected by the economic
12 adjustment;

13 “(C) organize a Community Economic De-
14 velopment Coordinating Committee;

15 “(D) access Federal, State, and local re-
16 sources designed to assist in economic develop-
17 ment and trade adjustment assistance;

18 “(E) diversify and strengthen the commu-
19 nity economy; and

20 “(F) develop a community-based strategic
21 plan to address workforce dislocation and eco-
22 nomic development;

23 “(5) establish specific criteria for submission and
24 evaluation of a strategic plan submitted under section
25 276(d);

1 “(6) administer the grant programs established
2 under sections 276 and 277; and

3 “(7) establish an interagency Trade Adjustment
4 Assistance Working Group, consisting of the rep-
5 resentatives of any Federal department or agency
6 with responsibility for economic adjustment assist-
7 ance, including the Department of Agriculture, the
8 Department of Defense, the Department of Education,
9 the Department of Labor, the Department of Housing
10 and Urban Development, the Department of Health
11 and Human Services, the Small Business Adminis-
12 tration, the Department of the Treasury, the Depart-
13 ment of Commerce, the Office of the United States
14 Trade Representative, and the National Economic
15 Council.

16 “(d) WORKING GROUP.—The working group estab-
17 lished under subsection (c)(7) shall examine other options
18 for addressing trade impacts on communities, such as:

19 “(1) Seeking legislative language directing the
20 Foreign Trade Zone (‘FTZ’) Board to expedite con-
21 sideration of FTZ applications from communities or
22 businesses that have been found eligible for trade ad-
23 justment assistance.

1 “(2) *Seeking legislative language to make new*
 2 *markets tax credits available in communities im-*
 3 *acted by trade.*

4 “(3) *Seeking legislative language to make work*
 5 *opportunity tax credits available for hiring unem-*
 6 *ployed workers who are certified eligible for trade ad-*
 7 *justment assistance.*

8 “(4) *Examining ways to assist trade impacted*
 9 *rural communities and industries take advantage of*
 10 *the Department of Agriculture’s rural development*
 11 *program.*

12 **“SEC. 273. NOTIFICATION AND CERTIFICATION AS AN ELIGI-**
 13 **BLE COMMUNITY.**

14 “(a) *NOTIFICATION.—The Secretary of Labor, not later*
 15 *than 15 days after making a determination that a group*
 16 *of workers is eligible for trade adjustment assistance under*
 17 *section 231, shall notify the Governor of the State in which*
 18 *the community in which the worker’s firm is located and*
 19 *the Director, of the Secretary’s determination.*

20 “(b) *CERTIFICATION.—Not later than 30 days after no-*
 21 *tification by the Secretary of Labor described in subsection*
 22 *(a), the Director shall certify as eligible for assistance under*
 23 *this chapter a community in which 1 of the following condi-*
 24 *tions applies:*

1 “(1) *NUMBER OF JOB LOSSES.*—*The Director*
 2 *shall certify that a community is eligible for assist-*
 3 *ance under this chapter if—*

4 “(A) *in an urban community, at least 500*
 5 *workers have been certified for assistance under*
 6 *section 231 in the most recent 36-month period*
 7 *preceding the date of certification under this sec-*
 8 *tion for which data are available; or*

9 “(B) *in a rural community, at least 300*
 10 *workers have been certified for assistance under*
 11 *section 231 in the most recent 36-month period*
 12 *preceding the date of certification under this sec-*
 13 *tion for which data are available.*

14 “(2) *PERCENT OF WORKFORCE UNEMPLOYED.*—
 15 *The Director shall certify that a community is eligible*
 16 *for assistance under this chapter if the unemployment*
 17 *rate for the community is at least 1 percent greater*
 18 *than the national unemployment rate for the most re-*
 19 *cent 12-month period for which data are available.*

20 “(c) *NOTIFICATION TO ELIGIBLE COMMUNITIES.*—*Not*
 21 *later than 15 days after the Director certifies a community*
 22 *as eligible under subsection (b), the Director shall notify*
 23 *the community—*

24 “(1) *of its determination under subsection (b);*

25 “(2) *of the provisions of this chapter;*

1 “(3) *how to access the clearinghouse established*
 2 *under section 272(c)(2); and*

3 “(4) *how to obtain technical assistance provided*
 4 *under section 272(c)(4).*

5 **“SEC. 274. COMMUNITY ECONOMIC DEVELOPMENT COORDI-**
 6 **NATING COMMITTEE.**

7 “(a) *ESTABLISHMENT.—In order to apply for and re-*
 8 *ceive benefits under this chapter, an eligible community*
 9 *shall establish a Community Economic Development Co-*
 10 *ordinating Committee certified by the Director as meeting*
 11 *the requirements of subsection (b)(1).*

12 “(b) *COMPOSITION OF THE COMMITTEE.—*

13 “(1) *LOCAL PARTICIPATION.—The Community*
 14 *Economic Development Coordinating Committee es-*
 15 *tablished by an eligible community under subsection*
 16 *(a) shall include representatives of those groups sig-*
 17 *nificantly affected by economic dislocation, such as*
 18 *local, regional, tribal, and State governments, re-*
 19 *gional councils of governments and economic develop-*
 20 *ment, business, labor, education, health organizations,*
 21 *religious, and other community-based groups pro-*
 22 *viding assistance to workers, their families, and com-*
 23 *munities.*

24 “(2) *FEDERAL PARTICIPATION.—Pursuant to*
 25 *section 275(b)(3), the community economic adjust-*

1 *ment advisor, assigned by the Director to assist an el-*
 2 *igible community, shall serve as an ex officio member*
 3 *of the Community Economic Development Coordi-*
 4 *nating Committee, and shall arrange for participa-*
 5 *tion by representatives of other Federal agencies on*
 6 *that Committee as necessary.*

7 “(3) *EXISTING ORGANIZATION.*—*An eligible com-*
 8 *munity may designate an existing organization in*
 9 *that community as the Community Economic Devel-*
 10 *opment Coordinating Committee if that organization*
 11 *meets the requirements of paragraph (1) for the pur-*
 12 *poses of this chapter.*

13 “(c) *DUTIES.*—*The Community Economic Develop-*
 14 *ment Coordinating Committee shall—*

15 “(1) *ascertain the severity of the community eco-*
 16 *nomie adjustment required as a result of the increase*
 17 *in imports or shift in production;*

18 “(2) *assess the capacity of the community to re-*
 19 *spond to the required economic adjustment and the*
 20 *needs of the community as it undertakes economic ad-*
 21 *justment, taking into consideration such factors as the*
 22 *number of jobs lost, the size of the community, the di-*
 23 *versity of industries, the skills of the labor force, the*
 24 *condition of the current labor market, the availability*
 25 *of financial resources, the quality and availability of*

1 *educational facilities, the adequacy and availability*
2 *of public services, and the existence of a basic and ad-*
3 *vanced infrastructure in the community;*

4 *“(3) facilitate a dialogue between concerned in-*
5 *terests in the community, represent the impacted com-*
6 *munity, and ensure all interests in the community*
7 *work collaboratively toward collective goals without*
8 *duplication of effort or resources;*

9 *“(4) oversee the development of a strategic plan*
10 *for community economic development, taking into*
11 *consideration the factors mentioned under paragraph*
12 *(2), and consistent with the criteria established by the*
13 *Secretary for the strategic plan developed under sec-*
14 *tion 276;*

15 *“(5) create an executive council of members of*
16 *the Community Economic Development Coordinating*
17 *Committee to promote the strategic plan within the*
18 *community and ensure coordination and cooperation*
19 *among all stakeholders; and*

20 *“(6) apply for any grant, loan, or loan guar-*
21 *antee available under Federal law to develop or im-*
22 *plement the strategic plan, and be an eligible recipi-*
23 *ent for funding for economic adjustment for that com-*
24 *munity.*

1 **“SEC. 275. COMMUNITY ECONOMIC ADJUSTMENT ADVI-**
 2 **SORS.**

3 “(a) *IN GENERAL.*—Pursuant to section 272(c)(3)(G),
 4 *the Director shall assign a community economic adjustment*
 5 *advisor to each eligible community.*

6 “(b) *DUTIES.*—*The community economic adjustment*
 7 *advisor shall—*

8 “(1) *provide technical assistance to the eligible*
 9 *community, assist in the development and implemen-*
 10 *tation of a strategic plan, including applying for any*
 11 *grant available under this or any other Federal law*
 12 *to develop or implement that plan;*

13 “(2) *at the local and regional level, coordinate*
 14 *the response of all Federal agencies offering assistance*
 15 *to the eligible community;*

16 “(3) *serve as an ex officio member of the Com-*
 17 *munity Economic Development Coordinating Com-*
 18 *mittee established by an eligible community under*
 19 *section 274;*

20 “(4) *act as liaison between the Community Eco-*
 21 *nomic Development Coordinating Committee estab-*
 22 *lished by the eligible community and all other Federal*
 23 *agencies that offer assistance to eligible communities,*
 24 *including the Department of Agriculture, the Depart-*
 25 *ment of Defense, the Department of Education, the*
 26 *Department of Labor, the Department of Housing*

1 *and Urban Development, the Department of Health*
 2 *and Human Services, the Small Business Adminis-*
 3 *tration, the Department of the Treasury, the National*
 4 *Economic Council, and other offices or agencies of the*
 5 *Department of Commerce;*

6 *“(5) report regularly to the Director regarding*
 7 *the progress of development activities in the commu-*
 8 *nity to which the community economic adjustment*
 9 *advisor is assigned; and*

10 *“(6) perform other duties as directed by the Sec-*
 11 *retary or the Director.*

12 **“SEC. 276. STRATEGIC PLANS.**

13 *“(a) IN GENERAL.—With the assistance of the commu-*
 14 *nity economic adjustment advisor, an eligible community*
 15 *may develop a strategic plan for community economic ad-*
 16 *justment and diversification.*

17 *“(b) REQUIREMENTS FOR STRATEGIC PLAN.—A stra-*
 18 *tegic plan shall contain, at a minimum, the following:*

19 *“(1) A description and justification of the capac-*
 20 *ity for economic adjustment, including the method of*
 21 *financing to be used, the anticipated management*
 22 *structure of the Community Economic Development*
 23 *Coordinating Committee, and the commitment of the*
 24 *community to the strategic plan over the long term.*

1 “(2) A description of, and a plan to accomplish,
2 the projects to be undertaken by the eligible commu-
3 nity.

4 “(3) A description of how the plan and the
5 projects to be undertaken by the eligible community
6 will lead to job creation and job retention in the com-
7 munity.

8 “(4) A description of any alternative develop-
9 ment plans that were considered, particularly less
10 costly alternatives, and why those plans were rejected
11 in favor of the proposed plan.

12 “(5) A description of any additional steps the el-
13 igible community will take to achieve economic ad-
14 justment and diversification, including how the plan
15 and the projects will contribute to establishing or
16 maintaining a level of public services necessary to at-
17 tract and retain economic investment.

18 “(6) A description and justification for the cost
19 and timing of proposed basic and advanced infra-
20 structure improvements in the eligible community.

21 “(7) A description of the occupational and work-
22 force conditions in the eligible community, including
23 but not limited to existing levels of workforce skills
24 and competencies, and educational programs avail-

1 *able for workforce training and future employment*
 2 *needs.*

3 “(8) *A description of how the plan will adapt to*
 4 *changing markets, business cycles, and other vari-*
 5 *ables.*

6 “(9) *A graduation strategy through which the el-*
 7 *igible community demonstrates that the community*
 8 *will terminate the need for Federal assistance.*

9 “(c) *GRANTS TO DEVELOP STRATEGIC PLANS.—*

10 “(1) *IN GENERAL.—The Director, upon receipt of*
 11 *an application from a Community Economic Devel-*
 12 *opment Coordinating Committee on behalf of an eligi-*
 13 *ble community, shall award a grant to that commu-*
 14 *nity to be used to develop the strategic plan.*

15 “(2) *AMOUNT.—The amount of a grant made*
 16 *under paragraph (1) shall be determined by the Sec-*
 17 *retary, but may not exceed \$50,000 to each commu-*
 18 *nity.*

19 “(3) *LIMIT.—Each community can only receive*
 20 *1 grant under this subsection for the purpose of devel-*
 21 *oping a strategic plan in any 5-year period.*

22 “(d) *SUBMISSION OF PLAN.—A strategic plan devel-*
 23 *oped under subsection (a) shall be submitted to the Director*
 24 *for evaluation and approval.*

1 **“SEC. 277. GRANTS FOR ECONOMIC DEVELOPMENT.**

2 *“The Director, upon receipt of an application from the*
3 *Community Economic Development Coordinating Com-*
4 *mittee on behalf of an eligible community, may award a*
5 *grant to that community to carry out any project or pro-*
6 *gram included in the strategic plan approved under section*
7 *276(d) that—*

8 *“(1) will be located in, or will create or preserve*
9 *high-wage jobs, in that eligible community; and*

10 *“(2) implements the strategy of that eligible com-*
11 *munity to create high-wage jobs in sectors that are ex-*
12 *pected to expand, including projects that—*

13 *“(A) encourage industries to locate in that*
14 *eligible community, if such funds are not used to*
15 *encourage the relocation of any employer in a*
16 *manner that causes the dislocation of employees*
17 *of that employer at another facility in the*
18 *United States;*

19 *“(B) leverage resources to create or improve*
20 *Internet or telecommunications capabilities to*
21 *make the community more attractive for busi-*
22 *ness;*

23 *“(C) establish a funding pool for job cre-*
24 *ation through entrepreneurial activities;*

1 “(D) assist existing firms in that commu-
 2 nity to restructure or retool to become more com-
 3 petitive in world markets and prevent job loss; or

4 “(E) assist the community in acquiring the
 5 resources and providing the level of public serv-
 6 ices necessary to meet the objectives set out in the
 7 strategic plan.

8 **“SEC. 278. AUTHORIZATION OF APPROPRIATIONS.**

9 “*There are authorized to be appropriated to the De-*
 10 *partment of Commerce, for the period beginning October 1,*
 11 *2001, and ending September 30, 2006, such sums as may*
 12 *be necessary to carry out the purposes of this chapter.*

13 **“SEC. 279. GENERAL PROVISIONS.**

14 “(a) *REPORT BY THE DIRECTOR.*—Not later than 6
 15 *months after the date of enactment of the Trade Adjustment*
 16 *Assistance for Workers, Farmers, Fishermen, Communities,*
 17 *and Firms Act of 2002, and annually thereafter, the Direc-*
 18 *tor shall submit to the Committee on Finance of the Senate*
 19 *and the Committee on Ways and Means of the House of*
 20 *Representatives a report regarding the programs established*
 21 *under this title.*

22 “(b) *REGULATIONS.*—The Secretary shall prescribe
 23 *such regulations as are necessary to carry out the provisions*
 24 *of this chapter.*

1 “(c) *SUPPLEMENT NOT SUPPLANT.*—Funds appro-
 2 priated under this chapter shall be used to supplement and
 3 not supplant other Federal, State, and local public funds
 4 expended to provide economic development assistance for
 5 communities.”.

6 ***TITLE IV—TRADE ADJUSTMENT***
 7 ***ASSISTANCE FOR FARMERS***

8 ***SEC. 401. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.***

9 (a) *IN GENERAL.*—Title II of the Trade Act of 1974
 10 (19 U.S.C. 2251 et seq.) is amended by adding at the end
 11 the following new chapter:

12 ***“CHAPTER 6—ADJUSTMENT ASSISTANCE***
 13 ***FOR FARMERS***

14 ***“SEC. 291. DEFINITIONS.***

15 *“In this chapter:*

16 “(1) *AGRICULTURAL COMMODITY.*—The term ‘ag-
 17 ricultural commodity’ means any agricultural com-
 18 modity (including livestock), except fish as defined in
 19 section 299(1) of this Act, in its raw or natural state.

20 “(2) *AGRICULTURAL COMMODITY PRODUCER.*—
 21 The term ‘agricultural commodity producer’ means
 22 any person who is engaged in the production and sale
 23 of an agricultural commodity in the United States
 24 and who owns or shares the ownership and risk of

1 *loss of the agricultural commodity, except any person*
 2 *described in section 299(2) of this Act.*

3 “(3) *CONTRIBUTED IMPORTANTLY.*—

4 “(A) *IN GENERAL.*—*The term ‘contributed*
 5 *importantly’ means a cause which is important*
 6 *but not necessarily more important than any*
 7 *other cause.*

8 “(B) *DETERMINATION OF CONTRIBUTED IM-*
 9 *PORTANTLY.*—*The determination of whether im-*
 10 *ports of articles like or directly competitive with*
 11 *an agricultural commodity with respect to which*
 12 *a petition under this chapter was filed contrib-*
 13 *uted importantly to a decline in the price of the*
 14 *agricultural commodity shall be made by the*
 15 *Secretary.*

16 “(4) *DULY AUTHORIZED REPRESENTATIVE.*—*The*
 17 *term ‘duly authorized representative’ means an asso-*
 18 *ciation of agricultural commodity producers.*

19 “(5) *NATIONAL AVERAGE PRICE.*—*The term ‘na-*
 20 *tional average price’ means the national average*
 21 *price paid to an agricultural commodity producer for*
 22 *an agricultural commodity in a marketing year as*
 23 *determined by the Secretary.*

24 “(6) *SECRETARY.*—*The term ‘Secretary’ means*
 25 *the Secretary of Agriculture.*

1 **“SEC. 292. PETITIONS; GROUP ELIGIBILITY.**

2 “(a) *IN GENERAL.*—A petition for a certification of
3 eligibility to apply for adjustment assistance under this
4 chapter may be filed with the Secretary by a group of agri-
5 cultural commodity producers or by their duly authorized
6 representative. Upon receipt of the petition, the Secretary
7 shall promptly publish notice in the Federal Register that
8 the Secretary has received the petition and initiated an in-
9 vestigation.

