

110TH CONGRESS
1ST SESSION

H. R. 3801

To amend the Trade Act of 1974 to address the impact of globalization, to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers, communities, firms, and farmers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 10, 2007

Mr. SMITH of Washington (for himself, Mrs. TAUSCHER, Mr. CROWLEY, Mr. KIND, Mr. DAVIS of Alabama, Mr. MOORE of Kansas, Mr. CARNAHAN, Mr. ALTMIRE, Mr. COURTNEY, Mr. MORAN of Virginia, Mr. LARSEN of Washington, Mr. DICKS, Mr. ETHERIDGE, Mr. BAIRD, Ms. BEAN, Mrs. MCCARTHY of New York, Mr. MATHESON, Mr. INSLEE, Mr. GONZALEZ, and Mr. CUELLAR) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Education and Labor, Energy and Commerce, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Trade Act of 1974 to address the impact of globalization, to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers, communities, firms, and farmers, 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,*

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Trade Adjustment Assistance Improvement Act”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Services Sector; Shifts in
Production Overseas

Sec. 101. Extension of trade adjustment assistance to services sector; shifts in
production.

Sec. 102. Monitoring and reporting.

Sec. 103. Effective date.

Subtitle B—Industry-Wide Trade Adjustment Assistance

Sec. 111. Other methods of requesting investigation.

Sec. 112. Notification.

Sec. 113. Industry-wide determination.

Sec. 114. Regulations.

Subtitle C—Training

Sec. 121. Prerequisite education; approved training programs.

Sec. 122. Enrollment period; waivers.

Sec. 123. Temporary employment and on-the-job training accountability.

Sec. 124. Training funds.

Subtitle D—Health Coverage Improvement

Sec. 131. Short title.

Sec. 132. Modifications relating to credit for health insurance costs of certain
TAA and PBGC pension recipients.

Sec. 133. TAA recipients not enrolled in training programs eligible for credit.

Sec. 134. Alignment of COBRA coverage with TAA period for TAA-eligible in-
dividuals.

Sec. 135. Notice requirements.

Sec. 136. Annual report on enhanced TAA benefits.

Subtitle E—Wage Insurance

Sec. 151. Wage insurance.

Subtitle F—Other Trade Adjustment Assistance Matters

Sec. 161. Calculation of eligibility period for allowance to accommodate ex-
tended training, allowable breaks in training, litigation, and
military service.

Sec. 162. Job search and relocation allowances.

Sec. 163. Certification of submissions; transparency.

- Sec. 164. Establishment of the Office of the Ombudsman for the Trade Adjustment Assistance program.
- Sec. 165. Data collection; information to workers.
- Sec. 166. Pilot program for distribution of information to workers.
- Sec. 167. Agreements with States.
- Sec. 168. Technical and conforming amendments.
- Sec. 169. Extension of authorization of trade adjustment assistance for workers.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

- Sec. 201. Purpose.
- Sec. 202. Trade Adjustment Assistance for communities.
- Sec. 203. Conforming amendments.
- Sec. 204. Effective date.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

- Sec. 301. Trade adjustment assistance for firms.
- Sec. 302. Extension of authorization of trade adjustment assistance for firms.

TITLE IV—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

- Sec. 401. Extension of authorization of trade adjustment assistance for farmers.

1 **TITLE I—TRADE ADJUSTMENT**
 2 **ASSISTANCE FOR WORKERS**
 3 **Subtitle A—Trade Adjustment As-**
 4 **sistance for Services Sector;**
 5 **Shifts in Production Overseas**

6 **SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE**
 7 **TO SERVICES SECTOR; SHIFTS IN PRODUC-**
 8 **TION.**

9 (a) ADJUSTMENT ASSISTANCE FOR WORKERS.—Sec-
 10 tion 221(a)(1)(A) of the Trade Act of 1974 (19 U.S.C.
 11 2271(a)(1)(A)) is amended by striking “firm)” and insert-
 12 ing “firm, and workers in a service sector firm or subdivi-
 13 sion of a service sector firm, or public agency)”.

1 (b) GROUP ELIGIBILITY REQUIREMENTS; SERVICE
2 WORKERS; SHIFTS IN PRODUCTION.—Section 222 of the
3 Trade Act of 1974 (19 U.S.C. 2272) is amended—

4 (1) in subsection (a)—

5 (A) in the matter preceding paragraph (1),
6 by striking “agricultural firm)” and inserting
7 “agricultural firm, and workers in a service sec-
8 tor firm or subdivision of a service sector firm,
9 or public agency)”;

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

12 (C) in paragraph (2)—

13 (i) in subparagraph (A)(ii), by strik-
14 ing “like or directly competitive with arti-
15 cles produced” and inserting “or services
16 like or directly competitive with articles
17 produced or services provided”; and

18 (ii) by striking subparagraph (B) and
19 inserting the following:

20 “(B)(i) there has been a shift, by such
21 workers’ firm, subdivision, or public agency to
22 a foreign country, of production of articles, or
23 in provision of services, like or directly competi-
24 tive with articles which are produced, or serv-

1 ices which are provided by such firm, subdivi-
2 sion, or public agency; or

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

6 (2) in subsection (b)—

7 (A) in the matter preceding paragraph (1),
8 by striking “agricultural firm)” and inserting
9 “agricultural firm, and workers in a service sec-
10 tor firm or subdivision of a service sector firm,
11 or public agency)”;

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

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

16 (3) in subsection (c)—

17 (A) in paragraph (3)—

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

20 (ii) by striking “or finishing” and in-
21 serting “, finishing, testing, packaging, or
22 maintenance or transportation services”;

23 (iii) by inserting “or services” after
24 “for articles”;

1 (iv) by inserting “(or subdivision)”
2 after “such other firm”; and

3 (v) by striking “, if the certification of
4 eligibility” and all that follows through
5 “Canada or Mexico”; and

6 (B) in paragraph (4)—

7 (i) by striking “for articles” and in-
8 serting “, or services, used in the produc-
9 tion of articles or in the provision of serv-
10 ices”; and

11 (ii) by inserting “(or subdivision)”
12 after “such other firm”; and

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

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

15 “(1) INCREASED IMPORTS.—For purposes of
16 subsection (a)(2)(A)(ii), the Secretary may deter-
17 mine that increased imports of like or directly com-
18 petitive articles or services exist if the workers’ firm
19 or subdivision, or customers of the workers’ firm or
20 subdivision accounting for not less than 20 percent
21 of the sales of the workers’ firm or subdivision, cer-
22 tify to the Secretary that such customers are obtain-
23 ing such articles or services from a foreign country.

24 “(2) OBTAINING SERVICES ABROAD.—For pur-
25 poses of subsection (a)(2)(B)(ii), the Secretary may

1 determine that the workers' firm, subdivision, or
2 public agency has obtained or is likely to obtain like
3 or directly competitive services from a foreign coun-
4 try based on a certification thereof from the work-
5 ers' firm, subdivision, or public agency.

6 “(3) AUTHORITY OF THE SECRETARY.—The
7 Secretary may obtain the certifications under para-
8 graphs (1) and (2) through questionnaires or in
9 such other manner as the Secretary determines is
10 appropriate.

11 “(e) ADDITIONAL INFORMATION.—In determining
12 whether to certify a group of workers under subsection
13 (a) or (b) pursuant to a petition filed under section 221,
14 the Secretary should confirm information furnished in the
15 petition and elicit other relevant information by con-
16 tacting—

17 “(1) officials of firms and unions;

18 “(2) employees and any other persons;

19 “(3) Federal and State agencies; and

20 “(4) public and private organizations.”.

21 (c) DEFINITIONS.—Section 247 of the Trade Act of
22 1974 (19 U.S.C. 2319) is amended—

23 (1) in paragraph (1)—

24 (A) by inserting “or public agency” after

25 “of a firm”; and

1 (B) by inserting “or public agency” after
2 “or subdivision”;

3 (2) in paragraph (2)(B), by inserting “or public
4 agency” after “the firm”;

5 (3) by redesignating paragraphs (8) through
6 (17) as paragraphs (9) through (18), respectively;
7 and

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

10 “(7) The term ‘public agency’ means a depart-
11 ment or agency of a State or local government or of
12 the Federal Government.

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

16 **SEC. 102. MONITORING AND REPORTING.**

17 Section 282 of the Trade Act of 1974 (19 U.S.C.
18 2393) is amended—

19 (1) in the first sentence—

20 (A) by striking “The Secretary” and in-
21 serting the following:

22 “(a) MONITORING PROGRAMS.—The Secretary”;

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

1 (C) by inserting “and domestic provision of
2 services” after “domestic production”;

3 (D) by inserting “or providing services”
4 after “producing articles”; and

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

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

8 “(b) COLLECTION OF DATA AND REPORTS ON SERV-
9 ICE SECTOR.—

10 “(1) SECRETARY OF LABOR.—Not later than
11 90 days after the date of the enactment of the Trade
12 Adjustment Assistance Improvement Act, the Sec-
13 retary of Labor shall implement a system to collect
14 data on adversely affected service workers that in-
15 cludes the number of workers by State, industry,
16 and cause of dislocation of each worker.

17 “(2) SECRETARY OF COMMERCE.—Not later
18 than 180 days after such date of enactment, the
19 Secretary of Commerce shall, in consultation with
20 the Secretary of Labor, conduct a study and report
21 to Congress on ways to improve the timeliness and
22 coverage of data on trade in services, including
23 methods to identify increased imports due to the re-
24 location of United States firms to foreign countries,

1 and increased imports due to United States firms
2 obtaining services from firms in foreign countries.”.

3 **SEC. 103. EFFECTIVE DATE.**

4 The amendments made by this subtitle shall take ef-
5 fect on the date that is 90 days after the date of the enact-
6 ment of this Act.

7 **Subtitle B—Industry-Wide Trade**
8 **Adjustment Assistance**

9 **SEC. 111. OTHER METHODS OF REQUESTING INVESTIGA-**
10 **TION.**

11 Section 221 of the Trade Act of 1974 (19 U.S.C.
12 2271) is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (2), by inserting “or a
15 request or resolution filed under subsection
16 (c),” after “paragraph (1),”; and

17 (B) in paragraph (3), by inserting “, re-
18 quest, or resolution” after “petition” each place
19 it appears; and

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

21 “(c) OTHER METHODS OF INITIATING A PETITION.—

22 Upon the request of the President or the United States
23 Trade Representative, or the resolution of either the Com-
24 mittee on Finance of the Senate or the Committee on
25 Ways and Means of the House of Representatives, the

1 Secretary shall promptly initiate an investigation under
2 this chapter to determine the eligibility for adjustment as-
3 sistance of—

4 “(1) a group of workers (which may include
5 workers from more than one facility or employer); or

6 “(2) all workers in an occupation as that occu-
7 pation is defined in the Bureau of Labor Statistics
8 Standard Occupational Classification System.”.

9 **SEC. 112. NOTIFICATION.**

10 Section 224 of the Trade Act of 1974 (19 U.S.C.
11 2274) is amended to read as follows:

12 **“SEC. 224. NOTIFICATIONS REGARDING AFFIRMATIVE DE-**
13 **TERMINATIONS AND SAFEGUARDS.**

14 “(a) NOTIFICATIONS REGARDING CHAPTER 1 INVES-
15 TIGATIONS AND DETERMINATIONS.—Whenever the Inter-
16 national Trade Commission makes a report under section
17 202(f) containing an affirmative finding regarding serious
18 injury, or the threat thereof, to a domestic industry, the
19 Commission shall immediately—

20 “(1) notify the Secretary of Labor of that find-
21 ing; and

22 “(2) in the case of a finding with respect to an
23 agricultural commodity, as defined in section 291,
24 notify the Secretary of Agriculture of that finding.

