4

AMENDMENT TO H.R. 3920, AS REPORTED

OFFERED BY MR. RANGEL OF NEW YORK

Strike all after the enacting clause and insert the following:

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

2 (a) SHORT TITLE.—This Act may be cited as the
3 "Trade and Globalization Assistance Act of 2007".

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

Sec. 101. Extension of trade adjustment assistance to services sector; shifts in production.
Sec. 102. Determinations by Secretary of Labor.
Sec. 103. Monitoring and reporting relating to service sector.

Subtitle B—Industry-Wide Trade Adjustment Assistance

Sec. 111. Industry-wide determinations.
Sec. 112. Notifications regarding affirmative determinations and safeguards.
Sec. 113. Notification to Secretary of Commerce.

Subtitle C—Program Benefits

Sec. 121. Qualifying requirements for workers.
Sec. 122. Weekly amounts.
Sec. 123. Limitations on trade readjustment allowances; allowances for extended training and breaks in training.
Sec. 124. Special rules for calculation of eligibility period.
Sec. 125. Application of State laws and regulations on good cause for waiver of time limits or late filing of claims.
Sec. 126. Employment and case management services.
Sec. 127. Training.

Sec. 128. Prerequisite education; approved training programs.
Sec. 129. Eligibility for unemployment insurance and program benefits while in training.
Sec. 130. Administrative expenses and employment and case management services.
Sec. 131. Job search and relocation allowances.

Subtitle D—Health Care Provisions

Sec. 141. Modifications relating health insurance assistance for certain TAA and PBGC pension recipients.
Sec. 142. Extension of COBRA benefits for certain TAA-eligible individuals and PBGC recipients.

Subtitle E—Wage Insurance

Sec. 151. Reemployment trade adjustment assistance program for older workers.

Subtitle F—Other Matters

Sec. 161. Restriction on eligibility for program benefits.
Sec. 162. Agreements with States.
Sec. 163. Fraud and recovery of overpayments.
Sec. 164. Technical amendments.
Sec. 165. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.
Sec. 166. Collection of data and reports; information to workers.
Sec. 167. Extension of TAA program.
Sec. 168. Liberal construction of certification of workers and firms.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Sec. 201. Trade adjustment assistance for firms.
Sec. 202. Extension of authorization of trade adjustment assistance for firms.
Sec. 203. Industry-wide programs for the development of new services.
Sec. 204. Demonstration project on strategic trade transformation assistance.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Sec. 301. Eligibility of certain other producers.

TITLE IV—UNEMPLOYMENT INSURANCE

Sec. 401. Short title.
Sec. 402. Special transfers to State accounts in the Unemployment Trust Fund.
Sec. 403. Extension of FUTA tax.
Sec. 404. Safety Net Review Commission.

TITLE V—MANUFACTURING REDEVELOPMENT ZONES

Sec. 501. Manufacturing redevelopment zones.
Sec. 502. Delay in application of worldwide interest allocation.

TITLE VI—WORKER ADJUSTMENT AND RETRAINING NOTIFICATION

Sec. 601. Short title.

Sec. 602. Amendments to the WARN Act.
Sec. 603. Effective date.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since January 2001, the United States economy has lost nearly 3 million jobs in the manufacturing sector alone.

(2) Today, over 7.1 million people in the United States are unemployed, and nearly 1.2 million of those individuals have been unemployed for 6 months or longer.

(3) While the United States manufacturing sector has been the hardest hit by increased unemployment, the United States service sector has also seen declines as jobs have moved to low-cost labor markets, such as China, India, and the Philippines.

(4) Promoting the economic growth and competitiveness of the United States requires—

(A) opening substantial new markets for United States goods, services, and farm products;

(B) building a strong framework of rules for international trade to level the playing field for United States workers and businesses in all sectors of the economy; and

1 (C) helping those affected by globalization
2 overcome its challenges and succeed.
3 (5) Congress created the trade adjustment as-
4 sistance program in 1962 to provide United States
5 workers who lose their jobs because of foreign com-
6 petition with government-funded training and associ-
7 ated income support to enable such workers to tran-
8 sition to new, good-paying jobs.
9 (6) Unfortunately, the trade adjustment assist-
10 ance program has not kept pace with globalization
11 and it is failing to ensure that all workers adversely
12 affected by trade receive the assistance they need
13 and deserve.
14 (7) Workers in the service sector, who make up
15 approximately 80 percent of the United States work-
16 force, are ineligible for trade adjustment assistance.
17 (8) Inadequate funding for training leaves
18 many dislocated workers without access to the re-
19 training they need to find good-paying jobs.
20 (9) Unnecessary, unduly burdensome, and con-
21 fusing program eligibility rules prevent workers from
22 gaining access to benefits for which they are eligible.
23 (10) The health coverage tax credit suffers
24 from fundamental flaws and, as a result, the credit
25 is not being used by the vast majority of people who

are eligible for it, despite a clear need for access to affordable health care.

(11) To meet the challenges posed by globalization and to preserve the critical role that United States workers play in promoting the strength and prosperity of the United States, the trade adjustment assistance program must be reformed.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR; SHIFTS IN PRODUCTION.

(a) PETITIONS.—Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

1 (i) by striking "Secretary" and insert-
2 ing "Secretary of Labor"; and
3 (ii) by striking "or subdivision" and
4 inserting "or public agency, or subdivision
5 of a firm or public agency,"; and
6 (B) in subparagraph (A), by striking
7 "firm)" and inserting "firm, and workers in a
8 service sector firm or subdivision of a service
9 sector firm, or of a public agency or subdivision
10 thereof)"; and
11 (2) in paragraph (3), by inserting "and on the
12 Website of the Department of Labor" after "Federal
13 Register".
14 (b) GROUP ELIGIBILITY REQUIREMENTS.—
15 (1) IN GENERAL.—Subsection (a) of section
16 222 of the Trade Act of 1974 (19 U.S.C. 2272) is
17 amended—
18 (A) in the matter preceding paragraph (1),
19 by striking "(including workers in any agricul-
20 tural firm or subdivision of an agricultural
21 firm)" and inserting "(other than workers in a
22 public agency)";
23 (B) in paragraph (2)—
24 (i) in subparagraph (A)(ii), by strik-
25 ing "like or directly competitive with arti-

1 cles produced" and inserting "or services
2 like or directly competitive with articles
3 produced or services provided"; and
4 (ii) by striking subparagraph (B) and
5 inserting the following:
6 "(B) (i) there has been a shift, by such
7 workers' firm or subdivision to a foreign coun-
8 try, of production of articles, or in provision of
9 services, like or directly competitive with arti-
10 cles produced, or services provided, by such
11 firm or subdivision; or
12 "(ii) such workers' firm or subdivision has
13 obtained or is likely to obtain articles or serv-
14 ices described in clause (i) from a foreign coun-
15 try.".
16 (2) WORKERS IN PUBLIC AGENCIES.—Such sec-
17 tion is further amended—
18 (A) by redesignating subsections (b) and
19 (c) as subsections (c) and (d), respectively; and
20 (B) by inserting after subsection (a) the
21 following:
22 "(b) ADVERSELY AFFECTED WORKERS IN PUBLIC
23 AGENCIES.— A group of workers in a public agency shall
24 be certified by the Secretary as eligible to apply for adjust-

1 ment assistance under this chapter pursuant to a petition
2 filed under section 221 if the Secretary determines that—
3 "(1) a significant number or proportion of the
4 workers in the public agency, or an appropriate sub-
5 division of the public agency, have become totally or
6 partially separated, or are threatened to become to-
7 tally or partially separated; and
8 "(2) the public agency or subdivision has ob-
9 tained or is likely to obtain from a foreign country
10 services that would otherwise be provided by such
11 agency or subdivision.".
12 (3) ADVERSELY AFFECTED SECONDARY WORK-
13 ERS.—Subsection (c) of such section (as redesig-
14 nated by paragraph (2)(A) of this subsection) is
15 amended—
16 (A) in the matter preceding paragraph (1),
17 by striking "agricultural firm)" and inserting
18 "agricultural firm, and workers in a service sec-
19 tor firm or subdivision of a service sector
20 firm)";
21 (B) in paragraph (2)—
22 (i) by inserting "or service" after "re-
23 lated to the article"; and
24 (ii) by striking "(c)(3)" and inserting
25 "(d)(3)"; and

1 (C) in paragraph (3)(A), by striking "it
2 supplied to the firm (or subdivision)" and in-
3 serting "or services it supplied to the firm (or
4 subdivision)".
5 (4) DEFINITIONS AND ELIGIBILITY.—Sub-
6 section (d) of such section (as redesignated by para-
7 graph (2)(A) of this subsection) is amended—
8 (A) by striking "(d) For purposes of this
9 section—" and inserting "(d) DEFINITIONS
10 AND ELIGIBILITY.—For purposes of this sec-
11 tion:"
12 (B) in paragraph (3), to read as follows:
13 "(3) DOWNSTREAM PRODUCER.—The term
14 'downstream producer' means a firm that performs
15 additional, value-added production processes or serv-
16 ices for a firm or subdivision, including a firm that
17 performs final assembly, finishing, testing, pack-
18 aging, or maintenance or transportation services di-
19 rectly for another firm (or subdivision), for articles
20 or services that were the basis for a certification of
21 eligibility under subsection (a) of a group of workers
22 employed by such other firm (or subdivision).";
23 (C) in paragraph (4)—
24 (i) by striking "for articles" and in-
25 serting ", or services, used in the produc-

1 tion of articles or in the provision of serv-
2 ices, as the case may be,"; and
3 (ii) by inserting "(or subdivision)"
4 after "such other firm"; and
5 (D) by adding at the end the following:
6 "(5) FIRMS IDENTIFIED BY ITC.—A petition
7 filed under section 221 covering a group of workers
8 from a firm or appropriate subdivision of a firm
9 meets the requirements of subsection (a) if the firm
10 is identified by the United States International
11 Trade Commission under subsection (c), (d), or (e)
12 of section 224.".
13 (5) BASIS FOR SECRETARY'S DETERMINA-
14 TIONS.—Such section is further amended by adding
15 at the end the following:
16 "(e) BASIS FOR SECRETARY'S DETERMINATIONS.—
17 "(1) INCREASED IMPORTS OF SERVICES.—For
18 purposes of subsection (a)(2)(A)(ii), the Secretary
19 may determine that increased imports of like or di-
20 rectly competitive services exist if the customers of
21 the workers' firm or subdivision accounting for not
22 less than 20 percent of the sales of the workers' firm
23 or subdivision (as the case may be) certify to the
24 Secretary that such customers are obtaining such
25 services from a foreign country.

1 "(2) SHIFT IN PRODUCTION; OBTAINING ARTI-
2 CLES OR SERVICES ABROAD.—For purposes of sub-
3 sections (a)(2)(B) and (b)(2), the Secretary may de-
4 termine that there has been a shift in production of
5 articles or provision of services, or that a workers'
6 firm or public agency, or subdivision thereof, has ob-
7 tained or is likely to obtain like or directly competi-
8 tive articles or services from a foreign country, based
9 on a certification thereof from the workers' firm,
10 public agency, or subdivision (as the case may be).
11 "(3) PROCESS AND METHODS FOR OBTAINING
12 CERTIFICATIONS.—
13 "(A) REQUEST BY PETITIONER.—If re-
14 quested by the petitioner, the Secretary shall
15 obtain the certifications under paragraphs (1)
16 and (2) in such manner as the Secretary deter-
17 mines is appropriate, including by issuing sub-
18 poenas under section 249 when necessary.
19 "(B) PROTECTION OF CONFIDENTIAL IN-
20 FORMATION.—The Secretary may not release
21 information obtained under subparagraph (A)
22 that the Secretary considers to be confidential
23 business information unless the party submit-
24 ting the confidential business information had
25 notice, at the time of submission, that such in-

1 formation would be released by the Secretary,
2 or such party subsequently consents to the re-
3 lease of the information. Nothing in this sub-
4 paragraph shall be construed to prohibit a court
5 from requiring the submission of such confiden-
6 tial business information to the court in cam-
7 era.".
8 (c) DEFINITIONS.—Section 247 of the Trade Act of
9 1974 (19 U.S.C. 2319) is amended—
10 (1) in the matter preceding paragraph (1), by
11 striking "chapter—" and inserting "chapter:";
12 (2) in paragraph (1)—
13 (A) by inserting ", or employment in a
14 public agency or appropriate subdivision of a
15 public agency," after "of a firm"; and
16 (B) by striking "such firm or subdivision"
17 inserting "such firm (or subdivision) or public
18 agency (or subdivision)";
19 (3) in paragraph (2), by striking "employ-
20 ment—" and all that follows and inserting "employ-
21 ment, has been totally or partially separated from
22 such employment.";
23 (4) by redesignating paragraphs (8) through
24 (17) as paragraphs (11) through (20), respectively;
25 and

1 (5) by inserting after paragraph (6) the fol-
2 lowing:
3 "(7) The term 'public agency' means a depart-
4 ment or agency of a State or local government or of
5 the Federal Government.
6 "(8) The term 'service sector firm' means an
7 entity engaged in the business of providing services.
8 "(9) Except as otherwise provided, the term
9 'Secretary' means the Secretary of Labor.
10 "(10) The term 'Commission' means the United
11 States International Trade Commission.".
12 **SEC. 102. DETERMINATIONS BY SECRETARY OF LABOR.**
13 Section 223 of the Trade Act of 1974 (19 U.S.C.
14 2273) is amended—
15 (1) in subsection (b), by striking "before his ap-
16 plication" and all that follows and inserting "before
17 the worker's application under section 231 occurred
18 more than one year before the date of the petition
19 on which such certification was granted.";
20 (2) in subsection (c), by striking "together with
21 his reasons" and inserting "and on the Website of
22 the Department of Labor, together with the Sec-
23 retary's reasons"; and
24 (3) in subsection (d)—

1 (A) by striking "subdivision of the firm"
2 and all that follows through "he shall" and in-
3 serting "subdivision of the firm, or of a public
4 agency or subdivision of a public agency, that
5 total or partial separations from such firm (or
6 subdivision) or public agency (or subdivision)
7 are no longer attributable to the conditions
8 specified in section 222, the Secretary shall";
9 and
10 (B) by striking "together with his reasons"
11 and inserting "and on the Website of the De-
12 partment of Labor, together with the Sec-
13 retary's reasons".

14 **SEC. 103. MONITORING AND REPORTING RELATING TO**
15 **SERVICE SECTOR.**

16 (a) IN GENERAL.—Section 282 of the Trade Act of
17 1974 (19 U.S.C. 2393) is amended—
18 (1) in the heading, by striking "**SYSTEM**" and
19 inserting "**AND DATA COLLECTION**";
20 (2) in the first sentence—
21 (A) by striking "The Secretary" and in-
22 serting "(a) MONITORING PROGRAMS.—The
23 Secretary";
24 (B) by inserting "and services" after "im-
25 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 (3) 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 and Globalization Assistance Act of 2007, the Sec-
13 retary of Labor shall implement a system to collect
14 data on adversely affected workers employed in the
15 service sector that includes the number of workers
16 by State, industry, and cause of dislocation of each
17 worker.
18 "(2) SECRETARY OF COMMERCE.—Not later
19 than 1 year after such date of enactment, the Sec-
20 retary of Commerce shall, in consultation with the
21 Secretary of Labor, conduct a study and report to
22 Congress on ways to improve the timeliness and cov-
23 erage of data on trade in services, including methods
24 to identify increased imports due to the relocation of
25 United States firms to foreign countries, and in-

1 creased imports due to United States firms obtain-
2 ing services from firms in foreign countries.".
3 (b) CLERICAL AMENDMENT.—The table of contents
4 for title II of the Trade Act of 1974 is amended by strik-
5 ing the item relating to section 282 and inserting the fol-
6 lowing:

"Sec. 282. Trade monitoring and data collection.".