10 “(b) *HEARINGS.*—If the petitioner, or any other person
11 found by the Secretary to have a substantial interest in the
12 proceedings, submits not later than 10 days after the date
13 of the Secretary’s publication under subsection (a) a request
14 for a hearing, the Secretary shall provide for a public hear-
15 ing and afford such interested person an opportunity to be
16 present, to produce evidence, and to be heard.

17 “(c) *GROUP ELIGIBILITY REQUIREMENTS.*—The Sec-
18 retary shall certify a group of agricultural commodity pro-
19 ducers as eligible to apply for adjustment assistance under
20 this chapter if the Secretary determines—

21 “(1) that the national average price for the agri-
22 cultural commodity, or a class of goods within the agri-
23 cultural commodity, produced by the group for the
24 most recent marketing year for which the national av-
25 erage price is available is less than 80 percent of the
26 average of the national average price for such agricul-

1 *tural commodity, or such class of goods, for the 5*
 2 *marketing years preceding the most recent marketing*
 3 *year; and*

4 *“(2) that increases in imports of articles like or*
 5 *directly competitive with the agricultural commodity,*
 6 *or class of goods within the agricultural commodity,*
 7 *produced by the group contributed importantly to the*
 8 *decline in price described in paragraph (1).*

9 *“(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT*
 10 *YEARS.—A group of agricultural commodity producers cer-*
 11 *tified as eligible under section 293 shall be eligible to apply*
 12 *for assistance under this chapter in any qualified year after*
 13 *the year the group is first certified, if the Secretary deter-*
 14 *mines that—*

15 *“(1) the national average price for the agricul-*
 16 *tural commodity, or class of goods within the agricul-*
 17 *tural commodity, produced by the group for the most*
 18 *recent marketing year for which the national average*
 19 *price is available is equal to or less than the price de-*
 20 *termined under subsection (c)(1); and*

21 *“(2) the requirements of subsection (c)(2) are*
 22 *met.*

23 *“(e) DETERMINATION OF QUALIFIED YEAR AND COM-*
 24 *MODITY.—In this chapter:*

1 “(1) *QUALIFIED YEAR.*—The term ‘qualified
2 year’, with respect to a group of agricultural com-
3 modity producers certified as eligible under section
4 293, means each consecutive year after the year in
5 which the group is certified that the Secretary makes
6 the determination under subsection (c) or (d), as the
7 case may be.

8 “(2) *CLASSES OF GOODS WITHIN A COM-*
9 *MODITY.*—In any case in which there are separate
10 classes of goods within an agricultural commodity,
11 the Secretary shall treat each class as a separate com-
12 modity in determining group eligibility, the national
13 average price, and level of imports under this section
14 and section 296.

15 **“SEC. 293. DETERMINATIONS BY SECRETARY OF AGRI-**
16 **CULTURE.**

17 “(a) *IN GENERAL.*—As soon as practicable after the
18 date on which a petition is filed under section 292, but in
19 any event not later than 60 days after that date, the Sec-
20 retary shall determine whether the petitioning group meets
21 the requirements of section 292 (c) or (d), as the case may
22 be, and shall, if the group meets the requirements, issue a
23 certification of eligibility to apply for assistance under this
24 chapter covering agricultural commodity producers in any
25 group that meets the requirements. Each certification shall

1 *specify the date on which eligibility under this chapter be-*
 2 *gins.*

3 “(b) *NOTICE.*—Upon making a determination on a pe-
 4 *tition, the Secretary shall promptly publish a summary of*
 5 *the determination in the Federal Register, together with the*
 6 *Secretary’s reasons for making the determination.*

7 “(c) *TERMINATION OF CERTIFICATION.*—Whenever the
 8 *Secretary determines, with respect to any certification of*
 9 *eligibility under this chapter, that the decline in price for*
 10 *the agricultural commodity covered by the certification is*
 11 *no longer attributable to the conditions described in section*
 12 *292, the Secretary shall terminate such certification and*
 13 *promptly cause notice of such termination to be published*
 14 *in the Federal Register, together with the Secretary’s rea-*
 15 *sons for making such determination.*

16 **“SEC. 294. STUDY BY SECRETARY OF AGRICULTURE WHEN**
 17 **INTERNATIONAL TRADE COMMISSION BEGINS**
 18 **INVESTIGATION.**

19 “(a) *IN GENERAL.*—Whenever the International Trade
 20 *Commission (in this chapter referred to as the ‘Commis-*
 21 *sion’)* begins an investigation under section 202 with re-
 22 *spect to an agricultural commodity, the Commission shall*
 23 *immediately notify the Secretary of the investigation. Upon*
 24 *receipt of the notification, the Secretary shall immediately*
 25 *conduct a study of—*

1 “(1) the number of agricultural commodity pro-
 2 ducers producing a like or directly competitive agri-
 3 cultural commodity who have been or are likely to be
 4 certified as eligible for adjustment assistance under
 5 this chapter, and

6 “(2) the extent to which the adjustment of such
 7 producers to the import competition may be facili-
 8 tated through the use of existing programs.

9 “(b) *REPORT*.—Not later than 15 days after the day
 10 on which the Commission makes its report under section
 11 202(f), the Secretary shall submit a report to the President
 12 setting forth the findings of the study under subsection (a).
 13 Upon making his report to the President, the Secretary
 14 shall also promptly make the report public (with the excep-
 15 tion of information which the Secretary determines to be
 16 confidential) and shall have a summary of it published in
 17 the Federal Register.

18 **“SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL COM-**
 19 **MODITY PRODUCERS.**

20 “(a) *IN GENERAL*.—The Secretary shall provide full
 21 information to producers about the benefit allowances,
 22 training, and other employment services available under
 23 this title and about the petition and application procedures,
 24 and the appropriate filing dates, for such allowances, train-
 25 ing, and services. The Secretary shall provide whatever as-

1 *sistance is necessary to enable groups to prepare petitions*
 2 *or applications for program benefits under this title.*

3 “(b) *NOTICE OF BENEFITS.*—

4 “(1) *IN GENERAL.*—*The Secretary shall mail*
 5 *written notice of the benefits available under this*
 6 *chapter to each agricultural commodity producer that*
 7 *the Secretary has reason to believe is covered by a cer-*
 8 *tification made under this chapter.*

9 “(2) *OTHER NOTICE.*—*The Secretary shall pub-*
 10 *lish notice of the benefits available under this chapter*
 11 *to agricultural commodity producers that are covered*
 12 *by each certification made under this chapter in*
 13 *newspapers of general circulation in the areas in*
 14 *which such producers reside.*

15 “(3) *OTHER FEDERAL ASSISTANCE.*—*The Sec-*
 16 *retary shall also provide information concerning pro-*
 17 *cedures for applying for and receiving all other Fed-*
 18 *eral assistance and services available to workers fac-*
 19 *ing economic distress.*

20 **“SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICUL-**
 21 **TURAL COMMODITY PRODUCERS.**

22 “(a) *IN GENERAL.*—*Payment of a trade adjustment al-*
 23 *lowance shall be made to an adversely affected agricultural*
 24 *commodity producer covered by a certification under this*
 25 *chapter who files an application for such allowance within*

1 90 days after the date on which the Secretary makes a deter-
 2 mination and issues a certification of eligibility under sec-
 3 tion 293, if the following conditions are met:

4 “(1) The producer submits to the Secretary suffi-
 5 cient information to establish the amount of agricul-
 6 tural commodity covered by the application filed
 7 under subsection (a) that was produced by the pro-
 8 ducer in the most recent year.

9 “(2) The producer certifies that the producer has
 10 not received cash benefits under any provision of this
 11 title other than this chapter.

12 “(3) The producer’s net farm income (as deter-
 13 mined by the Secretary) for the most recent year is
 14 less than the producer’s net farm income for the latest
 15 year in which no adjustment assistance was received
 16 by the producer under this chapter.

17 “(4) The producer certifies that the producer has
 18 met with an Extension Service employee or agent to
 19 obtain, at no cost to the producer, information and
 20 technical assistance that will assist the producer in
 21 adjusting to import competition with respect to the
 22 adversely affected agricultural commodity,
 23 including—

24 “(A) information regarding the feasibility
 25 and desirability of substituting 1 or more alter-

1 *native commodities for the adversely affected ag-*
 2 *ricultural commodity; and*

3 “(B) *technical assistance that will improve*
 4 *the competitiveness of the production and mar-*
 5 *keting of the adversely affected agricultural com-*
 6 *modity by the producer, including yield and*
 7 *marketing improvements.*

8 “(b) *AMOUNT OF CASH BENEFITS.*—

9 “(1) *IN GENERAL.*—*Subject to the provisions of*
 10 *section 298, an adversely affected agricultural com-*
 11 *modity producer described in subsection (a) shall be*
 12 *entitled to adjustment assistance under this chapter*
 13 *in an amount equal to the product of—*

14 “(A) *one-half of the difference between—*

15 “(i) *an amount equal to 80 percent of*
 16 *the average of the national average price of*
 17 *the agricultural commodity covered by the*
 18 *application described in subsection (a) for*
 19 *the 5 marketing years preceding the most*
 20 *recent marketing year, and*

21 “(ii) *the national average price of the*
 22 *agricultural commodity for the most recent*
 23 *marketing year, and*

1 “(B) *the amount of the agricultural com-*
 2 *modity produced by the agricultural commodity*
 3 *producer in the most recent marketing year.*

4 “(2) *SPECIAL RULE FOR SUBSEQUENT QUALI-*
 5 *FIED YEARS.—The amount of cash benefits for a*
 6 *qualified year shall be determined in the same man-*
 7 *ner as cash benefits are determined under paragraph*
 8 *(1) except that the average national price of the agri-*
 9 *cultural commodity shall be determined under para-*
 10 *graph (1)(A)(i) by using the 5-marketing-year period*
 11 *used to determine the amount of cash benefits for the*
 12 *first certification.*

13 “(c) *MAXIMUM AMOUNT OF CASH ASSISTANCE.—The*
 14 *maximum amount of cash benefits an agricultural com-*
 15 *modity producer may receive in any 12-month period shall*
 16 *not exceed \$10,000.*

17 “(d) *LIMITATIONS ON OTHER ASSISTANCE.—An agri-*
 18 *cultural commodity producer entitled to receive a cash ben-*
 19 *efit under this chapter—*

20 “(1) *shall not be eligible for any other cash ben-*
 21 *efit under this title, and*

22 “(2) *shall be entitled to employment services and*
 23 *training benefits under part III of subchapter C of*
 24 *chapter 2.*

1 **“SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.**

2 “(a) *IN GENERAL.*—

3 “(1) *REPAYMENT.*—*If the Secretary, or a court*
 4 *of competent jurisdiction, determines that any person*
 5 *has received any payment under this chapter to which*
 6 *the person was not entitled, such person shall be liable*
 7 *to repay such amount to the Secretary, except that the*
 8 *Secretary may waive such repayment if the Secretary*
 9 *determines, in accordance with guidelines prescribed*
 10 *by the Secretary, that—*

11 “(A) *the payment was made without fault*
 12 *on the part of such person; and*

13 “(B) *requiring such repayment would be*
 14 *contrary to equity and good conscience.*

15 “(2) *RECOVERY OF OVERPAYMENT.*—*Unless an*
 16 *overpayment is otherwise recovered, or waived under*
 17 *paragraph (1), the Secretary shall recover the over-*
 18 *payment by deductions from any sums payable to*
 19 *such person under this chapter.*

20 “(b) *FALSE STATEMENT.*—*A person shall, in addition*
 21 *to any other penalty provided by law, be ineligible for any*
 22 *further payments under this chapter—*

23 “(1) *if the Secretary, or a court of competent ju-*
 24 *risdiction, determines that the person—*

1 “(A) knowingly has made, or caused an-
2 other to make, a false statement or representation
3 of a material fact; or

4 “(B) knowingly has failed, or caused an-
5 other to fail, to disclose a material fact; and

6 “(2) as a result of such false statement or rep-
7 resentation, or of such nondisclosure, such person has
8 received any payment under this chapter to which the
9 person was not entitled.

10 “(c) NOTICE AND DETERMINATION.—Except for over-
11 payments determined by a court of competent jurisdiction,
12 no repayment may be required, and no deduction may be
13 made, under this section until a determination under sub-
14 section (a)(1) by the Secretary has been made, notice of the
15 determination and an opportunity for a fair hearing there-
16 on has been given to the person concerned, and the deter-
17 mination has become final.

18 “(d) PAYMENT TO TREASURY.—Any amount recovered
19 under this section shall be returned to the Treasury of the
20 United States.

21 “(e) PENALTIES.—Whoever makes a false statement of
22 a material fact knowing it to be false, or knowingly fails
23 to disclose a material fact, for the purpose of obtaining or
24 increasing for himself or for any other person any payment
25 authorized to be furnished under this chapter shall be fined

1 *not more than \$10,000 or imprisoned for not more than*
 2 *1 year, or both.*

3 **“SEC. 298. AUTHORIZATION OF APPROPRIATIONS.**

4 “(a) *IN GENERAL.*—*There are authorized to be appro-*
 5 *priated and there are appropriated to the Department of*
 6 *Agriculture not to exceed \$90,000,000 for each of the fiscal*
 7 *years 2002 through 2006 to carry out the purposes of this*
 8 *chapter.*

9 “(b) *PROPORTIONATE REDUCTION.*—*If in any year,*
 10 *the amount appropriated under this chapter is insufficient*
 11 *to meet the requirements for adjustment assistance payable*
 12 *under this chapter, the amount of assistance payable under*
 13 *this chapter shall be reduced proportionately.”.*

14 “(b) *EFFECTIVE DATE.*—*The amendments made by this*
 15 *title shall take effect on the date that is 180 days after the*
 16 *date of enactment of this Act.*

17 **TITLE V—TRADE ADJUSTMENT**
 18 **ASSISTANCE FOR FISHERMEN**

19 **SEC. 501. TRADE ADJUSTMENT ASSISTANCE FOR FISHER-**
 20 **MEN.**

21 “(a) *IN GENERAL.*—*Title II of the Trade Act of 1974*
 22 *(19 U.S.C. 2251 et seq.), as amended by title IV of this*
 23 *Act, is amended by adding at the end the following new*
 24 *chapter:*

1 **“CHAPTER 7—ADJUSTMENT ASSISTANCE**
 2 **FOR FISHERMEN**

3 **“SEC. 299. DEFINITIONS.**

4 *“In this chapter:*

5 *“(1) COMMERCIAL FISHING, FISH, FISHERY,*
 6 *FISHING, FISHING VESSEL, PERSON, AND UNITED*
 7 *STATES FISH PROCESSOR.—The terms ‘commercial*
 8 *fishing’, ‘fish’, ‘fishery’, ‘fishing’, ‘fishing vessel’, ‘per-*
 9 *son’, and ‘United States fish processor’ have the same*
 10 *meanings as such terms have in the Magnuson-Ste-*
 11 *vens Fishery Conservation and Management Act (16*
 12 *U.S.C. 1802).*

13 *“(2) PRODUCER.—The term ‘producer’ means*
 14 *any person who—*

15 *“(A) is engaged in commercial fishing; or*

16 *“(B) is a United States fish processor.*

17 *“(3) CONTRIBUTED IMPORTANTLY.—*

18 *“(A) IN GENERAL.—The term ‘contributed*
 19 *importantly’ means a cause which is important*
 20 *but not necessarily more important than any*
 21 *other cause.*

22 *“(B) DETERMINATION OF CONTRIBUTED IM-*
 23 *PORTANTLY.—The determination of whether im-*
 24 *ports of articles like or directly competitive with*
 25 *a fish caught through commercial fishing or*

1 processed by a United States fish processor with
 2 respect to which a petition under this chapter
 3 was filed contributed importantly to a decline in
 4 the price of the fish shall be made by the Sec-
 5 retary.

6 “(4) *DULY AUTHORIZED REPRESENTATIVE.*—The
 7 term ‘duly authorized representative’ means an asso-
 8 ciation of producers.

9 “(5) *NATIONAL AVERAGE PRICE.*—The term ‘na-
 10 tional average price’ means the national average
 11 price paid to a producer for fish in a marketing year
 12 as determined by the Secretary.

13 “(6) *SECRETARY.*—The term ‘Secretary’ means
 14 the Secretary of Commerce.