1 “(b) NOTIFICATION REGARDING BILATERAL SAFE-
2 GUARDS.—The International Trade Commission shall im-
3 mediately notify the Secretary of Labor and, in an inves-
4 tigation with respect to an agricultural commodity, the
5 Secretary of Agriculture, whenever the Commission makes
6 an affirmative determination pursuant to one of the fol-
7 lowing provisions:

8 “(1) Section 421 of this Act.

9 “(2) Section 312 of the United States-Australia
10 Free Trade Agreement Implementation Act (19
11 U.S.C. 3805 note).

12 “(3) Section 312 of the United States-Morocco
13 Free Trade Agreement Implementation Act (19
14 U.S.C. 3805 note).

15 “(4) Section 312 of the United States-Singapore
16 Free Trade Agreement Implementation Act (19
17 U.S.C. 3805 note).

18 “(5) Section 312 of the United States-Chile
19 Free Trade Agreement Implementation Act (19
20 U.S.C. 3805 note).

21 “(6) Section 302(b) of the North American
22 Free Trade Agreement Implementation Act (19
23 U.S.C. 3352(b)).

1 “(7) Section 212 of the United States-Jordan
2 Free Trade Area Implementation Act (19 U.S.C.
3 2112 note).

4 “(8) Section 312 of the Dominican Republic-
5 Central America-United States Free Trade Agree-
6 ment Implementation Act (19 U.S.C. 4062).

7 “(9) Section 312 of the United States-Bahrain
8 Free Trade Agreement Implementation Act (19
9 U.S.C. 3805 note).

10 “(10) Section 312 of the United States-Oman
11 Free Trade Agreement Implementation Act (19
12 U.S.C. 3805 note).

13 “(c) AGRICULTURAL SAFEGUARDS.—The Commis-
14 sioner of U.S. Customs and Border Protection of the De-
15 partment of Homeland Security shall immediately notify
16 the Secretary of Labor and, in the case of an agricultural
17 commodity, the Secretary of Agriculture, whenever the
18 Commissioner assesses additional duties on a product pur-
19 suant to one of the following provisions:

20 “(1) Section 202 of the United States-Australia
21 Free Trade Agreement Implementation Act (19
22 U.S.C. 3805 note).

23 “(2) Section 202 of the United States-Morocco
24 Free Trade Agreement Implementation Act (19
25 U.S.C. 3805 note).

1 “(3) Section 201(c) of the United States-Chile
2 Free Trade Agreement Implementation Act (19
3 U.S.C. 3805 note).

4 “(4) Section 309 of the North American Free
5 Trade Agreement Implementation Act (19 U.S.C.
6 3358).

7 “(5) Section 301(a) of the United States-Can-
8 ada Free Trade Agreement Implementation Act of
9 1988 (19 U.S.C. 2112 note).

10 “(6) Section 404 of the United States-Israel
11 Free Trade Area Implementation Act of 1985 (19
12 U.S.C. 2112 note).

13 “(7) Section 202 of the Dominican Republic-
14 Central America-United States Free Trade Agree-
15 ment Implementation Act (19 U.S.C. 4032).

16 “(d) TEXTILE SAFEGUARDS.—The President shall
17 immediately notify the Secretary of Labor whenever the
18 President makes a positive determination pursuant to one
19 of the following provisions:

20 “(1) Section 322 of the United States-Australia
21 Free Trade Agreement Implementation Act (19
22 U.S.C. 3805 note).

23 “(2) Section 322 of the United States-Morocco
24 Free Trade Agreement Implementation Act (19
25 U.S.C. 3805 note).

1 “(3) Section 322 of the United States-Chile
2 Free Trade Agreement Implementation Act (19
3 U.S.C. 3805 note).

4 “(4) Section 322 of the United States-Singapore
5 Free Trade Agreement Implementation Act (19
6 U.S.C. 3805 note).

7 “(5) Section 322 of the Dominican Republic-
8 Central America-United States Free Trade Agree-
9 ment Implementation Act (19 U.S.C. 4082).

10 “(6) Section 322 of the United States-Bahrain
11 Free Trade Agreement Implementation Act (19
12 U.S.C. 3805 note).

13 “(7) Section 322 of the United States-Oman
14 Free Trade Agreement Implementation Act (19
15 U.S.C. 3805 note).

16 “(e) ANTIDUMPING AND COUNTERVAILING DU-
17 TIES.—Whenever the International Trade Commission
18 makes a final affirmative determination pursuant to sec-
19 tion 705 or 735 of the Tariff Act of 1930 (19 U.S.C.
20 1671d and 1673d), the Commission shall immediately no-
21 tify the Secretary of Labor and, in the case of an agricul-
22 tural commodity, the Secretary of Agriculture, of that de-
23 termination.”.

1 **SEC. 113. INDUSTRY-WIDE DETERMINATION.**

2 Section 223 of the Trade Act of 1974 (19 U.S.C.
3 2273) is amended by adding at the end the following:

4 “(e) DETERMINATION REGARDING INDUSTRY-WIDE
5 CERTIFICATION.—

6 “(1) DETERMINATION.—If the Secretary re-
7 ceives a request or a resolution under section 221(c)
8 on behalf of workers in a domestic industry or occu-
9 pation (described in section 221(c)(2)) or certifies 3
10 or more petitions under section 221(a) within a 180-
11 day period on behalf of groups of workers in a do-
12 mestic industry or occupation, the Secretary shall—

13 “(A) make a determination, under sub-
14 section (a), of the eligibility of all adversely af-
15 fected workers in that domestic industry or oc-
16 cupation; or

17 “(B) make a determination, under sub-
18 section (a), of the eligibility of all adversely af-
19 fected workers in that domestic industry or oc-
20 cupation who are located in one or more States
21 or regions of the United States.

22 “(2) PUBLICATION.—Upon making a deter-
23 mination of the eligibility for adjustment assistance
24 under this chapter of a group of workers or all work-
25 ers in an industry or occupation under paragraph
26 (1), the Secretary shall—

1 “(A) notify each State in which the work-
2 ers are located of the determination; and

3 “(B) promptly publish a summary of the
4 determination, together with a summary of the
5 basis for the determination, in the Federal Reg-
6 ister and on the website of the Department of
7 Labor.”.

8 **SEC. 114. REGULATIONS.**

9 The Secretary of Labor may promulgate such regula-
10 tions as may be necessary to carry out the amendments
11 made by this subtitle.

12 **Subtitle C—Training**

13 **SEC. 121. PREREQUISITE EDUCATION; APPROVED TRAIN-**
14 **ING PROGRAMS.**

15 (a) IN GENERAL.—Section 236(a)(5) of the Trade
16 Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—

17 (1) by redesignating subparagraphs (E) and
18 (F) as subparagraphs (F) and (G), respectively;

19 (2) by inserting after subparagraph (D) the fol-
20 lowing:

21 “(E) any program of prerequisite education or
22 coursework required to enroll in training that may
23 be approved under this section,”;

24 (3) in subparagraph (F)(ii), as redesignated by
25 paragraph (1), by striking “and” at the end;

1 (4) in subparagraph (G), as redesignated by
2 paragraph (1), by striking the period at the end and
3 inserting “, and”; and

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

5 “(H) any training program or coursework at an
6 accredited institution of higher education (as defined
7 in section 101(a) of the Higher Education Act of
8 1965) if there is a reasonable expectation of reem-
9 ployment upon completion of the training program
10 or coursework, including a training program or
11 coursework for the purpose of—

12 “(i) obtaining a degree or certification; or

13 “(ii) completing a degree or certification
14 that the worker had previously begun at an ac-
15 credited institution of higher education.”.

16 (b) CONFORMING AMENDMENTS.—Section 233 of the
17 Trade Act of 1974 (19 U.S.C. 2293) is amended—

18 (1) in subsection (a)(2), by inserting “pre-
19 requisite education or” after “requires a program
20 of”; and

21 (2) in subsection (g), by inserting “prerequisite
22 education or” after “includes a program of”.

23 **SEC. 122. ENROLLMENT PERIOD; WAIVERS.**

24 (a) IN GENERAL.—Section 231 of the Trade Act of
25 1974 (19 U.S.C. 2291) is amended—

1 (1) in subsection (a)(5)(A)(ii)—

2 (A) in subclause (I), by striking “16th”
3 and inserting “26th”; and

4 (B) in subclause (II), by striking “8th”
5 and inserting “26th”; and

6 (2) in subsection (c)(1), by adding at the end
7 the following:

8 “(G) ADVANCED DEGREE OR CERTIFI-
9 CATION.—The worker possesses a postgraduate
10 degree from an institution of higher education
11 (as defined in section 101(a) of the Higher
12 Education Act of 1965) and there is a reason-
13 able expectation of reemployment.

14 “(H) ADMINISTRATIVE ERROR.—The
15 worker did not enroll in training before the date
16 described in subsection (a)(5) as a result of an
17 administrative error made by a State.”.

18 (b) CONFORMING AMENDMENT.—Section 233(b) of
19 the Trade Act of 1974 (19 U.S.C. 2293(b)) is amended
20 by striking “within 210 days after the date of the worker’s
21 first certification” and all that follows through the end
22 period and inserting “in accordance with section
23 231(a)(5).”.

1 **SEC. 123. TEMPORARY EMPLOYMENT AND ON-THE-JOB**
2 **TRAINING ACCOUNTABILITY.**

3 Section 236(d) of the Trade Act of 1974 (19 U.S.C.
4 2296(d)) is amended to read as follows:

5 “(d) ELIGIBILITY.—

6 “(1) IN GENERAL.—A worker may not be deter-
7 mined to be ineligible or disqualified for unemploy-
8 ment insurance or benefits under this subchapter—

9 “(A) because the worker—

10 “(i) is in training approved under sub-
11 section (a);

12 “(ii) left work that was not suitable
13 employment to enter such training;

14 “(iii) left work that the worker en-
15 gaged in on a temporary basis during a
16 break in such training or a delay in the
17 commencement of such training;

18 “(iv) left or refused on-the-job train-
19 ing that was not suitable on-the-job train-
20 ing; or

21 “(v) refused on-the-job training to at-
22 tend a classroom training course approved
23 under subsection (a); or

24 “(B) because the provisions of State law or
25 Federal unemployment insurance law relating
26 to availability for work, active search for work,

1 or refusal to accept work apply to a week of
2 training approved under subsection (a).

3 “(2) ELECTION OF TRADE READJUSTMENT AL-
4 LOWANCE OVER UNEMPLOYMENT INSURANCE.—A
5 worker may elect to receive benefits under this sub-
6 chapter instead of receiving unemployment insurance
7 if—

8 “(A) the worker leaves work that the work-
9 er engaged in on a temporary basis during a
10 break in training, as described in paragraph
11 (1)(A)(iii);

12 “(B) the worker is eligible for benefits
13 under this subchapter for which the worker was
14 eligible before engaging in such work; and

15 “(C) the worker is eligible for unemploy-
16 ment insurance based on leaving such work.

17 “(3) SUITABLE ON-THE-JOB TRAINING.—For
18 purposes of this subsection, the term ‘suitable on-
19 the-job training’ means on-the-job training—

20 “(A) that can reasonably be expected to
21 lead to suitable employment;

22 “(B) that is compatible with the skills of
23 the worker;

24 “(C) that—

1 “(i) involves a curriculum through
2 which the worker learns the skills nec-
3 essary for the job for which the worker is
4 being trained; and

5 “(ii) can be measured by benchmarks
6 that indicate that the worker is learning
7 such skills; and

8 “(D) that is certified by the State as an
9 on-the-job training program that meets the re-
10 quirements of subparagraph (C).”.

