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BAUCUS-COLLINS BILL EXTENDS TRADE ADJUSTMENT ASSISTANCE TO STRENGTHEN U.S. WORKFORCE

Extension Would Preserve Job-Training Program through 2020

WASHINGTON – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Senator Susan Collins (R-Maine) introduced [legislation](#) today extending Trade Adjustment Assistance (TAA), a critical job training and worker assistance program that helps strengthen the American workforce to be better equipped and more competitive. The bipartisan bill extends all TAA programs through 2020.

“Trade Adjustment Assistance helps guarantee that American workers are ready to compete and seize new opportunities in an increasingly competitive global economy. That’s why TAA is an essential part of our trade agenda,” Senator Baucus said. **“We’re negotiating deals right now that will break down barriers to U.S. exports in Europe and across Asia. The best way to make sure those trade deals boost our economy is to invest in American workers, and that’s exactly what TAA does. TAA and Trade Promotion Authority are two sides of the same coin, and we need to renew and extend both as soon as possible.”**

“TAA programs provide critical assistance to trade-impacted industries in Maine – such as the pulp and paper manufacturing sector, lobstermen, and blueberry growers. Indeed, TAA is a crucial lifeline for those in trade-impacted industries, who through no fault of their own lose their jobs,” said Senator Collins. **“TAA provides these workers with job training and other critical services necessary to prepare for and obtain suitable employment. In fiscal year 2012, Maine received \$9.1 million in TAA funding to provide assistance to these trade affected workers. I look forward to working with Chairman Baucus in this bipartisan effort to extend TAA programs before they expire in December 2013.”**

The legislation introduced today extends the TAA programs under their current parameters, which were set in a bipartisan, bicameral agreement in 2011. It maintains training and assistance for workers in all sectors of the economy, including manufacturing, services and agriculture. It also protects TAA-eligible workers who are called up for active duty military or full-time National Guard service by allowing them to restart the enrollment process upon their return to the U.S.

Senator Baucus has long been a champion of TAA, most recently leading the bipartisan [expansion in 2009](#) and [renewal in 2011](#) in tandem with the free trade agreements with South Korea, Colombia and Panama. He [has also said](#) TAA and Trade Promotion Authority are both critical to a successful trade agenda.

A detailed summary of the legislation Senators Baucus and Collins introduced today to extend TAA follows below:

Trade Adjustment Assistance

Maintains Eligibility Requirements

- ***Provides TAA benefits to services sector workers and firms.*** The bill ensures that workers and firms that supply services, as well as manufactured goods, are eligible for TAA. It also offers the same coverage to secondary workers in the services and manufacturing sectors.
- ***Covers workers whose firms shift production to non-FTA partner countries.*** The bill ensures that workers whose firms shift production to any country, including China or India – not just countries with which the United States has entered into a free trade agreement, are eligible for TAA.
- ***Provides TAA coverage for U.S. suppliers of component parts.*** The bill ensures that workers at firms supplying component parts to other firms are eligible for TAA without requiring TAA certification for the firm that buys the component parts. It maintains coverage for firms that petition for TAA benefits if they supply component parts to foreign customers and their customers switch to component parts made outside the United States.
- ***Ensures automatic eligibility for workers suffering from unfair trade and import surges.*** Unfair foreign subsidies, dumping of foreign goods and unexpected import surges can injure U.S. industries and cause jobs in those industries to be affected. The bill ensures that workers in such industries will be automatically eligible to receive TAA benefits if their layoffs occurred within one year before or after an affirmative injury determination by the International Trade Commission.

Invests in American Workers

- ***Provides \$575 million investment to train workers.*** The bill authorizes \$575 million for fiscal years 2014-2020, and prorates funds for the period beginning October 1, 2020 and ending December 31, 2020, thus ensuring states have ample funding to provide long-term job training.
- ***Gives flexible training options and up to 130 weeks of training.*** The bill ensures training for up to 117 weeks, giving all workers the opportunity to receive long-term training, and provides an additional 13 weeks of training for workers if the training leads towards the completion of a degree or an industry-recognized credential. TAA allows various training options, including opportunities for part-time training and pre-layoff training.

- ***Provides accessible wage insurance that works with other benefits.*** For workers who seek quick re-employment, TAA provides wage insurance – 50 percent of the wage differential between the old job and the new job, of up to \$10,000 – to workers 50 years of age or older. The bill ensures workers have the ability to switch from trade readjustment allowances (TRAs) to wage insurance payments at any time during their training. A worker who completes training and is reemployed is eligible to receive reemployment TAA benefits in lieu of TRA benefits for the remainder of the worker’s TRA eligibility.

Service and Outreach to Workers in Transition

- ***Provides eligibility protections for Americans on active duty military service.*** The bill maintains the protection for workers called up for active duty military or full-time National Guard service and allows them to restart their TAA enrollment process after completing such service.
- ***Clarifies enrollment deadlines and ensures fairness.*** Workers are currently required to enroll in training within 26 weeks after layoff or certification, whichever is later. The bill ensures that there are benefits for workers who are disqualified due to state error. And the bill ensures that workers who win administrative and judicial appeals are not penalized for missing important deadlines during such appeals.
- ***Provides funding to help state caseworkers counsel TAA clients.*** The bill ensures that no less than five percent of the training funds allocated to states are used for case management services, allowing states to provide proper assessment, career counseling and other case management services.

Helps Small Businesses and Farmers

- ***Provides assistance to small businesses.*** The TAA for Firms program helps small businesses adjust to foreign competition and create new jobs by providing assistance to improve their competitiveness. The bill authorizes \$16 million annually for the program and ensures small businesses are able to show a decline in sales or production over one, two or three years.
- ***Provides benefits and technical assistance to farmers and fishermen.*** The bill provides targeted training to farmers and fishermen and clarifies that fishermen and aquaculture producers may receive TAA benefits whether they are competing against farmed or wild-caught fish or seafood imports. Producers who complete the training phases become eligible for up to \$12,000 in seed money to use their new skills and implement a business plan. The TAA for Farmers and Fishermen Program is authorized at \$90 million.

Streamlines Programs and Improves Accountability

- ***Consolidates and streamlines administrative program costs.*** The bill continues the consolidation of administration, case management, job search and relocation funding under the training fund cap. It eliminates separate funding streams, while allowing states more flexibility to use a portion of the training funds for administration and case management costs. States must prioritize these funds for training and case management, but administrative costs are capped at 10 percent of the funds. States can also use these funds to pay for 90 percent of the cost of job search and relocation, up to \$1,250.
- ***Improves program accountability.*** The bill extends more than 30 new performance metrics and accountability measures across all TAA programs.

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