15 “(7) *TRADE ADJUSTMENT ASSISTANCE CEN-*
 16 *TER.*—The term ‘Trade Adjustment Assistance Center’
 17 shall have the same meaning as such term has in sec-
 18 tion 253.

19 **“SEC. 299A. PETITIONS; GROUP ELIGIBILITY.**

20 “(a) *IN GENERAL.*—A petition for a certification of
 21 eligibility to apply for adjustment assistance under this
 22 chapter may be filed with the Secretary by a group of pro-
 23 ducers or by their duly authorized representative. Upon re-
 24 ceipt of the petition, the Secretary shall promptly publish

1 *notice in the Federal Register that the Secretary has re-*
 2 *ceived the petition and initiated an investigation.*

3 “(b) *HEARINGS.*—*If the petitioner, or any other person*
 4 *found by the Secretary to have a substantial interest in the*
 5 *proceedings, submits not later than 10 days after the date*
 6 *of the Secretary’s publication under subsection (a) a request*
 7 *for a hearing, the Secretary shall provide for a public hear-*
 8 *ing and afford such interested person an opportunity to be*
 9 *present, to produce evidence, and to be heard.*

10 “(c) *GROUP ELIGIBILITY REQUIREMENTS.*—*The Sec-*
 11 *retary shall certify a group of producers as eligible to apply*
 12 *for adjustment assistance under this chapter if the Sec-*
 13 *retary determines—*

14 “(1) *that the national average price for the fish,*
 15 *or a class of fish, produced by the group for the most*
 16 *recent marketing year for which the national average*
 17 *price is available is less than 80 percent of the aver-*
 18 *age of the national average price for such fish, or such*
 19 *class of fish, for the 5 marketing years preceding the*
 20 *most recent marketing year; and*

21 “(2) *that increases in imports of articles like or*
 22 *directly competitive with the fish, or class of fish, pro-*
 23 *duced by the group contributed importantly to the de-*
 24 *cline in price described in paragraph (1).*

1 “(d) *SPECIAL RULE FOR QUALIFIED SUBSEQUENT*
 2 *YEARS.*—A group of producers certified as eligible under
 3 section 299B shall be eligible to apply for assistance under
 4 this chapter in any qualified year after the year the group
 5 is first certified, if the Secretary determines that—

6 “(1) the national average price for the fish, or
 7 class of fish, produced by the group for the most re-
 8 cent marketing year for which the national average
 9 price is available is equal to or less than the price de-
 10 termined under subsection (c)(1); and

11 “(2) the requirements of subsection (c)(2) are
 12 met.

13 “(e) *DETERMINATION OF QUALIFIED YEAR AND COM-*
 14 *MODITY.*—In this chapter:

15 “(1) *QUALIFIED YEAR.*—The term ‘qualified
 16 year’, with respect to a group of producers certified
 17 as eligible under section 299B, means each consecutive
 18 year after the year in which the group is certified
 19 that the Secretary makes the determination under
 20 subsection (c) or (d), as the case may be.

21 “(2) *CLASSES OF GOODS WITHIN A COM-*
 22 *MODITY.*—In any case in which there are separate
 23 classes of fish, the Secretary shall treat each class as
 24 a separate commodity in determining group eligi-

1 *bility, the national average price, and level of imports*
 2 *under this section and section 299E.*

3 **“SEC. 299B. DETERMINATIONS BY SECRETARY.**

4 *“(a) IN GENERAL.—As soon as practicable after the*
 5 *date on which a petition is filed under section 299A, but*
 6 *in any event not later than 60 days after that date, the*
 7 *Secretary shall determine whether the petitioning group*
 8 *meets the requirements of section 299A (c) or (d), as the*
 9 *case may be, and shall, if the group meets the requirements,*
 10 *issue a certification of eligibility to apply for assistance*
 11 *under this chapter covering producers in any group that*
 12 *meets the requirements. Each certification shall specify the*
 13 *date on which eligibility under this chapter begins.*

14 *“(b) NOTICE.—Upon making a determination on a pe-*
 15 *tition, the Secretary shall promptly publish a summary of*
 16 *the determination in the Federal Register, together with the*
 17 *Secretary’s reasons for making the determination.*

18 *“(c) TERMINATION OF CERTIFICATION.—Whenever the*
 19 *Secretary determines, with respect to any certification of*
 20 *eligibility under this chapter, that the decline in price for*
 21 *the fish covered by the certification is no longer attributable*
 22 *to the conditions described in section 299A, the Secretary*
 23 *shall terminate such certification and promptly cause no-*
 24 *tice of such termination to be published in the Federal Reg-*

1 *ister, together with the Secretary's reasons for making such*
 2 *determination.*

3 **“SEC. 299C. STUDY BY SECRETARY WHEN INTERNATIONAL**
 4 **TRADE COMMISSION BEGINS INVESTIGATION.**

5 *“(a) IN GENERAL.—Whenever the International Trade*
 6 *Commission (in this chapter referred to as the ‘Commis-*
 7 *sion’) begins an investigation under section 202 with re-*
 8 *spect to a fish, the Commission shall immediately notify*
 9 *the Secretary of the investigation. Upon receipt of the noti-*
 10 *fication, the Secretary shall immediately conduct a study*
 11 *of—*

12 *“(1) the number of producers producing a like or*
 13 *directly competitive agricultural commodity who have*
 14 *been or are likely to be certified as eligible for adjust-*
 15 *ment assistance under this chapter, and*

16 *“(2) the extent to which the adjustment of such*
 17 *producers to the import competition may be facili-*
 18 *tated through the use of existing programs.*

19 *“(b) REPORT.—Not later than 15 days after the day*
 20 *on which the Commission makes its report under section*
 21 *202(f), the Secretary shall submit a report to the President*
 22 *setting forth the findings of the study under subsection (a).*
 23 *Upon making his report to the President, the Secretary*
 24 *shall also promptly make the report public (with the excep-*
 25 *tion of information which the Secretary determines to be*

1 *confidential) and shall have a summary of it published in*
 2 *the Federal Register.*

3 **“SEC. 299D. BENEFIT INFORMATION TO PRODUCERS.**

4 “(a) *IN GENERAL.*—*The Secretary shall provide full*
 5 *information to producers about the benefit allowances,*
 6 *training, and other employment services available under*
 7 *this title and about the petition and application procedures,*
 8 *and the appropriate filing dates, for such allowances, train-*
 9 *ing, and services. The Secretary shall provide whatever as-*
 10 *sistance is necessary to enable groups to prepare petitions*
 11 *or applications for program benefits under this title.*

12 “(b) *NOTICE OF BENEFITS.*—

13 “(1) *IN GENERAL.*—*The Secretary shall mail*
 14 *written notice of the benefits available under this*
 15 *chapter to each producer that the Secretary has rea-*
 16 *son to believe is covered by a certification made under*
 17 *this chapter.*

18 “(2) *OTHER NOTICE.*—*The Secretary shall pub-*
 19 *lish notice of the benefits available under this chapter*
 20 *to producers that are covered by each certification*
 21 *made under this chapter in newspapers of general cir-*
 22 *culation in the areas in which such producers reside.*

23 **“SEC. 299E. QUALIFYING REQUIREMENTS FOR PRODUCERS.**

24 “(a) *IN GENERAL.*—*Payment of a trade adjustment al-*
 25 *lowance shall be made to an adversely affected producer cov-*

1 *ered by a certification under this chapter who files an ap-*
 2 *plication for such allowance within 90 days after the date*
 3 *on which the Secretary makes a determination and issues*
 4 *a certification of eligibility under section 299B, if the fol-*
 5 *lowing conditions are met:*

6 “(1) *The producer submits to the Secretary suffi-*
 7 *cient information to establish the amount of fish cov-*
 8 *ered by the application filed under subsection (a) that*
 9 *was produced by the producer in the most recent year.*

10 “(2) *The producer certifies that the producer has*
 11 *not received cash benefits under any provision of this*
 12 *title other than this chapter.*

13 “(3) *The producer’s net fishing or processing in-*
 14 *come (as determined by the Secretary) for the most*
 15 *recent year is less than the producer’s net fishing or*
 16 *processing income for the latest year in which no ad-*
 17 *justment assistance was received by the producer*
 18 *under this chapter.*

19 “(4) *The producer certifies that—*

20 “(A) *the producer has met with an employee*
 21 *or agent from a Trade Adjustment Assistance*
 22 *Center to obtain, at no cost to the producer, in-*
 23 *formation and technical assistance that will as-*
 24 *sist the producer in adjusting to import competi-*

1 *tion with respect to the adversely affected fish,*
 2 *including—*

3 “(i) *information regarding the feasi-*
 4 *bility and desirability of substituting 1 or*
 5 *more alternative fish for the adversely af-*
 6 *ected fish; and*

7 “(ii) *technical assistance that will im-*
 8 *prove the competitiveness of the production*
 9 *and marketing of the adversely affected fish*
 10 *by the producer, including yield and mar-*
 11 *keting improvements; and*

12 “(B) *none of the benefits will be used to*
 13 *purchase, lease, or finance any new fishing ves-*
 14 *sel, add capacity to any fishery, or otherwise add*
 15 *to the overcapitalization of any fishery.*

16 “(b) *AMOUNT OF CASH BENEFITS.—*

17 “(1) *IN GENERAL.—Subject to the provisions of*
 18 *section 299G, an adversely affected producer described*
 19 *in subsection (a) shall be entitled to adjustment as-*
 20 *sistance under this chapter in an amount equal to the*
 21 *product of—*

22 “(A) *one-half of the difference between—*

23 “(i) *an amount equal to 80 percent of*
 24 *the average of the national average price of*
 25 *the fish covered by the application described*

1 *in subsection (a) for the 5 marketing years*
 2 *preceding the most recent marketing year;*
 3 *and*

4 *“(ii) the national average price of the*
 5 *fish for the most recent marketing year; and*

6 *“(B) the amount of the fish produced by the*
 7 *producer in the most recent marketing year.*

8 *“(2) SPECIAL RULE FOR SUBSEQUENT QUALI-*
 9 *FIED YEARS.—The amount of cash benefits for a*
 10 *qualified year shall be determined in the same man-*
 11 *ner as cash benefits are determined under paragraph*
 12 *(1) except that the average national price of the fish*
 13 *shall be determined under paragraph (1)(A)(i) by*
 14 *using the 5-marketing-year period used to determine*
 15 *the amount of cash benefits for the first certification.*
 16 *A producer shall only be eligible for benefits for subse-*
 17 *quent qualified years if the Secretary or his designee*
 18 *determines that sufficient progress has been made im-*
 19 *plementing the plans developed under section*
 20 *299E(a)(4) of this title.*

21 *“(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—The*
 22 *maximum amount of cash benefits a producer may receive*
 23 *in any 12-month period shall not exceed \$10,000.*

24 *“(d) LIMITATIONS ON OTHER ASSISTANCE.—A pro-*
 25 *ducer entitled to receive a cash benefit under this chapter—*

1 “(1) shall not be eligible for any other cash ben-
2 efit under this title, and

3 “(2) shall be entitled to employment services and
4 training benefits under part III of subchapter C of
5 chapter 2.

6 **“SEC. 299F. FRAUD AND RECOVERY OF OVERPAYMENTS.**

7 “(a) *IN GENERAL.*—

8 “(1) *REPAYMENT.*—If the Secretary, or a court
9 of competent jurisdiction, determines that any person
10 has received any payment under this chapter to which
11 the person was not entitled, such person shall be liable
12 to repay such amount to the Secretary, except that the
13 Secretary may waive such repayment if the Secretary
14 determines, in accordance with guidelines prescribed
15 by the Secretary, that—

16 “(A) the payment was made without fault
17 on the part of such person; and

18 “(B) requiring such repayment would be
19 contrary to equity and good conscience.

20 “(2) *RECOVERY OF OVERPAYMENT.*—Unless an
21 overpayment is otherwise recovered, or waived under
22 paragraph (1), the Secretary shall recover the over-
23 payment by deductions from any sums payable to
24 such person under this chapter.

1 “(b) *FALSE STATEMENT.*—A person shall, in addition
 2 to any other penalty provided by law, be ineligible for any
 3 further payments under this chapter—

4 “(1) if the Secretary, or a court of competent ju-
 5 risdiction, determines that the person—

6 “(A) knowingly has made, or caused an-
 7 other to make, a false statement or representation
 8 of a material fact; or

9 “(B) knowingly has failed, or caused an-
 10 other to fail, to disclose a material fact; and

11 “(2) as a result of such false statement or rep-
 12 resentation, or of such nondisclosure, such person has
 13 received any payment under this chapter to which the
 14 person was not entitled.

15 “(c) *NOTICE AND DETERMINATION.*—Except for over-
 16 payments determined by a court of competent jurisdiction,
 17 no repayment may be required, and no deduction may be
 18 made, under this section until a determination under sub-
 19 section (a)(1) by the Secretary has been made, notice of the
 20 determination and an opportunity for a fair hearing there-
 21 on has been given to the person concerned, and the deter-
 22 mination has become final.

23 “(d) *PAYMENT TO TREASURY.*—Any amount recovered
 24 under this section shall be returned to the Treasury of the
 25 United States.

1 “(e) *PENALTIES.*—Whoever makes a false statement of
2 a material fact knowing it to be false, or knowingly fails
3 to disclose a material fact, for the purpose of obtaining or
4 increasing for himself or for any other person any payment
5 authorized to be furnished under this chapter shall be fined
6 not more than \$10,000 or imprisoned for not more than
7 1 year, or both.

8 **“SEC. 299G. AUTHORIZATION OF APPROPRIATIONS.**

9 “(a) *IN GENERAL.*—There are authorized to be appro-
10 priated and there are appropriated to the Department of
11 Commerce not to exceed \$10,000,000 for each of the fiscal
12 years 2002 through 2006 to carry out the purposes of this
13 chapter.

14 “(b) *PROPORTIONATE REDUCTION.*—If in any year,
15 the amount appropriated under this chapter is insufficient
16 to meet the requirements for adjustment assistance payable
17 under this chapter, the amount of assistance payable under
18 this chapter shall be reduced proportionately.”.

19 “(b) *EFFECTIVE DATE.*—The amendments made by this
20 title shall take effect on the date that is 180 days after the
21 date of enactment of this Act.

1 **TITLE VI—HEALTH INSURANCE**
 2 **COVERAGE OPTIONS FOR IN-**
 3 **DIVIDUALS ELIGIBLE FOR**
 4 **TRADE ADJUSTMENT ASSIST-**
 5 **ANCE**

6 **SEC. 601. PREMIUM ASSISTANCE FOR COBRA CONTINU-**
 7 **ATION COVERAGE FOR INDIVIDUALS AND**
 8 **THEIR FAMILIES.**

9 (a) *ESTABLISHMENT.*—Not later than 90 days after
 10 the date of enactment of this Act, the Secretary of the Treas-
 11 ury, in consultation with the Secretary of Labor, shall es-
 12 tablish a program under which 75 percent of the premium
 13 for COBRA continuation coverage shall be provided for an
 14 eligible individual (as defined in section 604(3)) who is also
 15 eligible for COBRA continuation coverage.

16 (b) *LIMITATION OF PERIOD OF PREMIUM ASSIST-*
 17 *ANCE.*—Premium assistance provided in accordance with
 18 this section shall end with respect to an eligible individual
 19 on the earlier of—

20 (1) the date the eligible individual is no longer
 21 covered under COBRA continuation coverage; or

22 (2) 12 months after the date the eligible indi-
 23 vidual is first enrolled in the premium assistance pro-
 24 gram established under this section.