11 **SEC. 124. TRAINING FUNDS.**

12 Section 236(a)(2) of the Trade Act of 1974 (19
13 U.S.C. 2296(a)(2)) is amended to read as follows:

14 “(2) TOTAL PAYMENTS; ALLOCATION OF PAY-
15 MENTS.—

16 “(A) TOTAL PAYMENTS FOR FISCAL YEAR
17 2008 AND SUCCEEDING FISCAL YEARS.—

18 “(i) FISCAL YEAR 2008.—The total
19 amount of payments that may be made
20 under paragraph (1) for fiscal year 2008
21 shall not exceed \$440,000,000.

22 “(ii) FISCAL YEAR 2009 AND SUC-
23 CEEDING FISCAL YEARS.—The following
24 shall apply to fiscal year 2009 and each
25 fiscal year thereafter:

1 “(I) IN GENERAL.—The amount
2 of the total payments that may be
3 made for a fiscal year shall be 110
4 percent of the total payments author-
5 ized to be made for the preceding fis-
6 cal year, if during the preceding fiscal
7 year the total amount obligated or ex-
8 pended by States was equivalent to 90
9 percent or more of the total payments
10 authorized to be made for such pre-
11 ceding fiscal year.

12 “(II) EXCEPTION.—The amount
13 of the total payments that may be
14 made for a fiscal year shall be 100
15 percent of the total payments author-
16 ized to be made for the preceding fis-
17 cal year, if during the preceding fiscal
18 year the total amount obligated or ex-
19 pended by States was equivalent to
20 less than 90 percent of the total pay-
21 ments authorized to be made for such
22 preceding fiscal year.

23 “(B) ALLOCATION OF TOTAL PAYMENTS.—

24 “(i) PLAN AND RULEMAKING.—

1 “(I) PLAN.—Not later than 90
2 days after the date of the enactment
3 of the Trade Adjustment Assistance
4 Improvement Act, the Secretary shall
5 submit to Congress a plan—

6 “(aa) for allocating and dis-
7 bursing payments among States
8 in a manner that takes into ac-
9 count—

10 “(AA) historic trends in
11 the number of workers cov-
12 ered by certifications under
13 this chapter in each State,
14 including the most recent 6-
15 month period for which data
16 are available;

17 “(BB) historic trends
18 in the number of workers
19 enrolled in training under
20 this section in each State,
21 including the most recent 6-
22 month period for which data
23 are available;

24 “(CC) the obligations of
25 States to make payments

1 with respect to training
2 under this section for work-
3 ers in the following fiscal
4 year; and

5 “(DD) the ability of
6 States to respond to unan-
7 ticipated demands for train-
8 ing under this section; and

9 “(bb) for ensuring that
10 States collect and report accurate
11 information on the trends, obliga-
12 tions, and demands described in
13 subclause (I).

14 “(II) RULEMAKING.—

15 “(aa) IN GENERAL.—The
16 Secretary shall prescribe regula-
17 tions, pursuant to section 553 of
18 title 5, United States Code, to
19 carry out the plan required by
20 subclause (I).

21 “(bb) TIMING OF RULE-
22 MAKING.—The Secretary shall
23 issue the notice of proposed rule-
24 making with respect to the regu-
25 lations required by item (aa) not

1 earlier than the date that is 90
2 days after the date on which the
3 Secretary submits the plan under
4 subclause (I).

5 “(ii) DISTRIBUTION OF REMAINING
6 FUNDS.—If, in any fiscal year, the Sec-
7 retary does not distribute all of the funds
8 authorized for payments under subpara-
9 graph (A), the Secretary shall distribute
10 the remaining funds in a manner to be de-
11 termined by the Secretary—

12 “(I) to any State that requests
13 the distribution of such funds and
14 has—

15 “(aa) expended more than
16 50 percent of the funds already
17 distributed; or

18 “(bb) obligated more than
19 75 percent of the funds already
20 distributed; and

21 “(II) to any State that the Sec-
22 retary determines needs additional
23 funds.

24 “(iii) ALLOCATION OF PAYMENTS IF
25 COSTS ESTIMATED TO EXCEED TOTAL PAY-

1 MENTS.—If, during a fiscal year, the Sec-
2 retary estimates that the amount of funds
3 necessary to pay the costs of training ap-
4 proved under this section will exceed the
5 amount of limitations imposed under sub-
6 paragraph (A), the Secretary shall decide
7 how the portion of such limitations that
8 has not been expended at the time of such
9 estimate is to be apportioned among the
10 States for the remainder of such fiscal
11 year.

12 “(C) USE OF TRAINING FUNDS FOR CASE-
13 WORKER SERVICES.—Notwithstanding any
14 other provision of law, a State may expend not
15 more than 5 percent of the funds allocated to
16 the State in a fiscal year for the costs of train-
17 ing approved under this section to provide serv-
18 ices related to benefits under this chapter.

19 “(D) REPORT.—Not later than 90 days
20 after the date of the enactment of the Trade
21 Adjustment Assistance Improvement Act, and
22 every 90 days thereafter, the Secretary shall
23 submit to the Committee on Finance of the
24 Senate and the Committee on Ways and Means
25 of the House of Representatives a report on—

1 “(i) the allocation among States of
2 funds for training approved under section
3 236;

4 “(ii) the amount of funds obligated or
5 expended to provide training under sub-
6 section (a), including obligations accrued
7 for the following fiscal year, during the
8 preceding quarter and cumulatively during
9 the fiscal year;

10 “(iii) the demand for such funds an-
11 ticipated for any remaining quarters in the
12 fiscal year; and

13 “(iv) the efforts of the Department of
14 Labor to ensure that each State receives
15 funds sufficient to provide training ap-
16 proved under section 236 to all eligible
17 workers.”.

18 **Subtitle D—Health Coverage**
19 **Improvement**

20 **SEC. 131. SHORT TITLE.**

21 This title may be cited as the “TAA Health Coverage
22 Improvement Act of 2007”.

1 **SEC. 132. MODIFICATIONS RELATING TO CREDIT FOR**
2 **HEALTH INSURANCE COSTS OF CERTAIN TAA**
3 **AND PBGC PENSION RECIPIENTS.**

4 (a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—

5 (1) IN GENERAL.—Subsection (a) of section 35
6 of the Internal Revenue Code of 1986 is amended by
7 striking “65 percent” and inserting “85 percent
8 (100 percent in the case of the taxpayer’s first eligi-
9 ble coverage month)”.

10 (2) CONFORMING AMENDMENT.—Subsection (b)
11 of section 7527 of such Code is amended by striking
12 “65 percent” and inserting “85 percent (100 per-
13 cent in the case of the taxpayer’s first eligible cov-
14 erage month)”.

15 (b) PRESUMPTIVE STATUS AS A TAA RECIPIENT.—

16 (1) IN GENERAL.—Subsection (c) of section 35
17 of such Code is amended by adding at the end the
18 following new paragraph:

19 “(5) PRESUMPTIVE STATUS AS A TAA RECIPI-
20 ENT.—

21 “(A) IN GENERAL.—The term ‘eligible in-
22 dividual’ shall include any individual who is cov-
23 ered by a petition filed with the Secretary of
24 Labor under section 221 of the Trade Act of
25 1974. This paragraph shall apply to any indi-
26 vidual only with respect to months which—

1 “(i) end after the date that such peti-
2 tion is so filed, and

3 “(ii) begin before the earlier of—

4 “**(I)** the end of the 90-day period
5 beginning on the date that such peti-
6 tion is so filed,

7 “**(II)** the date that the Secretary
8 of Labor makes a final determination
9 not to issue a certification with re-
10 spect to such petition, or

11 “**(III)** the beginning of the first
12 month that such individual is an eligi-
13 ble individual without regard to this
14 paragraph.

15 “**(B) EXCEPTION.**—If the Secretary, after
16 consultation with the Secretary of Labor, deter-
17 mines that, at the time of the filing of such pe-
18 tition, there was not reasonable cause to believe
19 that the petition would result in a certification
20 by the Secretary of Labor, with respect to indi-
21 viduals covered by such petition—

22 “(i) subparagraph (A) shall not apply
23 to such individuals, and

24 “(ii) in the case of any such individual
25 on whose behalf a payment is made under

1 section 7527 with respect to a month de-
2 scribed in paragraph (1), the tax imposed
3 under this subtitle for the taxable year of
4 such individual which includes the date of
5 such determination shall be increased by
6 the amount of such payments.”.

7 (2) CONFORMING AMENDMENTS.—

8 (A) Paragraph (1) of section 7527(d) of
9 such Code is amended by striking “or an eligi-
10 ble alternative TAA recipient (as defined in sec-
11 tion 35(c)(3))” and inserting “, an eligible al-
12 ternative TAA recipient (as defined in section
13 35(c)(3)), or an individual who is an eligible in-
14 dividual by reason of section 35(c)(5)”.

15 (B) Section 173(f)(4) of the Workforce In-
16 vestment Act of 1998 (29 U.S.C. 2918(f)(4)) is
17 amended by striking “and” at the end of sub-
18 paragraph (B), by striking the period at the
19 end of subparagraph (C) and inserting “, and”,
20 and by inserting after subparagraph (C) the fol-
21 lowing new subparagraph:

22 “(D) an individual who is an eligible indi-
23 vidual by reason of section 35(c)(5) of the In-
24 ternal Revenue Code of 1986.”.

1 (c) RESTRICTIONS ON INDIVIDUAL MARKET COV-
2 ERAGE.—

3 (1) INDIVIDUAL COVERAGE NOT TREATED AS
4 QUALIFIED HEALTH INSURANCE.—

5 (A) IN GENERAL.—Paragraph (1) of sec-
6 tion 35(e) of such Code is amended by striking
7 subparagraph (J).

8 (B) CONFORMING AMENDMENT.—Subpara-
9 graph (A) of section 173(f)(2) of the Workforce
10 Investment Act of 1998 (29 U.S.C. 2918(f)(2))
11 is amended by striking clause (x).

12 (2) RATING SYSTEM REQUIREMENT FOR CER-
13 TAIN STATE-BASED COVERAGE.—

14 (A) IN GENERAL.—Subparagraph (A) of
15 section 35(e)(2) of such Code is amended by
16 adding at the end the following new clause:

17 “(v) RATING SYSTEM REQUIRE-
18 MENT.—In the case of coverage described
19 in paragraph (1)(F)(ii), the premiums for
20 such coverage are restricted based on a
21 community rating system or based on a
22 rate-band system under which the max-
23 imum rate which may be charged does not
24 exceed 150 percent of the standard rate.”.

1 (B) CONFORMING AMENDMENT.—Clause
2 (i) of section 173(f)(2)(B) of the Workforce In-
3 vestment Act of 1998 (29 U.S.C.
4 2918(f)(2)(B)) is amended by adding at the
5 end the following new subclause:

6 “(V) RATING SYSTEM REQUIRE-
7 MENT.—In the case of coverage de-
8 scribed in subparagraph (A)(vi)(II),
9 the premiums for such coverage are
10 restricted based on a community rat-
11 ing system or based on a rate-band
12 system under which the maximum
13 rate which may be charged does not
14 exceed 150 percent of the standard
15 rate.”.

