

108TH CONGRESS  
2D SESSION

# S. 2157

To amend the Trade Act of 1974 to extend the trade adjustment assistance program to the services sector, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 2, 2004

Mr. BAUCUS (for himself, Mr. COLEMAN, Ms. CANTWELL, Mr. WYDEN, Mr. ROCKEFELLER, Mr. BREAUX, Mr. INOUE, Mr. CARPER, Mr. BINGAMAN, Mr. CORZINE, Mr. BAYH, Mrs. CLINTON, Ms. LANDRIEU, Mrs. MURRAY, Mr. LAUTENBERG, Mr. BIDEN, Mrs. BOXER, and Mr. REID) 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 extend the trade adjustment assistance program to the services sector, and for other purposes.

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

### 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Adjustment As-  
5 sistance Equity for Service Workers Act of 2004”.

1 **SEC. 2. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**  
 2 **TO SERVICES SECTOR.**

3 (a) ADJUSTMENT ASSISTANCE FOR WORKERS.—Sec-  
 4 tion 221(a)(1)(A) of the Trade Act of 1974 (19 U.S.C.  
 5 2271(a)(1)(A)) is amended by striking “firm)” and insert-  
 6 ing “firm, and workers in a service sector firm or subdivi-  
 7 sion of a service sector firm or public agency)”.

8 (b) GROUP ELIGIBILITY REQUIREMENTS.—Section  
 9 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amend-  
 10 ed—

11 (1) in subsection (a)—

12 (A) in the matter preceding paragraph (1),  
 13 by striking “agricultural firm)” and inserting  
 14 “agricultural firm, and workers in a service sec-  
 15 tor firm or subdivision of a service sector firm  
 16 or public agency)”;

17 (B) in paragraph (1), by inserting “or  
 18 public agency” after “of the firm”; and

19 (C) in paragraph (2)—

20 (i) in subparagraph (A)(ii), by strik-  
 21 ing “like or directly competitive with arti-  
 22 cles produced” and inserting “or services  
 23 like or directly competitive with articles  
 24 produced or services provided”;

1 (ii) by striking the period at the end  
 2 of subparagraph (B) and inserting “; or”;  
 3 and

4 (iii) by adding after subparagraph (B)  
 5 the following:

6 “(C)(i) there has been a shift, by such  
 7 workers’ firm, subdivision, or public agency to  
 8 a foreign country, in provision of services, like  
 9 or directly competitive with services which are  
 10 provided by such firm, subdivision, or public  
 11 agency; or

12 “(ii) such workers’ firm, subdivision, or  
 13 public agency has obtained or is likely to obtain  
 14 such services from a foreign country.”;

15 (2) in subsection (b)—

16 (A) in the matter preceding paragraph (1),  
 17 by striking “agricultural firm)” and inserting  
 18 “agricultural firm, and workers in a service sec-  
 19 tor firm or subdivision of a service sector firm  
 20 or public agency)”;

21 (B) in paragraph (2), by inserting “or  
 22 service” after “related to the article”; and

23 (C) in paragraph (3)(A), by inserting “or  
 24 services” after “component parts”;

25 (3) in subsection (c)—

1 (A) in paragraph (3)—

2 (i) by inserting “or services” after  
3 “value-added production processes”;

4 (ii) by striking “or finishing” and in-  
5 serting “, finishing, or testing”;

6 (iii) by inserting “or services” after  
7 “for articles”; and

8 (iv) by inserting “(or subdivision)”  
9 after “such other firm”; and

10 (B) in paragraph (4)—

11 (i) by striking “for articles” and in-  
12 serting “, or services, for articles or serv-  
13 ices, used in the production of articles or  
14 in the provision of services”; and

15 (ii) by inserting “(or subdivision)”  
16 after “such other firm”; and

17 (4) by adding at the end the following new sub-  
18 section:

19 “(d) BASIS FOR SECRETARY’S DETERMINATIONS.—

20 “(1) INCREASED IMPORTS.—For purposes of  
21 subsection (a)(2)(A)(ii), the Secretary may deter-  
22 mine that increased imports of like or directly com-  
23 petitive services exist if the workers’ firm or subdivi-  
24 sion or customers of the workers’ firm or subdivision  
25 accounting for not less than 20 percent of the sales

1 of the workers' firm or subdivision certify to the  
 2 Secretary that they are obtaining such articles or  
 3 services from a foreign country.

4 “(2) OBTAINING SERVICES ABROAD.—For pur-  
 5 poses of subsection (a)(2)(C)(ii), the Secretary may  
 6 determine that the workers' firm, subdivision, or  
 7 public agency has obtained or is likely to obtain like  
 8 or directly competitive services from a foreign coun-  
 9 try based on a certification thereof from the work-  
 10 ers' firm, subdivision, or public agency.

11 “(3) AUTHORITY OF THE SECRETARY.—The  
 12 Secretary may obtain the certifications under para-  
 13 graphs (1) and (2) through questionnaires or in  
 14 such other manner as the Secretary determines is  
 15 appropriate.”.

