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BAUCUS HAILS PASSAGE OF WORKER TRAINING, JOB OPPORTUNITIES, BILL TO LOWER COSTS FOR U.S. BUSINESSES

Finance Chairman Fought for Months to Secure a Path Forward for Trade Adjustment Assistance, Job-Creating Trade Agreements, Generalized System of Preferences

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) led the Senate today to pass his amendment renewing and extending Trade Adjustment Assistance (TAA): critical assistance, training and job opportunities for U.S. workers. Today's vote helps clear the way for passage of the pending free trade agreements with Colombia, Panama and Korea, which will create tens of thousands of U.S. jobs. The legislation passed today also renews and extends the Generalized System of Preferences (GSP), which lowers costs for U.S. manufacturers and retailers by giving them duty-free access to the components they need. Baucus has been fighting for months to find a path forward for TAA, GSP and the Free Trade Agreements (FTAs).

"Today's vote is a major victory for American workers and a key step forward in our efforts to approve the job-creating free trade agreements," said Baucus. **"We worked together today to ensure that as we open new markets with the free trade agreements, U.S. workers will have all the resources they need to take advantage of new job opportunities and thrive in the global economy. As we work to improve our economy, we need programs like Trade Adjustment Assistance that help Americans find good jobs."**

Baucus is a longtime champion of the TAA program and has been fighting for months to extend it. He has emphasized the importance of passing TAA in tandem with the FTAs at separate committee hearings on each of the [Korea](#), [Colombia](#) and [Panama](#) free trade agreements, as well as at the [Committee's mock markup](#) of the implementing legislation for the FTAs. Baucus has [long-stressed](#) TAA's benefits [helping Americans find work](#) and [equipping the American workforce](#) to [take full advantage](#) of the [new export opportunities](#) provided by the FTAs.

Baucus has also been working to move the FTAs forward. Earlier this year, he traveled to Colombia and [met with Colombian leaders](#) to advance the pending U.S.-Colombia FTA and identify ways to [boost U.S. exports](#).

The legislation passed today reauthorizes TAA retroactively from February 12, 2011 and through December 31, 2013. It also extends GSP retroactively from December 31, 2010 and through July 31, 2013. Key provisions of the legislation, which included the Casey-Brown-Baucus TAA amendment, passed today are set out below:

Generalized System of Preferences

- ***Extends GSP.*** GSP provides duty-free access to the U.S. market for 4,800 products from 129 developing countries. GSP expired December 31, 2010. The amendment extends GSP through July 31, 2013 and provides for retroactive application of duty-free treatment for eligible goods that entered after expiration of the program on December 31, 2010.

Trade Adjustment Assistance

Invests in American Workers

- ***Provides \$575 million investment to train workers.*** The amendment authorizes \$575 million for fiscal years 2012 and 2013, and prorates funds for the period beginning October 1, 2013 and ending December 31, 2013, thus ensuring states have ample funding to provide long-term job training.
- ***Gives more flexible training options and up to 130 weeks of training.*** The amendment provides 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. The agreement includes 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, the amendment provides wage insurance – 50 percent of the wage differential between the old job and the new job, up to \$10,000 – to workers 50 years of age or older. The amendment allows workers to switch from trade readjustment allowances (TRAs) to wage insurance payments at any time during their training. The amendment also provides for a worker who completes training and is reemployed to receive reemployment TAA benefits in lieu of TRA benefits for the remainder of the worker's TRA eligibility.

Expands Program Eligibility and Opportunities to a Broad Class of American Workers

- ***Provides TAA benefits to services sector workers and firms.*** The amendment clarifies that workers and firms that supply services – including call centers, computer programmers, software designers – are eligible for TAA. The amendment also makes secondary workers – those whose jobs are affected when a company they supply closes – in the services sector eligible to receive TAA.
- ***Covers workers whose firms shift production to non-FTA partner countries.*** The amendment covers 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.

- ***Provides TAA coverage for U.S. suppliers of component parts.*** The amendment allows workers at firms supplying component parts to other firms to be eligible for TAA without requiring the firm that buys the component parts to be TAA certified. It also allows firms that supply component parts to foreign customers to petition for TAA benefits if 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 amendment 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.

Provides Affordable Health Coverage

- ***Improving the affordability and availability of health coverage.*** The Health Coverage Tax Credit program provides health insurance benefits to TAA-eligible workers and retirees covered by pension plans taken over by Pension Benefit Guaranty Corporation who have lost their employer-sponsored coverage. The amendment subsidizes 72.5 percent of the cost of the health care premium, provides workers with retroactive payments to help cover the up-front costs of obtaining health coverage, and provides coverage for the worker's spouse and dependents. It also provides \$150 million in grant funding to help states improve the availability of health insurance options and to help TAA eligible workers and retirees cover their monthly health premium costs.

Service and Outreach to Workers in Transition

- ***Provides eligibility protections for Americans on active duty military service.*** The amendment allows a worker called up for active duty military or full-time National Guard service to restart their TAA enrollment process after completing such service.
- ***Clarifies enrollment deadlines and ensures fairness.*** The amendment requires workers to enroll in training within 26 weeks after layoff or certification, whichever is later. It allows the Secretary to grant TAA benefits to workers who are disqualified due to state error. And the amendment 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 amendment includes a requirement that not less than five percent of the training funds allocated to states be 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 amendment authorizes \$16 million for the program and expands the

program's reach by allowing firms to show a decline in sales or production over one, two, or three years instead of the current one year allowed.

- ***Provides benefits and technical assistance to farmers and fishermen.*** The amendment 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 Fisherman Program is authorized at \$90 million.

Streamlines Programs and Improves Accountability

- ***Consolidates and streamlines administrative program costs.*** The amendment consolidates administration, case management, job search, and relocation funding under the \$575 million cap on training funds. The amendment 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 amendment includes more than 30 new performance metrics and accountability measures across all TAA programs.

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