1 (c) *PAYMENT ARRANGEMENTS; CREDITING OF ASSIST-*
2 *ANCE.*—

3 (1) *PROVISION OF ASSISTANCE.*—*Premium as-*
4 *stance shall be provided under the program estab-*
5 *lished under this section through direct payment ar-*
6 *rangements with a group health plan (including a*
7 *multiemployer plan), an issuer of health insurance*
8 *coverage, an administrator, or an employer as appro-*
9 *priate with respect to the eligible individual provided*
10 *such assistance.*

11 (2) *PREMIUMS PAYABLE BY INDIVIDUAL RE-*
12 *DUCED BY AMOUNT OF ASSISTANCE.*—*Premium as-*
13 *stance provided under this section shall be credited*
14 *by the group health plan, issuer of health insurance*
15 *coverage, or an administrator against the premium*
16 *otherwise owed by the individual involved for COBRA*
17 *continuation coverage.*

18 (d) *PROGRAM REQUIREMENTS.*—*Premium assistance*
19 *shall be provided under the program established under this*
20 *section to any eligible individual. An eligible individual*
21 *may apply for such assistance at any time during the pe-*
22 *riod in which the individual is entitled to apply for trade*
23 *adjustment allowances under section 235 of title II of the*
24 *Trade Act of 1974.*

1 (e) *DISREGARD OF SUBSIDIES FOR PURPOSES OF*
 2 *FEDERAL AND STATE PROGRAMS.*—*Notwithstanding any*
 3 *other provision of law, any premium assistance provided*
 4 *to, or on behalf of, an eligible individual under this section,*
 5 *shall not be considered income or resources in determining*
 6 *eligibility for, or the amount of assistance or benefits pro-*
 7 *vided under, any other Federal public benefit or State or*
 8 *local public benefit.*

9 (f) *CHANGE IN COBRA NOTICE.*—

10 (1) *GENERAL NOTICE.*—

11 (A) *IN GENERAL.*—*In the case of notices*
 12 *provided under section 4980B(f)(6) of the Inter-*
 13 *nal Revenue Code of 1986, section 2206 of the*
 14 *Public Health Service Act (42 U.S.C. 300bb–6),*
 15 *section 606 of the Employee Retirement Income*
 16 *Security Act of 1974 (29 U.S.C. 1166), or section*
 17 *8905a(f)(2)(A) of title 5, United States Code,*
 18 *with respect to eligible individuals who become*
 19 *entitled to elect COBRA continuation coverage*
 20 *under subsection (a), such notices shall include*
 21 *an additional notification to the recipient of the*
 22 *availability of premium assistance for such cov-*
 23 *erage under this section and for temporary med-*
 24 *icaid assistance under section 603 for the re-*

1 *maintaining portion of COBRA continuation pre-*
2 *miums.*

3 *(B) ALTERNATIVE NOTICE.—In the case of*
4 *COBRA continuation coverage to which the no-*
5 *tice provision under such sections does not*
6 *apply, the Secretary of the Treasury, in con-*
7 *sultation with the Secretary of Labor, shall, in*
8 *coordination with administrators of the group*
9 *health plans (or other entities) that provide or*
10 *administer the COBRA continuation coverage*
11 *involved, assure the provision of such notice.*

12 *(C) FORM.—The requirement of the addi-*
13 *tional notification under this paragraph may be*
14 *met by amendment of existing notice forms or by*
15 *inclusion of a separate document with the notice*
16 *otherwise required.*

17 *(2) SPECIFIC REQUIREMENTS.—Each additional*
18 *notification under paragraph (1) shall include—*

19 *(A) the forms necessary for establishing eli-*
20 *gibility and enrollment in the premium assist-*
21 *ance program established under this section in*
22 *connection with the coverage with respect to each*
23 *eligible individual;*

24 *(B) the name, address, and telephone num-*
25 *ber necessary to contact the administrator and*

1 *any other person maintaining relevant informa-*
2 *tion in connection with the premium assistance;*
3 *and*

4 *(C) the following statement displayed in a*
5 *prominent manner:*

6 *“You may be eligible to receive assistance with pay-*
7 *ment of 75 percent of your COBRA continuation coverage*
8 *premiums and with temporary medicaid coverage for the*
9 *remaining premium portion for a duration of not to exceed*
10 *12 months.”.*

11 *(3) MODEL NOTICES.—Not later than 90 days*
12 *after the date of enactment of this Act, the Secretary*
13 *of the Treasury shall prescribe models for the addi-*
14 *tional notification required under this subsection.*

15 *(g) REPORTS.—On the date that is 6 months after the*
16 *date of enactment of this Act, and annually thereafter, the*
17 *Secretary of the Treasury shall submit a report to Congress*
18 *regarding the premium assistance program established*
19 *under this section that includes the following:*

20 *(1) The status of the implementation of the pro-*
21 *gram.*

22 *(2) The number of eligible individuals provided*
23 *assistance under the program as of the date of the re-*
24 *port.*

1 (3) *The average dollar amount (monthly and an-*
 2 *nually) of the premium assistance provided under the*
 3 *program.*

4 (4) *The total amount of expenditures incurred*
 5 *(with administrative expenditures noted separately)*
 6 *under the program as of the date of the report.*

7 (h) *APPROPRIATION.—*

8 (1) *IN GENERAL.—There is appropriated to*
 9 *carry out this section such sums as are necessary for*
 10 *each of fiscal years 2002 through 2006.*

11 (2) *OBLIGATION OF FUNDS.—This section con-*
 12 *stitutes budget authority in advance of appropri-*
 13 *ations Acts and represents the obligation of the Federal*
 14 *Government to provide for the payment of premium*
 15 *assistance under this section.*

16 **SEC. 602. STATE OPTION TO PROVIDE TEMPORARY MED-**
 17 **ICAID COVERAGE FOR CERTAIN UNINSURED**
 18 **INDIVIDUALS.**

19 (a) *STATE OPTION.—Notwithstanding any other pro-*
 20 *vision of law, a State may elect to provide under its med-*
 21 *icaid program under title XIX of the Social Security Act*
 22 *medical assistance in the case of an individual who is—*

23 (1) *an eligible individual as defined in section*
 24 604(3);

1 (2) *not eligible for COBRA continuation cov-*
2 *erage;*

3 (3) *otherwise uninsured; and*

4 (4) *whose assets, resources, and earned or un-*
5 *earned income (or both) do not exceed such limita-*
6 *tions (if any) as the State may establish.*

7 (b) *LIMITATION OF PERIOD OF COVERAGE.—Medical*
8 *assistance provided in accordance with this section shall*
9 *end with respect to an individual on the earlier of—*

10 (1) *the date the individual is no longer unin-*
11 *sured; or*

12 (2) *subject to subsection (c)(4), 12 months after*
13 *the date the individual first receives such assistance.*

14 (c) *SPECIAL RULES.—In the case of medical assistance*
15 *provided under this section—*

16 (1) *the Federal medical assistance percentage*
17 *under section 1905(b) of the Social Security Act (42*
18 *U.S.C. 1396d(b)) shall be the enhanced FMAP (as de-*
19 *finied in section 2105(b) of such Act (42 U.S.C.*
20 *1397ee(b)));*

21 (2) *a State may elect to apply any income, asset,*
22 *or resource limitation permitted under the State med-*
23 *icaid plan or under title XIX of such Act;*

24 (3) *the provisions of section 1916(g) of the Social*
25 *Security Act (42 U.S.C. 1396o) shall apply to the*

1 *provision of such assistance in the same manner as*
 2 *the provisions of such section apply with respect to*
 3 *individuals provided medical assistance only under*
 4 *subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii)*
 5 *of such Act (42 U.S.C. 1396a(a)(10)(A)(ii));*

6 *(4) a State may elect to provide such assistance*
 7 *in accordance with section 1902(a)(34) of the Social*
 8 *Security Act (42 U.S.C. 1396a(a)(34)) and any as-*
 9 *stance provided with respect to a month described in*
 10 *that section shall not be included in the determina-*
 11 *tion of the 12-month period under subsection (b)(2);*

12 *(5) a State may elect to make eligible for such*
 13 *medical assistance a dependent spouse or children of*
 14 *an individual eligible for medical assistance under*
 15 *subsection (a), if such spouse or children are unin-*
 16 *sured;*

17 *(6) individuals eligible for medical assistance*
 18 *under this section shall be deemed to be described in*
 19 *the list of individuals described in the matter pre-*
 20 *ceding paragraph (1) of section 1905(a) of such Act*
 21 *(42 U.S.C. 1396d(a));*

22 *(7) a State may elect to provide such medical as-*
 23 *stance without regard to any limitation under sec-*
 24 *tions 401(a), 402(b), 403, and 421 of the Personal Re-*
 25 *sponsibility and Work Opportunity Reconciliation*

1 *Act of 1996 (8 U.S.C. 1611(a), 1612(b), 1613, and*
 2 *1631) and no debt shall accrue under an affidavit of*
 3 *support against any sponsor of an individual who is*
 4 *an alien who is provided such assistance, and the cost*
 5 *of such assistance shall not be considered as an unre-*
 6 *imbursed cost; and*

7 *(8) the Secretary of Health and Human Services*
 8 *shall not count, for purposes of section 1108(f) of the*
 9 *Social Security Act (42 U.S.C. 1308(f)), such amount*
 10 *of payments under this section as bears a reasonable*
 11 *relationship to the average national proportion of*
 12 *payments made under this section for the 50 States*
 13 *and the District of Columbia to the payments other-*
 14 *wise made under title XIX for such States and Dis-*
 15 *trict.*

16 **SEC. 603. STATE OPTION TO PROVIDE TEMPORARY COV-**
 17 **ERAGE UNDER MEDICAID FOR THE UNSUB-**
 18 **SIDIZED PORTION OF COBRA CONTINUATION**
 19 **PREMIUMS.**

20 *(a) STATE OPTION.—Notwithstanding any other pro-*
 21 *vision of law, a State may elect to provide under its med-*
 22 *icaid program under title XIX of the Social Security Act*
 23 *medical assistance in the form of payment for the portion*
 24 *of the premium for COBRA continuation coverage for which*
 25 *an eligible individual (as defined in section 604(3)) does*

1 *not receive a subsidy under the premium assistance pro-*
 2 *gram established under section 601 in the case of an eligible*
 3 *individual—*

4 (1) *who is also eligible for, and has elected cov-*
 5 *erage under, COBRA continuation coverage;*

6 (2) *who is receiving premium assistance under*
 7 *the program established under section 601; and*

8 (3) *whose family income does not exceed 200 per-*
 9 *cent of the poverty line.*

10 (b) *LIMITATION OF PERIOD OF COVERAGE.—Medical*
 11 *assistance provided in accordance with this section shall*
 12 *end with respect to an individual on the earlier of—*

13 (1) *the date the eligible individual is no longer*
 14 *covered under COBRA continuation coverage; or*

15 (2) *12 months after the date the eligible indi-*
 16 *vidual first receives such assistance under this section.*

17 (c) *SPECIAL RULES.—In the case of medical assistance*
 18 *provided under this section—*

19 (1) *such assistance may be provided without re-*
 20 *gard to—*

21 (A) *whether the State otherwise has elected*
 22 *to make medical assistance available for COBRA*
 23 *premiums under section 1902(a)(10)(F) of the*
 24 *Social Security Act (42 U.S.C. 1396a(a)(10)(F));*
 25 *or*

1 *(B) the conditions otherwise imposed for the*
 2 *provision of medical assistance for such COBRA*
 3 *premiums under clause (XII) of the matter fol-*
 4 *lowing section 1902(a)(10)(G) of the Social Se-*
 5 *curity Act (42 U.S.C. 1396a(a)(10)(G)), or para-*
 6 *graphs (1)(B), (1)(C), (1)(D), and (4) of section*
 7 *1902(u) of such Act (42 U.S.C. 1396a(u)); and*
 8 *(2) paragraphs (1), (2), (4), (5), (7), and (8) of*
 9 *subsection (c) of section 602 apply to such assistance*
 10 *in the same manner as such paragraphs apply to the*
 11 *provision of medical assistance under that section.*

12 **SEC. 604. DEFINITIONS.**

13 *In this title:*

14 (1) *ADMINISTRATOR.*—*The term “administrator”*
 15 *has the meaning given that term in section 3(16)(A)*
 16 *of the Employee Retirement Income Security Act of*
 17 *1974 (29 U.S.C. 1002(16)(A)).*

18 (2) *COBRA CONTINUATION COVERAGE.*—

19 (A) *IN GENERAL.*—*The term “COBRA con-*
 20 *tinuation coverage” means coverage under a*
 21 *group health plan provided by an employer pur-*
 22 *suant to title XXII of the Public Health Service*
 23 *Act, section 4980B of the Internal Revenue Code*
 24 *of 1986, part 6 of subtitle B of title I of the Em-*

1 *ployee Retirement Income Security Act of 1974,*
 2 *or section 8905a of title 5, United States Code.*

3 (B) *APPLICATION IN STATES REQUIRING*
 4 *COVERAGE.—Such term includes continuation*
 5 *coverage provided in a State that has enacted a*
 6 *law that requires such continuation coverage*
 7 *even though the continuation coverage would not*
 8 *otherwise be required under the provisions of law*
 9 *referred to in subparagraph (A).*

10 (3) *ELIGIBLE INDIVIDUAL.—For purposes of this*
 11 *section, the term “eligible individual” means any in-*
 12 *dividual who is a member of a group of workers cer-*
 13 *tified as eligible to apply for adjustment assistance*
 14 *under chapter 2 of title II of the Trade Act of 1974*
 15 *(19 U.S.C. 221, et seq.).*

16 (4) *FEDERAL PUBLIC BENEFIT.—The term “Fed-*
 17 *eral public benefit” has the meaning given that term*
 18 *in section 401(c) of the Personal Responsibility and*
 19 *Work Opportunity Reconciliation Act of 1996 (8*
 20 *U.S.C. 1611(c)).*

21 (5) *GROUP HEALTH PLAN.—The term “group*
 22 *health plan” has the meaning given that term in sec-*
 23 *tion 2791(a) of the Public Health Service Act (42*
 24 *U.S.C. 300gg–91(a)), section 607(1) of the Employee*
 25 *Retirement Income Security Act of 1974 (29 U.S.C.*

1 1167(1)), and section 4980B(g)(2) of the Internal
2 Revenue Code of 1986.

3 (6) *HEALTH INSURANCE COVERAGE*.—The term
4 “health insurance coverage” has the meaning given
5 that term in section 2791(b)(1) of the Public Health
6 Service Act (42 U.S.C. 300gg–91(b)(1)).

7 (7) *MULTIEMPLOYER PLAN*.—The term “multi-
8 employer plan” has the meaning given that term in
9 section 3(37) of the Employee Retirement Income Se-
10 curity Act of 1974 (29 U.S.C. 1002(37)).

11 (8) *POVERTY LINE*.—The term “poverty line”
12 has the meaning given that term in section 2110(c)(5)
13 of the Social Security Act (42 U.S.C. 1397jj(c)(5)).

14 (9) *STATE*.—The term “State” has the meaning
15 given such term for purposes of title XIX of the Social
16 Security Act (42 U.S.C. 1396 et seq.).

17 (10) *STATE OR LOCAL PUBLIC BENEFIT*.—The
18 term “State or local public benefit” has the meaning
19 given that term in section 411(c) of the Personal Re-
20 sponsibility and Work Opportunity Reconciliation
21 Act of 1996 (8 U.S.C. 1621(c)).

22 (11) *UNINSURED*.—

23 (A) *IN GENERAL*.—The term “uninsured”
24 means, with respect to an individual, that the
25 individual is not covered under—

1 (i) a group health plan;
 2 (ii) health insurance coverage; or
 3 (iii) a program under title XVIII,
 4 XIX, or XXI of the Social Security Act
 5 (other than under such title XIX pursuant
 6 to section 602).

7 (B) *EXCLUSION.*—Such coverage under
 8 clause (i) or (ii) shall not include coverage con-
 9 sisting solely of coverage of excepted benefits (as
 10 defined in section 2791(c) of the Public Health
 11 Service Act (42 U.S.C. 300gg–91(c)).

12 **TITLE VII—CONFORMING**
 13 **AMENDMENTS AND EFFEC-**
 14 **TIVE DATE**

15 **SEC. 701. CONFORMING AMENDMENTS.**

16 (a) *AMENDMENTS TO THE TRADE ACT OF 1974.*—

17 (1) *ASSISTANCE TO INDUSTRIES.*—Section 265 of
 18 the Trade Act of 1974 (19 U.S.C. 2355) is amended
 19 by striking “certified as eligible to apply for adjust-
 20 ment assistance under sections 231 or 251”, and in-
 21 serting “certified as eligible for trade adjustment as-
 22 sistance benefits under section 231, or as eligible to
 23 apply for adjustment assistance under section 251”.

24 (2) *GENERAL ACCOUNTING OFFICE REPORT.*—
 25 Section 280(a) of the Trade Act of 1974 is amended

1 by striking “January 31, 1980” and inserting “Janu-
2 ary 31, 2004”.

3 (3) *JUDICIAL REVIEW.*—Section 284(a) of the
4 Trade Act of 1974 (19 U.S.C. 2395(a)) is amended by
5 striking “under section 223 or section 250(c)” and all
6 that follows through “the Secretary of Commerce
7 under section 271” and inserting “under section 231,
8 a firm or its representative, or any other interested
9 domestic party aggrieved by a final determination of
10 the Secretary of Commerce under section 251, an ag-
11 ricultural commodity producer (as defined in section
12 291(2)) aggrieved by a determination of the Secretary
13 of Agriculture under section 293, a producer (as de-
14 fined in section 299(2)) aggrieved by a determination
15 of the Secretary of Commerce under section 299B, or
16 a community or any other interested domestic party
17 aggrieved by a final determination of the Director of
18 the Office of Community Trade Adjustment under sec-
19 tion 273”.