16 (c) TRAINING.—Section 236(a)(2)(A) of the Trade  
 17 Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amended by  
 18 striking “\$220,000,000” and inserting “\$440,000,000”.

19 (d) DEFINITIONS.—Section 247 of the Trade Act of  
 20 1974 (19 U.S.C. 2319) is amended—

21 (1) in paragraph (1)—

22 (A) by inserting “or public agency” after  
 23 “of a firm”; and

24 (B) by inserting “or public agency” after  
 25 “or subdivision”;

6 (4) by inserting after paragraph (6) the fol-  
7 lowing:

11           “(8) The term ‘service sector firm’ means an  
12           entity engaged in the business of providing serv-  
13           ices.”.

17 SEC. 3. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS AND  
18 INDUSTRIES.

(1) ASSISTANCE.—Section 251 of the Trade  
Act of 1974 (19 U.S.C. 2341) is amended—

25 (B) in subsection (c)(1)—

1 (i) in the matter preceding subpara-  
 2 graph (A), by inserting “or service sector  
 3 firm” after “any agricultural firm”;

4 (ii) in subparagraph (B)(ii), by insert-  
 5 ing “or service” after “of an article”; and

6 (iii) in subparagraph (C), by striking  
 7 “articles like or directly competitive with  
 8 articles which are produced” and inserting  
 9 “articles or services like or directly com-  
 10 petitive with articles or services which are  
 11 produced or provided”; and

12 (C) by adding at the end the following:

13 “(e) BASIS FOR SECRETARY DETERMINATION.—

14 “(1) INCREASED IMPORTS.—For purposes of  
 15 subsection (c)(1)(C), the Secretary may determine  
 16 that increases of imports of like or directly competi-  
 17 tive services exist if customers of the firm account-  
 18 ing for not less than 20 percent of the sales of the  
 19 firm certify to the Secretary that they are obtaining  
 20 such articles or services from a foreign country.

21 “(2) AUTHORITY OF THE SECRETARY.—The  
 22 Secretary may obtain the certifications under para-  
 23 graph (1) through questionnaires or in such other  
 24 manner as the Secretary determines is appropriate.  
 25 The subpoena power described in section 249 shall

1 be extended to the Secretary of Commerce for pur-  
 2 poses of carrying out this subsection.”.

3 (2) AUTHORIZATION OF APPROPRIATIONS.—  
 4 Section 256(b) of the Trade Act of 1974 (19 U.S.C.  
 5 2346(b)) is amended by striking “\$16,000,000” and  
 6 inserting “\$32,000,000”.

7 (3) DEFINITION.—Section 261 of the Trade  
 8 Act of 1974 (19 U.S.C. 2351) is amended—

9 (A) by striking “For purposes of” and in-  
 10 serting “(a) FIRM.—For purposes of”; and

11 (B) by adding at the end the following:

12 “(b) SERVICE SECTOR FIRM.—For purposes of this  
 13 chapter, the term ‘service sector firm’ means a firm en-  
 14 gaged in the business of providing services.”.

15 (b) INDUSTRIES.—Section 265(a) of the Trade Act  
 16 of 1974 (19 U.S.C. 2355(a)) is amended by inserting “or  
 17 service” after “new product”.

18 (c) TECHNICAL AMENDMENTS.—Section 249 of the  
 19 Trade Act of 1974 (19 U.S.C. 2321) is amended by strik-  
 20 ing “subpena” and inserting “subpoena” each place it ap-  
 21 pears in the heading and the text.

22 **SEC. 4. MONITORING AND REPORTING.**

23 Section 282 of the Trade Act of 1974 (19 U.S.C.  
 24 2393) is amended—

25 (1) in the first sentence—



1 (A) by striking “The Secretary” and in-  
 2 serting “(a) MONITORING PROGRAMS.—The  
 3 Secretary”;

4 (B) by inserting “and services” after “im-  
 5 ports of articles”;

6 (C) by inserting “and domestic provision of  
 7 services” after “domestic production”;

8 (D) by inserting “or providing services”  
 9 after “producing articles”; and

10 (E) by inserting “, or provision of serv-  
 11 ices,” after “changes in production”; and

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

13 “(b) COLLECTION OF DATA AND REPORTS ON SERV-  
 14 ICES SECTOR.—

15 “(1) SECRETARY OF LABOR.—Not later than 3  
 16 months after the date of the enactment of the Trade  
 17 Adjustment Assistance Equity for Service Workers  
 18 Act of 2004, the Secretary of Labor shall implement  
 19 a system to collect data on adversely affected service  
 20 workers that includes the number of workers by  
 21 State, industry, and cause of dislocation of each  
 22 worker.

23 “(2) SECRETARY OF COMMERCE.—Not later  
 24 than 6 months after such date of enactment, the  
 25 Secretary of Commerce shall, in consultation with

1       the Secretary of Labor, conduct a study and report  
2       to the Congress on ways to improve the timeliness  
3       and coverage of data on trade in services, including  
4       methods to identify increased imports due to the re-  
5       location of United States firms to foreign countries,  
6       and increased imports due to United States firms  
7       obtaining services from firms in foreign countries.”.

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