

lating to the assistance furnished and allowed the giving of assistance to firms in the preparation of their petitions for certification of eligibility under section 2341 of this title.

Subsec. (b). Pub. L. 97-35 amended subsec. (b) generally, incorporating in pars. (1) and (2) provisions formerly contained in subsec. (c), inserted reference to grants to intermediary organizations (including Trade Adjustment Assistance Centers) in par. (1), and added par. (3). Provisions formerly contained in subsec. (b) were transferred to subsec. (a).

Subsec. (c). Pub. L. 97-35 struck out subsec. (c) and transferred the provisions to subsec. (b)(1) and (2).

Statutory Notes and Related Subsidiaries

EFFECTIVE AND TERMINATION DATES OF 2015 REVIVAL

For revival and applicability, beginning on June 29, 2015, of the provisions of this section as in effect on Dec. 31, 2013, see section 402(b), (c) of Pub. L. 114-27, set out as a note preceding section 2271 of this title.

For reversion, beginning on July 1, 2021, to the provisions of this section as in effect on Jan. 1, 2014, with certain exceptions and subject to section 406(b) of Pub. L. 114-27, see section 406 of Pub. L. 114-27, set out as a note preceding section 2271 of this title.

EFFECTIVE AND TERMINATION DATES OF 2011 REVIVAL

For revival and applicability, beginning on Oct. 21, 2011, of the provisions of this section as in effect on Feb. 12, 2011, see section 201(b), (c) of Pub. L. 112-40, set out as a note preceding section 2271 of this title.

Section 233 of Pub. L. 112-40, formerly set out as a note preceding section 2271 of this title, which provided for the reversion, beginning on Jan. 1, 2014, of the provisions of this section to those in effect on Feb. 13, 2011, subject to certain exceptions, was repealed by Pub. L. 114-27, title IV, § 402(a), June 29, 2015, 129 Stat. 374, effective June 29, 2015. See Codification note above.

EFFECTIVE AND TERMINATION DATES OF 2009 AMENDMENT

Except as otherwise provided and subject to certain applicability provisions, amendment by Pub. L. 111-5 effective upon the expiration of the 90-day period beginning on Feb. 17, 2009, see section 1891 of Pub. L. 111-5, set out as a note under section 2271 of this title.

Section 1893 of Pub. L. 111-5, formerly set out as a Termination Date of 2009 Amendment note preceding section 2271 of this title, which provided that, except as otherwise provided, amendment by Pub. L. 111-5 not applicable on or after Feb. 13, 2011, and that this section be applied and administered beginning Feb. 13, 2011, as if amendment by Pub. L. 111-5 had never been enacted, was repealed by Pub. L. 112-40, title II, § 201(a), Oct. 21, 2011, 125 Stat. 403, effective Oct. 21, 2011. See Codification note above.

EFFECTIVE DATE OF 1981 AMENDMENT

Pub. L. 97-35, title XXV, § 2529, Aug. 13, 1981, 95 Stat. 893, provided that:

“(a) Subject to subsection (b), the amendments made by this subtitle [subtitle B (§§ 2521-2529) of title XXV of Pub. L. 97-35, enacting section 2355 of this title, amending this section and sections 2344 to 2347 of this title, and repealing section 2353 of this title] shall take effect on the date of the enactment of this Act [Aug. 13, 1981].

“(b) Applications for adjustment assistance under chapter 3 of title II of the Trade Act of 1974 [this part] which the Secretary of Commerce accepted for processing before the date of the enactment of this Act [Aug. 13, 1981] shall continue to be processed in accordance with the requirements of such chapter as in effect before such date of enactment.”

TERMINATION DATE

Except as otherwise provided, technical assistance and grants may not be provided under this part after

June 30, 2022, see section 285 of Pub. L. 93-618, as modified by section 406(a)(7) of Pub. L. 114-27, set out as notes preceding section 2271 of this title.

§ 2344. Financial assistance

(a) Direct loans and guarantees of loans

The Secretary may provide to a firm, on such terms and conditions as he determines to be appropriate, such financial assistance in the form of direct loans or guarantees of loans as in his judgment will materially contribute to the economic adjustment of the firm. The assumption of an outstanding indebtedness of the firm, with or without recourse, shall be considered to be the making of a loan for purposes of this section.

(b) Allowable purposes

Loans or guarantees of loans shall be made under this part only for the purpose of making funds available to the firm—

(1) for acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, or

(2) to supply such working capital as may be necessary to enable the firm to implement its adjustment proposal.

(c) Limitation on direct loans

No direct loan may be provided to a firm under this part if the firm can obtain loan funds from private sources (with or without a guarantee) at a rate no higher than the maximum interest per annum that a participating financial institution may establish on guaranteed loans made pursuant to section 636(a) of title 15.

(d) Limitations on loans and guarantees

Notwithstanding any other provision of this part, no direct loans or guarantees of loans may be made under this part after April 7, 1986.

(Pub. L. 93-618, title II, § 254, Jan. 3, 1975, 88 Stat. 2031; Pub. L. 97-35, title XXV, § 2522, Aug. 13, 1981, 95 Stat. 891; Pub. L. 99-272, title XIII, § 13006(b), Apr. 7, 1986, 100 Stat. 304.)

TERMINATION OF ASSISTANCE

For termination of assistance under this part after June 30, 2022, see Termination Date note below.

Editorial Notes

CODIFICATION

Section reflects the July 1, 2021, reversion to provisions in effect on Jan. 1, 2014. See Effective and Termination Dates note below.