16 (d) MODIFICATION OF CREDITABLE COVERAGE RE-
17 QUIREMENT.—

18 (1) IN GENERAL.—Subparagraph (B) of section
19 35(e)(2) of such Code is amended to read as follows:

20 “(B) QUALIFYING INDIVIDUAL.—For pur-
21 poses of this paragraph, the term ‘qualifying in-
22 dividual’ means an eligible individual and the
23 qualifying family members of such individual if
24 such individual meets the requirements of

1 clauses (iii) and (iv) of subsection (b)(1)(A)
2 and—

3 “(i) in the case of an eligible TAA re-
4 cipient, an eligible alternative TAA recipi-
5 ent, or an individual who is an eligible in-
6 dividual by reason of subsection (c)(5), has
7 (as of the date on which the individual
8 seeks to enroll in the coverage described in
9 subparagraphs (B) through (H) of para-
10 graph (1)) a period of creditable coverage
11 (as defined in section 9801(c)), or

12 “(ii) in the case of an eligible PBGC
13 pension recipient, enrolls in such coverage
14 during the 90-day period beginning on the
15 later of—

16 “(I) the last day of the first
17 month with respect to which such re-
18 cipient becomes an eligible PBGC
19 pension recipient, or

20 “(II) the date of the enactment
21 of the Trade Adjustment Assistance
22 Improvement Act.”.

23 (2) CONFORMING AMENDMENT.—Clause (ii) of
24 section 172(f)(2)(B) of the Workforce Investment

1 Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended
2 to read as follows:

3 “(ii) QUALIFYING INDIVIDUAL.—For
4 purposes of this subparagraph, the term
5 ‘qualifying individual’ means an eligible in-
6 dividual and the qualifying family members
7 of such individual if such individual meets
8 the requirements of clauses (iii) and (iv) of
9 section 35(b)(1)(A) of the Internal Rev-
10 enue Code of 1986 and—

11 “(I) in the case of an eligible
12 TAA recipient, an eligible alternative
13 TAA recipient, or an individual who is
14 an eligible individual by reason of sec-
15 tion 35(c)(5) of such Code, has (as of
16 the date on which the individual seeks
17 to enroll in the coverage described in
18 clauses (ii) through (viii) of subpara-
19 graph (A)) a period of creditable cov-
20 erage (as defined in section 9801(c) of
21 such Code), or

22 “(II) in the case of an eligible
23 PBGC pension recipient, enrolls in
24 such coverage during the 90-day pe-
25 riod beginning on the later of—

1 “(aa) the last day of the
2 first month with respect to which
3 such recipient becomes an eligible
4 PBGC pension recipient, or

5 “(bb) the date of the enact-
6 ment of the Trade Adjustment
7 Assistance Improvement Act.”.

8 (3) OUTREACH.—The Secretary of the Treas-
9 ury shall carry out a program to notify individuals
10 prior to their becoming eligible PBGC pension re-
11 cipients (as defined in section 35 of the Internal
12 Revenue Code of 1986) of the requirement of sub-
13 section (e)(2)(B)(ii) of such section.

14 (e) CONTINUED QUALIFICATION OF FAMILY MEM-
15 BERS AFTER CERTAIN EVENTS.—

16 (1) IN GENERAL.—Subsection (g) of section 35
17 of such Code is amended by redesignating paragraph
18 (9) as paragraph (10) and inserting after paragraph
19 (8) the following new paragraph:

20 “(9) CONTINUED QUALIFICATION OF FAMILY
21 MEMBERS AFTER CERTAIN EVENTS.—In the case of
22 a month which would be an eligible coverage month
23 with respect to an eligible individual but for a quali-
24 fying event with respect to such individual (within
25 the meaning of section 4980B(f)(3)), such month

1 shall be treated as an eligible coverage month with
2 respect to any qualifying family member of such eli-
3 gible individual for a period of months not to exceed
4 the period of months described in section
5 4980B(f)(2)(B) with respect to such qualifying
6 event.”.

7 (2) CONFORMING AMENDMENT.—Section 173(f)
8 of the Workforce Investment Act of 1998 (29 U.S.C.
9 2918(f)) is amended by adding at the end the fol-
10 lowing:

11 “(8) CONTINUED QUALIFICATION OF FAMILY
12 MEMBERS AFTER CERTAIN EVENTS.—In the case of
13 a month which would be an eligible coverage month
14 with respect to an eligible individual but for a quali-
15 fying event with respect to such individual (within
16 the meaning of section 4980B(f)(3) of the Internal
17 Revenue Code of 1986), such month shall be treated
18 as an eligible coverage month with respect to any
19 qualifying family member of such eligible individual
20 for a period of months not to exceed the period of
21 months described in section 4980B(f)(2)(B) of such
22 Code with respect to such qualifying event.”.

23 (f) TAA PRE-CERTIFICATION PERIOD RULE FOR
24 PURPOSES OF DETERMINING WHETHER THERE IS A 63-
25 DAY LAPSE IN CREDITABLE COVERAGE.—

1 (1) IRC AMENDMENT.—Section 9801(c)(2) of
2 the Internal Revenue Code of 1986 (relating to not
3 counting periods before significant breaks in cred-
4 itable coverage) is amended by adding at the end the
5 following new subparagraph:

6 “(D) TAA-ELIGIBLE INDIVIDUALS.—

7 “(i) TAA PRE-CERTIFICATION PERIOD
8 RULE.—In the case of a TAA-eligible indi-
9 vidual, the period beginning on the date
10 the individual has a TAA-related loss of
11 coverage and ending on the date which is
12 5 days after the postmark date of the no-
13 tice by the Secretary (or by any person or
14 entity designated by the Secretary) that
15 the individual is eligible for a qualified
16 health insurance costs credit eligibility cer-
17 tificate for purposes of section 7527 shall
18 not be taken into account in determining
19 the continuous period under subparagraph
20 (A).

21 “(ii) DEFINITIONS.—The terms ‘TAA-
22 eligible individual’, and ‘TAA-related loss
23 of coverage’ have the meanings given such
24 terms in section 4980B(f)(5)(C)(iv).”.

1 (2) ERISA AMENDMENT.—Section 701(c)(2) of
2 the Employee Retirement Income Security Act of
3 1974 (29 U.S.C. 1181(c)(2)) is amended by adding
4 at the end the following new subparagraph:

5 “(C) TAA-ELIGIBLE INDIVIDUALS.—

6 “(i) TAA PRE-CERTIFICATION PERIOD
7 RULE.—In the case of a TAA-eligible indi-
8 vidual, the period beginning on the date
9 the individual has a TAA-related loss of
10 coverage and ending on the date that is 5
11 days after the postmark date of the notice
12 by the Secretary (or by any person or enti-
13 ty designated by the Secretary) that the
14 individual is eligible for a qualified health
15 insurance costs credit eligibility certificate
16 for purposes of section 7527 of the Inter-
17 nal Revenue Code of 1986 shall not be
18 taken into account in determining the con-
19 tinuous period under subparagraph (A).

20 “(ii) DEFINITIONS.—The terms ‘TAA-
21 eligible individual’, and ‘TAA-related loss
22 of coverage’ have the meanings given such
23 terms in section 605(b)(4)(c).”.

24 (3) PHSA AMENDMENT.—Section 2701(c)(2)
25 of the Public Health Service Act (42 U.S.C.

1 300gg(c)(2)) is amended by adding at the end the
2 following new subparagraph:

3 “(C) TAA-ELIGIBLE INDIVIDUALS.—

4 “(i) TAA PRE-CERTIFICATION PERIOD
5 RULE.—In the case of a TAA-eligible indi-
6 vidual, the period beginning on the date
7 the individual has a TAA-related loss of
8 coverage and ending on the date that is 5
9 days after the postmark date of the notice
10 by the Secretary (or by any person or enti-
11 ty designated by the Secretary) that the
12 individual is eligible for a qualified health
13 insurance costs credit eligibility certificate
14 for purposes of section 7527 of the Inter-
15 nal Revenue Code of 1986 shall not be
16 taken into account in determining the con-
17 tinuous period under subparagraph (A).

18 “(ii) DEFINITIONS.—The terms ‘TAA-
19 eligible individual’, and ‘TAA-related loss
20 of coverage’ have the meanings given such
21 terms in section 2205(b)(4)(c).”.

22 (g) OFFERING OF NATIONAL FALLBACK COV-
23 ERAGE.—

24 (1) PROVISION OF FALLBACK COVERAGE.—The
25 Director of the Office of Personnel Management

1 jointly with the Secretary of the Treasury shall es-
2 tablish a program under which eligible individuals
3 (as defined in section 35(c) of the Internal Revenue
4 Code of 1986) are offered enrollment under health
5 benefit plans that are made available under
6 FEHBP.

7 (2) TERMS AND CONDITIONS.—The terms and
8 conditions of health benefits plans under paragraph
9 (1) shall be the same as the terms and coverage of-
10 fered under FEHBP, except that the premium
11 charged for such health benefit plans offered under
12 such paragraph—

13 (A) shall be equal to the full premium (in-
14 cluding both employer and beneficiary share)
15 charged for such coverage determined in the
16 same manner, subject to subparagraph (B), it
17 is determined for full-time employees; and

18 (B) shall be determined for the pool of in-
19 dividuals covered under this subsection, sepa-
20 rately from the pool of individuals otherwise
21 covered under FEHBP.

22 (3) STUDY.—The Director of the Office of Per-
23 sonnel Management jointly with the Secretary of the
24 Treasury shall conduct a study of the impact of the
25 offering of health benefit plans under this subsection

1 on the terms and conditions, including premiums,
2 for health benefit plans offered under FEHBP and
3 shall submit to Congress, not later than 2 years
4 after the date of the enactment of this Act, a report
5 on such study. Such report may contain such rec-
6 ommendations regarding the establishment of sepa-
7 rate risk pools for individuals covered under
8 FEHBP and eligible individuals covered this sub-
9 section as may be appropriate to protect the inter-
10 ests of individuals covered under FEHBP.

11 (4) FEHBP DEFINED.—For purposes of this
12 subsection, the term “FEHBP” means the Federal
13 Employees Health Benefits Program offered under
14 chapter 89 of title 5, United States Code.

15 (5) CONFORMING AMENDMENTS.—

16 (A) Paragraph (1) of section 35(e) of the
17 Internal Revenue Code of 1986 is amended by
18 adding at the end the following:

19 “(K) Coverage under a health benefits plan
20 offered under section 17(g) of the Trade Ad-
21 justment Assistance Improvement Act.”.

22 (B) Section 173(f)(2)(A) of the Workforce
23 Investment Act of 1998 (29 U.S.C.
24 2918(f)(2)(A)) is amended by adding at the end
25 the following new clause:

1 “(xi) Coverage under a health benefits
2 plan offered under section 17(g) of the
3 Trade Adjustment Assistance Improvement
4 Act.”.

5 (h) REPORT TO CONGRESS.—Not later than 18
6 months after the date of the enactment of this Act, the
7 Secretary of the Treasury shall transmit to the Congress
8 a report which includes the recommendations of the Sec-
9 retary regarding increasing the number eligible individuals
10 who are covered by qualified health insurance, including
11 increasing such number by increasing the credit subsidy
12 under section 35 of the Internal Revenue Code of 1986
13 to make the premiums for such insurance more affordable.
14 Terms used in this subsection which are defined in such
15 section shall have the meaning given such terms by such
16 section.

17 (i) EFFECTIVE DATE.—

18 (1) IN GENERAL.—Except as provided in para-
19 graph (2), the amendments made by this section
20 shall apply to months beginning after the date of the
21 enactment of this Act in taxable years ending after
22 such date.