7 Subtitle B—Industry-Wide Trade 8 Adjustment Assistance

9 **SEC. 111. INDUSTRY-WIDE DETERMINATIONS.**

10 (a) IN GENERAL.—Subchapter A of chapter 2 of title
11 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
12 amended by adding after section 223 the following:

13 **"SEC. 223A. INDUSTRY-WIDE DETERMINATIONS.**

14 "(a) INVESTIGATION.—Upon the request of the
15 President or the United States Trade Representative, or
16 the resolution of either the Committee on Finance of the
17 Senate or the Committee on Ways and Means of the
18 House of Representatives, with respect to a domestic in-
19 dustry, or if the Secretary certifies groups of workers in
20 a domestic industry under section 223(a) pursuant to 3
21 petitions within a 180-day period, the Secretary shall
22 promptly initiate an investigation under this chapter to
23 determine the eligibility for adjustment assistance of—
24 "(1) all workers in that domestic industry; or

1 "(2) all workers in that domestic industry in a
2 specific geographic region.
3 "(b) DETERMINATION REGARDING INDUSTRY-WIDE
4 CERTIFICATION.—The Secretary shall, not later than 60
5 days after receiving a request or resolution described in
6 subsection (a) with respect to a domestic industry, or mak-
7 ing the third certification of workers in a domestic indus-
8 try described in subsection (a), as the case may be—
9 "(1) determine whether all adversely affected
10 workers in that domestic industry are eligible to
11 apply for assistance under this subchapter, in ac-
12 cordance with the criteria established under sub-
13 section (e); or
14 "(2) determine whether all adversely affected
15 workers in that domestic industry in a specific geo-
16 graphic region are eligible to apply for assistance
17 under this subchapter, in accordance with the cri-
18 teria established under subsection (e).
19 "(c) IDENTIFICATION AND CERTIFICATION.—
20 "(1) AFFIRMATIVE DETERMINATION.—
21 "(A) IN GENERAL.—Upon making an af-
22 firmative determination under subsection (b),
23 the Secretary shall—
24 "(i) identify all firms operating within
25 the domestic industry described in para-

1 graph (1) or (2) of subsection (b) that are
2 covered by the determination; and
3 "(ii) certify all workers of such firms
4 as a group of workers eligible to apply for
5 assistance under this subchapter, without
6 any other determination of whether such
7 group meets the requirements of section
8 222.
9 "(B) OTHER REQUIREMENTS.—
10 "(i) IN GENERAL.—Each certification
11 under subparagraph (A)(ii) shall specify
12 the date on which the total or partial sepa-
13 ration began or threatened to begin, except
14 that—
15 "(I) with respect to a request or
16 a resolution under subsection (a),
17 such date may not be a date occurring
18 before the date that is 1 year before
19 the date on which the Secretary re-
20 ceives the request or resolution, as the
21 case may be; and
22 "(II) with respect to the third
23 certification of workers in a domestic
24 industry described in subsection (a),
25 such date may not be a date occurring

1 before the date that is 1 year before
2 the date on which the Secretary
3 makes such third certification.
4 "(ii) INAPPLICABILITY.—A certifi-
5 cation under subparagraph (A)(ii) shall not
6 apply to any worker whose last total or
7 partial separation from the firm occurred
8 before the applicable date specified in
9 clause (i).
10 "(iii) TRAINING BEFORE SEPARA-
11 TION.—Any worker covered by a certifi-
12 cation under subparagraph (A)(ii) shall be
13 deemed to be an adversely affected worker
14 for purposes of receiving services under
15 section 235 and training under section
16 236, without regard to whether the worker
17 has been totally or partially separated from
18 employment. In the case of a worker not
19 totally or partially separated from employ-
20 ment, the reference in section 236(a)(1)(A)
21 to 'suitable employment' shall be deemed
22 not to refer to such employment.
23 "(2) NEGATIVE DETERMINATION.—If the Sec-
24 retary makes a negative determination under sub-
25 section (b), the Secretary shall notify the Committee

1 on Ways and Means of the House of Representatives
2 and the Committee on Finance of the Senate of the
3 reasons for the Secretary's determination.
4 "(3) PUBLICATION.—Upon making a deter-
5 mination under subsection (b), the Secretary shall
6 promptly publish a summary of the determination in
7 the Federal Register and on the Website of the De-
8 partment of Labor, together with the reasons for
9 making such determination.
10 "(4) TERMINATION.—Whenever the Secretary
11 determines that a certification under paragraph (1)
12 is no longer warranted, the Secretary shall terminate
13 the certification and promptly publish notice of the
14 termination in the Federal Register and on the
15 Website of the Department of Labor, together with
16 the reasons for making such determination under
17 this paragraph. Such termination shall apply only
18 with respect to total or partial separations occurring
19 after the termination date specified by the Secretary.
20 In the case of a worker described in paragraph
21 (1)(B)(iii), no services described in section 235 or
22 training described in section 236 may be initiated
23 after such termination date.
24 "(d) OUTREACH.—Upon making a certification under
25 subsection (c)(1) of eligibility for adjustment assistance

1 under this chapter of a group of workers or all workers
2 in a domestic industry, the Secretary shall notify each
3 Governor of a State in which the workers are located of
4 the certification.

5 "(e) REGULATIONS.—The Secretary shall, not later
6 than 1 year after the date of the enactment of the Trade
7 and Globalization Assistance Act of 2007, issue regula-
8 tions for making determinations under this section, includ-
9 ing criteria for making such determinations. The Sec-
10 retary shall develop such regulations in consultation with
11 the Committee on Ways and Means of the House of Rep-
12 resentatives and the Committee on Finance of the Senate,
13 and the Secretary shall submit such regulations to each
14 such committee at least 60 days before the regulations go
15 into effect.

16 "(f) DOMESTIC INDUSTRY DEFINED.—In this sec-
17 tion, the term 'domestic industry' means an industry in
18 the United States, as that industry is defined by the North
19 American Industry Classification System.".

20 (b) CLERICAL AMENDMENT.—The table of contents
21 for title II of the Trade Act of 1974 is amended by insert-
22 ing after the item relating to section 223 the following:
"Sec. 223A. Industry-wide determinations.".

23 (c) CONFORMING AMENDMENTS.—Chapter 2 of title
24 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
25 amended—

1 (1) in section 225—
2 (A) in subsection (a), in the last sentence
3 by inserting "or 223A" after "223"; and
4 (B) in subsection (b)—
5 (i) in paragraph (1), by striking "sub-
6 chapter A of this chapter" and inserting
7 "this subchapter"; and
8 (ii) in paragraph (2), by striking
9 "subchapter A" and inserting "this sub-
10 chapter"; and
11 (2) in section 231—
12 (A) in subsection (a)—
13 (i) in the matter preceding paragraph
14 (1), by striking "more than 60 days" and
15 all that follows through "section 221" and
16 inserting "on or after the date of such cer-
17 tification"; and
18 (ii) in paragraph (1)——
19 (I) in the matter preceding sub-
20 paragraph (A), by striking "his appli-
21 cation" and inserting "the employee's
22 application";
23 (II) in subparagraph (A), by
24 striking "he is" and inserting "the
25 worker is";

1 (III) in subparagraph (B), by in-
2 serting "or 223A (as the case may
3 be)" after "223"; and
4 (IV) in subparagraph (C), by in-
5 serting "or 223A(c)(4), as the case
6 may be" after "223(d)"; and
7 (B) in subsection (b)—
8 (i) by striking paragraph (2); and
9 (ii) in paragraph (1)—
10 (I) by striking "(1)";
11 (II) by redesignating subpara-
12 graphs (A) and (B) as paragraphs (1)
13 and (2), respectively;
14 (III) by redesignating clauses (i)
15 and (ii) as subparagraphs (A) and
16 (B), respectively; and
17 (IV) by redesignating subclauses
18 (I) and (II) as clauses (i) and (ii), re-
19 spectively.

20 **SEC. 112. NOTIFICATIONS REGARDING AFFIRMATIVE DE-**
21 **TERMINATIONS AND SAFEGUARDS.**

22 (a) IN GENERAL.—Section 224 of the Trade Act of
23 1974 (19 U.S.C. 2274) is amended—
24 (1) in the heading, by striking "**STUDY BY**
25 **SECRETARY OF LABOR WHEN INTERNATIONAL**

1 **TRADE COMMISSION BEGINS INVESTIGATION**"
2 and inserting "**STUDY AND NOTIFICATIONS RE-**
3 **GARDING TRADE REMEDY DETERMINATIONS**";
4 (2) in subsection (a), by striking "Whenever the
5 International Trade Commission (hereafter referred
6 to in this chapter as the 'Commission')" and insert-
7 ing "STUDY OF DOMESTIC INDUSTRY.—Whenever
8 The United States International Trade Commis-
9 sion";
10 (3) in subsection (b)—
11 (A) by striking "The report" and inserting
12 "REPORT BY THE SECRETARY.—The report";
13 (B) by striking "his report" and inserting
14 "the Secretary's report"; and
15 (C) by inserting "and on the Website of
16 the Department of Labor" after "Federal Reg-
17 ister"; and
18 (4) by adding at the end the following:
19 "(c) NOTIFICATIONS REGARDING AFFIRMATIVE
20 SAFEGUARD DETERMINATIONS UNDER SECTION 202.—
21 Upon issuing an affirmative finding regarding serious in-
22 jury, or the threat thereof, to a domestic industry, under
23 section 202, the Commission shall notify the Secretary and
24 the Secretary of Commerce of that finding and the identity
25 of the firms that comprise the domestic industry.

1 "(d) NOTIFICATIONS REGARDING AFFIRMATIVE DE-
2 TERMINATIONS UNDER SECTION 421.—Upon issuing an
3 affirmative determination of market disruption, or the
4 threat thereof, under section 421, the Commission shall
5 notify the Secretary and the Secretary of Commerce of
6 that determination and the identity of the firms that com-
7 prise the affected domestic industry.

8 "(e) NOTIFICATIONS REGARDING AFFIRMATIVE DE-
9 TERMINATIONS UNDER TARIFF ACT OF 1930.—Upon
10 issuing a final affirmative determination of injury, or the
11 threat thereof, under section 705 or section 735 of the
12 Tariff Act of 1930 (19 U.S.C. 1671d and 1673d), the
13 Commission shall notify the Secretary and the Secretary
14 of Commerce of that determination and the identity of the
15 firms that comprise the affected domestic industry.

16 "(f) NOTIFICATION OF INDUSTRY AND WORKER
17 REPRESENTATIVES.—Whenever the Commission makes a
18 notification under subsection (c), (d), or (e)—

19 "(1) the Secretary shall—

20 "(A) notify the firms identified by the
21 Commission as comprising the domestic indus-
22 try affected, and any certified or recognized
23 union or other duly authorized representatives
24 of the workers in such industry, of the allow-
25 ances, training, employment services, and other

1 benefits available under this chapter, and the
2 procedures under this chapter for filing peti-
3 tions and applying for benefits;
4 "(B) notify the Governor of each State in
5 which one or more firms described in subpara-
6 graph (A) are located of the Commission's de-
7 termination and the identity of the firms; and
8 "(C) provide the necessary assistance to
9 employers, groups of workers, and any certified
10 or recognized union or other duly authorized
11 representatives of such workers to file petitions
12 under section 221; and
13 "(2) the Secretary of Commerce shall—
14 "(A) notify the firms identified by the
15 Commission as comprising the domestic indus-
16 try affected of the benefits under chapter 3 and
17 the procedures under such chapter for filing pe-
18 titions and applying for benefits; and
19 "(B) provide the necessary assistance to
20 firms to file petitions under section 251.".
21 (b) CLERICAL AMENDMENT.—The table of contents
22 for title II of the Trade Act of 1974 is amended by strik-
23 ing the item relating to section 224 and inserting the fol-
24 lowing:

"Sec. 224. Study and notifications regarding trade remedy determinations.".

1 **SEC. 113. NOTIFICATION TO SECRETARY OF COMMERCE.**

2 Section 225 of the Trade Act of 1974 (19 U.S.C.
3 2275) is amended by adding at the end the following:

4 "(c) Upon issuing a certification under section 223
5 or 223A, the Secretary shall notify the Secretary of Com-
6 merce of the identify of the firm or firms that are covered
7 by the certification.".

8 Subtitle C—Program Benefits

9 **SEC. 121. QUALIFYING REQUIREMENTS FOR WORKERS.**

10 (a) IN GENERAL.—Subsection (a)(5)(A)(ii) of section
11 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amend-
12 ed—

13 (1) by striking subclauses (I) and (II) and in-
14 serting the following:

15 "(I) in the case of a worker whose
16 most recent total separation from adversely
17 affected employment that meets the re-
18 quirements of paragraphs (1) and (2) oc-
19 curs after the date on which the Secretary
20 issues a certification covering the worker,
21 the last day of the 26th week after such
22 total separation,

23 "(II) in the case of a worker whose
24 most recent total separation from adversely
25 affected employment that meets the re-
26 quirements of paragraphs (1) and (2) oc-

1 curs before the date on which the Sec-
2 retary issues a certification covering the
3 worker, the last day of the 26th week after
4 the date of such certification,"; and
5 (2) in subclause (III)—
6 (A) by striking "later of the dates specified
7 in subclause (I) or (II)" and inserting "date
8 specified in subclause (I) or (II), as the case
9 may be"; and
10 (B) by striking "or" at the end;
11 (3) by redesignating subclause (IV) as sub-
12 clause (V); and
13 (4) by inserting after subclause (III) the fol-
14 lowing:
15 "(IV) the last day of such period that
16 the Secretary determines appropriate, if
17 the failure to enroll is due to the failure to
18 provide the worker with timely information
19 regarding the date specified in subclause
20 (I) or (II), as the case may be, or".
21 (b) WAIVERS OF TRAINING REQUIREMENTS.—Sub-
22 section (c) of such section 231 is amended—
23 (1) in paragraph (1)(B)—
24 (A) by striking "The worker possesses"
25 and inserting

1 "(i) IN GENERAL.—The worker pos-
2 sesses";
3 (B) by moving the remaining text 2 ems to
4 the right; and
5 (C) by adding at the end the following:
6 "(ii) MARKETABLE SKILLS DE-
7 FINED.—For purposes of clause (i),
8 the term 'marketable skills' may in-
9 clude the possession of a postgraduate
10 degree from an institution of higher
11 education (as defined in section
12 101(a) of the Higher Education Act
13 of 1965) or equivalent institution, or
14 the possession of an equivalent post-
15 graduate certification in a specialized
16 field."; and
17 (2) in paragraph (3)—
18 (A) in subparagraph (A), by striking "may
19 authorize" and inserting "shall authorize";
20 (B) by redesignating subparagraph (B) as
21 subparagraph (C); and
22 (C) by inserting after subparagraph (A)
23 the following:
24 "(B) DURATION OF WAIVERS.—A waiver
25 issued under paragraph (1) by a cooperating

1 State shall be effective for not more than 3
2 months after the date on which the waiver is
3 issued, except that the State, upon reviewing
4 the waiver, may extend the waiver for an addi-
5 tional period of not more than 3 months if the
6 State determines that the waiver should be
7 maintained.".

8 (c) DETERMINATIONS OF ELIGIBILITY BY STATE EM-
9 PLOYEES APPOINTED ON MERIT BASIS.—Such section
10 231 is further amended by adding at the end the following:

11 "(d) DETERMINATIONS OF ELIGIBILITY BY STATE
12 EMPLOYEES APPOINTED ON MERIT BASIS.—All deter-
13 minations of eligibility for trade readjustment allowances
14 under this part shall be made by employees of the State
15 who are appointed on a merit basis.".

