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108TH CONGRESS
1ST SESSION

S. 1299

To amend the Trade Act of 1974 to provide trade readjustment and development enhancement for America's communities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 19, 2003

Ms. SNOWE (for herself and Ms. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To amend the Trade Act of 1974 to provide trade readjustment and development enhancement for America's communities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Trade Readjustment and Development Enhancement for America's Communities Act of 2003''.

SEC. 2. PURPOSE.

The purpose of this Act is to assist communities negatively impacted by trade with economic adjustment through the integration of political and economic organiza-

tions, the coordination of Federal, State, and local resources, the creation of community-based development strategies, and the provision of economic transition assistance.

SEC. 3. TRADE READJUSTMENT ASSISTANCE FOR COMMUNITIES.

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

"CHAPTER 4—COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT

"SEC. 271. DEFINITIONS.

''In this chapter:

''(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, farmer, rancher, fisherman or worker representative (including associations of such persons) that was affected by a finding under the Antidumping Act of 1921, or by an antidumping or countervailing duty order issued under title VII of the Tariff Act of 1930.

''(2) AGRICULTURAL COMMODITY PRODUCER.—The term 'agricultural commodity producer' has the same meaning as the term 'person' as prescribed by

regulations promulgated under section 1001(5) of the Food Security Act of 1985 (7 U.S.C. 1308(5)).

"(3) COMMUNITY.—The term 'community' means a city, county, or other political subdivision of a State or a consortium of political subdivisions of a State that the Secretary certifies as being negatively impacted by trade.

"(4) ELIGIBLE COMMUNITY.—The term 'eligible community' means a community certified under section 273 as eligible for assistance under this chapter.

"(5) FISHERMAN.—

"(A) IN GENERAL.—The term 'fisherman' means any person who—

"(i) is engaged in commercial fishing; or

"(ii) is a United States fish processor.

"(B) COMMERCIAL FISHING, FISH, FISHERY, FISHING, FISHING VESSEL, PERSON, AND UNITED STATES FISH PROCESSOR.—The terms 'commercial fishing', 'fish', 'fishery', 'fishing', 'fishing vessel', 'person', and 'United States fish processor' have the same meanings as such terms have in the Magnuson-Stevens Fishery

Conservation and Management Act (16 U.S.C. 1802).

"(6) JOB LOSS.—The term 'job loss' means the total or partial separation of an individual, as those terms are defined in section 247.

"(7) SECRETARY.—The term 'Secretary' means the Secretary of Commerce.

"SEC. 272. COMMUNITY TRADE READJUSTMENT PROGRAM.

"(a) ESTABLISHMENT.—Not later than 6 months after the date of enactment of the Trade Readjustment and Development Enhancement for America's Communities Act of 2003, the Secretary shall promulgate regulations to carry out the provisions of that Act.

"(b) PERSONNEL.—The Secretary shall designate such staff as may be necessary to carry out the responsibilities described in this chapter.

"(c) COORDINATION OF FEDERAL RESPONSE.—The Secretary shall—

"(1) provide leadership, support, and coordination for a comprehensive management program to address economic dislocation in eligible communities;

"(2) coordinate the Federal response to an eligible community—

"(A) by identifying all Federal, State, and local resources that are available to assist the

eligible community in recovering from economic distress;

"(B) by ensuring that all Federal agencies offering assistance to an eligible community do so in a targeted, integrated manner that ensures that an eligible community has access to all available Federal assistance;

"(C) by assuring timely consultation and cooperation between Federal, State, and regional officials concerning community economic adjustment; and

"(D) by identifying and strengthening existing agency mechanisms designed to assist communities in economic adjustment and workforce reemployment;

"(3) provide comprehensive technical assistance to any eligible community in the efforts of that community to—

"(A) identify serious economic problems in the community that are the result of negative impacts from trade;

"(B) integrate the major groups and organizations significantly affected by the economic adjustment;

"(C) access Federal, State, and local resources designed to assist in economic development and trade adjustment assistance;

"(D) diversify and strengthen the community economy; and

"(E) develop a community-based strategic plan to address economic development and workforce dislocation, including unemployment among agricultural commodity producers, and fishermen;

"(4) establish specific criteria for submission and evaluation of a strategic plan submitted under section 274(d);

"(5) administer the grant programs established under sections 274 and 275; and

"(6) establish an interagency Community Trade Readjustment and Development Enhancement Working Group, consisting of the representatives of any Federal department or agency with responsibility for economic adjustment assistance, including the Department of Agriculture, the Department of Education, the Department of Labor, the Department of Housing and Urban Development, the Department of Health and Human Services, the Small Business Administration, the Department of the

Treasury, the Department of Commerce, and any other Federal, State, or regional department or agency the Secretary determines necessary or appropriate.