23 (2) GRANDFATHERING OF INDIVIDUAL COV-
24 ERAGE RULES FOR CURRENT RECIPIENTS.—The
25 amendments made by subsection (c) shall not apply

1 with respect to any eligible individual (or qualifying
2 family members with respect to such individual) for
3 any month if such individual was an eligible indi-
4 vidual for all previous months which began after the
5 date of the enactment of this Act and was enrolled
6 in coverage described in section 35(e)(1)(J) of such
7 Code (as in effect immediately before the date of the
8 enactment of this Act) for all such previous months.

9 **SEC. 133. TAA RECIPIENTS NOT ENROLLED IN TRAINING**
10 **PROGRAMS ELIGIBLE FOR CREDIT.**

11 (a) **IN GENERAL.**—Paragraph (2) of section 35(c) of
12 the Internal Revenue Code of 1986 (defining eligible TAA
13 recipient) is amended by inserting “or (a)(5)” after “sub-
14 section (a)(3)(B)”.

15 (b) **EFFECTIVE DATE.**—The amendment made by
16 this section shall apply to months beginning after the date
17 of the enactment of this Act in taxable years ending after
18 such date.

19 **SEC. 134. ALIGNMENT OF COBRA COVERAGE WITH TAA PE-**
20 **RIOD FOR TAA-ELIGIBLE INDIVIDUALS.**

21 (a) **INTERNAL REVENUE CODE OF 1986.**—Section
22 4980B(f)(5)(C) of the Internal Revenue Code of 1986 is
23 amended—

24 (1) in the subparagraph heading, by inserting
25 “AND COVERAGE” after “ELECTION”; and

1 (2) in clause (ii)—

2 (A) in the clause heading, by inserting
3 “AND PERIOD” after “COMMENCEMENT”; and

4 (B) by adding at the end the following new
5 sentence: “In no event shall the maximum pe-
6 riod required under paragraph (2)(B)(i) with
7 respect to such continuation coverage be less
8 than the period during which the individual is
9 a TAA-eligible individual.”.

10 (b) ERISA.—Section 605(b) of the Employee Retire-
11 ment Income Security Act of 1974 (29 U.S.C. 1165(b))
12 is amended—

13 (1) in the subsection heading, by inserting
14 “AND COVERAGE” after “ELECTION”; and

15 (2) in paragraph (2)—

16 (A) in the paragraph heading, by inserting
17 “AND PERIOD” after “COMMENCEMENT”; and

18 (B) by adding at the end the following new
19 sentence: “In no event shall the maximum pe-
20 riod required under section 602(2)(A) with re-
21 spect to such continuation coverage be less than
22 the period during which the individual is a
23 TAA-eligible individual.”.

1 (c) PUBLIC HEALTH SERVICE ACT.—Section
2 2205(b) of the Public Health Service Act (42 U.S.C.
3 300bb–5(b)) is amended—

4 (1) in the subsection heading, by inserting
5 “AND COVERAGE” after “ELECTION”; and

6 (2) in paragraph (2)—

7 (A) in the paragraph heading, by inserting
8 “AND PERIOD” after “COMMENCEMENT”; and

9 (B) by adding at the end the following new
10 sentence: “In no event shall the maximum pe-
11 riod required under section 2202(2)(A) with re-
12 spect to such continuation coverage be less than
13 the period during which the individual is a
14 TAA-eligible individual.”.

15 **SEC. 135. NOTICE REQUIREMENTS.**

16 Section 7527 of the Internal Revenue Code of 1986
17 (relating to advance payment of credit for health insur-
18 ance costs of eligible individuals), as amended by this Act,
19 is amended by adding at the end the following new sub-
20 section:

21 “(f) INCLUSION OF CERTAIN INFORMATION.—The
22 notice by the Secretary (or by any person or entity des-
23 igned by the Secretary) that an individual is eligible for
24 a qualified health insurance costs credit eligibility certifi-
25 cate shall include—

1 “(1) the name, address, and telephone number
2 of the State office or offices responsible for deter-
3 mining that the individual is eligible for such certifi-
4 cate and for providing the individual with assistance
5 with enrollment in qualified health insurance (as de-
6 fined in section 35(e)),

7 “(2) a list of the coverage options that are
8 treated as qualified health insurance (as so defined)
9 by the State in which the individual resides, and

10 “(3) in the case of a TAA-eligible individual (as
11 defined in section 4980B(f)(5)(C)(iv)(II)), a state-
12 ment informing the individual that the individual
13 has 63 days from the date that is 5 days after the
14 date of such notice to enroll in such insurance with-
15 out a lapse in creditable coverage (as defined in sec-
16 tion 9801(c)).”.

17 **SEC. 136. ANNUAL REPORT ON ENHANCED TAA BENEFITS.**

18 Not later than October 1 of each year (beginning in
19 2008) the Secretary of the Treasury, after consultation
20 with the Secretary of Labor, shall report to the Committee
21 on Finance and the Committee on Health, Education,
22 Labor, and Pensions of the Senate and the Committee on
23 Ways and Means and the Committee on Education and
24 Labor of the House of Representatives the following infor-

1 mation with respect to the most recent taxable year ending
2 before such date:

3 (1) The total number of participants utilizing
4 the health insurance tax credit under section 35 of
5 the Internal Revenue Code of 1986, including a
6 measurement of such participants identified—

7 (A) by State, and

8 (B) by coverage under COBRA continu-
9 ation provisions (as defined in section
10 9832(d)(1) of such Code) and by non-COBRA
11 coverage (further identified by group and indi-
12 vidual market).

13 (2) The range of monthly health insurance pre-
14 miums offered and the average and median monthly
15 health insurance premiums offered to TAA-eligible
16 individuals (as defined in section
17 4980B(f)(5)(C)(iv)(II) of such Code) under COBRA
18 continuation provisions (as defined in section
19 9832(d)(1) of such Code), State-based continuation
20 coverage provided under a State law that requires
21 such coverage, and each category of coverage de-
22 scribed in section 35(e)(1) of such Code, identified
23 by State and by the actuarial value of such coverage
24 and the specific benefits provided and cost-sharing
25 imposed under such coverage.

1 (3) The number of States applying for and re-
2 ceiving national emergency grants under section
3 173(f) of the Workforce Investment Act of 1998 (29
4 U.S.C. 2918(f)) and the time necessary for applica-
5 tion approval of such grants.

6 (4) The cost of administering the health credit
7 program under section 35 of such Code, by function,
8 including the cost of subcontractors.

9 **Subtitle E—Wage Insurance**

10 **SEC. 151. WAGE INSURANCE.**

11 (a) IN GENERAL.—Section 246 of the Trade Act of
12 1974 (19 U.S.C. 2318) is amended—

13 (1) in the heading, by striking “**ALTERNATIVE**
14 **TRADE ADJUSTMENT ASSISTANCE FOR OLDER**
15 **WORKERS**” and inserting “**WAGE INSURANCE**”;

16 (2) by striking “alternative trade adjustment
17 assistance” each place it appears and inserting
18 “wage insurance”;

19 (3) in subsection (a)—

20 (A) in paragraph (2)—

21 (i) in subparagraph (A)—

22 (I) by striking “for a period not
23 to exceed 2 years” and inserting “for
24 the eligibility period under paragraph
25 (4)”; and

1 (II) by striking “paragraph
2 (3)(B)” and inserting “paragraph
3 (3)”; and

4 (ii) in subparagraph (B)—

5 (I) by striking “for a period not
6 to exceed 2 years” and inserting “for
7 the eligibility period under paragraph
8 (4)”; and

9 (II) by striking “paragraph
10 (3)(B)” and inserting “paragraph
11 (3)”; and

12 (iii) by adding at the end the fol-
13 lowing:

14 “(C) TRAINING.—A worker described in
15 paragraph (3) shall be eligible to receive train-
16 ing approved under section 236.”;

17 (B) by striking paragraphs (3) through (5)
18 and inserting the following:

19 “(3) ELIGIBILITY.—A worker in a group that
20 the Secretary has certified as eligible to apply for
21 adjustment assistance under section 223 may elect
22 to receive benefits under the wage insurance pro-
23 gram if the worker—

24 “(A) is at least 50 years of age;

1 “(B) does not earn more than \$60,000 a
2 year in wages from reemployment; and

3 “(C) does not return to the employment
4 from which the worker was separated and—

5 “(i) obtains reemployment on a full-
6 time basis as defined by State law in the
7 State in which the worker is employed;

8 “(ii) obtains reemployment of not less
9 than 20 hours a week and is enrolled in
10 training approved under section 236; or

11 “(iii) received a trade readjustment
12 allowance under part I of subchapter B for
13 less than the total number of weeks for
14 which the worker was eligible to receive
15 such allowance under section 233 and ob-
16 tains reemployment not later than 26
17 weeks after successfully completing a train-
18 ing program approved under section 236.

19 “(4) ELIGIBILITY PERIOD.—

20 “(A) WORKER WHO HAS NOT RECEIVED
21 TRADE ADJUSTMENT ALLOWANCE.—In the case
22 of a worker described in paragraph (3) who has
23 not received a trade readjustment allowance
24 under part I of subchapter B, the worker may
25 receive wage insurance under this section for a

1 period not to exceed 2 years from the date that
2 is the earlier of—

3 “(i) the date on which the worker ex-
4 haunts all rights to unemployment insur-
5 ance based on the separation of the worker
6 from adversely affected employment; or

7 “(ii) the date on which the worker ob-
8 tains reemployment.

9 “(B) WORKER WHO HAS RECEIVED TRADE
10 ADJUSTMENT ALLOWANCE.—In the case of a
11 worker described in paragraph (3) who received
12 a trade readjustment allowance under part I of
13 subchapter B, the worker may receive wage in-
14 surance under this section for a period—

15 “(i) beginning on the date on which
16 the worker obtains reemployment; and

17 “(ii) not to exceed—

18 “(I) the total number of weeks
19 for which the worker is eligible for
20 such allowance, less

21 “(II) the total number of weeks
22 for which the worker received such al-
23 lowance.

24 “(5) TOTAL AMOUNT OF PAYMENTS.—The pay-
25 ments described in paragraph (2)(A) made to a

1 worker may not exceed \$12,000 per worker during
2 the eligibility period under paragraph (4).

3 “(6) LIMITATION ON TRADE READJUSTMENT
4 ALLOWANCES.—A worker described in paragraph (3)
5 may not receive a trade readjustment allowance
6 under part I of subchapter B during any week for
7 which the worker receives a payment described in
8 paragraph (2)(A).”; and

9 (4) in subsection (b)(2), by striking “subsection
10 (a)(3)(B)” and inserting “subsection (a)(3)”.

11 (b) EXTENSION OF PROGRAM.—Section 246(b)(1) of
12 the Trade Act of 1974 (19 U.S.C. 2318(b)(1)) is amended
13 by striking “5” and inserting “10”.

14 (c) TECHNICAL AMENDMENT.—The table of contents
15 for title II of the Trade Act of 1974 is amended by amend-
16 ing the item relating to section 246 to read as follows:
“Sec. 246. Demonstration project for wage insurance.”.

17 **Subtitle F—Other Trade**
18 **Adjustment Assistance Matters**
19 **SEC. 161. CALCULATION OF ELIGIBILITY PERIOD FOR AL-**
20 **LOWANCE TO ACCOMMODATE EXTENDED**
21 **TRAINING, ALLOWABLE BREAKS IN TRAIN-**
22 **ING, LITIGATION, AND MILITARY SERVICE.**

23 Section 233 of the Trade Act of 1974 (19 U.S.C.
24 2293), as amended by sections 121(b) and 122(b), is fur-
25 ther amended—

1 (1) in subsection (f), by striking “30” and in-
2 serting “90”; and

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

4 “(h) EXTENSION OF ALLOWANCE.—Notwithstanding
5 any other provision of this section, a trade readjustment
6 allowance may be paid to a worker for a period equivalent
7 to the period the worker’s enrollment in training was ex-
8 tended beyond the deadline applicable under section
9 231(a)(5)(A)(ii) pursuant to a waiver granted under sub-
10 paragraph (D), (E), or (F) of section 231(e)(1).