20 (4) *TERMINATION.*—Section 285 of the Trade Act
21 of 1974 is amended to read as follows:

22 **“SEC. 285. TERMINATION.**

23 “(a) *ASSISTANCE FOR WORKERS.*—

24 “(1) *IN GENERAL.*—Except as provided in para-
25 graph (2), trade adjustment assistance, vouchers, al-

1 *lowances, and other payments or benefits may not be*
 2 *provided under chapter 2 after September 30, 2006.*

3 “(2) *EXCEPTION.—Notwithstanding paragraph*
 4 *(1), a worker shall continue to receive trade adjust-*
 5 *ment assistance benefits and other benefits under*
 6 *chapter 2 for any week for which the worker meets the*
 7 *eligibility requirements of that chapter, if on or before*
 8 *September 30, 2006, the worker is—*

9 “(A) *certified as eligible for trade adjust-*
 10 *ment assistance benefits under section 231; and*

11 “(B) *otherwise eligible to receive trade ad-*
 12 *justment assistance benefits under chapter 2.*

13 “(b) *OTHER ASSISTANCE.—*

14 “(1) *ASSISTANCE FOR FIRMS.—Technical assist-*
 15 *ance may not be provided under chapter 3 after Sep-*
 16 *tember 30, 2006.*

17 “(2) *ASSISTANCE FOR COMMUNITIES.—Technical*
 18 *assistance and other payments may not be provided*
 19 *under chapter 4 after September 30, 2006.*

20 “(3) *ASSISTANCE FOR FARMERS AND FISHER-*
 21 *MEN.—*

22 “(A) *IN GENERAL.—Except as provided in*
 23 *subparagraph (B), adjustment assistance, vouch-*
 24 *ers, allowances, and other payments or benefits*

may not be provided under chapter 6 or 7 after
September 30, 2006.

“(B) *EXCEPTION.*—Notwithstanding subparagraph (A), an agricultural commodity producer (as defined in section 291(2)) or producer (as defined in section 299(2)), shall continue to receive adjustment assistance benefits and other benefits under chapter 6 or 7, whichever applies, for any week for which the agricultural commodity producer or producer meets the eligibility requirements of chapter 6 or 7, whichever applies, if on or before September 30, 2006, the agricultural commodity producer or producer is—

“(i) certified as eligible for adjustment assistance benefits under chapter 6 or 7, whichever applies; and

“(ii) is otherwise eligible to receive adjustment assistance benefits under such chapter 6 or 7.”.

(5) *TABLE OF CONTENTS.*—

(A) *IN GENERAL.*—The table of contents for chapters 2, 3, and 4 of title II of the Trade Act of 1974 is amended to read as follows:

“CHAPTER 2—ADJUSTMENT ASSISTANCE FOR WORKERS

“SUBCHAPTER A—GENERAL PROVISIONS

“Sec. 221. Definitions.

“Sec. 222. Agreements with States.

- “Sec. 223. *Administration absent State agreement.*
 “Sec. 224. *Data collection; evaluations; reports.*
 “Sec. 225. *Study by Secretary of Labor when International Trade Commission begins investigation.*

“SUBCHAPTER B—CERTIFICATIONS

- “Sec. 231. *Certification as adversely affected workers.*
 “Sec. 232. *Benefit information to workers.*

“SUBCHAPTER C—PROGRAM BENEFITS

“PART I—GENERAL PROVISIONS

- “Sec. 234. *Comprehensive assistance.*

“PART II—TRADE ADJUSTMENT ALLOWANCES

- “Sec. 235. *Qualifying requirements for workers.*
 “Sec. 236. *Weekly amounts.*
 “Sec. 237. *Limitations on trade adjustment allowances.*
 “Sec. 238. *Application of State laws.*

“PART III—EMPLOYMENT SERVICES, TRAINING, AND OTHER ALLOWANCES

- “Sec. 239. *Employment services.*
 “Sec. 240. *Training.*
 “Sec. 241. *Job search allowances.*
 “Sec. 242. *Relocation allowances.*
 “Sec. 243. *Supportive services; wage insurance.*

“SUBCHAPTER D—PAYMENT AND ENFORCEMENT PROVISIONS

- “Sec. 244. *Payments to States.*
 “Sec. 245. *Liabilities of certifying and disbursing officers.*
 “Sec. 246. *Fraud and recovery of overpayments.*
 “Sec. 247. *Criminal penalties.*
 “Sec. 248. *Authorization of appropriations.*
 “Sec. 249. *Regulations.*
 “Sec. 250. *Subpoena power.*

“CHAPTER 3—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

- “Sec. 251. *Petitions and determinations.*
 “Sec. 252. *Approval of adjustment proposals.*
 “Sec. 253. *Technical assistance.*
 “Sec. 254. *Financial assistance.*
 “Sec. 255. *Conditions for financial assistance.*
 “Sec. 256. *Delegation of functions to Small Business Administration; authorization of appropriations.*
 “Sec. 257. *Administration of financial assistance.*
 “Sec. 258. *Protective provisions.*
 “Sec. 259. *Penalties.*
 “Sec. 260. *Suits.*
 “Sec. 261. *Definition of firm.*
 “Sec. 262. *Regulations.*
 “Sec. 264. *Study by Secretary of Commerce when International Trade Commission begins investigation; action where there is affirmative finding.*

“Sec. 265. Assistance to industries.

“CHAPTER 4—COMMUNITY ECONOMIC ADJUSTMENT

“Sec. 271. Definitions.

“Sec. 272. Office of Community Trade Adjustment.

“Sec. 273. Notification and certification as an eligible community.

“Sec. 274. Community Economic Development Coordinating Committee.

“Sec. 275. Community economic adjustment advisors.

“Sec. 276. Strategic plans.

“Sec. 277. Grants for economic development.

“Sec. 278. Authorization of appropriations.

“Sec. 279. General provisions.”.

1 (B) CHAPTERS 6 AND 7.—The table of con-
 2 tents for title II of the Trade Act of 1974, as
 3 amended by subparagraph (A), is amended by
 4 inserting after the items relating to chapter 5 the
 5 following:

“CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

“Sec. 291. Definitions.

“Sec. 292. Petitions; group eligibility.

“Sec. 293. Determinations by Secretary of Agriculture.

“Sec. 294. Study by Secretary of Agriculture when International Trade Commis-
 sion begins investigation.

“Sec. 295. Benefit information to agricultural commodity producers.

“Sec. 296. Qualifying requirements for agricultural commodity producers.

“Sec. 297. Fraud and recovery of overpayments.

“Sec. 298. Authorization of appropriations.

“CHAPTER 7—ADJUSTMENT ASSISTANCE FOR FISHERMEN

“Sec. 299. Definitions.

“Sec. 299A. Petitions; group eligibility.

“Sec. 299B. Determinations by Secretary.

“Sec. 299C. Study by Secretary when International Trade Commission begins in-
 vestigation.

“Sec. 299D. Benefit information to producers.

“Sec. 299E. Qualifying requirements for producers.

“Sec. 299F. Fraud and recovery of overpayments.

“Sec. 299G. Authorization of appropriations.”.

6 (b) INTERNAL REVENUE CODE.—

7 (1) ADJUSTED GROSS INCOME.—Section
 8 62(a)(12) of the Internal Revenue Code of 1986 (relat-
 9 ing to the definition of adjusted gross income) is

1 amended by striking “trade readjustment allowances
2 under section 231 or 232” and inserting “trade ad-
3 justment allowances under section 235 or 236”.

4 (2) *FEDERAL UNEMPLOYMENT.*—

5 (A) *IN GENERAL.*—Section 3304(a)(8) of the
6 *Internal Revenue Code of 1986 (relating to the*
7 *approval of State unemployment insurance laws)*
8 *is amended to read as follows:*

9 “(8) compensation shall not be denied to an in-
10 dividual for any week because the individual is in
11 training with the approval of the State agency, or in
12 training approved by the Secretary of Labor pursu-
13 ant to chapter 2 of title II of the Trade Act of 1974
14 (or because of the application, to any such week in
15 training, of State law provisions relating to avail-
16 ability for work, active search for work, or refusal to
17 accept work);”.

18 (B) *EFFECTIVE DATE.*—

19 (i) *IN GENERAL.*—Except as provided
20 in clause (ii), the amendments made by this
21 paragraph shall apply in the case of com-
22 pensation paid for weeks beginning on or
23 after the date that is 90 days after the date
24 of enactment of this Act.

1 (ii) *MEETING OF STATE LEGISLA-*
2 *TURE.—*

3 (I) *IN GENERAL.—If the Secretary*
4 *of Labor identifies a State as requiring*
5 *a change to its statutes or regulations*
6 *in order to comply with the amend-*
7 *ments made by subparagraph (A), the*
8 *amendments made by subparagraph*
9 *(A) shall apply in the case of com-*
10 *pensation paid for weeks beginning*
11 *after the earlier of—*

12 (aa) *the date the State*
13 *changes its statutes or regulations*
14 *in order to comply with the*
15 *amendments made by this section;*
16 *or*

17 (bb) *the end of the first ses-*
18 *sion of the State legislature which*
19 *begins after the date of enactment*
20 *of this Act or which began prior*
21 *to such date and remained in ses-*
22 *sion for at least 25 calendar days*
23 *after such date;*

1 *except that in no case shall the amend-*
 2 *ments made by this Act apply before*
 3 *the date described in clause (i).*

4 (II) *SESSION DEFINED.—In this*
 5 *clause, the term “session” means a reg-*
 6 *ular, special, budget, or other session of*
 7 *a State legislature.*

8 (c) *AMENDMENTS TO TITLE 28.—*

9 (1) *CIVIL ACTIONS AGAINST THE UNITED*
 10 *STATES.—Section 1581(d) of title 28, United States*
 11 *Code, is amended—*

12 (A) *in paragraph (1), by striking “section*
 13 *223” and inserting “section 231”; and*

14 (B) *in paragraph (3), by striking “section*
 15 *271” and inserting “section 273”.*

16 (2) *PERSONS ENTITLED TO COMMENCE A CIVIL*
 17 *ACTION.—Section 2631 of title 28, United States*
 18 *Code, is amended—*

19 (A) *by amending subsection (d)(1) to read*
 20 *as follows:*

21 “(d)(1) *A civil action to review any final determina-*
 22 *tion of the Secretary of Labor under section 231 of the*
 23 *Trade Act of 1974 with respect to the certification of work-*
 24 *ers as adversely affected and eligible for trade adjustment*
 25 *assistance under that Act may be commenced by a worker,*

1 *a group of workers, a certified or recognized union, or an*
 2 *authorized representative of such worker or group, that peti-*
 3 *tions for certification under that Act and is aggrieved by*
 4 *the final determination.”; and*

5 *(B) in subsection (d)(3), by striking “Sec-*
 6 *retary of Commerce under section 271” and in-*
 7 *serting “Director of the Office of Community*
 8 *Trade Adjustment under section 273”.*

9 *(3) TIME FOR COMMENCEMENT OF ACTION.—Sec-*
 10 *tion 2636(d) of title 28, United States Code, is*
 11 *amended by striking “under section 223 of the Trade*
 12 *Act of 1974 or a final determination of the Secretary*
 13 *of Commerce under section 251 or section 271 of such*
 14 *Act” and inserting “under section 231 of the Trade*
 15 *Act of 1974, a final determination of the Secretary of*
 16 *Commerce under section 251 of that Act, or a final*
 17 *determination of the Director of the Office of Commu-*
 18 *nity Trade Adjustment under section 273 of that*
 19 *Act”.*

20 *(4) SCOPE AND STANDARD OF REVIEW.—Section*
 21 *2640(c) of title 28, United States Code, is amended by*
 22 *striking “under section 223 of the Trade Act of 1974*
 23 *or any final determination of the Secretary of Com-*
 24 *merce under section 251 or section 271 of such Act”*
 25 *and inserting “under section 231 of the Trade Act of*

1 1974, a final determination of the Secretary of Com-
 2 merce under section 251 of that Act, or a final deter-
 3 mination of the Director of the Office of Community
 4 Trade Adjustment under section 273 of that Act”.

5 (5) *RELIEF*.—Section 2643(c)(2) of title 28,
 6 United States Code, is amended by striking “under
 7 section 223 of the Trade Act of 1974 or any final de-
 8 termination of the Secretary of Commerce under sec-
 9 tion 251 or section 271 of such Act” and inserting
 10 “under section 231 of the Trade Act of 1974, a final
 11 determination of the Secretary of Commerce under
 12 section 251 of that Act, or a final determination of
 13 the Director of the Office of Community Trade Ad-
 14 justment under section 273 of that Act”.

15 (d) *AMENDMENT TO THE FOOD STAMP ACT OF 1977*.—
 16 Section 6(o)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C.
 17 2015(o)(1)(B)) is amended by striking “section 236” and
 18 inserting “section 240”.

19 **TITLE VIII—SAVINGS PROVI-** 20 **SIONS AND EFFECTIVE DATE**

21 **SEC. 801. SAVINGS PROVISIONS.**

22 (a) *PROCEEDINGS NOT AFFECTED*.—

23 (1) *IN GENERAL*.—The provisions of this Act
 24 shall not affect any petition for certification for bene-
 25 fits under chapter 2 of title II of the Trade Act of

1 1974 that is in effect on September 30, 2001. Deter-
2 minations shall be issued, appeals shall be taken
3 therefrom, and payments shall be made under those
4 determinations, as if this Act had not been enacted,
5 and orders issued in any proceeding shall continue in
6 effect until modified, terminated, superseded, or re-
7 voked by a duly authorized official, by a court of com-
8 petent jurisdiction, or by operation of law.

9 (2) *MODIFICATION OR DISCONTINUANCE.*—Noth-
10 ing in this subsection shall be deemed to prohibit the
11 discontinuance or modification of any proceeding
12 under the same terms and conditions and to the same
13 extent that the proceeding could have been discon-
14 tinued or modified if this Act had not been enacted.

15 (b) *SUITS NOT AFFECTED.*—The provisions of this Act
16 shall not affect any suit commenced before October 1, 2001,
17 and in all those suits, proceedings shall be had, appeals
18 taken, and judgments rendered in the same manner and
19 with the same effect as if this Act had not been enacted.

20 (c) *NONABATEMENT OF ACTIONS.*—No suit, action, or
21 other proceeding commenced by or against the Federal Gov-
22 ernment, or by or against any individual in the official
23 capacity of that individual as an officer of the Federal Gov-
24 ernment, shall abate by reason of enactment of this Act.

1 **SEC. 802. EFFECTIVE DATE.**

2 (a) *IN GENERAL.*—*Except as otherwise provided in*
 3 *sections 401(b), 501(b), and 701(b)(2)(B), and subsection*
 4 *(b) of this section, the amendments made by this Act shall*
 5 *apply to—*

6 (1) *petitions for certification filed under chapter*
 7 *2 or 3 of title II of the Trade Act of 1974 on or after*
 8 *the date that is 90 days after the date of enactment*
 9 *of this Act;*

10 (2) *petitions for certification filed under chapter*
 11 *2 or 3 of title II of the Trade Act of 1974 before the*
 12 *date that is 90 days after the date of enactment of*
 13 *this Act, that are pending on such date; and*

14 (3) *certifications for assistance under chapter 4*
 15 *of title II of the Trade Act of 1974 issued on or after*
 16 *the date that is 90 days after the date of enactment*
 17 *of this Act.*

18 (b) *WORKERS CERTIFIED AS ELIGIBLE BEFORE EF-*
 19 *FECTIVE DATE.*—*Notwithstanding subsection (a), a worker*
 20 *shall continue to receive (or be eligible to receive) trade ad-*
 21 *justment assistance and other benefits under chapter 2 of*
 22 *title II of the Trade Act of 1974, as in effect on the day*
 23 *before the effective date of this Act, for any week for which*
 24 *the worker meets the eligibility requirements of such chapter*
 25 *2 as in effect on such date, if on or before such date, the*
 26 *worker—*

(1) *was certified as eligible for trade adjustment assistance benefits under such chapter as in effect on such date; and*

(2) *would otherwise be eligible to receive trade adjustment assistance benefits under such chapter as in effect on such date.*

TITLE IX—CUSTOMS REAUTHORIZATION

SEC. 900. SHORT TITLE.

This title may be cited as the “Customs Border Security Act of 2002”.

Subtitle A—United States Customs Service

CHAPTER 1—DRUG ENFORCEMENT AND OTHER NONCOMMERCIAL AND COM- MERCIAL OPERATIONS

SEC. 901. AUTHORIZATION OF APPROPRIATIONS FOR NON- COMMERCIAL OPERATIONS, COMMERCIAL OP- ERATIONS, AND AIR AND MARINE INTERDIC- TION.

(a) NONCOMMERCIAL OPERATIONS.—Section 301(b)(1) of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 2075(b)(1)) is amended—

(1) in subparagraph (A) to read as follows:

1 “(A) \$886,513,000 for fiscal year 2002.”;

2 *and*

3 (2) in subparagraph (B) to read as follows:

4 “(B) \$909,471,000 for fiscal year 2003.”.

5 (b) *COMMERCIAL OPERATIONS.*—

6 (1) *IN GENERAL.*—Section 301(b)(2)(A) of the
7 *Customs Procedural Reform and Simplification Act*
8 *of 1978 (19 U.S.C. 2075(b)(2)(A)) is amended—*

9 (A) in clause (i) to read as follows:

10 “(i) \$1,603,482,000 for fiscal year 2002.”;

11 *and*

12 (B) in clause (ii) to read as follows:

13 “(ii) \$1,645,009,000 for fiscal year 2003.”.