''(d) WORKING GROUP.—The working group established under subsection (c)(6) shall examine other options for addressing trade impacts on communities.

''SEC. 273. CERTIFICATION AS AN ELIGIBLE COMMUNITY.

''(a) APPLICATION.—A community may apply for assistance under this chapter at such time, in such manner, and accompanied by such information as the Secretary, by regulation, may prescribe.

''(b) CERTIFICATION.—

''(1) IN GENERAL.—The Secretary shall determine if the community that files an application under subsection (a) is negatively impacted by trade and if a positive determination is made, shall certify the community as eligible for assistance under this chapter.

''(2) DETERMINATION.—A determination that a community is negatively impacted by trade and eligible for assistance under this chapter shall be made based on the job loss in the community compared to the size of the workforce in that community, if—

"(A) the Secretary of Labor has certified a group of workers (or their authorized representative) in the community as eligible for assistance pursuant to section 223;

"(B) the Secretary of Commerce has certified a firm located in the community as eligible for assistance under section 251;

"(C) the Secretary of Agriculture has certified a group of agricultural producers (or their authorized representative) in the community as eligible for assistance under section 293;

"(D) an affected domestic producer is located in the community; or

"(E) the Secretary determines that a significant number of fishermen in the community has been negatively impacted by trade.

"SEC. 274. STRATEGIC PLANS.

"(a) IN GENERAL.—An eligible community may develop a strategic plan for community economic adjustment and diversification.

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

"(1) A description and justification of the capacity for economic adjustment, including the method of financing to be used.

"(2) A description of the commitment of the community to the strategic plan over the long term and the participation and input of groups affected by economic dislocation.

"(3) A description of the projects to be undertaken by the eligible community.

"(4) A description of how the plan and the projects to be undertaken by the eligible community will lead to job creation and job retention in the community.

"(5) A description of how the plan will achieve economic adjustment and diversification.

"(6) A description of how the plan and the projects will contribute to establishing or maintaining a level of public services necessary to attract and retain economic investment.

"(7) A description and justification for the cost and timing of proposed basic and advanced infrastructure improvements in the eligible community.

"(8) A description of how the plan will address the occupational and workforce conditions in the eligible community.

"(9) A description of the educational programs available for workforce training and future employment needs.

"(10) A description of how the plan will adapt to changing markets and business cycles.

"(11) A description and justification for the cost and timing of the total funds required by the community for economic assistance.

"(12) A graduation strategy through which the eligible community demonstrates that the community will terminate the need for Federal assistance.

"(c) GRANTS TO DEVELOP STRATEGIC PLANS.—The Secretary, upon receipt of an application from an eligible community, may award a grant to that community to be used to develop the strategic plan.

"(d) SUBMISSION OF PLAN.—A strategic plan developed under subsection (a) shall be submitted to the Secretary for evaluation and approval.

"SEC. 275. TRADE GRANTS.

"(a) IN GENERAL.—The Secretary, upon approval of a strategic plan from an eligible community, may award a grant to that community to carry out any project or program that is certified by the Secretary to be included in the strategic plan approved under section 274(d), or consistent with that plan, that takes into consideration the relative needs of the eligible community and gives priority to allocating resources based on—

"(1) the severity of the rates of unemployment in the eligible community and the duration of the unemployment in that community;

"(2) the income levels and the extent of underemployment in the eligible community; and

"(3) the outmigration of population from the eligible community and the extent to which the outmigration is causing economic injury in the eligible community.

"(b) RURAL COMMUNITY PREFERENCE.—The Secretary shall develop guidelines to ensure that rural communities receive preference in the allocation of resources.

"(c) SUPPLEMENTAL GRANTS.—

"(1) DESIGNATED FEDERAL GRANT PROGRAM.—In this subsection, the term 'designated Federal grant program' means any Federal grant program that—

"(A) provides technical or other assistance for planning, constructing, or equipping public works, public service, or development facilities; and

"(B) is designated for allocation to an eligible community by the Secretary to fund a project eligible for assistance under this chapter.

"(2) SUPPLEMENTAL GRANTS.—Subject to paragraph (3), in order to assist eligible communities to obtain funds under Federal grant programs, other than grants under section 274(c) or subsection (a), the Secretary, on the application of an eligible community, may make a supplemental grant from a designated Federal grant program for a project for which the eligible community is eligible, except for the community's inability to meet the non-Federal share requirements of the program.