11 “(i) SPECIAL RULE FOR CALCULATING SEPARA-
12 TION.—Notwithstanding any other provision of this chap-
13 ter, any period during which a judicial or administrative
14 appeal is pending with respect to the denial by the Sec-
15 retary of a petition under section 223 shall not be counted
16 for purposes of calculating the period of separation under
17 subsection (a)(2) and an adversely affected worker that
18 would otherwise be entitled to a trade readjustment allow-
19 ance shall not be denied such allowance because of such
20 appeal.

21 “(j) SPECIAL RULE FOR ACTIVE DUTY MILITARY
22 SERVICE.—

23 “(1) IN GENERAL.—Notwithstanding any other
24 provision of this section, an adversely affected work-
25 er described in paragraph (2) shall be eligible for a

1 trade readjustment allowance and other benefits
2 under this subchapter in the same manner and to
3 the same extent as if a petition that resulted in a
4 certification under section 223 for that worker was
5 filed on the date described in paragraph (3).

6 “(2) WORKER DESCRIBED.—A worker described
7 in this paragraph means a worker who—

8 “(A) is a member of a reserve component
9 of the Armed Forces; and

10 “(B) serves on active duty—

11 “(i) after the date on which the work-
12 er became totally separated, or partially
13 separated, from the adversely affected em-
14 ployment; and

15 “(ii) before the worker completes
16 training approved under section 236.

17 “(3) DATE DESCRIBED.—The date described in
18 this paragraph is a date that is on or before the
19 30th day after the worker returns from active duty
20 or such later date as determined on a case-by-case
21 basis by the Secretary.”.

22 **SEC. 162. JOB SEARCH AND RELOCATION ALLOWANCES.**

23 (a) JOB SEARCH ALLOWANCES.—Section 237(b) of
24 the Trade Act of 1974 (19 U.S.C. 2297(b)) is amended—

1 (1) in paragraph (1), by striking “90 percent of
2 the cost of” and inserting “all”; and

3 (2) in paragraph (2), by striking “\$1,250” and
4 inserting “\$1,500”.

5 (b) RELOCATION ALLOWANCES.—Section 238(b) of
6 the Trade Act of 1974 (19 U.S.C. 2298(b)) is amended—

7 (1) in paragraph (1), by striking “90 percent of
8 the” and inserting “all”; and

9 (2) in paragraph (2), by striking “\$1,250” and
10 inserting “\$1,500”.

11 **SEC. 163. CERTIFICATION OF SUBMISSIONS; TRANS-**
12 **PARENCY.**

13 Section 223 of the Trade Act of 1974 (19 U.S.C.
14 2273), as amended by section 113, is further amended by
15 adding at the end the following:

16 “(f) SUBMISSIONS.—

17 “(1) CERTIFICATION.—If an employer submits
18 a petition on behalf of a group of workers pursuant
19 to section 221(a)(1) or if the Secretary requests evi-
20 dence or information from an employer in order to
21 make a determination under this section, the accu-
22 racy and completeness of any evidence or informa-
23 tion submitted by the employer shall be certified by
24 the employer’s legal counsel or by an officer of the
25 employer.

1 “(2) SUBPOENAS.—It is the sense of Congress
2 that the Secretary should require an employer to
3 provide evidence or information requested by the
4 Secretary under paragraph (1) by subpoena pursu-
5 ant to section 249 if, within 20 days of such request,
6 the employer does not—

7 “(A) provide such evidence or information;

8 or

9 “(B) demonstrate to the satisfaction of the
10 Secretary that the employer will provide such
11 evidence or information within a reasonable
12 time.

13 “(g) STANDARDS FOR INVESTIGATIONS AND DETER-
14 MINATIONS.—

15 “(1) PLAN.—Not later than 90 days after the
16 date of the enactment of the Trade Adjustment As-
17 sistance Improvement Act, the Secretary shall sub-
18 mit to Congress a plan for establishing standards,
19 including data requirements, for investigations of pe-
20 titions filed under section 221 and criteria for mak-
21 ing determinations under subsection (a).

22 “(2) RULEMAKING.—

23 “(A) IN GENERAL.—The Secretary shall
24 prescribe regulations, pursuant to section 553

1 of title 5, United States Code, to carry out the
2 plan required by paragraph (1).

3 “(B) TIMING OF RULEMAKING.—The Sec-
4 retary shall issue the notice of proposed rule-
5 making with respect to the regulations required
6 by subparagraph (A) not earlier than the date
7 that is 90 days after the date on which the Sec-
8 retary submits the plan under paragraph (1).”.

9 **SEC. 164. ESTABLISHMENT OF THE OFFICE OF THE OM-**
10 **BUDSMAN FOR THE TRADE ADJUSTMENT AS-**
11 **SISTANCE PROGRAM.**

12 (a) IN GENERAL.—Subchapter A of chapter 2 of title
13 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
14 amended by inserting after section 221 the following:

15 **“SEC. 221A. ESTABLISHMENT OF THE OFFICE OF THE**
16 **TRADE ADJUSTMENT ASSISTANCE OMBUDS-**
17 **MAN.**

18 “(a) ESTABLISHMENT.—There is established in the
19 Department of Labor an office to be known as the ‘Office
20 of the Trade Adjustment Assistance Ombudsman’ (in this
21 section referred to as the ‘Office’).

22 “(b) HEAD.—The head of the Office shall be the Om-
23 budsman. The individual serving as Ombudsman shall be
24 either of the following:

1 “(1) An officer or employee of the Department
2 of Labor designated by the Secretary from among
3 officers and employees of the Department who have
4 experience and expertise necessary to carry out the
5 duties of the Office specified in subsection (c).

6 “(2) An individual employed by the Secretary
7 from the private sector from among individuals in
8 the private sector who have experience and expertise
9 necessary to carry out the duties of the Office speci-
10 fied in subsection (c).

11 “(c) DUTIES.—The duties of the Office shall be as
12 follows:

13 “(1) To provide information on—

14 “(A) the benefits available under this chap-
15 ter;

16 “(B) the requirements and procedures ap-
17 plicable to the provision of such benefits; and

18 “(C) the tax credit for health insurance
19 costs under section 35 of the Internal Revenue
20 Code of 1986.

21 “(2) To provide technical assistance to individ-
22 uals, groups of workers, and other parties seeking to
23 file petitions with the Secretary for benefits under
24 section 221.

1 “(3) To provide assistance to employers to pro-
2 vide information required by the Secretary related to
3 a pending petition.

4 “(4) To receive complaints, grievances, and re-
5 quests for assistance from workers seeking benefits
6 under this chapter with respect to the administra-
7 tion of such benefits.

8 “(5) To carry out such other duties with re-
9 spect to this chapter as the Secretary shall specify
10 for purposes of this section.

11 “(d) INDEPENDENT OFFICE.—The Secretary shall
12 take appropriate actions to ensure the independence of the
13 Office within the Department of Labor, including inde-
14 pendence from other officers and employees of the Depart-
15 ment engaged in activities relating to the administration
16 of the provisions of this chapter.

17 “(e) ANNUAL REPORT.—

18 “(1) IN GENERAL.—Not later than February
19 15 each year, the Ombudsman shall submit to Con-
20 gress a report on the activities of the Office under
21 this section.

22 “(2) CONTENTS.—Each report under para-
23 graph (1) shall set forth the following:

24 “(A) The number and types of complaints,
25 grievances, and requests for assistance received

1 by the Ombudsman under this chapter during
2 the preceding year.

3 “(B) An assessment of the most common
4 difficulties encountered by workers seeking ben-
5 efits under this chapter during the preceding
6 year.

7 “(3) INITIAL REPORT.—The first report under
8 paragraph (1) shall be the report submitted in 2008.

9 “(f) OUTREACH.—The Secretary of Labor (and the
10 Secretary of the Treasury, with respect to the tax credit
11 for health insurance costs under section 35 of the Internal
12 Revenue Code of 1986) shall undertake outreach to advise
13 the public of the existence and duties of the Office.”.

14 (b) TECHNICAL AMENDMENT.—The table of contents
15 for title II of the Trade Act of 1974 is amended by insert-
16 ing after the item relating to section 221 the following:

“Sec. 221A. Establishment of the Office of the Trade Adjustment Assistance
Ombudsman.”.

17 **SEC. 165. DATA COLLECTION; INFORMATION TO WORKERS.**

18 (a) DATA COLLECTION.—Subchapter C of chapter 2
19 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et
20 seq.) is amended by adding at the end the following:

21 **“SEC. 250. DATA COLLECTION; REPORT.**

22 “(a) DATA COLLECTION.—The Secretary shall, pur-
23 suant to regulations prescribed by the Secretary, collect
24 any data necessary to meet the requirements of this chap-

1 ter. The Secretary shall collect and publish, on an annual
2 basis, the following:

3 “(1) The number of workers certified and the
4 number of workers actually participating in the
5 trade adjustment assistance program.

6 “(2) The time for processing petitions filed
7 under section 221.

8 “(3) The number of training waivers granted
9 under section 231(c), classified by the type of waiver
10 granted.

11 “(4) The number of workers receiving benefits
12 and the type of benefits being received.

13 “(5) The number of workers enrolled in, and
14 the duration of, training approved under section 236
15 by major types of training.

16 “(6) Earnings history of workers that reflects
17 wages before separation and wages in any job ob-
18 tained after receiving benefits under this chapter.

19 “(7) Reemployment rates and sectors in which
20 dislocated workers have been employed.

21 “(8) The cause of dislocation identified in each
22 petition that resulted in a certification under this
23 chapter.

1 “(9) The number of petitions filed and workers
2 certified in each congressional district of the United
3 States.

4 “(b) STATE PARTICIPATION.—The Secretary shall
5 ensure, to the extent practicable, through oversight and
6 effective internal control measures, the following:

7 “(1) STATE PARTICIPATION.—Participation by
8 each State in the collection of data required under
9 subsection (a) and incentives for States to supple-
10 ment employment and wage data obtained through
11 the use of unemployment insurance wage records.

12 “(2) MONITORING.—Monitoring by each State
13 of internal control measures with respect to program
14 measurement data collected by each State.

15 “(3) RESPONSE.—The quality and speed of the
16 rapid response provided by each State under section
17 134(a)(2)(A) of the Workforce Investment Act of
18 1998 (29 U.S.C. 2864(a)(2)(A)).

19 “(c) REPORT.—

20 “(1) IN GENERAL.—Not later than 1 year after
21 the date of the enactment of the Trade Adjustment
22 Assistance Improvement Act, and annually there-
23 after, the Secretary shall submit to the Committee
24 on Finance of the Senate and the Committee on
25 Ways and Means of the House of Representatives a

1 report that includes the information collected under
2 this section.

3 “(2) AVAILABILITY.—The Secretary shall make
4 a report required by paragraph (1) available to each
5 State and to the public.”.

6 (b) CONFORMING AMENDMENTS.—

7 (1) COORDINATION.—Section 281 of the Trade
8 Act of 1974 (19 U.S.C. 2392) is amended by strik-
9 ing “Departments of Labor and Commerce” and in-
10 sserting “Departments of Labor, Commerce, and Ag-
11 riculture”.