14 (2) *AUTOMATED COMMERCIAL ENVIRONMENT*
15 *COMPUTER SYSTEM.*—Of the amount made available
16 for each of fiscal years 2002 and 2003 under section
17 301(b)(2)(A) of the *Customs Procedural Reform and*
18 *Simplification Act of 1978 (19 U.S.C. 2075(b)(2)(A))*,
19 as amended by paragraph (1), \$308,000,000 shall be
20 available until expended for each such fiscal year for
21 the development, establishment, and implementation
22 of the *Automated Commercial Environment computer*
23 *system.*

24 (3) *REPORTS.*—Not later than 90 days after the
25 date of enactment of this Act, and not later than each

1 *subsequent 90-day period, the Commissioner of Cus-*
 2 *toms shall prepare and submit to the Committee on*
 3 *Ways and Means of the House of Representatives and*
 4 *the Committee on Finance of the Senate a report*
 5 *demonstrating that the development and establish-*
 6 *ment of the Automated Commercial Environment*
 7 *computer system is being carried out in a cost-effec-*
 8 *tive manner and meets the modernization require-*
 9 *ments of title VI of the North American Free Trade*
 10 *Agreements Implementation Act.*

11 *(c) AIR AND MARINE INTERDICTION.—Section*
 12 *301(b)(3) of the Customs Procedural Reform and Sim-*
 13 *plification Act of 1978 (19 U.S.C. 2075(b)(3)) is*
 14 *amended—*

15 *(1) in subparagraph (A) to read as follows:*

16 *“(A) \$181,860,000 for fiscal year 2002.”;*

17 *and*

18 *(2) in subparagraph (B) to read as follows:*

19 *“(B) \$186,570,000 for fiscal year 2003.”.*

20 *(d) SUBMISSION OF OUT-YEAR BUDGET PROJEC-*
 21 *TIONS.—Section 301(a) of the Customs Procedural Reform*
 22 *and Simplification Act of 1978 (19 U.S.C. 2075(a)) is*
 23 *amended by adding at the end the following:*

24 *“(3) By not later than the date on which the President*
 25 *submits to Congress the budget of the United States Govern-*

1 *ment for a fiscal year, the Commissioner of Customs shall*
 2 *submit to the Committee on Ways and Means of the House*
 3 *of Representatives and the Committee on Finance of the*
 4 *Senate the projected amount of funds for the succeeding fis-*
 5 *cal year that will be necessary for the operations of the Cus-*
 6 *toms Service as provided for in subsection (b).”.*

7 **SEC. 902. ANTITERRORIST AND ILLICIT NARCOTICS DETEC-**
 8 **TION EQUIPMENT FOR THE UNITED STATES-**
 9 **MEXICO BORDER, UNITED STATES-CANADA**
 10 **BORDER, AND FLORIDA AND THE GULF**
 11 **COAST SEAPORTS.**

12 *(a) FISCAL YEAR 2002.—Of the amounts made avail-*
 13 *able for fiscal year 2002 under section 301(b)(1)(A) of the*
 14 *Customs Procedural Reform and Simplification Act of 1978*
 15 *(19 U.S.C. 2075(b)(1)(A)), as amended by section 901(a)*
 16 *of this title, \$90,244,000 shall be available until expended*
 17 *for acquisition and other expenses associated with imple-*
 18 *mentation and deployment of antiterrorist and illicit nar-*
 19 *cotics detection equipment along the United States-Mexico*
 20 *border, the United States-Canada border, and Florida and*
 21 *the Gulf Coast seaports, as follows:*

22 *(1) UNITED STATES-MEXICO BORDER.—For the*
 23 *United States-Mexico border, the following:*

24 *(A) \$6,000,000 for 8 Vehicle and Container*
 25 *Inspection Systems (VACIS).*

1 (B) \$11,200,000 for 5 mobile truck x-rays
2 with transmission and backscatter imaging.

3 (C) \$13,000,000 for the upgrade of 8 fixed-
4 site truck x-rays from the present energy level of
5 450,000 electron volts to 1,000,000 electron volts
6 (1-MeV).

7 (D) \$7,200,000 for 8 1-MeV pallet x-rays.

8 (E) \$1,000,000 for 200 portable contraband
9 detectors (busters) to be distributed among ports
10 where the current allocations are inadequate.

11 (F) \$600,000 for 50 contraband detection
12 kits to be distributed among all southwest border
13 ports based on traffic volume.

14 (G) \$500,000 for 25 ultrasonic container in-
15 spection units to be distributed among all ports
16 receiving liquid-filled cargo and to ports with a
17 hazardous material inspection facility.

18 (H) \$2,450,000 for 7 automated targeting
19 systems.

20 (I) \$360,000 for 30 rapid tire deflator sys-
21 tems to be distributed to those ports where port
22 runners are a threat.

23 (J) \$480,000 for 20 portable Treasury En-
24 forcement Communications Systems (TECS) ter-
25 minals to be moved among ports as needed.

1 (K) \$1,000,000 for 20 remote watch surveil-
2 lance camera systems at ports where there are
3 suspicious activities at loading docks, vehicle
4 queues, secondary inspection lanes, or areas
5 where visual surveillance or observation is ob-
6 scured.

7 (L) \$1,254,000 for 57 weigh-in-motion sen-
8 sors to be distributed among the ports with the
9 greatest volume of outbound traffic.

10 (M) \$180,000 for 36 AM traffic information
11 radio stations, with 1 station to be located at
12 each border crossing.

13 (N) \$1,040,000 for 260 inbound vehicle
14 counters to be installed at every inbound vehicle
15 lane.

16 (O) \$950,000 for 38 spotter camera systems
17 to counter the surveillance of customs inspection
18 activities by persons outside the boundaries of
19 ports where such surveillance activities are oc-
20 curring.

21 (P) \$390,000 for 60 inbound commercial
22 truck transponders to be distributed to all ports
23 of entry.

1 (Q) \$1,600,000 for 40 narcotics vapor and
2 particle detectors to be distributed to each border
3 crossing.

4 (R) \$400,000 for license plate reader auto-
5 matic targeting software to be installed at each
6 port to target inbound vehicles.

7 (2) UNITED STATES-CANADA BORDER.—For the
8 United States-Canada border, the following:

9 (A) \$3,000,000 for 4 Vehicle and Container
10 Inspection Systems (VACIS).

11 (B) \$8,800,000 for 4 mobile truck x-rays
12 with transmission and backscatter imaging.

13 (C) \$3,600,000 for 4 1-MeV pallet x-rays.

14 (D) \$250,000 for 50 portable contraband de-
15 tectors (busters) to be distributed among ports
16 where the current allocations are inadequate.

17 (E) \$300,000 for 25 contraband detection
18 kits to be distributed among ports based on traf-
19 fic volume.

20 (F) \$240,000 for 10 portable Treasury En-
21 forcement Communications Systems (TECS) ter-
22 minals to be moved among ports as needed.

23 (G) \$400,000 for 10 narcotics vapor and
24 particle detectors to be distributed to each border
25 crossing based on traffic volume.

1 (3) *FLORIDA AND GULF COAST SEAPORTS.—For*
 2 *Florida and the Gulf Coast seaports, the following:*

3 (A) *\$4,500,000 for 6 Vehicle and Container*
 4 *Inspection Systems (VACIS).*

5 (B) *\$11,800,000 for 5 mobile truck x-rays*
 6 *with transmission and backscatter imaging.*

7 (C) *\$7,200,000 for 8 1-MeV pallet x-rays.*

8 (D) *\$250,000 for 50 portable contraband de-*
 9 *tectors (busters) to be distributed among ports*
 10 *where the current allocations are inadequate.*

11 (E) *\$300,000 for 25 contraband detection*
 12 *kits to be distributed among ports based on traf-*
 13 *fic volume.*

14 (b) *FISCAL YEAR 2003.—Of the amounts made avail-*
 15 *able for fiscal year 2003 under section 301(b)(1)(B) of the*
 16 *Customs Procedural Reform and Simplification Act of 1978*
 17 *(19 U.S.C. 2075(b)(1)(B)), as amended by section 901(a)*
 18 *of this title, \$9,000,000 shall be available until expended*
 19 *for the maintenance and support of the equipment and*
 20 *training of personnel to maintain and support the equip-*
 21 *ment described in subsection (a).*

22 (c) *ACQUISITION OF TECHNOLOGICALLY SUPERIOR*
 23 *EQUIPMENT; TRANSFER OF FUNDS.—*

24 (1) *IN GENERAL.—The Commissioner of Customs*
 25 *may use amounts made available for fiscal year 2002*

1 *under section 301(b)(1)(A) of the Customs Procedural*
 2 *Reform and Simplification Act of 1978 (19 U.S.C.*
 3 *2075(b)(1)(A)), as amended by section 901(a) of this*
 4 *title, for the acquisition of equipment other than the*
 5 *equipment described in subsection (a) if such other*
 6 *equipment—*

7 *(A)(i) is technologically superior to the*
 8 *equipment described in subsection (a); and*

9 *(ii) will achieve at least the same results at*
 10 *a cost that is the same or less than the equip-*
 11 *ment described in subsection (a); or*

12 *(B) can be obtained at a lower cost than the*
 13 *equipment described in subsection (a).*

14 *(2) TRANSFER OF FUNDS.—Notwithstanding any*
 15 *other provision of this section, the Commissioner of*
 16 *Customs may reallocate an amount not to exceed 10*
 17 *percent of—*

18 *(A) the amount specified in any of subpara-*
 19 *graphs (A) through (R) of subsection (a)(1) for*
 20 *equipment specified in any other of such sub-*
 21 *paragraphs (A) through (R);*

22 *(B) the amount specified in any of subpara-*
 23 *graphs (A) through (G) of subsection (a)(2) for*
 24 *equipment specified in any other of such sub-*
 25 *paragraphs (A) through (G); and*

1 (C) the amount specified in any of subpara-
 2 graphs (A) through (E) of subsection (a)(3) for
 3 equipment specified in any other of such sub-
 4 paragraphs (A) through (E).

5 **SEC. 903. COMPLIANCE WITH PERFORMANCE PLAN RE-**
 6 **QUIREMENTS.**

7 As part of the annual performance plan for each of
 8 the fiscal years 2002 and 2003 covering each program activ-
 9 ity set forth in the budget of the United States Customs
 10 Service, as required under section 1115 of title 31, United
 11 States Code, the Commissioner of Customs shall establish
 12 performance goals, performance indicators, and comply
 13 with all other requirements contained in paragraphs (1)
 14 through (6) of subsection (a) of such section with respect
 15 to each of the activities to be carried out pursuant to sec-
 16 tions 911 of this title.

17 **CHAPTER 2—CHILD CYBER-SMUGGLING**
 18 **CENTER OF THE CUSTOMS SERVICE**

19 **SEC. 911. AUTHORIZATION OF APPROPRIATIONS FOR PRO-**
 20 **GRAM TO PREVENT CHILD PORNOGRAPHY/**
 21 **CHILD SEXUAL EXPLOITATION.**

22 (a) *AUTHORIZATION OF APPROPRIATIONS.*—There is
 23 authorized to be appropriated to the Customs Service
 24 \$10,000,000 for fiscal year 2002 to carry out the program
 25 to prevent child pornography/child sexual exploitation es-

1 *tablished by the Child Cyber-Smuggling Center of the Cus-*
 2 *toms Service.*

3 (b) *USE OF AMOUNTS FOR CHILD PORNOGRAPHY*
 4 *CYBER TIPLINE.*—*Of the amount appropriated under sub-*
 5 *section (a), the Customs Service shall provide 3.75 percent*
 6 *of such amount to the National Center for Missing and Ex-*
 7 *ploited Children for the operation of the child pornography*
 8 *cyber tipline of the Center and for increased public aware-*
 9 *ness of the tipline.*

10 **CHAPTER 3—MISCELLANEOUS**
 11 **PROVISIONS**

12 **SEC. 921. ADDITIONAL CUSTOMS SERVICE OFFICERS FOR**
 13 **UNITED STATES-CANADA BORDER.**

14 *Of the amount made available for fiscal year 2002*
 15 *under paragraphs (1) and (2)(A) of section 301(b) of the*
 16 *Customs Procedural Reform and Simplification Act of 1978*
 17 *(19 U.S.C. 2075(b)), as amended by section 901 of this title,*
 18 *\$25,000,000 shall be available until expended for the Cus-*
 19 *toms Service to hire approximately 285 additional Customs*
 20 *Service officers to address the needs of the offices and ports*
 21 *along the United States-Canada border.*

22 **SEC. 922. STUDY AND REPORT RELATING TO PERSONNEL**
 23 **PRACTICES OF THE CUSTOMS SERVICE.**

24 (a) *STUDY.*—*The Commissioner of Customs shall con-*
 25 *duct a study of current personnel practices of the Customs*

1 *Service, including an overview of performance standards*
 2 *and the effect and impact of the collective bargaining proc-*
 3 *ess on drug interdiction efforts of the Customs Service and*
 4 *a comparison of duty rotation policies of the Customs Serv-*
 5 *ice and other Federal agencies that employ similarly-situ-*
 6 *ated personnel.*

7 **(b) REPORT.**—*Not later than 120 days after the date*
 8 *of enactment of this Act, the Commissioner of Customs shall*
 9 *submit to the Committee on Ways and Means of the House*
 10 *of Representatives and the Committee on Finance of the*
 11 *Senate a report containing the results of the study con-*
 12 *ducted under subsection (a).*

13 **SEC. 923. STUDY AND REPORT RELATING TO ACCOUNTING**
 14 **AND AUDITING PROCEDURES OF THE CUS-**
 15 **TOMS SERVICE.**

16 **(a) STUDY.**—*(1) The Commissioner of Customs shall*
 17 *conduct a study of actions by the Customs Service to ensure*
 18 *that appropriate training is being provided to Customs*
 19 *Service personnel who are responsible for financial auditing*
 20 *of importers.*

21 **(2) In conducting the study, the Commissioner—**
 22 **(A)** *shall specifically identify those actions taken*
 23 *to comply with provisions of law that protect the pri-*
 24 *vacy and trade secrets of importers, such as section*

1 552(b) of title 5, United States Code, and section
2 1905 of title 18, United States Code; and

3 (B) shall provide for public notice and comment
4 relating to verification of the actions described in sub-
5 paragraph (A).

6 (b) *REPORT*.—Not later than 6 months after the date
7 of enactment of this Act, the Commissioner of Customs shall
8 submit to the Committee on Ways and Means of the House
9 of Representatives and the Committee on Finance of the
10 Senate a report containing the results of the study con-
11 ducted under subsection (a).

12 **SEC. 924. ESTABLISHMENT AND IMPLEMENTATION OF COST**
13 **ACCOUNTING SYSTEM; REPORTS.**

14 (a) *ESTABLISHMENT AND IMPLEMENTATION*.—

15 (1) *IN GENERAL*.—Not later than September 30,
16 2003, the Commissioner of Customs shall, in accord-
17 ance with the audit of the Customs Service’s fiscal
18 years 2000 and 1999 financial statements (as con-
19 tained in the report of the Office of the Inspector Gen-
20 eral of the Department of the Treasury issued on Feb-
21 ruary 23, 2001), establish and implement a cost ac-
22 counting system for expenses incurred in both com-
23 mercial and noncommercial operations of the Customs
24 Service.

1 (2) *ADDITIONAL REQUIREMENT.*—*The cost ac-*
 2 *counting system described in paragraph (1) shall pro-*
 3 *vide for an identification of expenses based on the*
 4 *type of operation, the port at which the operation*
 5 *took place, the amount of time spent on the operation*
 6 *by personnel of the Customs Service, and an identi-*
 7 *fication of expenses based on any other appropriate*
 8 *classification necessary to provide for an accurate*
 9 *and complete accounting of the expenses.*

10 (b) *REPORTS.*—*Beginning on the date of enactment of*
 11 *this Act and ending on the date on which the cost account-*
 12 *ing system described in subsection (a) is fully implemented,*
 13 *the Commissioner of Customs shall prepare and submit to*
 14 *Congress on a quarterly basis a report on the progress of*
 15 *implementing the cost accounting system pursuant to sub-*
 16 *section (a).*

17 **SEC. 925. STUDY AND REPORT RELATING TO TIMELINESS**
 18 **OF PROSPECTIVE RULINGS.**

19 (a) *STUDY.*—*The Comptroller General shall conduct a*
 20 *study on the extent to which the Office of Regulations and*
 21 *Rulings of the Customs Service has made improvements to*
 22 *decrease the amount of time to issue prospective rulings*
 23 *from the date on which a request for the ruling is received*
 24 *by the Customs Service.*

1 (b) *REPORT*.—Not later than 1 year after the date of
 2 enactment of this Act, the Comptroller General shall submit
 3 to the Committee on Ways and Means of the House of Rep-
 4 resentatives and the Committee on Finance of the Senate
 5 a report containing the results of the study conducted under
 6 subsection (a).

7 (c) *DEFINITION*.—In this section, the term “prospec-
 8 tive ruling” means a ruling that is requested by an im-
 9 porter on goods that are proposed to be imported into the
 10 United States and that relates to the proper classification,
 11 valuation, or marking of such goods.