16 (d) CONFORMING AMENDMENT.—Section 233 of the
17 Trade Act of 1974 (19 U.S.C. 2293) is amended by strik-
18 ing subsection (b) and redesignating subsections (c)
19 through (g) as subsections (b) through (f), respectively.

20 **SEC. 122. WEEKLY AMOUNTS.**

21 (a) IN GENERAL.—Section 232 of the Trade Act of
22 1974 (19 U.S.C. 2292) is amended—

23 (1) in subsection (a)—

24 (A) by striking "subsections (b) and (c)"
25 and inserting "subsections (b), (c), and (d)";

1 (B) by striking "total unemployment" the
2 first place it appears and inserting "unemploy-
3 ment"; and
4 (C) in paragraph (2), by adding at the end
5 before the period the following: ", except that
6 in the case of an adversely affected worker who
7 is participating in full-time training under this
8 chapter, such income shall not include earnings
9 from work for such week that are equal to or
10 less than the most recent weekly benefit amount
11 of the unemployment insurance payable to the
12 worker for a week of total unemployment pre-
13 ceding the worker's first exhaustion of unem-
14 ployment insurance (as determined for purposes
15 of section 231(a)(3)(B))";
16 (2) by redesignating subsections (b) and (c) as
17 subsections (c) and (d), respectively; and
18 (3) by inserting after subsection (a) the fol-
19 lowing:
20 "(b)(1) Notwithstanding section 231(a)(3)(B), if an
21 adversely affected worker who is participating in training
22 qualifies for unemployment insurance under State law,
23 based in whole or in part upon part-time or short-term
24 employment following approval of the worker's initial
25 trade readjustment allowance application under section

1 231(a), then for any week for which unemployment insur-
2 ance is payable and for which the worker would otherwise
3 be entitled to a trade readjustment allowance based upon
4 the certification under section 223, the worker shall, in
5 addition to any such unemployment insurance, be paid a
6 trade readjustment allowance in the amount described in
7 paragraph (2).
8 "(2) The trade readjustment allowance payable under
9 paragraph (1) shall be equal to the weekly benefit amount
10 of the unemployment insurance upon which the worker's
11 trade readjustment allowance was initially determined
12 under subsection (a), reduced by—
13 "(A) the amount of the unemployment insurance ben-
14 efit payable to such worker for that week of unemployment
15 for which a trade readjustment allowance is payable under
16 paragraph (1); and
17 "(B) the amounts described in paragraphs (1) and
18 (2) of subsection (a).".
19 (b) CONFORMING AMENDMENTS.—Section 233 of the
20 Trade Act of 1974 (19 U.S.C. 2293) is amended—
21 (1) in subsection (a)(1), by striking "section
22 232(a)" and inserting "subsections (a) and (b) of
23 section 232"; and
24 (2) in subsection (c), by striking "section
25 232(b)" and inserting "section 232(c)".

1 **SEC. 123. LIMITATIONS ON TRADE READJUSTMENT ALLOW-**
2 **ANCES; ALLOWANCES FOR EXTENDED TRAIN-**
3 **ING AND BREAKS IN TRAINING.**

4 Section 233(a) of the Trade Act of 1974 (19 U.S.C.
5 2293(a)) is amended—

6 (1) in paragraph (2), by inserting "under para-
7 graph (1)" after "trade readjustment allowance";

8 (2) in paragraph (3)—

9 (A) in the matter preceding subparagraph
10 (A)—

11 (i) by striking "52 additional weeks"
12 and inserting "78 additional weeks"; and

13 (ii) by striking "52-week" and insert-
14 ing "91-week"; and

15 (B) in the matter following subparagraph
16 (B), by striking "52-week" and inserting "91-
17 week".

18 **SEC. 124. SPECIAL RULES FOR CALCULATION OF ELIGI-**
19 **BILITY PERIOD.**

20 Section 233 of the Trade Act of 1974 (19 U.S.C.
21 2293) is amended by adding at the end the following:

22 "(g) SPECIAL RULE FOR CALCULATING SEPARA-
23 TION.—Notwithstanding any other provision of this chap-
24 ter, any period during which a judicial or administrative
25 appeal is pending with respect to the denial by the Sec-
26 retary of a petition under section 223 shall not be counted

1 for purposes of calculating the period of separation under
2 subsection (a)(2) or for purposes of calculating time peri-
3 ods specified in section 231(a)(5)(A).

4 "(h) SPECIAL RULE FOR JUSTIFIABLE CAUSE.—The
5 Secretary may extend the periods during which trade read-
6 justment allowances are payable to an adversely affected
7 worker under paragraphs (2) and (3) of subsection (a) and
8 under subsection (f) (but not the maximum amounts of
9 such allowances that are payable under this section), and
10 the periods specified in section 231(a)(5)(A), if the Sec-
11 retary determines that there is justifiable cause for such
12 an extension, such as the failure to provide the worker
13 with timely information or justifiable breaks in training
14 that exceed the period allowable under subsection (e).".

15 **SEC. 125. APPLICATION OF STATE LAWS AND REGULATIONS**
16 **ON GOOD CAUSE FOR WAIVER OF TIME LIM-**
17 **ITS OR LATE FILING OF CLAIMS.**

18 Section 234 of the Trade Act of 1974 (19 U.S.C.
19 2294) is amended—

20 (1) by striking "Except where inconsistent" and
21 inserting "(a) IN GENERAL.—Except where incon-
22 sistent"; and

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

24 "(b) STATE LAWS AND REGULATIONS ON GOOD
25 CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING

1 OF CLAIMS.—Any law or regulation of a cooperating State
2 under section 239 that allows for a waiver for good cause
3 of any time limit, including a waiver for good cause to
4 allow the late filing of any claim, for trade readjustment
5 allowances or other adjustment assistance under this
6 chapter shall, in the administration of the program by the
7 State under this chapter, apply to the applicable time limi-
8 tation referred to or specified in this chapter or any regu-
9 lation prescribed to carry out this chapter.".

10 **SEC. 126. EMPLOYMENT AND CASE MANAGEMENT SERV-**
11 **ICES.**

12 (a) IN GENERAL.—Section 235 of the Trade Act of
13 1974 (19 U.S.C. 2295) is amended to read as follows:

14 **"SEC. 235. EMPLOYMENT AND CASE MANAGEMENT SERV-**
15 **ICES.**

16 "The Secretary shall provide, directly or through
17 agreements with States under section 239, to adversely
18 affected workers covered by a certification under sub-
19 chapter A of this chapter the following employment and
20 case management services:

21 "(1) Comprehensive and specialized assessment
22 of skill levels and service needs, including through—

23 "(A) diagnostic testing and use of other
24 assessment tools; and

1 "(B) in-depth interviewing and evaluation
2 to identify employment barriers and appropriate
3 employment goals.
4 "(2) Development of an individual employment
5 plan to identify employment goals and objectives,
6 and appropriate training to achieve those goals and
7 objectives.
8 "(3) Information on training available in local
9 and regional areas, information on individual coun-
10 seling to determine which training is suitable train-
11 ing, and information on how to apply for such train-
12 ing.
13 "(4) Information on how to apply for financial
14 aid, including referring workers to educational op-
15 portunity centers under section 402F of the Higher
16 Education Act of 1965, where applicable, and noti-
17 fying workers that the workers may ask financial aid
18 administrators at institutions of higher education to
19 allow use of their current year income in the finan-
20 cial aid process.
21 "(5) Short-term prevocational services, includ-
22 ing development of learning skills, communications
23 skills, interviewing skills, punctuality, personal main-
24 tenance skills, and professional conduct to prepare
25 individuals for employment or training.

1 "(6) Individual career counseling, including job
2 search and placement counseling, during the period
3 in which the individual is receiving a trade adjust-
4 ment allowance or training under this chapter, and
5 for purposes of job placement after receiving such
6 training.
7 "(7) Provision of employment statistics infor-
8 mation, including the provision of accurate informa-
9 tion relating to local, regional, and national labor
10 market areas, including—
11 "(A) job vacancy listings in such labor
12 market areas;
13 "(B) information on jobs skills necessary
14 to obtain jobs identified in job vacancy listings
15 described in subparagraph (A);
16 "(C) information relating to local occupa-
17 tions that are in demand and earnings potential
18 of such occupations; and
19 "(D) skills requirements for local occupa-
20 tions described in subparagraph (C).
21 "(8) Supportive services, including services re-
22 lating to child care, transportation, dependent care,
23 housing assistance, and need-related payments that
24 are necessary to enable an individual to participate
25 in training.".

1 (b) CLERICAL AMENDMENT.—The item relating to
2 section 235 in the table of contents for title II of the
3 Trade Act of 1974 is amended to read as follows:

"235. Employment and case management services.".

4 **SEC. 127. TRAINING.**

5 (a) IN GENERAL.—Subsection (a)(1) of section 236
6 of the Trade Act of 1974 (19 U.S.C. 2296) is amended
7 by striking the last sentence.

8 (b) FUNDING.—Subsection (a)(2) of such section is
9 amended—

10 (1) in subparagraph (A), to read as follows:

11 "(A) The total amount of payments that may be
12 made under paragraph (1) for each of the fiscal years
13 2008 and 2009 shall not exceed $440,000,000. The total
14 amount of payments that may be made under paragraph
15 (1) for fiscal year 2010 and each subsequent fiscal year
16 shall not exceed $660,000,000."; and

17 (2) by striking subparagraph (B) and inserting
18 the following:

19 "(B) Not later than 120 days after the date of the
20 enactment of the Trade and Globalization Assistance Act
21 of 2007, the Secretary shall establish and implement pro-
22 cedures for the allocation among the States in each fiscal
23 year of funds available to pay the costs of training for
24 workers under this section. The Secretary shall, at least
25 60 days before the date on which the procedures described

1 in this subparagraph are first implemented, consult with
2 the Committee on Ways and Means of the House of Rep-
3 resentatives and the Committee on Finance of the Senate
4 with respect to such procedures.

5 "(C) In establishing and implementing the proce-
6 dures under subparagraph (B), the Secretary shall—

7 "(i) provide for at least 3 distributions of funds
8 available for training in the fiscal year, make the
9 first such distribution at the beginning of the fiscal
10 year, and, in the such first distribution, disburse not
11 more than 50 percent of the total amount of funds
12 available for training in that fiscal year;

13 "(ii) consider using a broad range of factors for
14 the allocation of training funds distributed to States
15 for each fiscal year, including factors such as—

16 "(I) the number of workers certified under
17 sections 223 and 223A in the preceding fiscal
18 year;

19 "(II) the total number of workers certified
20 under sections 223 and 223A that are enrolled
21 in training approved under this section;

22 "(III) the minimum level of funding nec-
23 essary to provide training approved under this
24 section; and

1 "(IV) notifications under the Worker Ad-
2 justment and Retraining Notification Act or
3 other layoff notifications;
4 "(iii) after the initial distribution of training
5 funds to States at the beginning of each fiscal year,
6 provide for subsequent distributions of training
7 funds remaining, based on the factors described in
8 clause (ii) (but, in the case of the factor described
9 in subclause (I) of clause (ii), based on data from
10 the preceding 2 fiscal quarters), if a State requests
11 the distribution of the remaining funds;
12 "(iv) ensure that any final distribution of funds
13 during a fiscal year is made not later than July 1
14 of that fiscal year; and
15 "(v) develop an explicit policy for re-capture
16 and redistribution of training funds, to the extent
17 such re-capture and redistribution of training funds
18 is necessary.".
19 (c) DETERMINATIONS REGARDING TRAINING.—Sub-
20 section (a)(9) of such section is amended—
21 (1) by striking "The Secretary" and inserting
22 "(A) Subject to subparagraph (B), the Secretary";
23 and
24 (2) by adding at the end the following:

1 "(B)(i) In determining under paragraph (1)(E)
2 whether a worker is qualified to undertake and complete
3 training, the Secretary may not disallow training for a pe-
4 riod longer than the worker's period of eligibility for trade
5 readjustment allowances under part I if the worker dem-
6 onstrates that the worker has sufficient financial resources
7 to complete the training after the expiration of the work-
8 er's period of eligibility for such trade readjustment allow-
9 ances.

10 "(ii) In determining the reasonable cost of training
11 under paragraph (1)(F) with respect to a worker, the Sec-
12 retary may consider whether other public or private funds
13 are reasonably available to the worker, except that the
14 Secretary may not require a worker to obtain such funds
15 as a condition of approval of training under paragraph
16 (1).".

17 (d) DETERMINATIONS OF ELIGIBILITY BY STATE
18 EMPLOYEES APPOINTED ON MERIT BASIS.—Such section
19 is further amended—

20 (1) by redesignating subsections (e) and (f) as
21 subsections (f) and (g), respectively; and

22 (2) by inserting after subsection (d) the fol-
23 lowing:

24 "(e) DETERMINATIONS OF ELIGIBILITY BY STATE
25 EMPLOYEES APPOINTED ON MERIT BASIS.—All deter-

1 minations of eligibility for training under this section shall
2 be made by employees of the State who are appointed on
3 a merit basis.".

4 (e) GAO STUDY AND REPORT.—

5 (1) STUDY.—The Comptroller General of the
6 United States shall conduct a study of the proce-
7 dures for the allocation of training funds for workers
8 under subparagraphs (B) and (C) of section
9 236(a)(2) of the Trade Act of 1974 (19 U.S.C.
10 2296), as added by subsection (a) of this section,
11 that are established and implemented by the Sec-
12 retary of Labor pursuant to such section. In car-
13 rying out the study, the Comptroller General shall
14 examine the overall adequacy of funding for training
15 for workers by State and the effectiveness of the
16 procedures for allocating training funds between
17 States and among workers.

18 (2) REPORTS.—

19 (A) INTERIM REPORT.—The Comptroller
20 General of the United States shall submit to
21 the Committee on Ways and Means of the
22 House of Representatives and the Committee
23 on Finance of the Senate an interim report that
24 contains the results of the study conducted
25 under paragraph (1) for the first fiscal year

1 with respect to which the procedures described
2 in paragraph (1) are implemented.
3 (B) FINAL REPORT.—The Comptroller
4 General of the United States shall submit to
5 the Committee on Ways and Means of the
6 House of Representatives and the Committee
7 on Finance of the Senate a final report that
8 contains the results of the study conducted
9 under paragraph (1) for the first three fiscal
10 years with respect to which the procedures de-
11 scribed in paragraph (1) are implemented.

12 **SEC. 128. PREREQUISITE EDUCATION; APPROVED TRAIN-**
13 **ING PROGRAMS.**

14 (a) IN GENERAL.—Section 236(a)(5) of the Trade
15 Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—
16 (1) in subparagraph (A)—
17 (A) by striking "and" at the end of clause
18 (i);
19 (B) by adding "and" at the end of clause
20 (ii); and
21 (C) by inserting after clause (ii) the fol-
22 lowing:
23 "(iii) apprenticeship programs registered
24 under the National Apprenticeship Act (29
25 U.S.C. 50 et seq.),";

1 (2) by redesignating subparagraphs (E) and
2 (F) as subparagraphs (F) and (G), respectively;
3 (3) by inserting after subparagraph (D) the fol-
4 lowing:
5 "(E) any program of prerequisite education or
6 coursework required to enroll in training that may
7 be approved under this section,";
8 (4) in subparagraph (F)(ii), as redesignated by
9 paragraph (1), by striking "and" at the end;
10 (5) in subparagraph (G), as redesignated by
11 paragraph (1), by striking the period at the end and
12 inserting ", and"; and
13 (6) by adding at the end the following:
14 "(H) any training program or coursework at an
15 accredited institution of higher education (as defined
16 in section 102 of the Higher Education Act of
17 1965), including a training program or coursework
18 for the purpose of—
19 "(i) obtaining a degree or certification; or
20 "(ii) completing a degree or certification
21 that the worker had previously begun at an ac-
22 credited institution of higher education.
23 The Secretary may not limit approval of a training pro-
24 gram under paragraph (1) to a program provided pursu-
25 ant to title I of the Workforce Investment Act of 1998.".