12 (2) TRADE MONITORING SYSTEM.—Section 282
13 of the Trade Act of 1974 (19 U.S.C. 2393) is
14 amended by striking “The Secretary of Commerce
15 and the Secretary of Labor” and inserting “The
16 Secretaries of Commerce, Labor, and Agriculture”.

17 (3) TABLE OF CONTENTS.—The table of con-
18 tents for title II of the Trade Act of 1974 is amend-
19 ed by inserting after the item relating to section 249
20 the following:

“Sec. 250. Data collection; report.”.

21 (c) EFFECTIVE DATE.—The amendments made by
22 this section shall take effect on the date that is 60 days
23 after the date of the enactment of this Act.

1 **SEC. 166. PILOT PROGRAM FOR DISTRIBUTION OF INFOR-**
2 **MATION TO WORKERS.**

3 (a) IN GENERAL.—Not later than September 30,
4 2008, the Secretary of Labor shall fully implement a pilot
5 program to provide information on the availability of trade
6 adjustment assistance under chapter 2 of title II of the
7 Trade Act of 1974 (19 U.S.C. 2271 et seq.) to workers
8 who inquire about or receive unemployment insurance ben-
9 efits. The pilot program shall use telephone, Internet, and
10 in-person communication to distribute such information to
11 workers.

12 (b) STUDY AND REPORT BY COMPTROLLER GEN-
13 ERAL.—Not later than March 31, 2011, the Comptroller
14 General of the United States shall—

15 (1) conduct a study of the implementation and
16 outcomes of the pilot program under subsection (a);
17 and

18 (2) submit to the Committee on Finance of the
19 Senate and the Committee on Ways and Means of
20 the House of Representatives a report on the find-
21 ings of the study conducted under paragraph (1).

22 (c) REGULATIONS.—The Secretary of Labor shall
23 prescribe such regulations as may be necessary to imple-
24 ment the pilot program under subsection (a), pursuant to
25 section 553 of title 5, United States Code.

1 (d) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated such sums as may be
3 necessary to carry out this section.

4 **SEC. 167. AGREEMENTS WITH STATES.**

5 Section 239(a) of the Trade Act of 1974 (19 U.S.C.
6 2311(a)) is amended by striking “and (4)” and inserting
7 “(4) will use personnel standards on a merit basis in the
8 administration of services and payment of benefits to ad-
9 versely affected workers under this chapter, and (5)”.

10 **SEC. 168. TECHNICAL AND CONFORMING AMENDMENTS.**

11 (a) TECHNICAL AMENDMENTS.—

12 (1) IN GENERAL.—Section 249 of the Trade
13 Act of 1974 (19 U.S.C. 2321) is amended by strik-
14 ing “subpena” and inserting “subpoena” each place
15 it appears in the heading and the text.

16 (2) TABLE OF CONTENTS.—The table of con-
17 tents for the Trade Act of 1974 is amended by strik-
18 ing “Subpena” in the item relating to section 249
19 and inserting “Subpoena”.

20 (b) CONFORMING AMENDMENT.—Section 265(a) of
21 the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended
22 by striking “new product development” and inserting “the
23 development of new products and services”.

1 **SEC. 169. EXTENSION OF AUTHORIZATION OF TRADE AD-**
2 **JUSTMENT ASSISTANCE FOR WORKERS.**

3 (a) IN GENERAL.—Section 245(a) of the Trade Act
4 of 1974 (19 U.S.C. 2317(a)) is amended by striking “De-
5 cember 31, 2007” and inserting “September 30, 2012”.

6 (b) TERMINATION.—Section 285(a) of the Trade Act
7 of 1974 (19 U.S.C. 2271 note) is amended by striking
8 “December 31, 2007” each place it appears and inserting
9 “September 30, 2012”.

10 **TITLE II—TRADE ADJUSTMENT**
11 **ASSISTANCE FOR COMMUNITIES**

12 **SEC. 201. PURPOSE.**

13 The purpose of this title is to assist communities neg-
14 atively impacted by trade with economic adjustment
15 through the integration of political and economic organiza-
16 tions, the coordination of Federal, State, and local re-
17 sources, the creation of community-based development
18 strategies, and the provision of economic transition assist-
19 ance.

20 **SEC. 202. TRADE ADJUSTMENT ASSISTANCE FOR COMMU-**
21 **NITIES.**

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

1 **“CHAPTER 4—TRADE ADJUSTMENT**
2 **ASSISTANCE FOR COMMUNITIES**

3 **“SEC. 271. DEFINITIONS.**

4 “In this chapter:

5 “(1) AGRICULTURAL COMMODITY PRODUCER.—

6 The term ‘agricultural commodity producer’ has the
7 same meaning as the term ‘person’ as prescribed by
8 regulations promulgated under section 1001(e) of
9 the Food Security Act of 1985 (7 U.S.C. 1308(e)).

10 “(2) COMMUNITY.—The term ‘community’

11 means a city, county, or other political subdivision of
12 a State or a consortium of political subdivisions of
13 a State that the Secretary certifies as being nega-
14 tively impacted by trade.

15 “(3) COMMUNITY NEGATIVELY IMPACTED BY

16 TRADE.—A community negatively impacted by trade
17 means a community with respect to which a positive
18 determination has been made under section 273.

19 “(4) ELIGIBLE COMMUNITY.—The term ‘eligible

20 community’ means a community certified under sec-
21 tion 273 for assistance under this chapter.

22 “(5) FISHERMAN.—

23 “(A) IN GENERAL.—The term ‘fisherman’

24 means any person who—

1 “(i) is engaged in commercial fishing;

2 or

3 “(ii) is a United States fish processor.

4 “(B) COMMERCIAL FISHING, FISH, FISHERY,
5 FISHING, FISHING VESSEL, PERSON, AND
6 UNITED STATES FISH PROCESSOR.—The terms
7 ‘commercial fishing’, ‘fish’, ‘fishery’, ‘fishing’,
8 ‘fishing vessel’, ‘person’, and ‘United States fish
9 processor’ have the same meanings as such
10 terms have in section 3 of the Magnuson-Ste-
11 vens Fishery Conservation and Management
12 Act (16 U.S.C. 1802).

13 “(6) SECRETARY.—The term ‘Secretary’ means
14 the Secretary of Commerce.

15 **“SEC. 272. COMMUNITY TRADE ADJUSTMENT ASSISTANCE**
16 **PROGRAM.**

17 “(a) ESTABLISHMENT.—Within 6 months after the
18 date of the enactment of the Trade Adjustment Assistance
19 Improvement Act, the Secretary shall establish a trade ad-
20 justment assistance for communities program at the De-
21 partment of Commerce.

22 “(b) PERSONNEL.—The Secretary shall designate
23 such staff as may be necessary to carry out the respon-
24 sibilities described in this chapter.

1 “(c) COORDINATION OF FEDERAL RESPONSE.—The
2 Secretary shall—

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

6 “(2) coordinate the Federal response to an eli-
7 gible community—

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

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

17 “(C) by assuring timely consultation and
18 cooperation between Federal, State, and re-
19 gional officials concerning economic adjustment
20 for an eligible community; and

21 “(D) by identifying and strengthening ex-
22 isting agency mechanisms designed to assist eli-
23 gible communities in their efforts to achieve
24 economic adjustment and workforce reemploy-
25 ment;

1 “(3) provide comprehensive technical assistance
2 to any eligible community in the efforts of that com-
3 munity to—

4 “(A) identify serious economic problems in
5 the community that are the result of negative
6 impacts from trade;

7 “(B) integrate the major groups and orga-
8 nizations significantly affected by the economic
9 adjustment;

10 “(C) access Federal, State, and local re-
11 sources designed to assist in economic develop-
12 ment and trade adjustment assistance;

13 “(D) diversify and strengthen the commu-
14 nity economy; and

15 “(E) develop a community-based strategic
16 plan to address economic development and
17 workforce dislocation, including unemployment
18 among agricultural commodity producers and
19 fishermen;

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

23 “(5) establish specific criteria for submitting
24 and evaluating applications for grants under section
25 275;

1 “(6) administer the grant programs established
2 under sections 274 and 275; and

3 “(7) establish an interagency Trade Adjustment
4 Assistance for Communities Working Group, chaired
5 by the Secretary or a designee of the Secretary, con-
6 sisting of the representatives of any Federal depart-
7 ment or agency with responsibility for economic ad-
8 justment assistance, including the Department of
9 Agriculture, the Department of Education, the De-
10 partment of Labor, the Department of Housing and
11 Urban Development, the Department of Health and
12 Human Services, the Small Business Administra-
13 tion, the Department of the Treasury, the Depart-
14 ment of Commerce, and any other Federal, State, or
15 regional department or agency the Secretary deter-
16 mines necessary or appropriate.

17 **“SEC. 273. CERTIFICATION AND NOTIFICATION.**

18 “(a) CERTIFICATION.—Not later than 180 days after
19 an event described in subsection (c)(1), a community de-
20 scribed in subsection (b)(1) may submit a petition to the
21 Secretary for a determination under subsection (b)(2) that
22 the community is negatively impacted by trade, as de-
23 scribed in subsection (b)(2). If the Secretary makes a posi-
24 tive determination, the Secretary shall certify the commu-
25 nity as eligible for assistance under this chapter.

1 “(b) DETERMINATION THAT COMMUNITY IS ELIGI-
2 BLE.—

3 “(1) COMMUNITY DESCRIBED.—A community
4 described in this paragraph means a community
5 with respect to which, on or after October 1, 2008—

6 “(A) the Secretary of Labor certifies a
7 group of workers (or their authorized represent-
8 ative) in the community as eligible to apply for
9 assistance pursuant to section 223;

10 “(B) the Secretary of Commerce certifies a
11 firm located in the community as eligible to
12 apply for adjustment assistance under section
13 251; or

14 “(C) the Secretary of Agriculture certifies
15 a group of agricultural commodity producers
16 (or their authorized representative) in the com-
17 munity as eligible to apply for adjustment as-
18 sistance under section 293.

19 “(2) NEGATIVELY IMPACTED BY TRADE.—The
20 Secretary shall determine that a community is nega-
21 tively impacted by trade, after taking into consider-
22 ation—

23 “(A) the number of jobs affected compared
24 to the size of the workforce in the community;

1 “(B) the severity of the rate of unemploy-
2 ment in the community and the duration of the
3 unemployment in the community;

4 “(C) the income levels and the extent of
5 underemployment in the community;

6 “(D) the out-migration of population from
7 the community and the extent to which the out-
8 migration is causing economic injury in the
9 community; and

10 “(E) the unique problems and needs of the
11 community.

12 “(c) DEFINITION AND SPECIAL RULES.—

13 “(1) EVENT DESCRIBED.—An event described
14 in this paragraph means one of the following:

15 “(A) A notification described in paragraph
16 (2).

17 “(B) A certification of a firm under section
18 251.

19 “(C) A determination by the Secretary
20 that a significant number of fishermen in a
21 community have been negatively impacted by
22 trade.

23 “(2) NOTIFICATION.—The Governor of a State
24 shall be notified immediately—

1 “(A) by the Secretary of Labor, upon mak-
2 ing a determination that a group of workers in
3 the State is eligible for trade adjustment assist-
4 ance under section 223;

5 “(B) by the Secretary of Commerce, upon
6 making a determination that a firm in the
7 State is eligible for adjustment assistance under
8 section 251; and

9 “(C) by the Secretary of Agriculture, upon
10 making a determination that a group of agricul-
11 tural commodity producers in the State is eligi-
12 ble for adjustment assistance under section
13 293.