PRIOR PROVISIONS

A prior section 2344, Pub. L. 93-618, title II, § 254, as added Pub. L. 111-5, div. B, title I, § 1864(a)(3), Feb. 17, 2009, 123 Stat. 397, and Pub. L. 112-40, title II, § 201(b), (c), Oct. 21, 2011, 125 Stat. 403, and Pub. L. 114-27, title IV, § 402(b), (c), June 29, 2015, 129 Stat. 374, ceased to be effective after the reversion, effective July 1, 2021, of this section to provisions in effect on Jan. 1, 2014, pursuant to section 406 of Pub. L. 114-27, set out as a note preceding section 2271 of this title. Prior to reversion, section 2344 read as follows:

“§ 2344. Oversight and administration

“(a) IN GENERAL.—The Secretary shall, to such extent and in such amounts as are provided in appropriations

Acts, provide grants to intermediary organizations (referred to in section 2343(b)(1) of this title) throughout the United States pursuant to agreements with such intermediary organizations. Each such agreement shall require the intermediary organization to provide benefits to firms certified under section 2341 of this title. The Secretary shall, to the maximum extent practicable, provide by October 1, 2010, that contracts entered into with intermediary organizations be for a 12-month period and that all such contracts have the same beginning date and the same ending date.

“(b) DISTRIBUTION OF FUNDS.—

“(1) IN GENERAL.—Not later than 90 days after February 17, 2009, the Secretary shall develop a methodology for the distribution of funds among the intermediary organizations described in subsection (a).

“(2) PROMPT INITIAL DISTRIBUTION.—The methodology described in paragraph (1) shall ensure the prompt initial distribution of funds and establish additional criteria governing the apportionment and distribution of the remainder of such funds among the intermediary organizations.

“(3) CRITERIA.—The methodology described in paragraph (1) shall include criteria based on the data in the annual report on the trade adjustment assistance for firms program described in section 2356 of this title.

“(c) REQUIREMENTS FOR CONTRACTS.—An agreement with an intermediary organization described in subsection (a) shall require the intermediary organization to contract for the supply of services to carry out grants under this part in accordance with terms and conditions that are consistent with guidelines established by the Secretary.

“(d) CONSULTATIONS.—

“(1) CONSULTATIONS REGARDING METHODOLOGY.—The Secretary shall consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives—

“(A) not less than 30 days before finalizing the methodology described in subsection (b); and

“(B) not less than 60 days before adopting any changes to such methodology.

“(2) CONSULTATIONS REGARDING GUIDELINES.—The Secretary shall consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives not less than 60 days before finalizing the guidelines described in subsection (c) or adopting any subsequent changes to such guidelines.”

AMENDMENTS

1986—Subsec. (d). Pub. L. 99-272 added subsec. (d).

1981—Subsec. (c). Pub. L. 97-35 substituted provisions relating to limitation on direct loans on the basis of interest rates on loans under section 636(a) of title 15 for provisions relating to limitation on direct loans on the basis of interest rates under section 2345(b) of this title.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97-35, set out as a note under section 2343 of this title.

TERMINATION DATE

Except as otherwise provided, technical assistance and grants may not be provided under this part after June 30, 2022, see section 285 of Pub. L. 93-618, as modified by section 406(a)(7) of Pub. L. 114-27, set out as notes preceding section 2271 of this title.

RESIDUAL AUTHORITY

Pub. L. 111-5, div. B, title I, §1864(b), Feb. 17, 2009, 123 Stat. 398, provided that: “The Secretary of Commerce shall have the authority to modify, terminate, resolve,

liquidate, or take any other action with respect to a loan, guarantee, contract, or any other financial assistance that was extended under section 254, 255, 256, or 257 of the Trade Act of 1974 (19 U.S.C. 2344, 2345, 2346, and 2347), as in effect on the day before the effective date set forth in section 1891 [set out as an Effective and Termination Dates of 2009 Amendment note under section 2271 of this title].”

§ 2345. Conditions for financial assistance

(a) Unavailability of firm’s resources; reasonable assurance of repayment

No financial assistance shall be provided under this part unless the Secretary determines—

(1) that the funds required are not available from the firm’s own resources; and

(2) that there is reasonable assurance of repayment of the loan.

(b) Interest rates

(1) The rate of interest on direct loans made under this part shall be—

(A) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity that are comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent, plus

(B) an amount adequate in the judgment of the Secretary of Commerce to cover administrative costs and probable losses under the program.

(2) The Secretary may not guarantee any loan under this part if—

(A) the rate of interest on either the portion to be guaranteed, or the portion not to be guaranteed, is determined by the Secretary to be excessive when compared with other loans bearing Federal guarantees and subject to similar terms and conditions, and

(B) the interest on the loan is exempt from Federal income taxation under section 103 of title 26.

(c) Maturity of loans

The Secretary shall make no loan or guarantee of a loan under section 2344(b)(1) of this title having a maturity in excess of 25 years or the useful life of the fixed assets (whichever period is shorter), including renewals and extensions; and shall make no loan or guarantee of a loan under section 2344(b)(2) of this title having a maturity in excess of 10 years, including extensions and renewals. Such limitations on maturities shall not, however, apply—

(1) to securities or obligations received by the Secretary as claimant in bankruptcy or equitable reorganization, or as creditor in other proceedings attendant upon insolvency of the obligor, or

(2) to an extension or renewal for an additional period not exceeding 10 years, if the Secretary determines that such extension or renewal is reasonably necessary for the orderly liquidation or servicing of the loan.

(d) Priority for small firms; servicing of loans

(1) In making guarantees of loans, and in making direct loans, the Secretary shall give priority to firms which are small within the mean-