1 (b) CONFORMING AMENDMENTS.—Section 233 of the
2 Trade Act of 1974 (19 U.S.C. 2293) is amended—
3 (1) in subsection (a)(2), by inserting "pre-
4 requisite education or" after "requires a program
5 of"; and
6 (2) in subsection (f) (as redesignated by section
7 121(d) of this Act), by inserting "prerequisite edu-
8 cation or" after "includes a program of".

9 **SEC. 129. ELIGIBILITY FOR UNEMPLOYMENT INSURANCE**
10 **AND PROGRAM BENEFITS WHILE IN TRAIN-**
11 **ING.**

12 (a) IN GENERAL.—Section 236(d) of the Trade Act
13 of 1974 (19 U.S.C. 2296(d)) is amended to read as fol-
14 lows:
15 "(d) ELIGIBILITY.—A worker may not be determined
16 to be ineligible or disqualified for unemployment insurance
17 or program benefits under this subchapter—
18 "(1) because the worker—
19 "(A) is enrolled in training approved under
20 subsection (a); or
21 "(B) left work—
22 "(i) that was not suitable employment
23 in order to receive such training; or
24 "(ii) that the worker engaged in on a
25 temporary basis during a break in such

1 training or a delay in the commencement
2 of such training; or
3 "(2) because of the application to any such
4 week in training of the provisions of State law or
5 Federal unemployment insurance law relating to
6 availability for work, active search for work, or re-
7 fusal to accept work.".
8 (b) DEFINITION.—Subchapter B of chapter 2 of title
9 II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.) is
10 amended—
11 (1) in section 233(d) (as redesignated by sec-
12 tion 121(d) of this Act), by inserting "suitable" be-
13 fore "on-the-job training"; and
14 (2) in section 236—
15 (A) by inserting "suitable" before "on-the-
16 job training" each place it appears; and
17 (B) by adding at the end the following:
18 "(h) SUITABLE ON-THE-JOB TRAINING.—For pur-
19 poses of this section, the term 'suitable on-the-job train-
20 ing' means on-the-job training—
21 "(1) that can reasonably be expected to lead to
22 suitable employment;
23 "(2) that is compatible with the skills of the
24 worker;
25 "(3) that—

1 "(A) involves a curriculum through which
2 the worker learns the skills necessary for the
3 job for which the worker is being trained; and
4 "(B) can be measured by benchmarks that
5 indicate that the worker is learning such skills;
6 and
7 "(4) that is certified by the State as an on-the-
8 job training program that meets the requirements of
9 paragraph (3).".

10 **SEC. 130. ADMINISTRATIVE EXPENSES AND EMPLOYMENT**
11 **AND CASE MANAGEMENT SERVICES.**

12 (a) IN GENERAL.—Part II of subchapter B of chap-
13 ter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295
14 et seq.) is amended by inserting after section 236 the fol-
15 lowing:

16 **"SEC. 236A. ADDITIONAL PAYMENTS FOR ADMINISTRATIVE**
17 **EXPENSES AND EMPLOYMENT AND CASE**
18 **MANAGEMENT SERVICES.**

19 "(a) ADMINISTRATIVE EXPENSES.—
20 "(1) IN GENERAL.—The Secretary shall provide
21 to each State that receives a payment under section
22 236 for a fiscal year an additional payment for such
23 fiscal year in an amount that is not less than 15
24 percent of the amount of the payment under section
25 236.

1 "(2) USE OF FUNDS.—A State that receives an
2 additional payment under paragraph (1) shall use
3 the payment for administration of the trade adjust-
4 ment assistance for workers program under this
5 chapter, including for—
6 "(A) processing of waivers of training re-
7 quirements under section 231;
8 "(B) collecting of data required under this
9 chapter; and
10 "(C) providing services under section 235.
11 "(3) ADMINISTRATION REQUIREMENT.—Funds
12 provided to a State under this subsection for a fiscal
13 year that are in excess of the amount of funds pro-
14 vided to the State for administration of the trade
15 adjustment assistance for workers program under
16 this chapter for fiscal year 2007 may only be admin-
17 istered by employees of the State who are appointed
18 on a merit basis.
19 "(b) ADDITIONAL FUNDING FOR EMPLOYMENT AND
20 CASE MANAGEMENT SERVICES.—
21 "(1) IN GENERAL.—The Secretary shall provide
22 to each State that receives a payment under section
23 236 for a fiscal year an additional payment for such
24 fiscal year in an amount that is not less than .06

1 percent of the total amount of payments that may
2 be made in that fiscal year under section 236(a)(2).
3 "(2) USE OF FUNDS.—A State that receives an
4 additional payment under paragraph (1) shall use
5 the payment for providing services under section
6 235.
7 "(3) ADMINISTRATION REQUIREMENT.—Funds
8 provided to a State under this subsection may only
9 be administered by employees of the State who are
10 appointed on a merit basis.
11 "(c) FUNDING.—Funds provided to the States under
12 this section shall not be counted toward the limitation con-
13 tained in section 236(a)(2)(A).".
14 (b) CLERICAL 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 236 the following:

"Sec. 236A. Additional payments for administrative expenses and employment and case management services.".

17 **SEC. 131. JOB SEARCH AND RELOCATION ALLOWANCES.**
18 (a) JOB SEARCH ALLOWANCES.—Section 237 of the
19 Trade Act of 1974 (19 U.S.C. 2297) is amended—
20 (1) in subsection (a)(2)(C)(ii), by striking ",
21 unless the worker received a waiver under section
22 231(c)"; and
23 (2) in subsection (b)—

1 (A) in paragraph (1), by striking "90 per-
2 cent of the cost of" and inserting "all"; and
3 (B) in paragraph (2), by striking "$1,250"
4 and inserting "$1,500".
5 (b) RELOCATION ALLOWANCES.—Section 238 of the
6 Trade Act of 1974 (19 U.S.C. 2298) is amended—
7 (1) in subsection (a)(2)(E)(ii), by striking ",
8 unless the worker received a waiver under section
9 231(c)"; and
10 (2) in subsection (b)—
11 (A) in paragraph (1), by striking "90 per-
12 cent of the" and inserting "all"; and
13 (B) in paragraph (2), by striking "$1,250"
14 and inserting "$1,500".

15 **Subtitle D—Health Care Provisions**

16 **SEC. 141. MODIFICATIONS RELATING HEALTH INSURANCE**
17 **ASSISTANCE FOR CERTAIN TAA AND PBGC**
18 **PENSION RECIPIENTS.**

19 (a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—
20 (1) IN GENERAL.—Subsection (a) of section 35
21 of the Internal Revenue Code of 1986 is amended by
22 striking "65 percent" and inserting "85 percent".
23 (2) CONFORMING AMENDMENT.—Subsection (b)
24 of section 7527 of such Code is amended by striking
25 "65 percent" and inserting "85 percent".

1 (b) TAA RECIPIENTS RECEIVING UNEMPLOYMENT
2 COMPENSATION AND NOT ENROLLED IN TRAINING PRO-
3 GRAM ELIGIBLE FOR CREDIT.—Paragraph (2) of section
4 35(c) of such Code is amended to read as follows:
5 "(2) ELIGIBLE TAA RECIPIENT.—The term 'eli-
6 gible TAA recipient' means, with respect to any
7 month, any individual who—
8 "(A) is receiving for any day of such
9 month a trade readjustment allowance under
10 chapter 2 of title II of the Trade Act of 1974,
11 or
12 "(B) is receiving unemployment compensa-
13 tion (as defined in section 85) for such month
14 and who would be eligible to receive such allow-
15 ance for such month if section 231 of such Act
16 were applied without regard to subsections
17 (a)(3)(B) and (a)(5) thereof.
18 An individual shall continue to be treated as an eli-
19 gible TAA recipient during the first month that such
20 individual would otherwise cease to be an eligible
21 TAA recipient by reason of the preceding sentence.".
22 (c) ELIGIBILITY FOR ELIGIBLE INDIVIDUALS MADE
23 RETROACTIVE TO TAA-RELATED LOSS OF EMPLOY-
24 MENT.—Subsection (c) of section 35 of such Code is

1 amended by adding at the end the following new para-
2 graph:
3 "(5) RETROACTIVE ELIGIBILITY FOR TAA RE-
4 CIPIENTS.—In the case of any individual who is an
5 eligible TAA recipient or eligible alternative TAA re-
6 cipient for any month, such individual shall be treat-
7 ed as an eligible individual for any month which pre-
8 cedes such month and which begins after the later
9 of—
10 "(A) the date of the separation from em-
11 ployment which gives rise to such individual
12 being an eligible TAA recipient or eligible alter-
13 native TAA recipient, or
14 "(B) December 31, 2007.".
15 (d) CONTINUED QUALIFICATION OF FAMILY MEM-
16 BERS AFTER CERTAIN EVENTS.—
17 (1) IN GENERAL.—Subsection (g) of section 35
18 of such Code is amended by redesignating paragraph
19 (9) as paragraph (10) and inserting after paragraph
20 (8) the following new paragraph:
21 "(9) CONTINUED QUALIFICATION OF FAMILY
22 MEMBERS AFTER CERTAIN EVENTS.—
23 "(A) MEDICARE ELIGIBILITY.—In the case
24 of any month which would be an eligible cov-
25 erage month with respect to an eligible indi-

1 vidual but for subsection (f)(2)(A), such month
2 shall be treated as an eligible coverage month
3 with respect to such eligible individual solely for
4 purposes of determining the amount of the
5 credit under this section with respect to any
6 qualifying family members of such individual
7 (and any advance payment of such credit under
8 section 7527). This subparagraph shall only
9 apply with respect to the first 36 months after
10 such eligible individual is first entitled to the
11 benefits described in subsection (f)(2)(A).
12 "(B) DIVORCE.—In the case of the final-
13 ization of a divorce between an eligible indi-
14 vidual and such individual's spouse, such spouse
15 shall be treated as an eligible individual for pur-
16 poses of this section and section 7527 for a pe-
17 riod of 36 months beginning with the date of
18 such finalization, except that the only qualifying
19 family members who may be taken into account
20 with respect to such spouse are those individ-
21 uals who were qualifying family members imme-
22 diately before such finalization.
23 "(C) DEATH.—In the case of the death of
24 an eligible individual—

1 "(i) any spouse of such individual (de-
2 termined at the time of such death) shall
3 be treated as an eligible individual for pur-
4 poses of this section and section 7527 for
5 a period of 36 months beginning with the
6 date of such death, except that the only
7 qualifying family members who may be
8 taken into account with respect to such
9 spouse are those individuals who were
10 qualifying family members immediately be-
11 fore such death, and
12 "(ii) any individual who was a quali-
13 fying family member of the decedent imme-
14 diately before such death (or, in the case
15 of an individual to whom paragraph (4)
16 applies, the taxpayer to whom the deduc-
17 tion under section 151 is allowable) shall
18 be treated as an eligible individual for pur-
19 poses of this section and section 7527 for
20 a period of 36 months beginning with the
21 date of such death, except that in deter-
22 mining the amount of such credit only
23 such qualifying family member may be
24 taken into account.".

1 (2) CONFORMING AMENDMENT.—Section 173(f)
2 of the Workforce Investment Act of 1998 (29 U.S.C.
3 2918(f)) is amended by adding at the end the fol-
4 lowing:
5 "(8) CONTINUED QUALIFICATION OF FAMILY
6 MEMBERS AFTER CERTAIN EVENTS.—
7 "(A) MEDICARE ELIGIBILITY.—In the case
8 of any month which would be an eligible cov-
9 erage month with respect to an eligible indi-
10 vidual but for paragraph (7)(B)(i), such month
11 shall be treated as an eligible coverage month
12 with respect to such eligible individual solely for
13 purposes of determining the eligibility of quali-
14 fying family members of such individual under
15 this subsection. This subparagraph shall only
16 apply with respect to the first 36 months after
17 such eligible individual is first entitled to the
18 benefits described in paragraph (7)(B)(i).
19 "(B) DIVORCE.—In the case of the final-
20 ization of a divorce between an eligible indi-
21 vidual and such individual's spouse, such spouse
22 shall be treated as an eligible individual for pur-
23 poses of this subsection for a period of 36
24 months beginning with the date of such final-
25 ization, except that the only qualifying family

1 members who may be taken into account with
2 respect to such spouse are those individuals who
3 were qualifying family members immediately be-
4 fore such finalization.
5 "(C) DEATH.—In the case of the death of
6 an eligible individual—
7 "(i) any spouse of such individual (de-
8 termined at the time of such death) shall
9 be treated as an eligible individual for pur-
10 poses of this subsection for a period of 36
11 months beginning with the date of such
12 death, except that the only qualifying fam-
13 ily members who may be taken into ac-
14 count with respect to such spouse are those
15 individuals who were qualifying family
16 members immediately before such death,
17 and
18 "(ii) any individual who was a quali-
19 fying family member of the decedent imme-
20 diately before such death shall be treated
21 as an eligible individual for purposes this
22 subsection for a period of 36 months be-
23 ginning with the date of such death, except
24 that no qualifying family members may be

1 taken into account with respect to such in-
2 dividual.".
3 (e) MODIFICATION OF CREDITABLE COVERAGE RE-
4 QUIREMENT.—
5 (1) IN GENERAL.—Subparagraph (B) of section
6 35(e)(2) of such Code is amended to read as follows:
7 "(B) QUALIFYING INDIVIDUAL.—For pur-
8 poses of this paragraph, the term 'qualifying in-
9 dividual' means an eligible individual and the
10 qualifying family members of such individual if
11 such individual meets the requirements of
12 clauses (iii) and (iv) of subsection (b)(1)(A)
13 and—
14 "(i) in the case of an eligible TAA re-
15 cipient or an eligible alternative TAA re-
16 cipient, has (as of the date on which the
17 individual seeks to enroll in the coverage
18 described in subparagraphs (B) through
19 (H) of paragraph (1)) a period of cred-
20 itable coverage (as defined in section
21 9801(c)), or
22 "(ii) in the case of an eligible PBGC
23 pension recipient, enrolls in such coverage
24 during the 90-day period beginning on the
25 later of—

1 "(I) the last day of the first
2 month with respect to which such re-
3 cipient becomes an eligible PBGC
4 pension recipient, or
5 "(II) the date of the enactment
6 of this subparagraph.".
7 (2) CONFORMING AMENDMENT.—Clause (ii) of
8 section 172(f)(2)(B) of the Workforce Investment
9 Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended
10 to read as follows:
11 "(ii) QUALIFYING INDIVIDUAL.—For
12 purposes of this subparagraph, the term
13 'qualifying individual' means an eligible in-
14 dividual and the qualifying family members
15 of such individual if such individual meets
16 the requirements of clauses (iii) and (iv) of
17 section 35(b)(1)(A) of the Internal Rev-
18 enue Code of 1986 and—
19 "(I) in the case of an eligible
20 TAA recipient or an eligible alter-
21 native TAA recipient, has (as of the
22 date on which the individual seeks to
23 enroll in the coverage described in
24 clauses (ii) through (viii) of subpara-
25 graph (A)) a period of creditable cov-

