

109TH CONGRESS
1ST SESSION

S. 1309

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

IN THE SENATE OF THE UNITED STATES

JUNE 23, 2005

Mr. BAUCUS (for himself, Mr. COLEMAN, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Adjustment As-
5 sistance Equity for Service Workers Act of 2005”.

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

8 (a) ADJUSTMENT ASSISTANCE FOR WORKERS.—Sec-
9 tion 221(a)(1)(A) of the Trade Act of 1974 (19 U.S.C.
10 2271(a)(1)(A)) is amended by striking “firm)” and insert-

1 ing “firm, and workers in a service sector firm or subdivi-
2 sion of a service sector firm or public agency)”.

3 (b) GROUP ELIGIBILITY REQUIREMENTS.—Section
4 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amend-
5 ed—

6 (1) in subsection (a)—

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 (1), by inserting “or
13 public agency” after “of the firm”; and

14 (C) in paragraph (2)—

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

20 (ii) by striking subparagraph (B) and
21 inserting the following:

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

1 tive with articles which are produced, or serv-
2 ices which are provided, by such firm, subdivi-
3 sion, or public agency; or

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

7 (2) in subsection (b)—

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

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

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

17 (3) in subsection (c)—

18 (A) in paragraph (3)—

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

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

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

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

3 (B) in paragraph (4)—

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

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

10 (4) by adding at the end the following new sub-
11 section:

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

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

22 “(2) OBTAINING SERVICES ABROAD.—For pur-
23 poses of subsection (a)(2)(B)(ii), the Secretary may
24 determine that the workers’ firm, subdivision, or
25 public agency has obtained or is likely to obtain like

1 or directly competitive services from a foreign coun-
2 try based on a certification thereof from the work-
3 ers' firm, subdivision, or public agency.

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

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

12 (d) DEFINITIONS.—Section 247 of the Trade Act of
13 1974 (19 U.S.C. 2319) is amended—

14 (1) in paragraph (1)—

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

17 (B) by inserting “or public agency” after
18 “or subdivision”;

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

21 (3) by redesignating paragraphs (8) through
22 (17) as paragraphs (9) through (18), respectively;
23 and

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

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

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

7 (e) TECHNICAL AMENDMENT.—Section 245(a) of the
8 Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by
9 striking “, other than subchapter D”.

10 **SEC. 3. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS AND**
11 **INDUSTRIES.**

12 (a) FIRMS.—

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

15 (A) in subsection (a), by inserting “or
16 service sector firm” after “(including any agri-
17 cultural firm”;

18 (B) in subsection (c)(1)—

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

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

24 (iii) in subparagraph (C), by striking
25 “articles like or directly competitive with

1 articles which are produced” and inserting
2 “articles or services like or directly com-
3 petitive with articles or services which are
4 produced or provided”; and

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

6 “(e) BASIS FOR SECRETARY DETERMINATION.—

7 “(1) INCREASED IMPORTS.—For purposes of
8 subsection (c)(1)(C), the Secretary may determine
9 that increases of imports of like or directly competi-
10 tive articles or services exist if customers accounting
11 for not less than 20 percent of the sales of the work-
12 ers’ firm certify to the Secretary that they are ob-
13 taining such articles or services from a foreign coun-
14 try.

15 “(2) AUTHORITY OF THE SECRETARY.—The
16 Secretary may obtain the certifications under para-
17 graph (1) through questionnaires or in such other
18 manner as the Secretary determines is appropriate.
19 The Secretary may exercise the authority under sec-
20 tion 249 in carrying out this subsection.”.

21 (2) AUTHORIZATION OF APPROPRIATIONS.—
22 Section 256(b) of the Trade Act of 1974 (19 U.S.C.
23 2346(b)) is amended by striking “\$16,000,000” and
24 inserting “\$32,000,000”.

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

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

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

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

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

12 (c) TECHNICAL AMENDMENTS.—

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

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

21 **SEC. 4. MONITORING AND REPORTING.**

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

24 (1) in the first sentence—

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

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

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

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

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

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

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

15 “(1) SECRETARY OF LABOR.—Not later than 3
16 months after the date of the enactment of the Trade
17 Adjustment Assistance Equity for Service Workers
18 Act of 2005, the Secretary of Labor shall implement
19 a system to collect data on adversely affected service
20 workers that includes the number of workers by
21 State, industry, and cause of dislocation of each
22 worker.

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

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

8 **SEC. 5. EFFECTIVE DATE.**

9 (a) IN GENERAL.—Except as provided in subsection
10 (b), the amendments made by this Act shall take effect
11 on the date that is 60 days after the date of the enactment
12 of this Act.

13 (b) SPECIAL RULE FOR CERTAIN SERVICE WORK-
14 ERS.—A group of workers in a service sector firm, or sub-
15 division of a service sector firm, or public agency (as de-
16 fined in section 247 (7) and (8) of the Trade Act of 1974,
17 as added by section 2(d) of this Act) who—

18 (1) would have been certified eligible to apply
19 for adjustment assistance under chapter 2 of title II
20 of the Trade Act of 1974 if the amendments made
21 by this Act had been in effect on November 4, 2002,
22 and

23 (2) file a petition pursuant to section 221 of
24 such Act within 6 months after the date of the en-
25 actment of this Act, shall be eligible for certification

1 under section 223 of the Trade Act of 1974 if the
2 workers' last total or partial separation from the
3 firm or subdivision of the firm or public agency oc-
4 curred on or after November 4, 2002 and before the
5 date that is 60 days after the date of the enactment
6 of this Act.

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