12 **SEC. 926. STUDY AND REPORT RELATING TO CUSTOMS**
 13 **USER FEES.**

14 (a) *STUDY*.—The Comptroller General shall conduct a
 15 study on the extent to which the amount of each customs
 16 user fee imposed under section 13031(a) of the Consolidated
 17 Omnibus Budget Reconciliation Act of 1985 (19 U.S.C.
 18 58c(a)) is commensurate with the level of services provided
 19 by the Customs Service relating to the fee so imposed.

20 (b) *REPORT*.—Not later than 120 days after the date
 21 of enactment of this Act, the Comptroller General shall sub-
 22 mit to the Committee on Ways and Means of the House
 23 of Representatives and the Committee on Finance of the
 24 Senate a report in classified form containing—

1 (1) *the results of the study conducted under sub-*
 2 *section (a); and*

3 (2) *recommendations for the appropriate amount*
 4 *of the customs user fees if such results indicate that*
 5 *the fees are not commensurate with the level of serv-*
 6 *ices provided by the Customs Service.*

7 **CHAPTER 4—ANTITERRORISM**
 8 **PROVISIONS**

9 **SEC. 931. EMERGENCY ADJUSTMENTS TO OFFICES, PORTS**
 10 **OF ENTRY, OR STAFFING OF THE CUSTOMS**
 11 **SERVICE.**

12 *Section 318 of the Tariff Act of 1930 (19 U.S.C. 1318)*
 13 *is amended—*

14 (1) *by striking “Whenever the President” and in-*
 15 *serting “(a) Whenever the President”; and*

16 (2) *by adding at the end the following:*

17 “(b)(1) *Notwithstanding any other provision of law,*
 18 *the Secretary of the Treasury, when necessary to respond*
 19 *to a national emergency declared under the National Emer-*
 20 *gencies Act (50 U.S.C. 1601 et seq.) or to a specific threat*
 21 *to human life or national interests, is authorized to take*
 22 *the following actions on a temporary basis:*

23 “(A) *Eliminate, consolidate, or relocate any of-*
 24 *fice or port of entry of the Customs Service.*

1 “(B) *Modify hours of service, alter services ren-*
 2 *dered at any location, or reduce the number of em-*
 3 *ployees at any location.*

4 “(C) *Take any other action that may be nec-*
 5 *essary to directly respond to the national emergency*
 6 *or specific threat.*

7 “(2) *Notwithstanding any other provision of law, the*
 8 *Commissioner of Customs, when necessary to respond to a*
 9 *specific threat to human life or national interests, is author-*
 10 *ized to close temporarily any Customs office or port of entry*
 11 *or take any other lesser action that may be necessary to*
 12 *respond to the specific threat.*

13 “(3) *The Secretary of the Treasury or the Commis-*
 14 *sioner of Customs, as the case may be, shall notify the Com-*
 15 *mittee on Ways and Means of the House of Representatives*
 16 *and the Committee on Finance of the Senate not later than*
 17 *72 hours after taking any action under paragraph (1) or*
 18 *(2).”.*

19 **SEC. 932. MANDATORY ADVANCED ELECTRONIC INFORMA-**
 20 **TION FOR CARGO AND PASSENGERS.**

21 *(a) CARGO INFORMATION.—*

22 *(1) IN GENERAL.—Section 431(b) of the Tariff*
 23 *Act of 1930 (19 U.S.C. 1431(b)) is amended—*

1 (A) in the first sentence, by striking “Any
2 manifest” and inserting “(1) Any manifest”;
3 and

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

5 “(2) In addition to any other requirement under this
6 section, for each land, air, or vessel carrier required to make
7 entry or obtain clearance under the customs laws of the
8 United States, the pilot, the master, operator, or owner of
9 such carrier (or the authorized agent of such operator or
10 owner) shall provide by electronic transmission cargo mani-
11 fest information in advance of such entry or clearance in
12 such manner, time, and form as prescribed under regula-
13 tions by the Secretary. The Secretary may exclude any class
14 of land, air, or vessel carrier for which the Secretary con-
15 cludes the requirements of this subparagraph are not nec-
16 essary.”.

17 (2) CONFORMING AMENDMENTS.—Subparagraphs
18 (A) and (C) of section 431(d)(1) of such Act are each
19 amended by inserting before the semicolon “or sub-
20 section (b)(2)”.

21 (b) PASSENGER INFORMATION.—Part II of title IV of
22 the Tariff Act of 1930 (19 U.S.C. 1431 et seq.) is amended
23 by inserting after section 431 the following:

1 **“SEC. 432. PASSENGER AND CREW MANIFEST INFORMATION**
 2 **REQUIRED FOR LAND, AIR, OR VESSEL CAR-**
 3 **RIERS.**

4 “(a) *IN GENERAL.*—For every person arriving or de-
 5 parting on a land, air, or vessel carrier required to make
 6 entry or obtain clearance under the customs laws of the
 7 United States, the pilot, the master, operator, or owner of
 8 such carrier (or the authorized agent of such operator or
 9 owner) shall provide by electronic transmission manifest in-
 10 formation described in subsection (b) in advance of such
 11 entry or clearance in such manner, time, and form as pre-
 12 scribed under regulations by the Secretary.

13 “(b) *INFORMATION DESCRIBED.*—The information de-
 14 scribed in this subsection shall include for each person de-
 15 scribed in subsection (a), the person’s—

16 “(1) full name;

17 “(2) date of birth and citizenship;

18 “(3) gender;

19 “(4) passport number and country of issuance;

20 “(5) United States visa number or resident alien
 21 card number, as applicable;

22 “(6) passenger name record; and

23 “(7) such additional information that the Sec-
 24 retary, by regulation, determines is reasonably nec-
 25 essary to ensure aviation and maritime safety pursu-

1 *ant to the laws enforced or administered by the Cus-*
 2 *toms Service.”.*

3 (c) *DEFINITION.*—*Section 401 of the Tariff Act of 1930*
 4 *(19 U.S.C. 1401) is amended by adding at the end the fol-*
 5 *lowing:*

6 “(t) *The term ‘land, air, or vessel carrier’ means a*
 7 *land, air, or vessel carrier, as the case may be, that trans-*
 8 *ports goods or passengers for payment or other consider-*
 9 *ation, including money or services rendered.”.*

10 (d) *EFFECTIVE DATE.*—*The amendments made by this*
 11 *section shall take effect beginning 45 days after the date*
 12 *of enactment of this Act.*

13 **SEC. 933. BORDER SEARCH AUTHORITY FOR CERTAIN CON-**
 14 **TRABAND IN OUTBOUND MAIL.**

15 *The Tariff Act of 1930 is amended by inserting after*
 16 *section 582 the following:*

17 **“SEC. 583. EXAMINATION OF OUTBOUND MAIL.**

18 “(a) *EXAMINATION.*—

19 “(1) *IN GENERAL.*—*For purposes of ensuring*
 20 *compliance with the Customs laws of the United*
 21 *States and other laws enforced by the Customs Serv-*
 22 *ice, including the provisions of law described in para-*
 23 *graph (2), a Customs officer may, subject to the provi-*
 24 *sions of this section, stop and search at the border,*
 25 *without a search warrant, mail of domestic origin*

1 *transmitted for export by the United States Postal*
 2 *Service and foreign mail transiting the United States*
 3 *that is being imported or exported by the United*
 4 *States Postal Service.*

5 “(2) *PROVISIONS OF LAW DESCRIBED.*—*The pro-*
 6 *visions of law described in this paragraph are the fol-*
 7 *lowing:*

8 “(A) *Section 5316 of title 31, United States*
 9 *Code (relating to reports on exporting and im-*
 10 *porting monetary instruments).*

11 “(B) *Sections 1461, 1463, 1465, and 1466*
 12 *and chapter 110 of title 18, United States Code*
 13 *(relating to obscenity and child pornography).*

14 “(C) *Section 1003 of the Controlled Sub-*
 15 *stances Import and Export Act (21 U.S.C. 953;*
 16 *relating to exportation of controlled substances).*

17 “(D) *The Export Administration Act of*
 18 *1979 (50 U.S.C. app. 2401 et seq.).*

19 “(E) *Section 38 of the Arms Export Control*
 20 *Act (22 U.S.C. 2778).*

21 “(F) *The International Emergency Eco-*
 22 *nomic Powers Act (50 U.S.C. 1701 et seq.).*

23 “(b) *SEARCH OF MAIL NOT SEALED AGAINST INSPEC-*
 24 *TION AND OTHER MAIL.*—*Mail not sealed against inspec-*
 25 *tion under the postal laws and regulations of the United*

1 *States, mail which bears a customs declaration, and mail*
 2 *with respect to which the sender or addressee has consented*
 3 *in writing to search, may be searched by a Customs officer.*

4 “(c) *SEARCH OF MAIL SEALED AGAINST INSPEC-*
 5 *TION.—(1) Mail sealed against inspection under the postal*
 6 *laws and regulations of the United States may be searched*
 7 *by a Customs officer, subject to paragraph (2), upon reason-*
 8 *able cause to suspect that such mail contains one or more*
 9 *of the following:*

10 “(A) *Monetary instruments, as defined in section*
 11 *1956 of title 18, United States Code.*

12 “(B) *A weapon of mass destruction, as defined*
 13 *in section 2332a(b) of title 18, United States Code.*

14 “(C) *A drug or other substance listed in schedule*
 15 *I, II, III, or IV in section 202 of the Controlled Sub-*
 16 *stances Act (21 U.S.C. 812).*

17 “(D) *National defense and related information*
 18 *transmitted in violation of any of sections 793*
 19 *through 798 of title 18, United States Code.*

20 “(E) *Merchandise mailed in violation of section*
 21 *1715 or 1716 of title 18, United States Code.*

22 “(F) *Merchandise mailed in violation of any*
 23 *provision of chapter 71 (relating to obscenity) or*
 24 *chapter 110 (relating to sexual exploitation and other*
 25 *abuse of children) of title 18, United States Code.*

1 “(G) *Merchandise mailed in violation of the Ex-*
 2 *port Administration Act of 1979 (50 U.S.C. app.*
 3 *2401 et seq.).*

4 “(H) *Merchandise mailed in violation of section*
 5 *38 of the Arms Export Control Act (22 U.S.C. 2778).*

6 “(I) *Merchandise mailed in violation of the*
 7 *International Emergency Economic Powers Act (50*
 8 *U.S.C. 1701 et seq.).*

9 “(J) *Merchandise mailed in violation of the*
 10 *Trading with the Enemy Act (50 U.S.C. app. 1 et*
 11 *seq.).*

12 “(K) *Merchandise subject to any other law en-*
 13 *forced by the Customs Service.*

14 “(2) *No person acting under authority of paragraph*
 15 *(1) shall read, or authorize any other person to read, any*
 16 *correspondence contained in mail sealed against inspection*
 17 *unless prior to so reading—*

18 “(A) *a search warrant has been issued pursuant*
 19 *to Rule 41, Federal Rules of Criminal Procedure; or*

20 “(B) *the sender or addressee has given written*
 21 *authorization for such reading.”.*

22 **SEC. 934. AUTHORIZATION OF APPROPRIATIONS FOR REES-**
 23 **TABLISHMENT OF CUSTOMS OPERATIONS IN**
 24 **NEW YORK CITY.**

25 (a) *AUTHORIZATION OF APPROPRIATIONS.—*

1 (1) *IN GENERAL.*—*There is authorized to be ap-*
2 *propriated for the reestablishment of operations of the*
3 *Customs Service in New York, New York, such sums*
4 *as may be necessary for fiscal year 2002.*

5 (2) *OPERATIONS DESCRIBED.*—*The operations*
6 *referred to in paragraph (1) include, but are not lim-*
7 *ited to, the following:*

8 (A) *Operations relating to the Port Director*
9 *of New York City, the New York Customs Man-*
10 *agement Center (including the Director of Field*
11 *Operations), and the Special Agent-In-Charge*
12 *for New York.*

13 (B) *Commercial operations, including tex-*
14 *tile enforcement operations and salaries and ex-*
15 *penses of—*

16 (i) *trade specialists who determine the*
17 *origin and value of merchandise;*

18 (ii) *analysts who monitor the entry*
19 *data into the United States of textiles and*
20 *textile products; and*

21 (iii) *Customs officials who work with*
22 *foreign governments to examine textile mak-*
23 *ers and verify entry information.*

1 (b) *AVAILABILITY.*—Amounts appropriated pursuant
 2 to the authorization of appropriations under subsection (a)
 3 are authorized to remain available until expended.

4 **CHAPTER 5—TEXTILE TRANSSHIPMENT**
 5 **PROVISIONS**

6 **SEC. 941. GAO AUDIT OF TEXTILE TRANSSHIPMENT MONI-**
 7 **TORING BY CUSTOMS SERVICE.**

8 (a) *GAO AUDIT.*—The Comptroller General of the
 9 United States shall conduct an audit of the system estab-
 10 lished and carried out by the Customs Service to monitor
 11 textile transshipment.

12 (b) *REPORT.*—Not later than 9 months after the date
 13 of enactment of this Act, the Comptroller General shall sub-
 14 mit to the Committee on Ways and Means of the House
 15 of Representatives and Committee on Finance of the Senate
 16 a report that contains the results of the study conducted
 17 under subsection (a), including recommendations for im-
 18 provements to the transshipment monitoring system if ap-
 19 plicable.

20 (c) *TRANSSHIPMENT DESCRIBED.*—Transshipment
 21 within the meaning of this section has occurred when pref-
 22 erential treatment under any provision of law has been
 23 claimed for a textile or apparel article on the basis of mate-
 24 rial false information concerning the country of origin,
 25 manufacture, processing, or assembly of the article or any

1 *of its components. For purposes of the preceding sentence,*
 2 *false information is material if disclosure of the true infor-*
 3 *mation would mean or would have meant that the article*
 4 *is or was ineligible for preferential treatment under the pro-*
 5 *vision of law in question.*

6 **SEC. 942. AUTHORIZATION OF APPROPRIATIONS FOR TEX-**
 7 **TILE TRANSSHIPMENT ENFORCEMENT OPER-**
 8 **ATIONS.**

9 *(a) AUTHORIZATION OF APPROPRIATIONS.—*

10 *(1) IN GENERAL.—There is authorized to be ap-*
 11 *propriated for textile transshipment enforcement oper-*
 12 *ations of the Customs Service \$9,500,000 for fiscal*
 13 *year 2002.*

14 *(2) AVAILABILITY.—Amounts appropriated pur-*
 15 *suant to the authorization of appropriations under*
 16 *paragraph (1) are authorized to remain available*
 17 *until expended.*

18 *(b) USE OF FUNDS.—Of the amount appropriated*
 19 *pursuant to the authorization of appropriations under sub-*
 20 *section (a), the following amounts are authorized to be made*
 21 *available for the following purposes:*

22 *(1) IMPORT SPECIALISTS.—\$1,463,000 for* 21
 23 *Customs import specialists to be assigned to selected*
 24 *ports for documentation review to support detentions*
 25 *and exclusions and 1 additional Customs import spe-*

1 *cialist assigned to the Customs headquarters textile*
2 *program to administer the program and provide over-*
3 *sight.*

4 (2) *INSPECTORS.—\$652,080 for 10 Customs in-*
5 *spectors to be assigned to selected ports to examine*
6 *targeted high-risk shipments.*

7 (3) *INVESTIGATORS.—(A) \$1,165,380 for 10 in-*
8 *vestigators to be assigned to selected ports to inves-*
9 *tigate instances of smuggling, quota and trade agree-*
10 *ment circumvention, and use of counterfeit visas to*
11 *enter inadmissible goods.*

12 (B) *\$149,603 for 1 investigator to be assigned to*
13 *Customs headquarters textile program to coordinate*
14 *and ensure implementation of textile production*
15 *verification team results from an investigation per-*
16 *spective.*

17 (4) *INTERNATIONAL TRADE SPECIALISTS.—*
18 *\$226,500 for 3 international trade specialists to be*
19 *assigned to Customs headquarters to be dedicated to*
20 *illegal textile transshipment policy issues and other*
21 *free trade agreement enforcement issues.*

22 (5) *PERMANENT IMPORT SPECIALISTS FOR HONG*
23 *KONG.—\$500,000 for 2 permanent import specialist*
24 *positions and \$500,000 for 2 investigators to be as-*
25 *signed to Hong Kong to work with Hong Kong and*

1 *other government authorities in Southeast Asia to as-*
2 *sist such authorities pursue proactive enforcement of*
3 *bilateral trade agreements.*

4 (6) *VARIOUS PERMANENT TRADE POSITIONS.—*
5 *\$3,500,000 for the following:*

6 (A) *2 permanent positions to be assigned to*
7 *the Customs attaché office in Central America to*
8 *address trade enforcement issues for that region.*

9 (B) *2 permanent positions to be assigned to*
10 *the Customs attaché office in South Africa to ad-*
11 *dress trade enforcement issues pursuant to the*
12 *African Growth and Opportunity Act (title I of*
13 *Public Law 106–200).*

14 (C) *4 permanent positions to be assigned to*
15 *the Customs attaché office in Mexico to address*
16 *the threat of illegal textile transshipment through*
17 *Mexico and other related issues under the North*
18 *American Free Trade Agreement Act.*