1 erage (as defined in section 9801(c) of
2 such Code), or
3 "(II) in the case of an eligible
4 PBGC pension recipient, enrolls in
5 such coverage during the 90-day pe-
6 riod beginning on the later of—
7 "(aa) the last day of the
8 first month with respect to which
9 such recipient becomes an eligible
10 PBGC pension recipient, or
11 "(bb) the date of the enact-
12 ment of this clause.".
13 (3) OUTREACH.—The Secretary of the Treas-
14 ury shall carry out a program to notify individuals
15 prior to their becoming eligible PBGC pension re-
16 cipients (as defined in section 35 of the Internal
17 Revenue Code of 1986) of the requirement of sub-
18 section (e)(2)(B)(ii) of such section, as added by this
19 subsection.
20 (f) TAA PRE-CERTIFICATION PERIOD RULE FOR
21 PURPOSES OF DETERMINING WHETHER THERE IS A 63-
22 DAY LAPSE IN CREDITABLE COVERAGE.—
23 (1) IRC AMENDMENT.—Section 9801(c)(2) of
24 the Internal Revenue Code of 1986 (relating to not
25 counting periods before significant breaks in cred-

1 itable coverage) is amended by adding at the end the
2 following new subparagraph:
3 "(D) 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 which is
9 5 days after the postmark date of the no-
10 tice by the Secretary (or by any person or
11 entity designated by the Secretary) that
12 the individual is eligible for a qualified
13 health insurance costs credit eligibility cer-
14 tificate for purposes of section 7527 shall
15 not be taken into account in determining
16 the continuous period under subparagraph
17 (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 4980B(f)(5)(C)(iv).".
22 (2) ERISA AMENDMENT.—Section 701(c)(2) of
23 the Employee Retirement Income Security Act of
24 1974 (29 U.S.C. 1181(c)(2)) is amended by adding
25 at the end the following new subparagraph:

1 "(C) TAA-ELIGIBLE INDIVIDUALS.—
2 "(i) TAA PRE-CERTIFICATION PERIOD
3 RULE.—In the case of a TAA-eligible indi-
4 vidual, the period beginning on the date
5 the individual has a TAA-related loss of
6 coverage and ending on the date that is 5
7 days after the postmark date of the notice
8 by the Secretary (or by any person or enti-
9 ty designated by the Secretary) that the
10 individual is eligible for a qualified health
11 insurance costs credit eligibility certificate
12 for purposes of section 7527 of the Inter-
13 nal Revenue Code of 1986 shall not be
14 taken into account in determining the con-
15 tinuous period under subparagraph (A).
16 "(ii) DEFINITIONS.—The terms 'TAA-
17 eligible individual', and 'TAA-related loss
18 of coverage' have the meanings given such
19 terms in section 605(b)(4)(c).".
20 (3) PHSA AMENDMENT.—Section 2701(c)(2)
21 of the Public Health Service Act (42 U.S.C.
22 300gg(c)(2)) is amended by adding at the end the
23 following new subparagraph:
24 "(C) TAA-ELIGIBLE INDIVIDUALS.—

1 "(i) TAA PRE-CERTIFICATION PERIOD
2 RULE.—In the case of a TAA-eligible indi-
3 vidual, the period beginning on the date
4 the individual has a TAA-related loss of
5 coverage and ending on the date that is 5
6 days after the postmark date of the notice
7 by the Secretary (or by any person or enti-
8 ty designated by the Secretary) that the
9 individual is eligible for a qualified health
10 insurance costs credit eligibility certificate
11 for purposes of section 7527 of the Inter-
12 nal Revenue Code of 1986 shall not be
13 taken into account in determining the con-
14 tinuous period under subparagraph (A).
15 "(ii) DEFINITIONS.—The terms 'TAA-
16 eligible individual', and 'TAA-related loss
17 of coverage' have the meanings given such
18 terms in section 2205(b)(4)(c).".
19 (g) RATING SYSTEM REQUIREMENT FOR CERTAIN
20 STATE-BASED COVERAGE.—
21 (1) IN GENERAL.—Subparagraph (A) of section
22 35(e)(2) of such Code is amended by adding at the
23 end the following new clause:
24 "(v) RATING SYSTEM REQUIRE-
25 MENT.—In the case of coverage described

1 in paragraph (1)(F)(ii), the premiums for
2 such coverage are restricted, based on a
3 community rating system with respect to
4 eligible individuals and their qualifying
5 family members, or based on a rate-band
6 system under which the maximum rate
7 which may be charged does not exceed 150
8 percent of the standard rate with respect
9 to eligible individuals and their qualifying
10 family members.".
11 (2) CONFORMING AMENDMENT.—Clause (i) of
12 section 173(f)(2)(B) of the Workforce Investment
13 Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended
14 by adding at the end the following new subclause:
15 "(V) RATING SYSTEM REQUIRE-
16 MENT.—In the case of coverage de-
17 scribed in subparagraph (A)(vi)(II),
18 the premiums for such coverage are
19 restricted, based on a community rat-
20 ing system with respect to eligible in-
21 dividuals and their qualifying family
22 members, or based on a rate-band
23 system under which the maximum
24 rate which may be charged does not
25 exceed 150 percent of the standard

1 rate with respect to eligible individuals
2 and their qualifying family mem-
3 bers.".
4 (h) TERMINATION OF PROGRAM.—
5 (1) IN GENERAL.—Section 35 of such Code is
6 amended by adding at the end the following new
7 subsection:
8 "(h) TERMINATION.—An individual shall not be
9 treated as an eligible individual for purposes of this section
10 or section 7527 for any month beginning after December
11 31, 2009, unless such individual was an eligible individual
12 for a continuous period of months ending with such month
13 and beginning before such date.".
14 (2) CONFORMING AMENDMENT.—Subsection (f)
15 of section 173 of the Workforce Investment Act of
16 1998 (29 U.S.C. 2918) is amended by adding at the
17 end the following new paragraph:
18 "(8) TERMINATION.—An individual shall not be
19 treated as an eligible individual for purposes of this
20 subsection for any month beginning after December
21 31, 2009, unless such individual was an eligible indi-
22 vidual for a continuous period of months ending with
23 such month and beginning before such date.".
24 (i) EFFECTIVE DATE.—

1 (1) IN GENERAL.—Except as otherwise pro-
2 vided in this subsection, the amendments made by
3 this section shall apply to months beginning after
4 December 31, 2007, in taxable years ending after
5 such date.
6 (2) RATING SYSTEM REQUIREMENT.—The
7 amendments made by subsection (g) shall apply to
8 months beginning after March 31, 2008, in taxable
9 years ending after such date.
10 (3) DISCRETION TO DELAY EFFECTIVE DATE
11 FOR PURPOSES OF ADVANCE PAYMENT PROGRAM.—
12 Solely for purposes of carrying out the advance pay-
13 ment program under section 7527, the Secretary
14 may provide that one or more amendments made by
15 subsections (b), (c), and (d) shall not apply to one
16 or more months beginning before March 31, 2008,
17 to the extent that the Secretary determines that
18 such delay is necessary to properly implement any
19 such amendment as part of such program.
20 (j) GAO STUDY AND REPORT.—
21 (1) STUDY.—The Comptroller General of the
22 United States shall conduct a study regarding the
23 health insurance tax credit allowed under section 35
24 of the Internal Revenue Code of 1986.

1 (2) REPORT.—Not later than March 1, 2009,
2 the Comptroller General shall submit a report to
3 Congress regarding the results of the study con-
4 ducted under paragraph (1). Such report shall in-
5 clude an analysis of—
6 (A) the administrative costs—
7 (i) of the Federal Government with
8 respect to such credit and the advance pay-
9 ment of such credit under section 7527 of
10 such Code, and
11 (ii) of providers of qualified health in-
12 surance with respect to providing such in-
13 surance to eligible individuals and their
14 qualifying family members,
15 (B) the health status and relative risk sta-
16 tus of eligible individuals and qualifying family
17 members covered under such insurance,
18 (C) participation in such credit and the ad-
19 vance payment of such credit by eligible individ-
20 uals and their qualifying family members, in-
21 cluding the reasons why such individuals did or
22 did not participate and the effect of the amend-
23 ments made by this section on such participa-
24 tion, and

1 (D) the extent to which eligible individuals
2 and their qualifying family members—
3 (i) obtained health insurance other
4 than qualifying health insurance, or
5 (ii) went without health insurance cov-
6 erage.
7 (3) ACCESS TO RECORDS.—For purposes of
8 conducting the study required under this subsection,
9 the Comptroller General and any of his duly author-
10 ized representatives shall have access to, and the
11 right to examine and copy, all documents, records,
12 and other recorded information—
13 (A) within the possession or control of pro-
14 viders of qualified health insurance, and
15 (B) determined by the Comptroller General
16 (or any such representative) to be relevant to
17 the study.
18 The Comptroller General shall not disclose the iden-
19 tity of any provider of qualified health insurance or
20 any eligible individual in making any information ob-
21 tained under this section available to the public.
22 (4) DEFINITIONS.—Any term which is defined
23 in section 35 of the Internal Revenue Code of 1986
24 shall have the same meaning when used in this sub-
25 section.

1 **SEC. 142. EXTENSION OF COBRA BENEFITS FOR CERTAIN**
2 **TAA-ELIGIBLE INDIVIDUALS AND PBGC RE-**
3 **CIPIENTS.**

4 (a) ERISA AMENDMENTS.—Section 602(2)(A) of the
5 Employee Retirement Income Security Act of 1974 (29
6 U.S.C. 1162(2)(A)) is amended—

7 (1) by moving clause (v) to after clause (iv) and
8 before the flush left sentence beginning with "In the
9 case of a qualified beneficiary";

10 (2) by striking "In the case of a qualified bene-
11 ficiary" and inserting the following:

12 "(vi) SPECIAL RULE FOR DIS-
13 ABILITY.—In the case of a qualified bene-
14 ficiary"; and

15 (3) by redesignating clauses (v) and (vi), as
16 amended by paragraphs (1) and (2), as clauses (viii)
17 and (ix) and by inserting after clause (iv) the fol-
18 lowing new clauses:

19 "(v) SPECIAL RULE FOR PBGC RECIPI-
20 ENTS.—In the case of a qualifying event
21 described in section 603(2) with respect to
22 a covered employee who (as of such quali-
23 fying event) has a nonforeitable right to a
24 benefit any portion of which is to be paid
25 by the Pension Benefit Guaranty Corpora-
26 tion under title IV, notwithstanding clause

1 (i) or (ii), the date of the death of the cov-
2 ered employee, or in the case of the sur-
3 viving spouse or dependent children of the
4 covered employee, 36 months after the
5 date of the death of the covered employee.
6 "(vi) SPECIAL RULE FOR TAA-ELIGI-
7 BLE INDIVIDUALS.—In the case of a quali-
8 fying event described in section 603(2)
9 with respect to a covered employee who is
10 (as of the date that the period of coverage
11 would, but for this clause or clause (vii),
12 otherwise terminate under clause (i) or
13 (ii)) a TAA-eligible individual (as defined
14 in section 605(b)(4)(B)), the period of cov-
15 erage shall not terminate by reason of
16 clause (i) or (ii), as the case may be, be-
17 fore the later of the date specified in such
18 clause or the date on which such individual
19 ceases to be such a TAA-eligible individual.
20 "(vii) SPECIAL RULE FOR CERTAIN
21 TAA-ELIGIBLE INDIVIDUALS.—In the case
22 of a qualifying event described in section
23 603(2) with respect to a covered employee
24 who is (as of the date that the period of
25 coverage would, but for this clause or

1 clause (vi), otherwise terminate under
2 clause (i) or (ii)) a TAA-eligible individual
3 (as defined in section 605(b)(4)(B)) and
4 who (as of such qualifying event) has
5 attainted age 55 or has completed 10 or
6 more years of service with the employer,
7 clauses (i) and (ii) shall not apply.".
8 (b) IRC AMENDMENTS.—Clause (i) of section
9 4980B(f)(2)(B) of the Internal Revenue Code of 1986 is
10 amended—
11 (1) by striking "In the case of a qualified bene-
12 ficiary" and inserting the following:
13 "(VI) SPECIAL RULE FOR DIS-
14 ABILITY.—In the case of a qualified
15 beneficiary", and
16 (2) by redesignating subclauses (V) and (VI),
17 as amended by paragraph (1), as subclauses (VIII)
18 and (IX) and by inserting after clause (IV) the fol-
19 lowing new subclauses:
20 "(V) SPECIAL RULE FOR PBGC
21 RECIPIENTS.—In the case of a quali-
22 fying event described in paragraph
23 (3)(B) with respect to a covered em-
24 ployee who (as of such qualifying
25 event) has a nonforeitable right to a

1 benefit any portion of which is to be
2 paid by the Pension Benefit Guaranty
3 Corporation under title IV of the Em-
4 ployee Retirement Income Security
5 Act of 1974, notwithstanding sub-
6 clause (I) or (II), the date of the
7 death of the covered employee, or in
8 the case of the surviving spouse or de-
9 pendent children of the covered em-
10 ployee, 36 months after the date of
11 the death of the covered employee.
12 "(VI) SPECIAL RULE FOR TAA-
13 ELIGIBLE INDIVIDUALS.—In the case
14 of a qualifying event described in
15 paragraph (3)(B) with respect to a
16 covered employee who is (as of the
17 date that the period of coverage
18 would, but for this subclause or sub-
19 clause (VII), otherwise terminate
20 under subclause (I) or (II)) a TAA-el-
21 igible individual (as defined in para-
22 graph (5)(C)(iv)(II)), the period of
23 coverage shall not terminate by reason
24 of subclause (I) or (II), as the case
25 may be, before the later of the date

1 specified in such subclause or the date
2 on which such individual ceases to be
3 such a TAA-eligible individual.
4 "(VII) SPECIAL RULE FOR CER-
5 TAIN TAA-ELIGIBLE INDIVIDUALS.—In
6 the case of a qualifying event de-
7 scribed in paragraph (3)(B) with re-
8 spect to a covered employee who is (as
9 of the date that the period of coverage
10 would, but for this subclause or sub-
11 clause (VI), otherwise terminate under
12 subclause (I) or (II)) a TAA-eligible
13 individual (as defined in paragraph
14 (5)(C)(iv)(II)) and who (as of such
15 qualifying event) has attainted age 55
16 or has completed 10 or more years of
17 service with the employer, subclauses
18 (I) and (II) shall not apply.".
19 (c) PHSA AMENDMENTS.—Section 2202(2)(A) of
20 the Public Health Service Act (42 U.S.C. 300bb-2(2)(A))
21 is amended—
22 (1) by striking "In the case of a qualified bene-
23 ficiary" and inserting the following:

1 "(v) SPECIAL RULE FOR DIS-
2 ABILITY.—In the case of a qualified bene-
3 ficiary"; and
4 (2) by redesignating clauses (iv) and (v), as
5 amended by paragraph (1), as clauses (vi) and (vii)
6 and by inserting after clause (iii) the following new
7 clauses:
8 "(iv) SPECIAL RULE FOR TAA-ELIGI-
9 BLE INDIVIDUALS.—In the case of a quali-
10 fying event described in section 2203(2)
11 with respect to a covered employee who is
12 (as of the date that the period of coverage
13 would, but for this clause or clause (v),
14 otherwise terminate under clause (i) or
15 (ii)) a TAA-eligible individual (as defined
16 in section 2205(b)(4)(B)), the period of
17 coverage shall not terminate by reason of
18 clause (i) or (ii), as the case may be, be-
19 fore the later of the date specified in such
20 clause or the date on which such individual
21 ceases to be such a TAA-eligible individual.
22 "(v) SPECIAL RULE FOR CERTAIN
23 TAA-ELIGIBLE INDIVIDUALS.—In the case
24 of a qualifying event described in section
25 2203(2) with respect to a covered employee

1 who is (as of the date that the period of
2 coverage would, but for this clause or
3 clause (iv), otherwise terminate under
4 clause (i) or (ii)) a TAA-eligible individual
5 (as defined in section 2205(b)(4)(B)) and
6 who (as of such qualifying event) has
7 attainted age 55 or has completed 10 or
8 more years of service with the employer,
9 clauses (i) and (ii) shall not apply.".
10 (d) EFFECTIVE DATE.—The amendments made by
11 this section shall apply to periods of coverage which would
12 (without regard to the amendments made by this section)
13 end on or after January 1, 2008.