14 “(3) LOOK BACK.—

15 “(A) IN GENERAL.—Not later than 210
16 days after the date described in clause (ii), a
17 community described in subsection (b)(1) may
18 petition the Secretary for a determination that
19 the community is negatively impacted by trade,
20 as described in subsection (b)(2), in any case in
21 which an event described in paragraph (1) oc-
22 curs—

23 “(i) on or after January 1, 2007; and

24 “(ii) before the date on which the Sec-
25 retary completes the implementation of the

1 program established pursuant to section
2 272(a).

3 “(B) NOTIFICATIONS.—

4 “(i) NOTIFICATIONS TO THE SEC-
5 RETARY OF COMMERCE.—If, during the pe-
6 riod described in subparagraph (A), the
7 Secretary of Labor makes a determination
8 that a group of workers is eligible for trade
9 adjustment assistance under section 223
10 (or the Secretary of Agriculture makes a
11 determination that a group of agricultural
12 commodity producers is eligible for adjust-
13 ment assistance under section 293, as the
14 case may be) the Secretary of Labor (or
15 the Secretary of Agriculture, as the case
16 may be) shall notify the Secretary of the
17 determination not later than 30 days after
18 the date described in subparagraph (A)(ii).

19 “(ii) NOTIFICATIONS TO STATES.—
20 The Secretary shall notify the Governor of
21 a State of—

22 “(I) a determination—

23 “(aa) described in clause (i)
24 made during the period described
25 in subparagraph (A) in the State

1 immediately upon receiving the
2 notification required by clause
3 (i); or

4 “(bb) made by the Secretary
5 during the period described in
6 subparagraph (A) that a firm in
7 the State is eligible for adjust-
8 ment assistance under section
9 251; and

10 “(II) the ability of a community
11 affected by such a determination to
12 petition under subparagraph (A) for a
13 determination that the community is
14 negatively impacted by trade.

15 “(d) NOTIFICATION TO ELIGIBLE COMMUNITIES.—
16 Immediately upon certification by the Secretary that a
17 community is eligible for assistance under subsection (b),
18 the Secretary shall notify the community—

19 “(1) of the determination under subsection (b);

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

21 “(3) how to access the clearinghouse established
22 by the Department of Commerce regarding available
23 economic assistance;

24 “(4) how to obtain technical assistance provided
25 under section 272(c)(3); and

1 “(5) how to obtain grants, tax credits, low in-
2 come loans, and other appropriate economic assist-
3 ance.

4 **“SEC. 274. STRATEGIC PLANS.**

5 “(a) IN GENERAL.—An eligible community may de-
6 velop a strategic plan for community economic adjustment
7 and diversification.

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

10 “(1) A description and justification of the ca-
11 pacity for economic adjustment, including the meth-
12 od of financing to be used.

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

17 “(3) A description of the projects to be under-
18 taken by the eligible community.

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

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

1 “(6) A description of how the plan and the
2 projects will contribute to establishing or maintain-
3 ing a level of public services necessary to attract and
4 retain economic investment.

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

8 “(8) A description of how the plan will address
9 the occupational and workforce conditions in the eli-
10 gible community.

11 “(9) A description of the educational programs
12 available for workforce training and future employ-
13 ment needs.

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

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

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

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

1 “(d) SUBMISSION OF PLAN.—A strategic plan devel-
2 oped under subsection (a) shall be submitted to the Sec-
3 retary for evaluation and approval.

4 **“SEC. 275. GRANTS FOR ECONOMIC DEVELOPMENT.**

5 “(a) IN GENERAL.—The Secretary, upon approval of
6 a strategic plan from an eligible community, may award
7 a grant to that community to carry out any project or
8 program that is certified by the Secretary to be included
9 in the strategic plan approved under section 274(d), or
10 consistent with that plan.

11 “(b) ADDITIONAL GRANTS.—

12 “(1) IN GENERAL.—Subject to paragraph (2),
13 in order to assist eligible communities to obtain
14 funds under Federal grant programs, other than the
15 grants provided for in section 274(c) or subsection
16 (a) of this section, the Secretary may, upon the ap-
17 plication of an eligible community, make a supple-
18 mental grant to the community if—

19 “(A) the purpose of the grant program
20 from which the grant is made is to provide
21 technical or other assistance for planning, con-
22 structing, or equipping public works facilities or
23 to provide assistance for public service projects;
24 and

1 “(B) the grant is one for which the com-
2 munity is eligible except for the community’s in-
3 ability to meet the non-Federal share require-
4 ments of the grant program.

5 “(2) USE AS NON-FEDERAL SHARE.—A supple-
6 mental grant made under this subsection may be
7 used to provide the non-Federal share of a project,
8 unless the total Federal contribution to the project
9 for which the grant is being made exceeds 80 per-
10 cent and that excess is not permitted by law.

11 **“SEC. 276. GENERAL PROVISIONS.**

12 “(a) REGULATIONS.—The Secretary shall prescribe
13 such regulations as are necessary to carry out the provi-
14 sions of this chapter. The Secretary may not implement
15 any regulation or guideline proposed by the Secretary with
16 respect to this chapter, until the date that is 60 days after
17 the date the Secretary submits the regulation or guideline
18 to the Committee on Finance of the Senate and the Com-
19 mittee on Ways and Means of the House of Representa-
20 tives.

21 “(b) SUPPLEMENT NOT SUPPLANT.—Funds appro-
22 priated under this chapter shall be used to supplement and
23 not supplant other Federal, State, and local public funds
24 expended to provide economic development assistance for
25 communities.

1 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
 2 are authorized to be appropriated to the Secretary
 3 \$300,000,000 for each of fiscal years 2009 through 2013
 4 to carry out this chapter. Amounts appropriated pursuant
 5 to this subsection shall remain available until expended.”.

6 **SEC. 203. CONFORMING AMENDMENTS.**

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

10 “(3) ASSISTANCE FOR COMMUNITIES.—Tech-
 11 nical assistance and other payments may not be pro-
 12 vided under chapter 4 after September 30, 2013.”.

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

“CHAPTER 4—TRADE ADJUSTMENT ASSISTANCE FOR COMMUNITIES

“Sec. 271. Definitions.

“Sec. 272. Community Trade Adjustment Assistance Program.

“Sec. 273. Certification and notification.

“Sec. 274. Strategic plans.

“Sec. 275. Grants for economic development.

“Sec. 276. General provisions.”.

16 (c) JUDICIAL REVIEW.—

17 (1) Section 284(a) of the Trade Act of 1974
 18 (19 U.S.C. 2395(a)) is amended—

19 (A) by inserting “or 296” after “section
 20 293”;

1 (B) by striking “or any other interested
2 domestic party” and inserting “or authorized
3 representative of a community”; and

4 (C) by striking “section 271” and inserting
5 “section 273”.

6 (2) Section 1581(d) of title 28, United States
7 Code, is amended—

8 (A) in paragraph (2), by striking “; and”
9 and inserting a semicolon;

10 (B) in paragraph (3)—

11 (i) by striking “271” and inserting
12 “273”; and

13 (ii) by striking the period and insert-
14 ing “; and”; and

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

16 “(4) any final determination of the Secretary of
17 Agriculture under section 293 or 296 of the Trade
18 Act of 1974 (19 U.S.C. 2401b) with respect to the
19 eligibility of a group of agricultural commodity pro-
20 ducers for adjustment assistance under such Act.”.

21 **SEC. 204. EFFECTIVE DATE.**

22 The provisions of this title shall take effect on Octo-
23 ber 1, 2008.

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

3 **SEC. 301. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.**

4 (a) IN GENERAL.—Section 251 of the Trade Act of
5 1974 (19 U.S.C. 2341) is amended—

6 (1) in subsection (a), by inserting “or service
7 sector firm” after “(including any agricultural
8 firm”;

9 (2) in subsection (c)—

10 (A) in paragraph (1)—

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

14 (ii) in subparagraph (B)—

15 (I) in clause (i), by striking “,
16 or” and inserting a comma;

17 (II) in clause (ii)—

18 (aa) by inserting “or serv-
19 ice” after “of an article”; and

20 (bb) by striking “, and” and
21 inserting “, or”; and

22 (III) by adding at the end the
23 following:

24 “(iii) sales or production, or both, of
25 an article or service that accounted for not

1 less than 25 percent of the total produc-
2 tion or sales of the firm during the 60-
3 month period preceding the most recent
4 12-month period for which data are avail-
5 able have decreased absolutely, and”;

6 (iii) in subparagraph (C), by striking
7 “increases of imports of articles like or di-
8 rectly competitive with articles which are
9 produced” and inserting “imports of arti-
10 cles or services like or directly competitive
11 with articles or services which are pro-
12 duced or provided”;

13 (B) in paragraph (2), in the matter pre-
14 ceding subparagraph (A), by striking “para-
15 graph (1)(C)—” and inserting “paragraph
16 (1)(C):”;

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

18 “(e) BASIS FOR THE DETERMINATION OF THE SEC-
19 RETARY.—

20 “(1) INCREASED IMPORTS.—For purposes of
21 subsection (c)(1)(C), the Secretary—

22 “(A) may use data from any of the pre-
23 ceding three calendar years to determine if the
24 requirements of such subsection have been met;
25 and

1 “(B) may determine that increases of im-
 2 ports of like or directly competitive articles or
 3 services exist if customers accounting for a sig-
 4 nificant percentage of the sales of the workers’
 5 firm certify to the Secretary that such cus-
 6 tomers are obtaining such articles or services
 7 from a foreign country.

8 “(2) AUTHORITY OF THE SECRETARY.—The
 9 Secretary may obtain the certifications under para-
 10 graph (1) through questionnaires or in such other
 11 manner as the Secretary determines is appropriate.
 12 The Secretary may exercise the authority under sec-
 13 tion 249 in carrying out this subsection.”.

14 (b) DEFINITION.—Section 261 of the Trade Act of
 15 1974 (19 U.S.C. 2351) is amended—

16 (1) by striking “For purposes of” and inserting
 17 “(a) FIRM.—For purposes of”; and

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

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

22 **SEC. 302. EXTENSION OF AUTHORIZATION OF TRADE AD-**
 23 **JUSTMENT ASSISTANCE FOR FIRMS.**

24 (a) IN GENERAL.—Section 256(b) of the Trade Act
 25 of 1974 (19 U.S.C. 2346(b)) is amended by striking “and

1 \$4,000,000 for the 3-month period beginning on October
2 1, 2007,” and inserting “and \$50,000,000 for each of fis-
3 cal years 2008 through 2012,”.

4 (b) TERMINATION.—Section 285(b)(1) of the Trade
5 Act of 1974 (19 U.S.C. 2271 note) is amended by striking
6 “December 31, 2007” and inserting “September 30,
7 2012”.

8 **TITLE IV—TRADE ADJUSTMENT**
9 **ASSISTANCE FOR FARMERS**

10 **SEC. 401. EXTENSION OF AUTHORIZATION OF TRADE AD-**
11 **JUSTMENT ASSISTANCE FOR FARMERS.**

12 (a) IN GENERAL.—Section 298(a) of the Trade Act
13 of 1974 (19 U.S.C. 2401g(a)) is amended by striking
14 “through 2007” and all that follows through the end and
15 inserting “through 2012 to carry out this chapter.”.

16 (b) TERMINATION.—Section 285(b)(2) of the Trade
17 Act of 1974 (19 U.S.C. 2271 note) is amended by striking
18 “December 31, 2007” each place it appears and inserting
19 “September 30, 2012”.

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