19 (D) *2 permanent positions to be assigned to*
20 *the Customs attaché office in Seoul, South Korea,*
21 *to address the trade issues in the geographic re-*
22 *gion.*

23 (E) *2 permanent positions to be assigned to*
24 *the proposed Customs attaché office in New*
25 *Delhi, India, to address the threat of illegal tex-*

1 *tile transshipment and other trade enforcement*
2 *issues.*

3 *(F) 2 permanent positions to be assigned to*
4 *the Customs attaché office in Rome, Italy, to ad-*
5 *dress trade enforcement issues in the geographic*
6 *region, including issues under free trade agree-*
7 *ments with Jordan and Israel.*

8 *(7) ATTORNEYS.—\$179,886 for 2 attorneys for*
9 *the Office of the Chief Counsel of the Customs Service*
10 *to pursue cases regarding illegal textile trans-*
11 *shipment.*

12 *(8) AUDITORS.—\$510,000 for 6 Customs audi-*
13 *tors to perform internal control reviews and document*
14 *and record reviews of suspect importers.*

15 *(9) ADDITIONAL TRAVEL FUNDS.—\$250,000 for*
16 *deployment of additional textile production*
17 *verification teams to sub-Saharan Africa.*

18 *(10) TRAINING.—(A) \$75,000 for training of*
19 *Customs personnel.*

20 *(B) \$200,000 for training for foreign counter-*
21 *parts in risk management analytical techniques and*
22 *for teaching factory inspection techniques, model law*
23 *Development, and enforcement techniques.*

24 *(11) OUTREACH.—\$60,000 for outreach efforts to*
25 *United States importers.*

1 **SEC. 943. IMPLEMENTATION OF THE AFRICAN GROWTH AND**
2 **OPPORTUNITY ACT.**

3 *Of the amount made available for fiscal year 2002*
4 *under section 301(b)(2)(A) of the Customs Procedural Re-*
5 *form and Simplification Act of 1978 (19 U.S.C.*
6 *2075(b)(2)(A)), as amended by section 901(b)(1) of this*
7 *title, \$1,317,000 shall be available until expended for the*
8 *Customs Service to provide technical assistance to help sub-*
9 *Saharan Africa countries develop and implement effective*
10 *visa and anti-transshipment systems as required by the Af-*
11 *rican Growth and Opportunity Act (title I of Public Law*
12 *106–200), as follows:*

13 (1) *TRAVEL FUNDS.—\$600,000 for import spe-*
14 *cialists, special agents, and other qualified Customs*
15 *personnel to travel to sub-Saharan Africa countries to*
16 *provide technical assistance in developing and imple-*
17 *menting effective visa and anti-transshipment sys-*
18 *tems.*

19 (2) *IMPORT SPECIALISTS.—\$266,000 for 4 im-*
20 *port specialists to be assigned to Customs head-*
21 *quarters to be dedicated to providing technical assist-*
22 *ance to sub-Saharan African countries for developing*
23 *and implementing effective visa and anti-trans-*
24 *shipment systems.*

1 (3) *DATA RECONCILIATION ANALYSTS.*—\$151,000
 2 for 2 data reconciliation analysts to review apparel
 3 shipments.

4 (4) *SPECIAL AGENTS.*—\$300,000 for 2 special
 5 agents to be assigned to Customs headquarters to be
 6 available to provide technical assistance to sub-Saha-
 7 ran African countries in the performance of investiga-
 8 tions and other enforcement initiatives.

9 ***Subtitle B—Office of the United***
 10 ***States Trade Representative***

11 ***SEC. 951. AUTHORIZATION OF APPROPRIATIONS.***

12 (a) *IN GENERAL.*—Section 141(g)(1) of the Trade Act
 13 of 1974 (19 U.S.C. 2171(g)(1)) is amended—

14 (1) in subparagraph (A)—

15 (A) in the matter preceding clause (i), by
 16 striking “not to exceed”;

17 (B) in clause (i) to read as follows:

18 “(i) \$30,000,000 for fiscal year 2002.”; and

19 (C) in clause (ii) to read as follows:

20 “(ii) \$31,000,000 for fiscal year 2003.”; and

21 (2) in subparagraph (B)—

22 (A) in clause (i), by adding “and” at the
 23 end;

24 (B) by striking clause (ii); and

1 (C) by redesignating clause (iii) as clause
2 (ii).

3 (b) *SUBMISSION OF OUT-YEAR BUDGET PROJEC-*
4 *TIONS.—Section 141(g) of the Trade Act of 1974 (19 U.S.C.*
5 *2171(g)) is amended by adding at the end the following:*
6 “(3) *By not later than the date on which the President*
7 *submits to Congress the budget of the United States Govern-*
8 *ment for a fiscal year, the United States Trade Representa-*
9 *tive shall submit to the Committee on Ways and Means of*
10 *the House of Representatives and the Committee on Finance*
11 *of the Senate the projected amount of funds for the suc-*
12 *ceeding fiscal year that will be necessary for the Office to*
13 *carry out its functions.”.*

14 (c) *ADDITIONAL STAFF FOR OFFICE OF ASSISTANT*
15 *U.S. TRADE REPRESENTATIVE FOR CONGRESSIONAL AF-*
16 *FAIRS.—*

17 (1) *IN GENERAL.—There is authorized to be ap-*
18 *propriated such sums as may be necessary for fiscal*
19 *year 2002 for the salaries and expenses of two addi-*
20 *tional legislative specialist employee positions within*
21 *the Office of the Assistant United States Trade Rep-*
22 *resentative for Congressional Affairs.*

23 (2) *AVAILABILITY.—Amounts appropriated pur-*
24 *suant to the authorization of appropriations under*

1 paragraph (1) are authorized to remain available
 2 until expended.

3 ***Subtitle C—United States***
 4 ***International Trade Commission***

5 ***SEC. 961. AUTHORIZATION OF APPROPRIATIONS.***

6 (a) *IN GENERAL.*—Section 330(e)(2)(A) of the Tariff
 7 Act of 1930 (19 U.S.C. 1330(e)(2)) is amended—

8 (1) in clause (i) to read as follows:

9 “(i) \$51,400,000 for fiscal year 2002.”; and

10 (2) in clause (ii) to read as follows:

11 “(ii) \$53,400,000 for fiscal year 2003.”.

12 (b) *SUBMISSION OF OUT-YEAR BUDGET PROJEC-*
 13 *TIONS.*—Section 330(e) of the Tariff Act of 1930 (19 U.S.C.
 14 1330(e)(2)) is amended by adding at the end the following:

15 “(4) By not later than the date on which the President
 16 submits to Congress the budget of the United States Govern-
 17 ment for a fiscal year, the Commission shall submit to the
 18 Committee on Ways and Means of the House of Representa-
 19 tives and the Committee on Finance of the Senate the pro-
 20 jected amount of funds for the succeeding fiscal year that
 21 will be necessary for the Commission to carry out its func-
 22 tions.”.

1 ***Subtitle D—Other Trade Provisions***

2 ***SEC. 971. INCREASE IN AGGREGATE VALUE OF ARTICLES***

3 ***EXEMPT FROM DUTY ACQUIRED ABROAD BY***

4 ***UNITED STATES RESIDENTS.***

5 (a) *IN GENERAL.*—Subheading 9804.00.65 of the Har-
 6 monized Tariff Schedule of the United States is amended
 7 in the article description column by striking “\$400” and
 8 inserting “\$800”.

9 (b) *EFFECTIVE DATE.*—The amendment made by sub-
 10 section (a) shall take effect 90 days after the date of enact-
 11 ment of this Act.

12 ***SEC. 972. REGULATORY AUDIT PROCEDURES.***

13 Section 509(b) of the Tariff Act of 1930 (19 U.S.C.
 14 1509(b)) is amended by adding at the end the following:

15 “(6)(A) If during the course of any audit con-
 16 cluded under this subsection, the Customs Service
 17 identifies overpayments of duties or fees or over-dec-
 18 larations of quantities or values that are within the
 19 time period and scope of the audit that the Customs
 20 Service has defined, then in calculating the loss of
 21 revenue or monetary penalties under section 592, the
 22 Customs Service shall treat the overpayments or over-
 23 declarations on finally liquidated entries as an offset
 24 to any underpayments or underdeclarations also
 25 identified on finally liquidated entries if such over-

1 *payments or over-declarations were not made by the*
 2 *person being audited for the purpose of violating any*
 3 *provision of law.*

4 *“(B) Nothing in this paragraph shall be con-*
 5 *strued to authorize a refund not otherwise authorized*
 6 *under section 520.”.*

7 ***Subtitle E—Sense of Senate***

8 ***SEC. 981. SENSE OF SENATE.***

9 *It is the sense of the Senate that fees collected for cer-*
 10 *tain customs services (commonly referred to as “customs*
 11 *user fees”) provided for in section 13031 of the Consolidated*
 12 *Omnibus Budget Reconciliation Act of 1985 (19 U.S.C.*
 13 *58c) may be used only for the operations and programs of*
 14 *the United States Customs Service.*

15 ***TITLE X—MISCELLANEOUS*** 16 ***PROVISIONS***

17 ***SEC. 1001. COUNTRY OF ORIGIN LABELING OF FISH AND*** 18 ***SHELLFISH PRODUCTS.***

19 *(a) DEFINITIONS.—In this section:*

20 *(1) COVERED COMMODITY.—The term “covered*
 21 *commodity” means—*

22 *(A) a perishable agricultural commodity;*
 23 *and*

24 *(B) any fish or shellfish, and any fillet,*
 25 *steak, nugget, or any other flesh from fish or*

1 *shellfish, whether fresh, chilled, frozen, canned,*
 2 *smoked, or otherwise preserved.*

3 (2) *FOOD SERVICE ESTABLISHMENT.*—*The term*
 4 *“food service establishment” means a restaurant, cafe-*
 5 *teria, lunch room, food stand, saloon, tavern, bar,*
 6 *lounge, or other similar facility operated as an enter-*
 7 *prise engaged in the business of selling food to the*
 8 *public.*

9 (3) *PERISHABLE AGRICULTURAL COMMODITY;*
 10 *RETAILER.*—*The terms “perishable agricultural com-*
 11 *modity” and “retailer” have the meanings given the*
 12 *terms in section 1(b) of the Perishable Agricultural*
 13 *Commodities Act, 1930 (7 U.S.C. 499a(b)).*

14 (4) *SECRETARY.*—*The term “Secretary” means*
 15 *the Secretary of Agriculture, acting through the Agri-*
 16 *cultural Marketing Service.*

17 (b) *NOTICE OF COUNTRY OF ORIGIN.*—

18 (1) *REQUIREMENT.*—*Except as provided in*
 19 *paragraph (3), a retailer of a covered commodity*
 20 *shall inform consumers, at the final point of sale of*
 21 *the covered commodity to consumers, of the country of*
 22 *origin of the covered commodity.*

23 (2) *UNITED STATES COUNTRY OF ORIGIN.*—*A re-*
 24 *tailer of a covered commodity may designate the cov-*
 25 *ered commodity as having a United States country of*

1 *origin only if the covered commodity is exclusively*
 2 *harvested and processed in the United States, or in*
 3 *the case of farm-raised fish and shellfish, is hatched,*
 4 *raised, harvested, and processed in the United States.*

5 (3) *EXEMPTION FOR FOOD SERVICE ESTABLISH-*
 6 *MENTS.—Paragraph (1) shall not apply to a covered*
 7 *commodity if the covered commodity is prepared or*
 8 *served in a food service establishment, and—*

9 (A) *offered for sale or sold at the food serv-*
 10 *ice establishment in normal retail quantities; or*

11 (B) *served to consumers at the food service*
 12 *establishment.*

13 (c) *METHOD OF NOTIFICATION.—*

14 (1) *IN GENERAL.—The information required by*
 15 *subsection (b) may be provided to consumers by*
 16 *means of a label, stamp, mark, placard, or other clear*
 17 *and visible sign on the covered commodity or on the*
 18 *package, display, holding unit, or bin containing the*
 19 *covered commodity at the final point of sale to con-*
 20 *sumers.*

21 (2) *LABELED COMMODITIES.—If the covered*
 22 *commodity is already individually labeled for retail*
 23 *sale regarding country of origin, the retailer shall not*
 24 *be required to provide any additional information to*
 25 *comply with this section.*

1 (d) *AUDIT VERIFICATION SYSTEM.*—*The Secretary*
 2 *may require that any person that prepares, stores, handles,*
 3 *or distributes a covered commodity for retail sale maintain*
 4 *a verifiable recordkeeping audit trail that will permit the*
 5 *Secretary to ensure compliance with the regulations pro-*
 6 *mulgated under subsection (g).*

7 (e) *INFORMATION.*—*Any person engaged in the busi-*
 8 *ness of supplying a covered commodity to a retailer shall*
 9 *provide information to the retailer indicating the country*
 10 *of origin of the covered commodity.*

11 (f) *ENFORCEMENT.*—

12 (1) *IN GENERAL.*—*Each Federal agency having*
 13 *jurisdiction over retailers of covered commodities*
 14 *shall, at such time as the necessary regulations are*
 15 *adopted under subsection (g), adopt measures in-*
 16 *tended to ensure that the requirements of this section*
 17 *are followed by affected retailers.*

18 (2) *VIOLATION.*—*A violation of subsection (b)*
 19 *shall be treated as a violation under the Agricultural*
 20 *Marketing Act of 1946 (7 U.S.C. 1621 et seq.).*

21 (g) *REGULATIONS.*—

22 (1) *IN GENERAL.*—*The Secretary may promul-*
 23 *gate such regulations as are necessary to carry out*
 24 *this section within 1 year after the date of enactment*
 25 *of this Act.*

1 (2) *PARTNERSHIPS WITH STATES.*—*In promul-*
 2 *gating the regulations, the Secretary shall, to the*
 3 *maximum extent practicable, enter into partnerships*
 4 *with States that have the enforcement infrastructure*
 5 *necessary to carry out this section.*

6 (h) *APPLICATION.*—*This section shall apply to the re-*
 7 *tail sale of a covered commodity beginning on the date that*
 8 *is 180 days after the date of enactment of this Act.*

9 **SEC. 1002. SUGAR POLICY.**

10 (a) *FINDINGS.*—*Congress finds that—*

11 (1) *the tariff-rate quotas imposed on imports of*
 12 *sugar, syrups and sugar-containing products under*
 13 *chapters 17, 18, 19, and 21 of the Harmonized Tariff*
 14 *Schedule of the United States are an essential element*
 15 *of United States sugar policy;*

16 (2) *circumvention of the tariff-rate quotas will,*
 17 *if unchecked, make it impossible to achieve the objec-*
 18 *tives of United States sugar policy;*

19 (3) *the tariff-rate quotas have been circumvented*
 20 *frequently, defeating the purposes of United States*
 21 *sugar policy and causing disruption to the United*
 22 *States market for sweeteners, injury to domestic grow-*
 23 *ers, refiners, and processors of sugar, and adversely*
 24 *affecting legitimate exporters of sugar to the United*
 25 *States;*

1 (4) *it is essential to United States sugar policy*
 2 *that the tariff-rate quotas be enforced and that decep-*
 3 *tive practices be prevented, including the importation*
 4 *of products with no commercial use and failure to*
 5 *disclose all relevant information to the United States*
 6 *Customs Service; and*

7 (5) *unless action is taken to prevent circumven-*
 8 *tion, circumvention of the tariff-rate quotas will con-*
 9 *tinue and will ultimately destroy United States sugar*
 10 *policy.*

11 (b) *POLICY.—It is the policy of the United States to*
 12 *maintain the integrity of the tariff-rate quotas on sugars,*
 13 *syrups, and sugar-containing products by stopping cir-*
 14 *cumvention as soon as it becomes apparent. It is also the*
 15 *policy of the United States that products not used to cir-*
 16 *cumvent the tariff-rate quotas, such as molasses used for*
 17 *animal feed or for rum, not be affected by any action taken*
 18 *pursuant to this Act.*

19 (c) *IDENTIFICATION OF IMPORTS.—*

20 (1) *IDENTIFICATION.—Not later than 30 days*
 21 *after the date of enactment of this Act, and on a reg-*
 22 *ular basis thereafter, the Secretary of Agriculture*
 23 *shall—*

24 (A) *identify imports of articles that are cir-*
 25 *cumventing tariff-rate quotas on sugars, syrups,*

1 *or sugar-containing products imposed under*
2 *chapter 17, 18, 19, or 21 of the Harmonized Tar-*
3 *iff Schedule of the United States; and*

4 *(B) report to the President the articles*
5 *found to be circumventing the tariff-rate quotas.*

6 (2) *ACTION BY PRESIDENT.*—*Upon receiving the*
7 *report from the Secretary of Agriculture, the Presi-*
8 *dent shall, by proclamation, include any article iden-*
9 *tified by the Secretary in the appropriate tariff-rate*
10 *quota provision of the Harmonized Tariff Schedule.*

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[Report No. 107-134]

A BILL

To amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

FEBRUARY 4, 2002

Reported with an amendment