14 Subtitle E—Wage Insurance

15 SEC. 151. REEMPLOYMENT TRADE ADJUSTMENT ASSIST-
16 ANCE PROGRAM FOR OLDER WORKERS.

17 (a) IN GENERAL.—Section 246 of the Trade Act of
18 1974 (19 U.S.C. 2318) is amended—
19 (1) by amending the heading to read as follows:
20 "**REEMPLOYMENT TRADE ADJUSTMENT AS-**
21 **SISTANCE**";
22 (2) in subsection (a)—
23 (A) in paragraph (1), by striking "alter-
24 native" and inserting "reemployment";

1 (B) in paragraph (2)(A), by striking "for
2 a period not to exceed 2 years" and inserting
3 "for the eligibility period under paragraph
4 (3)(C)"; and
5 (C) by striking paragraphs (3) through (5)
6 and inserting the following:
7 "(3) ELIGIBILITY.—
8 "(A) IN GENERAL.—A group of workers
9 certified under subchapter A as eligible for ad-
10 justment assistance under subchapter A is eligi-
11 ble for benefits described in paragraph (2)
12 under the program established under paragraph
13 (1).
14 "(B) INDIVIDUAL ELIGIBILITY.—A worker
15 in a group of workers described in subpara-
16 graph (A) may elect to receive benefits de-
17 scribed in paragraph (2) under the program es-
18 tablished under paragraph (1) if the worker—
19 "(i) is at least 50 years of age;
20 "(ii) earns not more than $60,000
21 each year in wages from reemployment;
22 "(iii)(I) is employed on a full-time
23 basis as defined by State law in the State
24 in which the worker is employed; or

1 "(II) is employed at least 20 hours
2 per week and is enrolled in training ap-
3 proved under section 236; and
4 "(iv) is not employed at the firm from
5 which the worker was separated.
6 In the case of a worker described in clause
7 (iii)(II), the percentage referred to in para-
8 graph (2)(A) shall be deemed to be a percent-
9 age equal to ½ of the ratio of weekly hours of
10 employment referred to in clause (iii)(II) to
11 weekly hours of employment of that worker at
12 the time of separation (but not more than 50
13 percent).
14 "(C) ELIGIBILITY PERIOD FOR PAY-
15 MENTS.—A worker in a group of workers de-
16 scribed in subparagraph (A) may receive pay-
17 ments described in paragraph (2)(A) under the
18 program established under paragraph (1) for a
19 period not to exceed 2 years from the date on
20 which the worker exhausts all rights to unem-
21 ployment insurance based on the separation of
22 the worker from adversely affected employment
23 or the date on which the worker obtains reem-
24 ployment, whichever is earlier.

1 "(D) TRAINING AND OTHER SERVICES.—A
2 worker described in subparagraph (B) shall be
3 eligible to receive training approved under sec-
4 tion 236 and services under section 235.
5 "(4) TOTAL AMOUNT OF PAYMENTS.—The pay-
6 ments described in paragraph (2)(A) made to a
7 worker may not exceed $12,000 per worker during
8 the eligibility period under paragraph (3)(C).
9 "(5) LIMITATION ON OTHER BENEFITS.—A
10 worker described in paragraph (3) may not receive
11 a trade readjustment allowance under part I of sub-
12 chapter B during any week for which the worker re-
13 ceives a payment described in paragraph (2)(A).";
14 and
15 (3) in subsection (b)(2), by striking "subsection
16 (a)(3)(B)" and inserting "subsection (a)(3)".
17 (b) EXTENSION OF PROGRAM.—Subsection (b)(1) of
18 such section is amended by striking "5" and inserting
19 "10".
20 (c) CLERICAL AMENDMENT.—The table of contents
21 for title II of the Trade Act of 1974 is amended by strik-
22 ing the item relating to section 246 and inserting the fol-
23 lowing:

"Sec. 246. Reemployment trade adjustment assistance program.".

1 **Subtitle F—Other Matters**

2 **SEC. 161. RESTRICTION ON ELIGIBILITY FOR PROGRAM**
3 **BENEFITS.**

4 (a) IN GENERAL.—Subchapter A of chapter 2 of title
5 II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is
6 amended by adding at the end the following new section:

7 **"SEC. 226. RESTRICTION ON ELIGIBILITY FOR PROGRAM**
8 **BENEFITS.**

9 "No benefit allowances, training, or other employ-
10 ment services may be provided under this chapter to a
11 worker who is an alien unless the alien is an individual
12 lawfully admitted for permanent residence to the United
13 States, is lawfully present in the United States, or is per-
14 manently residing in the United States under color of
15 law.".

16 (b) CONFORMING AMENDMENT.—The table of con-
17 tents of the Trade Act of 1974 is amended by adding after
18 the item relating to section 225 the following:

"226. Restriction on eligibility for program benefits.".

19 **SEC. 162. AGREEMENTS WITH STATES.**

20 (a) IN GENERAL.—Subsection (a) of section 239 of
21 the Trade Act of 1974 (19 U.S.C. 2311) is amended—

22 (1) by striking "will" each place it appears and
23 inserting "shall"; and

1 (2) in clause (2), to read as follows: "(2) in ac-
2 cordance with subsection (f), shall provide adversely
3 affected workers covered by a certification under
4 subchapter A the employment and case management
5 services described in section 235".
6 (b) OUTREACH.—Subsection (f) of such section is
7 amended—
8 (1) in paragraph (3), by striking "and" at the
9 end;
10 (2) by striking paragraph (4) and inserting the
11 following:
12 "(4) perform outreach, intake (which may in-
13 clude worker profiling), and orientation for assist-
14 ance and benefits available under this chapter for
15 adversely affected workers covered by a certification
16 under subchapter A of this chapter, and"; and
17 (3) by adding at the end the following:
18 "(5) provide adversely affected workers covered
19 by a certification under subchapter A of this chapter
20 with employment and case management services de-
21 scribed in section 235.".
22 **SEC. 163. FRAUD AND RECOVERY OF OVERPAYMENTS.**
23 Section 243(a)(1) of the Trade Act of 1974 (19
24 U.S.C. 2315(a)(1)) is amended—
25 (1) in the matter preceding subparagraph (A)—

1 (A) by striking "may waive" and inserting
2 "shall waive"; and
3 (B) by striking ", in accordance with
4 guidelines prescribed by the Secretary," and
5 (2) in subparagraph (B), by striking "would be
6 contrary to equity and good conscience" and insert-
7 ing "would cause a financial hardship for the indi-
8 vidual (or the individual's household, if applicable)
9 when taking into consideration the income and re-
10 sources reasonably available to the individual (or
11 household) and other ordinary living expenses of the
12 individual (or household)".

13 **SEC. 164. TECHNICAL AMENDMENTS.**

14 (a) IN GENERAL.—Section 249 of the Trade Act of
15 1974 (19 U.S.C. 2321) is amended—
16 (1) in the heading, by striking "**SUBPENA**"
17 and inserting "**SUBPOENA**"; and
18 (2) in the text, by striking "subpena" and in-
19 serting "subpoena" each place it appears.
20 (b) CLERICAL AMENDMENT.—The item relating to
21 section 249 in the table of contents for title II of the
22 Trade Act of 1974 is amended to read as follows:

"249. Subpoena power.".

1 **SEC. 165. OFFICE OF TRADE ADJUSTMENT ASSISTANCE;**
2 **DEPUTY ASSISTANT SECRETARY FOR TRADE**
3 **ADJUSTMENT ASSISTANCE.**

4 (a) IN GENERAL.—Subchapter C of chapter 2 of title
5 II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is
6 amended by adding at the end the following:

7 **"SEC. 250. OFFICE OF TRADE ADJUSTMENT ASSISTANCE;**
8 **DEPUTY ASSISTANT SECRETARY FOR TRADE**
9 **ADJUSTMENT ASSISTANCE.**

10 "(a) ESTABLISHMENT.—There is established in the
11 Department of Labor an office to be known as the Office
12 of Trade Adjustment Assistance in this section referred
13 to as the 'Office').

14 "(b) HEAD OF OFFICE.—The head of the Office shall
15 be the Deputy Assistant Secretary for Trade Adjustment
16 Assistance (in this section referred to as the 'Deputy As-
17 sistant Secretary'), who shall be appointed by the Presi-
18 dent, by and with the advice and consent of the Senate.

19 "(c) PRINCIPLE FUNCTIONS.—The principle func-
20 tions of the Deputy Assistant Secretary shall be—

21 "(1) to oversee and implement the administra-
22 tion of trade adjustment assistance for workers
23 under this chapter; and

24 "(2) to carry out functions delegated to the
25 Secretary of Labor under this chapter, including—

1 "(A) making determinations under section
2 223 or 223A;
3 "(B) providing information about the pro-
4 gram and assisting groups of workers and other
5 parties to prepare petitions or applications for
6 program benefits under section 225;
7 "(C) ensuring workers covered by a certifi-
8 cation receive the employment services de-
9 scribed in section 235;
10 "(D) ensuring States fully comply with
11 agreements under section 239;
12 "(E) acting as a vigorous advocate for
13 workers applying for assistance under this
14 chapter;
15 "(F) receiving complaints, grievances, and
16 requests for assistance from workers under this
17 chapter;
18 "(G) establishing and overseeing a hotline
19 that workers, employers, and other entities may
20 call to obtain information regarding eligibility
21 criteria, procedural requirements, and benefits
22 available under this chapter; and
23 "(H) carrying out such other duties with
24 respect to this chapter as the President may
25 specify for purposes of this section.".

1 (b) CLERICAL AMENDMENT.—The table of contents
2 for title II of the Trade Act of 1974 is amended by insert-
3 ing after the item relating to section 249 the following:

"Sec. 250. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.".

4 **SEC. 166. COLLECTION OF DATA AND REPORTS; INFORMA-**
5 **TION TO WORKERS.**

6 (a) IN GENERAL.—Subchapter C of chapter 2 of title
7 II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is
8 amended by adding at the end the following:

9 **"SEC. 250A. COLLECTION OF DATA AND REPORTS; INFOR-**
10 **MATION TO WORKERS.**

11 "(a) IN GENERAL.—Not later than 90 days after the
12 date of the enactment of the Trade and Globalization As-
13 sistance Act of 2007, the Secretary shall implement a sys-
14 tem to collect and publicly disseminate data on all ad-
15 versely affected workers who apply for or receive adjust-
16 ment assistance under this chapter.

17 "(b) DATA TO BE INCLUDED.—The system required
18 under subsection (a) shall include collection of the fol-
19 lowing data classified by State, industry, and nationwide
20 totals:

21 "(1) The number of petitions and number of
22 workers covered by petitions filed, certified, and de-
23 nied.

1 "(2) The date of filing of each petition and the
2 date of the determination, and the average proc-
3 essing time, by year, on petitions.
4 "(3) A breakdown, by the claimed cause of dis-
5 location, of petitions denied, such as increased im-
6 ports, shift in production, and other bases for eligi-
7 bility.
8 "(4) A breakdown of the number of certified
9 petitions by the cause of dislocation, such as in-
10 crease in imports, shift in production, and other
11 causes of eligibility for adjustment assistance.
12 "(5) The number of workers participating in
13 any aspect of the adjustment assistance program
14 under this chapter.
15 "(6) Reemployment rates and sectors in which
16 dislocated workers have been employed after receiv-
17 ing adjustment assistance under this chapter.
18 "(7) The type of adjustment assistance received
19 under this chapter, such as training or education as-
20 sistance, reemployment adjustment assistance, cash
21 benefits, health coverage, and relocation allowances,
22 the number of workers receiving each type of assist-
23 ance, and the average duration of time workers re-
24 ceive each type of assistance.

1 "(8) The fields of training or education in
2 which workers receiving training or education bene-
3 fits under this chapter are enrolled, and the number
4 of workers participating in each field, classified by
5 major types of training or education.
6 "(9) The number of workers leaving training
7 before completing a course of training or education,
8 classified by the cause for early termination.
9 "(10) The number of training waivers granted,
10 classified by type of waiver.
11 "(11) The wages of workers before separation
12 and any job obtained after receiving benefits under
13 the trade adjustment assistance program under this
14 chapter.
15 "(12) The average duration of training that
16 was completed.
17 "(c) COLLECTION OF DATA FROM STATES.—The
18 Secretary is authorized to collect such data from the
19 States as is necessary to carry out this section.
20 "(d) REPORT.—Not later than 16 months after the
21 date of the enactment of the Trade and Globalization As-
22 sistance Act of 2007, and annually thereafter, the Sec-
23 retary shall submit to the Committee on Ways and Means
24 of the House of Representatives, the Committee on Fi-
25 nance of the Senate, and any other congressional com-

1 mittee of appropriate jurisdiction, a report on whether
2 changes to eligibility requirements, benefits, or training
3 funding under the trade adjustment assistance program
4 under this chapter should be made based on the data col-
5 lected under subsection (b).

6 "(e) AVAILABILITY ON WEBSITE OF THE DEPART-
7 MENT OF LABOR.—The Secretary shall make the data col-
8 lected under subsection (b) publicly available on the
9 website of the Department of Labor, in a searchable for-
10 mat, and shall update the data quarterly.".

11 (b) CLERICAL AMENDMENT.—The table of contents
12 for title II of the Trade Act of 1974 is amended by insert-
13 ing after the item relating to section 250 (as added by
14 section 163(b) of this Act) the following:

"Sec. 250A. Collection of data and reports; information to workers.".

15 **SEC. 167. EXTENSION OF TAA PROGRAM.**

16 (a) FOR WORKERS.—Section 245(a) of the Trade Act
17 of 1974 (19 U.S.C. 2317(a)) is amended by striking "De-
18 cember 31, 2007" and inserting "September 30, 2012".

19 (b) TERMINATION.—Section 285 of the Trade Act of
20 1974 (19 U.S.C. 2271 note) is amended by striking "De-
21 cember 31, 2007" each place it appears and inserting
22 "September 30, 2012".

23 (c) FOR FARMERS.—Section 298(a) of the Trade Act
24 of 1974 (19 U.S.C. 2401g(a)) is amended by adding at
25 the end the following: "There are authorized to be appro-

1 priated to the Department of Agriculture not to exceed
2 $81,000,000 for the 9-month period beginning on January
3 1, 2008, and $90,000,000 for each of the fiscal years 2009
4 through 2012 to carry out the purposes of this chapter.".

5 **SEC. 168. LIBERAL CONSTRUCTION OF CERTIFICATION OF**
6 **WORKERS AND FIRMS.**

7 (a) IN GENERAL.—Chapter 5 of title II of the Trade
8 Act of 1974 (19 U.S.C. 2391 et seq.) is amended by add-
9 ing at the end the following:

10 **"SEC. 288. LIBERAL CONSTRUCTION OF CERTIFICATION OF**
11 **WORKERS AND FIRMS.**

12 "The provisions of chapter 2 (relating to adjustment
13 assistance for workers) and the provisions of chapter 3
14 (relating to adjustment assistance for firms) shall be lib-
15 erally construed in favor of certifying workers for assist-
16 ance under such chapter 2 and certifying firms for assist-
17 ance under such chapter 3.".

18 (b) CLERICAL AMENDMENT.—The table of contents
19 for title II of the Trade Act of 1974 is amended by insert-
20 ing after the item relating to section 287 the following:

"Sec. 288. Liberal construction of certification of workers and firms.".