"(3) USE AS NON-FEDERAL SHARE.—A supplemental grant made under this subsection may be used as the eligible community's non-Federal share of a designated Federal grant program, provided that, unless otherwise permitted by law or regulation, the total Federal contribution to the project does not exceed 80 percent.

"SEC. 276. GENERAL PROVISIONS.

"(a) REGULATIONS.—Before implementing any regulation or guideline proposed with respect to this chapter, the Secretary shall submit the regulation or guideline to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

"(b) SUPPLEMENT NOT SUPPLANT.—Funds appropriated under this chapter shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide economic development assistance for communities.".

SEC. 4. CONFORMING AMENDMENTS.

(a) TERMINATION.—Section 285(b) of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by adding at the end the following new paragraph:

"(3) ASSISTANCE FOR COMMUNITIES.—Technical assistance and other payments may not be provided under chapter 4 after September 30, 2012.".

(b) TABLE OF CONTENTS.—The table of contents for title II of the Trade Act of 1974 is amended by striking the items relating to chapter 4 of title II and inserting after the items relating to chapter 3 the following new items:

"CHAPTER 4—COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT

"Sec. 271. Definitions.
"Sec. 272. Community Trade Readjustment Program.
"Sec. 273. Certification as an eligible community.
"Sec. 274. Strategic plans.
"Sec. 275. TRADE Grants.
"Sec. 276. General provisions.".

(c) JUDICIAL REVIEW.—Section 284(a) of the Trade Act of 1974 (19 U.S.C. 2395(a)) is amended by striking "section 271" and inserting "section 273".

SEC. 5. REPEAL OF OFFSET PROGRAM.

(a) IN GENERAL.—Section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c) is repealed.

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by striking the item relating to section 754.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2003. Any funds remaining in the special accounts established pursuant to section 754(e) of the Tariff Act of 1930 on the day before such effective date shall be transferred to the Community Trade Readjustment and Development Enhancement Trust Fund for use in accordance with section 299 of the Trade Act of 1974, as added by section 6 of this Act.

SEC. 6. ESTABLISHMENT OF COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT TRUST FUND.

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

"CHAPTER 7—COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT TRUST FUND

"SEC. 299. COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT TRUST FUND.

''(a) ESTABLISHMENT.—There is hereby established within the Treasury of the United States a Trust Fund to be known as the Community Trade Readjustment and Development Enhancement Trust Fund (in this section referred to as the 'Trust Fund'), consisting of such amounts as may be transferred or credited to the Trust Fund as provided in this section or otherwise appropriated to the Trust Fund.

''(b) TRANSFER.—

''(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund any funds remaining in the special accounts established pursuant to section 754(e) on the day before the effective date of this section and shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund after such effective date that are attributable to the duties imposed pursuant to a finding under the Antidumping Act of

1921, or an antidumping or countervailing duty order under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

"(2) QUARTERLY TRANSFERS FROM THE TREASURY BASED ON ESTIMATES.—The amounts which are required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

"(c) TRUST FUND.—

"(1) TRUSTEE AND REPORT.—The Secretary of the Treasury shall be the trustee of the Trust Fund, and shall submit an annual report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives—

"(A) on the financial condition and the results of the operations of the Trust Fund during the fiscal year preceding the fiscal year in which such report is submitted, and

"(B) on the expected condition and operations of the Trust Fund during the fiscal year in which such report is submitted and the 5 fiscal years succeeding such fiscal year.

"(2) INVESTMENT.—

"(A) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Trust Fund as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

"(i) on original issue at the issue price, or

"(ii) by purchase of outstanding obligations at the market price.

"(B) ABILITY TO SELL OBLIGATIONS.—Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

"(C) INTEREST.—The interest on, and the proceeds from, the sale or redemption of any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

"(d) USE OF FUNDS.—

"(1) IN GENERAL.—Amounts in the Trust Fund shall only be available for the payment of readjustment assistance to communities pursuant to chapter 4 of this title.

"(2) ALLOCATION OF AMOUNTS IN TRUST FUND.—Amounts in the Trust Fund shall be used to carry out chapter 4 of this title, including any administrative costs necessary to carry out such chapter.

"(3) SUPPLEMENT.—Funds appropriated pursuant to the authority of this section shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide readjustment assistance pursuant to this title.".

(b) CONFORMING AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the items relating to chapter 6, the following:

"CHAPTER 7—COMMUNITY TRADE READJUSTMENT AND DEVELOPMENT ENHANCEMENT TRUST FUND

"Sec. 299. Community Trade Readjustment and Development Enhancement Trust Fund.".

SEC. 7. EFFECTIVE DATE.

The provisions of this Act shall take effect on October 1, 2003.

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