21 **TITLE II—TRADE ADJUSTMENT**
22 **ASSISTANCE FOR FIRMS**

23 **SEC. 201. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.**

24 (a) IN GENERAL.—Section 251 of the Trade Act of
25 1974 (19 U.S.C. 2341) is amended—

1 (1) in subsection (a)—
2 (A) by inserting "or service sector firm"
3 after "(including any agricultural firm"; and
4 (B) by striking "he has" and inserting
5 "the Secretary has";
6 (2) in subsection (c)—
7 (A) in paragraph (1)—
8 (i) in the matter preceding subpara-
9 graph (A), by inserting "or service sector
10 firm" after "any agricultural firm"; and
11 (ii) in subparagraph (B)—
12 (I) in clause (i), by striking ",
13 or" and inserting a comma;
14 (II) in clause (ii)—
15 (aa) by inserting "or serv-
16 ice" after "of an article"; and
17 (bb) by striking ", and" and
18 inserting a comma; and
19 (III) by adding at the end the
20 following:
21 "(iii) sales or production, or both, of
22 the firm, during the period consisting of
23 not more than 36 months preceding the
24 most recent 12-month period for which

1 data are available, have decreased abso-
2 lutely, or
3 "(iv) sales or production, or both, of
4 an article or service that accounted for not
5 less than 25 percent of the total produc-
6 tion or sales of the firm during the 36-
7 month period preceding the most recent
8 12-month period for which data are avail-
9 able have decreased absolutely, and";
10 (B) in subparagraph (C)—
11 (i) by inserting "or services" after
12 "import of articles";
13 (ii) by striking "which are produced"
14 and inserting "that are produced, or serv-
15 ices that are provided,"
16 (C) in the matter preceding subparagraph
17 (A) of paragraph (2) , by striking "paragraph
18 (1)(C)—" and inserting "paragraph (1)(C):";
19 and
20 (3) by adding at the end the following:
21 "(e) BASIS FOR THE DETERMINATION OF THE SEC-
22 RETARY.—
23 "(1) INCREASED IMPORTS.—For purposes of
24 subsection (c)(1)(C), the Secretary—

1 "(A) may use data from any of the pre-
2 ceding three calendar years to determine if the
3 requirements of such subsection have been met;
4 "(B) may determine that increases of im-
5 ports of like or directly competitive articles or
6 services exist if customers accounting for a sig-
7 nificant percentage of the decrease in the sales
8 of the firm certify to the Secretary that such
9 customers are obtaining such articles or services
10 from a foreign country; and
11 "(C) may, in determining whether in-
12 creased imports of like or directly competitive
13 articles or services exist, give special consider-
14 ation to whether it is difficult to demonstrate
15 an increase of such imports if the share of such
16 imports relative to production or consumption
17 in the United States of the article produced or
18 service provided by the firm concerned is al-
19 ready significant.
20 "(2) PROCESS AND METHODS FOR OBTAINING
21 CERTIFICATIONS.—
22 "(A) REQUEST BY PETITIONER.—If re-
23 quested by a firm, the Secretary shall obtain
24 the certifications under paragraph (1)(B) in

1 such manner as the Secretary determines is ap-
2 propriate.
3 "(B) PROTECTION OF CONFIDENTIAL IN-
4 FORMATION.—The Secretary may not release
5 information obtained under subparagraph (A)
6 that the Secretary considers to be confidential
7 business information unless the party submit-
8 ting the confidential business information had
9 notice, at the time of submission, that such in-
10 formation would be released by the Secretary,
11 or such party subsequently consents to the re-
12 lease of the information. Nothing in this sub-
13 paragraph shall be construed to prohibit a court
14 from requiring the submission of such confiden-
15 tial business information to the court in cam-
16 era.
17 "(f) NOTIFICATION TO FIRMS OF AVAILABILITY OF
18 BENEFITS.—Upon receiving notice from the Secretary of
19 Labor under section 225(c) of the identity of a firm or
20 firms that are covered by a certification issued under sec-
21 tion 223 or 223A, the Secretary of Commerce shall notify
22 such firm or firms of the availability of adjustment assist-
23 ance under this chapter.".
24 (b) DEFINITION.—Section 261 of the Trade Act of
25 1974 (19 U.S.C. 2351) is amended—

1 (1) by striking "For purposes of" and inserting
2 "(a) FIRM.—For purposes of"; and
3 (2) by adding at the end the following:
4 "(b) SERVICE SECTOR FIRM.—For purposes of this
5 chapter, the term 'service sector firm' means a firm en-
6 gaged in the business of providing services.".

7 **SEC. 202. EXTENSION OF AUTHORIZATION OF TRADE AD-**
8 **JUSTMENT ASSISTANCE FOR FIRMS.**

9 Section 256(b) of the Trade Act of 1974 (19 U.S.C.
10 2346(b)) is amended—
11 (1) by striking "and $4,000,000 for the 3-
12 month period beginning on October 1, 2007," and
13 inserting "and $50,000,000 for each of fiscal years
14 2008 through 2012,"; and
15 (2) by inserting after the first sentence the fol-
16 lowing: "Of the amounts appropriated pursuant to
17 this subsection for each fiscal year, $350,000 shall
18 be available for full-time positions in the Depart-
19 ment of Commerce to administer the program under
20 this chapter.".

21 **SEC. 203. INDUSTRY-WIDE PROGRAMS FOR THE DEVELOP-**
22 **MENT OF NEW SERVICES.**

23 Section 265(a) of the Trade Act of 1974 (19 U.S.C.
24 2355(a)) is amended—

1 (1) in the first sentence, by striking "new prod-
2 uct development" and inserting "the development of
3 new products and services"; and
4 (2) in the second sentence, by inserting ",
5 223A," after "223".

6 **SEC. 204. DEMONSTRATION PROJECT ON STRATEGIC**
7 **TRADE TRANSFORMATION ASSISTANCE.**

8 (a) IN GENERAL.—Chapter 3 of title II of the Trade
9 Act of 1974 (19 U.S.C. 2341 et seq.) is amended by add-
10 ing at the end the following:

11 **"SEC. 266. DEMONSTRATION PROJECT ON STRATEGIC**
12 **TRADE TRANSFORMATION ASSISTANCE.**

13 "(a) IN GENERAL.—The Secretary shall conduct a
14 demonstration project (in this section referred to as the
15 'project') to demonstrate a programmatic framework that
16 will allow small- and medium-sized manufacturers in the
17 United States to gain access to resources that will help
18 them better compete domestically and globally. The
19 project should include among its primary goals the fol-
20 lowing:
21 "(1) Expanding the number of firms capable of
22 taking advantage of a trade remedy program with-
23 out drastically increasing the cost of the remedy to
24 the taxpayer.

1 "(2) Certifying and providing assistance to ap-
2 proximately 700 firms.
3 "(3) Integrating the benefits of other applicable
4 government programs into the project, and making
5 benefits from the project subject to that integration.
6 "(4) Increasing the number of small- and me-
7 dium-sized firms that export and increasing the
8 value of exports from these firms.
9 "(5) Increasing revenues that small- and me-
10 dium-sized firms derive from sales to the Federal
11 Government and State and local governments.
12 "(6) Expanding technology availability to the
13 small- and medium-sized firm segment by increasing
14 access to, and adoption of, the latest technologies
15 being developed at Federal laboratories and at uni-
16 versities.
17 "(7) Improving the business and manufacturing
18 practices of small- and medium-sized firms to enable
19 them to become competitive in a global marketplace.
20 "(b) ADVISORY BOARD.—
21 "(1) IN GENERAL.—In carrying out the project,
22 the Secretary shall establish an advisory board com-
23 prised of representatives described in paragraph (2)
24 to provide advice and recommendations with respect
25 to the establishment and operation of the project.

1 "(2) REPRESENTATIVES.—Representatives re-
2 ferred to in paragraph (1) shall consist of the re-
3 spective executive directors of each Trade Adjust-
4 ment Assistance Center affiliated with the trade ad-
5 justment assistance for firms program under this
6 chapter.
7 "(c) DURATION.—The Secretary shall conduct the
8 project for the 3-year period beginning on the date that
9 is 180 days after the date of the enactment of this section.
10 "(d) ADMINISTRATION OF PROJECT.—In imple-
11 menting the project, the Secretary shall give preference,
12 in entering into contracts for the operation and adminis-
13 tration of the project, to Trade Adjustment Assistance
14 Centers affiliated with the trade adjustment assistance for
15 firms program under this chapter.
16 "(e) REPORT.—The Secretary shall submit to the
17 Congress a report on the project under this section not
18 later than 6 months after the date of the completion of
19 the project. Such report shall include—
20 "(1) information on the impact of the project
21 on mitigating the impact of imports in terms of com-
22 petitiveness; and
23 "(2) recommendations on the cost-effectiveness
24 of extending or expanding the project.

1 "(f) FUNDING.—Of the amounts made available to
2 carry out this chapter for fiscal years 2008 through 2012,
3 not more than $1,000,000 for each such fiscal year is au-
4 thorized to be made available to carry out this section.".
5 (b) CLERICAL AMENDMENT.—The table of contents
6 for title II of the Trade Act of 1974 is amended by insert-
7 ing after the item relating to section 265 the following:

"Sec. 266. Demonstration project on strategic trade transformation assistance.".

8 TITLE III—TRADE ADJUSTMENT 9 ASSISTANCE FOR FARMERS

10 SEC. 301. ELIGIBILITY OF CERTAIN OTHER PRODUCERS.

11 Section 292 of the Trade Act of 1974 (19 U.S.C.
12 2401a) is amended—
13 (1) in subsection (a), by inserting "and on the
14 Website of the Department of Agriculture" after
15 "Federal Register"; and
16 (2) by adding at the end the following:
17 "(f) ELIGIBILITY OF CERTAIN OTHER PRO-
18 DUCERS.—An agricultural commodity producer or group
19 of producers that resides outside of the State or region
20 identified in a petition filed under subsection (a) may file
21 a request to become a party to that petition not later than
22 30 days after the date notice is published in the Federal
23 Register and on the Website of the Department of Agri-
24 culture with respect to that petition.".

TITLE IV—UNEMPLOYMENT INSURANCE

SEC. 401. SHORT TITLE.

This title may be cited as the "Unemployment Insurance Modernization Act".

SEC. 402. SPECIAL TRANSFERS TO STATE ACCOUNTS IN THE UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 903 of the Social Security Act (42 U.S.C. 1103) is amended by adding at the end the following:

"Special Transfers in Fiscal Years 2008 Through 2012 for Modernization

"(f)(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter 'incentive payments') to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

"(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by multiplying $7,000,000,000 times the same ratio as is applicable under subsection (a)(2)(B) for

1 purposes of determining such State's share of any funds
2 to be transferred under subsection (a) as of October 1,
3 2007.
4 "(C) Of the maximum incentive payment determined
5 under subparagraph (B) with respect to a State—
6 "(i) one-third shall be transferred to the ac-
7 count of such State upon a certification under para-
8 graph (4)(B) that the State law of such State meets
9 the requirements of paragraph (2); and
10 "(ii) the remainder shall be transferred to the
11 account of such State upon a certification under
12 paragraph (4)(B) that the State law of such State
13 meets the requirements of paragraph (3).
14 "(2) The State law of a State meets the requirements
15 of this paragraph if such State law—
16 "(A) uses a base period that includes the most
17 recently completed calendar quarter before the start
18 of the benefit year for purposes of determining eligi-
19 bility for unemployment compensation; or
20 "(B) provides that, in the case of an individual
21 who would not otherwise be eligible for unemploy-
22 ment compensation under the State law because of
23 the use of a base period that does not include the
24 most recently completed calendar quarter before the
25 start of the benefit year, eligibility shall be deter-

1 mined using a base period that includes such cal-
2 endar quarter.
3 "(3) The State law of a State meets the requirements
4 of this paragraph if such State law includes provisions to
5 carry out at least 2 of the following subparagraphs:
6 "(A) An individual shall not be denied regular
7 unemployment compensation under any State law
8 provisions relating to availability for work, active
9 search for work, or refusal to accept work, solely be-
10 cause such individual is seeking only part-time (and
11 not full-time) work, except that the State law provi-
12 sions carrying out this subparagraph may exclude an
13 individual if a majority of the weeks of work in such
14 individual's base period do not include part-time
15 work.
16 "(B) An individual shall not be disqualified
17 from regular unemployment compensation for sepa-
18 rating from employment if that separation is for
19 compelling family reasons. For purposes of this sub-
20 paragraph, the term 'compelling family reasons' in-
21 cludes at least the following:
22 "(i) Domestic violence (verified by such
23 reasonable and confidential documentation as
24 the State law may require) which causes the in-
25 dividual reasonably to believe that such individ-

1 ual's continued employment would jeopardize
2 the safety of the individual or of any member
3 of the individual's immediate family.
4 "(ii) The illness or disability of a member
5 of the individual's immediate family.
6 "(iii) The need for the individual to accom-
7 pany such individual's spouse—
8 "(I) to a place from which it is im-
9 practical for such individual to commute;
10 and
11 "(II) due to a change in location of
12 the spouse's employment.
13 "(C) Weekly unemployment compensation is
14 payable under this subparagraph to any individual
15 who is unemployed (as determined under the State
16 unemployment compensation law), has exhausted all
17 rights to regular and (if applicable) extended unem-
18 ployment compensation under the State law, and is
19 enrolled and making satisfactory progress in a
20 State-approved training program or in a job training
21 program authorized under the Workforce Investment
22 Act of 1998. Such program shall prepare individuals
23 who have been separated from a declining occupa-
24 tion, or who have been involuntarily and indefinitely
25 separated from employment as a result of a perma-

1 nent reduction of operations at the individual's place
2 of employment, for entry into a high-demand occu-
3 pation. The amount of unemployment compensation
4 payable under this subparagraph to an individual for
5 a week of unemployment shall be equal to the indi-
6 vidual's average weekly benefit amount (including
7 dependents' allowances) for the most recent benefit
8 year, and the total amount of unemployment com-
9 pensation payable under this subparagraph to any
10 individual shall be equal to at least 26 times the in-
11 dividual's average weekly benefit amount (including
12 dependents' allowances) for the most recent benefit
13 year.

14 "(4)(A) Any State seeking an incentive payment
15 under this subsection shall submit an application therefor
16 at such time, in such manner, and complete with such in-
17 formation as the Secretary of Labor may by regulation
18 prescribe, including information relating to compliance
19 with the requirements of paragraph (2) or (3), as well as
20 how the State intends to use the incentive payment to im-
21 prove or strengthen the State's unemployment compensa-
22 tion program. The Secretary of Labor shall, within 90
23 days after receiving a complete application, notify the
24 State agency of the State of the Secretary's findings with

1 respect to the requirements of paragraph (2) or (3) (or
2 both).
3 "(B) If the Secretary of Labor finds that the State
4 law provisions (disregarding any State law provisions
5 which are not then currently in effect as permanent law
6 or which are subject to discontinuation under certain con-
7 ditions) meet the requirements of paragraph (2) or (3),
8 as the case may be, the Secretary of Labor shall thereupon
9 make a certification to that effect to the Secretary of the
10 Treasury, together with a certification as to the amount
11 of the incentive payment to be transferred to the State
12 account pursuant to that finding. The Secretary of the
13 Treasury shall make the appropriate transfer within 30
14 days after receiving such certification.
15 "(C)(i) No certification of compliance with the re-
16 quirements of paragraph (2) or (3) may be made with re-
17 spect to any State whose State law is not otherwise eligible
18 for certification under section 303 or approvable under
19 section 3304 of the Federal Unemployment Tax Act.
20 "(ii) No certification of compliance with the require-
21 ments of paragraph (3) may be made with respect to any
22 State whose State law is not in compliance with the re-
23 quirements of paragraph (2).
24 "(iii) No application under subparagraph (A) may be
25 considered if submitted before October 1, 2007, or after

1 the latest date necessary (as specified by the Secretary of
2 Labor in regulations) to ensure that all incentive pay-
3 ments under this subsection are made before October 1,
4 2012.

5 "(5)(A) Except as provided in subparagraph (B), any
6 amount transferred to the account of a State under this
7 subsection may be used by such State only in the payment
8 of cash benefits to individuals with respect to their unem-
9 ployment (including for dependents' allowances and for
10 unemployment compensation under paragraph (3)(C)), ex-
11 clusive of expenses of administration.

12 "(B) A State may, subject to the same conditions as
13 set forth in subsection (c)(2) (excluding subparagraph (B)
14 thereof, and deeming the reference to 'subsections (a) and
15 (b)' in subparagraph (D) thereof to include this sub-
16 section), use any amount transferred to the account of
17 such State under this subsection for the administration
18 of its unemployment compensation law and public employ-
19 ment offices.

20 "(6) Out of any money in the Federal unemployment
21 account not otherwise appropriated, the Secretary of the
22 Treasury shall reserve $7,000,000,000 for incentive pay-
23 ments under this subsection. Any amount so reserved shall
24 not be taken into account for purposes of any determina-
25 tion under section 902, 910, or 1203 of the amount in

1 the Federal unemployment account as of any given time.
2 Any amount so reserved for which the Secretary of the
3 Treasury has not received a certification under paragraph
4 (4)(B) by the deadline described in paragraph (4)(C)(iii)
5 shall, upon the close of fiscal year 2012, become unre-
6 stricted as to use as part of the Federal unemployment
7 account.

8 "(7) For purposes of this subsection, the terms 'ben-
9 efit year', 'base period', and 'week' have the respective
10 meanings given such terms under section 205 of the Fed-
11 eral-State Extended Unemployment Compensation Act of
12 1970 (26 U.S.C. 3304 note).

13 "Special Transfers in Fiscal Years 2008 Through 2012
14 for Administration

15 "(g)(1) Notwithstanding any other provision of this
16 section, the total amount available for transfer to the ac-
17 counts of the States pursuant to subsection (a) as of the
18 beginning of each of fiscal years 2008, 2009, 2010, 2011,
19 and 2012 shall be equal to the total amount which (dis-
20 regarding this subsection) would otherwise be so available,
21 increased by $100,000,000.

22 "(2) Each State's share of any additional amount
23 made available by this subsection shall be determined, cer-
24 tified, and computed in the same manner as described in
25 subsection (a)(2) and shall be subject to the same limita-

1 tions on transfers as described in subsection (b). For pur-
2 poses of applying subsection (b)(2), the balance of any ad-
3 vances made to a State under section 1201 shall be cred-
4 ited against, and operate to reduce (but not below zero)—
5 "(A) first, any additional amount which, as a
6 result of the enactment of this subsection, is to be
7 transferred to the account of such State in a fiscal
8 year; and
9 "(B) second, any amount which (disregarding
10 this subsection) is otherwise to be transferred to the
11 account of such State pursuant to subsections (a)
12 and (b) in such fiscal year.
13 "(3) Any additional amount transferred to the ac-
14 count of a State as a result of the enactment of this sub-
15 section—
16 "(A) may be used by the State agency of such
17 State only in the payment of expenses incurred by
18 it for—
19 "(i) the administration of the provisions of
20 its State law carrying out the purposes of sub-
21 section (f)(2) or any subparagraph of sub-
22 section (f)(3);
23 "(ii) improved outreach to individuals who
24 might be eligible for regular unemployment

1 compensation by virtue of any provisions of the
2 State law which are described in clause (i);
3 "(iii) the improvement of unemployment
4 benefit and unemployment tax operations; and
5 "(iv) staff-assisted reemployment services
6 for unemployment compensation claimants; and
7 "(B) shall be excluded from the application of
8 subsection (c).
9 "(4) The total additional amount made available by
10 this subsection in a fiscal year shall be taken out of the
11 amounts remaining in the employment security adminis-
12 tration account after subtracting the total amount which
13 (disregarding this subsection) is otherwise required to be
14 transferred from such account in such fiscal year pursuant
15 to subsections (a) and (b).".
16 (b) REGULATIONS.—The Secretary of Labor may
17 prescribe any regulations necessary to carry out the
18 amendment made by subsection (a).
19 **SEC. 403. EXTENSION OF FUTA TAX.**
20 Section 3301 of the Internal Revenue Code of 1986
21 (relating to rate of tax) is amended—
22 (1) by striking "2007" in paragraph (1) and in-
23 serting "2010", and
24 (2) by striking "2008" in paragraph (2) and in-
25 serting "2011".

1 **SEC. 404. SAFETY NET REVIEW COMMISSION.**

2 (a) ESTABLISHMENT.—The Secretary of Labor shall
3 establish an advisory commission to be known as the
4 "Safety Net Review Commission" (in this section referred
5 to as the "Commission").

6 (b) FUNCTION.—It shall be the function of the Com-
7 mission to evaluate the unemployment compensation pro-
8 gram, the Trade Adjustment Assistance program, the Job
9 Corps program, programs under the Workforce Invest-
10 ment Act of 1998, and other employment assistance pro-
11 grams, including the purpose, goals, countercyclical effec-
12 tiveness, coverage, benefit adequacy, trust fund solvency,
13 funding of State administrative costs, administrative effi-
14 ciency, and any other aspects of each such program, as
15 well as any related provisions of the Internal Revenue
16 Code of 1986, and to make recommendations for their im-
17 provement.

18 (c) MEMBERS.—

19 (1) IN GENERAL.—The Commission shall con-
20 sist of 11 members as follows:

21 (A) 5 members appointed by the President,
22 to include representatives of business, labor,
23 State government, and the public.

24 (B) 3 members appointed by the President
25 pro tempore of the Senate, in consultation with
26 the Chairman and ranking member of the Com-

1 mittee on Finance, and the Chairman and rank-
2 ing member of the Committee on Health, Edu-
3 cation, Labor, and Pensions, of the Senate.
4 (C) 3 members appointed by the Speaker
5 of the House of Representatives, in consultation
6 with the Chairman and ranking member of the
7 Committee on Ways and Means, and the Chair-
8 man and ranking member of the Committee on
9 Education and Labor, of the House of Rep-
10 resentatives.
11 (2) QUALIFICATIONS.—In appointing members
12 under subparagraphs (B) and (C) of paragraph (1),
13 the President pro tempore of the Senate and the
14 Speaker of the House of Representatives shall each
15 appoint—
16 (A) 1 representative of the interests of
17 business,
18 (B) 1 representative of the interests of
19 labor, and
20 (C) 1 representative of the interests of
21 State governments.
22 (3) VACANCIES.—A vacancy in the Commission
23 shall be filled in the manner in which the original
24 appointment was made.

1 (4) CHAIRMAN.—The President shall appoint
2 the Chairman of the Commission from among its
3 members.
4 (d) STAFF AND OTHER ASSISTANCE.—
5 (1) IN GENERAL.—The Commission may en-
6 gage any technical assistance (including actuarial
7 services) required by the Commission to carry out its
8 functions under this section.
9 (2) ASSISTANCE FROM SECRETARY OF
10 LABOR.—The Secretary of Labor shall provide the
11 Commission with any staff, office facilities, and
12 other assistance, and any data prepared by the De-
13 partment of Labor, required by the Commission to
14 carry out its functions under this section.
15 (e) COMPENSATION.—Each member of the Commis-
16 sion—
17 (1) shall be entitled to receive compensation at
18 the rate of pay for level V of the Executive Schedule
19 under section 5316 of title 5, United States Code,
20 for each day (including travel time) during which
21 such member is engaged in the actual performance
22 of duties vested in the Commission; and
23 (2) while engaged in the performance of such
24 duties away from such member's home or regular
25 place of business, shall be allowed travel expenses

1 (including per diem in lieu of subsistence) as author-
2 ized by section 5703 of such title 5 for persons in
3 the Government employed intermittently.
4 (f) REPORT.—Not later than 6 months after the date
5 of the enactment of this Act, the Commission shall submit
6 to the President and the Congress a report setting forth
7 the findings and recommendations of the Commission as
8 a result of its evaluation under this section.
9 (g) TERMINATION.—The Commission shall terminate
10 2 months after submitting its report pursuant to sub-
11 section (f).

12 TITLE V—MANUFACTURING 13 REDEVELOPMENT ZONES

14 SEC. 501. MANUFACTURING REDEVELOPMENT ZONES.

15 (a) IN GENERAL.—Subchapter Y of chapter 1 of the
16 Internal Revenue Code of 1986 is amended by adding at
17 the end the following new part:

18 "PART III—MANUFACTURING REDEVELOPMENT 19 ZONES

"Sec. 1400U-1. Designation of manufacturing redevelopment zones.
"Sec. 1400U-2. Eligibility criteria.
"Sec. 1400U-3. Manufacturing redevelopment tax credit bonds.
"Sec. 1400U-4. Tax-exempt manufacturing zone facility bonds.
"Sec. 1400U-5. Additional low-income housing credits.

1 **"SEC. 1400U-1. DESIGNATION OF MANUFACTURING REDE-**
2 **VELOPMENT ZONES.**

3 "(a) IN GENERAL.—From among the areas nomi-
4 nated for designation under this section, the Secretary
5 may designate manufacturing redevelopment zones.

6 "(b) LIMITATIONS ON DESIGNATIONS.—The Sec-
7 retary may designate in the aggregate 24 nominated areas
8 as manufacturing redevelopment zones, subject to the
9 availability of eligible nominated areas. The Secretary
10 shall designate manufacturing redevelopment zones in
11 such manner that the aggregate population of all such
12 zones does not exceed 2,000,000.

13 "(c) PERIOD DESIGNATION MAY BE MADE.—A des-
14 ignation may be made under subsection (a) only during
15 the 2-year period beginning on the date of the enactment
16 of this section.

17 "(d) PERIOD FOR WHICH DESIGNATION IS IN EF-
18 FECT.—

19 "(1) IN GENERAL.—Any designation under this
20 section shall remain in effect during the period be-
21 ginning on the date of the designation and ending
22 on the earliest of—

23 "(A) the close of the 10th calendar year
24 beginning on or after the date of the designa-
25 tion,

1 "(B) the termination date designated by
2 the State and local governments as provided for
3 in their nomination, or
4 "(C) the date the Secretary revokes the
5 designation.
6 "(2) REVOCATION OF DESIGNATION.—The Sec-
7 retary may revoke the designation under this section
8 of an area if such Secretary determines that the
9 local government or the State in which it is lo-
10 cated—
11 "(A) has modified the boundaries of the
12 area, or
13 "(B) is not complying substantially with,
14 or fails to make progress in achieving the
15 benchmarks set forth in, the strategic plan in-
16 cluded with the application
17 "(e) LIMITATIONS ON DESIGNATIONS; APPLICA-
18 TION.—Rules similar to the rules of subsections (e) and
19 (f) of section 1391 shall apply for purposes of this section
20 except that the rules of such subsection (f) shall be applied
21 with respect to the eligibility criteria specified in section
22 1400U-2.
23 "(f) DETERMINATIONS OF POPULATION.—Any deter-
24 mination of population under this part shall be made on

1 the basis of the most recent decennial census for which
2 data are available.

3 **"SEC. 1400U-2. ELIGIBILITY CRITERIA.**

4 "(a) IN GENERAL.—A nominated area shall be eligi-
5 ble for designation under section 1400U-1 only if—

6 "(1) it meets each of the criteria specified in
7 section 1392(a),

8 "(2) the nominated area has experienced a sig-
9 nificant decline in the number of individuals em-
10 ployed in manufacturing or has a high concentration
11 of abandoned or underutilized manufacturing facili-
12 ties, and

13 "(3) no portion of the nominated area is located
14 in an empowerment zone or renewal community, un-
15 less the local government which nominated the area
16 elects to terminate such designation as an empower-
17 ment zone or renewal community.

18 "(b) APPLICATION OF CERTAIN RULES; DEFINI-
19 TIONS.—For purposes of this subchapter—

20 "(1) rules similar to the rules of subsections
21 (b), (c), and (d) of section 1392 and paragraphs (4),
22 (7), (8), and (9) of section 1393(a) shall apply, and

23 "(2) any term defined in section 1393 shall
24 have the same meaning when used in this sub-
25 chapter.

1 "(c) DISCRETION TO ADJUST REQUIREMENTS.—In
2 determining whether a nominated area is eligible for des-
3 ignation as a manufacturing redevelopment zone, the Sec-
4 retary may, where necessary to carry out the purposes of
5 this part, waive the requirement of section 1392(a)(4) if
6 it is shown that the nominated area has experienced a loss
7 of manufacturing jobs during the previous 20 years which
8 is in excess of 25 percent.

9 **"SEC. 1400U-3. MANUFACTURING REDEVELOPMENT TAX**
10 **CREDIT BONDS.**

11 "(a) IN GENERAL.—For purposes of subpart I of
12 part IV of subchapter A (relating to qualified tax credit
13 bonds), the term 'manufacturing redevelopment bond'
14 means any bond issued as part of an issue if—

15 "(1) 100 percent of the available project pro-
16 ceeds of such issue are to be used for one or more
17 qualified manufacturing redevelopment purposes,

18 "(2) the bond is not a private activity bond,
19 and

20 "(3) the local government which nominated the
21 area to which such bond relates designates such
22 bond for purposes of this section.

23 "(b) LIMITATION ON AMOUNT OF BONDS DES-
24 IGNATED.—The maximum aggregate face amount of
25 bonds which may be designated under subsection (a) with

1 respect to any manufacturing redevelopment zone shall
2 not exceed $150,000,000.

3 "(c) QUALIFIED MANUFACTURING REDEVELOPMENT
4 PURPOSE.—For purposes of this section, the term 'quali-
5 fied manufacturing redevelopment purposes' means capital
6 expenditures paid or incurred with respect to property lo-
7 cated in a manufacturing redevelopment zone for purposes
8 of promoting development or other economic activity in
9 such zone, including expenditures for environmental reme-
10 diation, improvements to public infrastructure, and con-
11 struction of public facilities.

12 "(d) DEFINITIONS..—For purposes of this section,
13 any term used in this section which is also used in section
14 54A shall have the same meaning given such term by sec-
15 tion 54A.

16 **"SEC. 1400U-4. TAX-EXEMPT MANUFACTURING ZONE FACIL-**
17 **ITY BONDS.**

18 "(a) IN GENERAL.—For purposes of part IV of sub-
19 chapter B (relating to tax exemption requirements for
20 State and local bonds), the term 'exempt facility bond' in-
21 cludes any bond issued as part of an issue if—

22 "(1) 95 percent or more of the net proceeds (as
23 defined in section 150(a)(3)) of such issue are to be
24 used for manufacturing zone property, and

1 "(2) the local government which nominated the
2 area to which such bond relates designates such
3 bond for purposes of this section.
4 "(b) LIMITATION ON AMOUNT OF BONDS DES-
5 IGNATED.—
6 "(1) IN GENERAL.—The aggregate face amount
7 of bonds which may be designated under subsection
8 (a)(2) with respect to any manufacturing redevelop-
9 ment zone shall not exceed $230,000,000.
10 "(2) CURRENT REFUNDING NOT TAKEN INTO
11 ACCOUNT.—In the case of a refunding (or series of
12 refundings) of a bond designated under this section,
13 the refunding obligation shall be treated as des-
14 ignated under subsection (a)(2) (and shall not be
15 taken into account in applying paragraph (1)) if—
16 "(A) the amount of the refunding bond
17 does not exceed the outstanding amount of the
18 refunded bond, and
19 "(B) the refunded bond is redeemed not
20 later than 90 days after the date of issuance of
21 the refunding bond.
22 "(c) LIMITATION ON AMOUNT OF BONDS ALLOCABLE
23 TO ANY PERSON.—
24 "(1) IN GENERAL.—Subsection (a) shall not
25 apply to any issue if the aggregate amount of out-

1 standing manufacturing zone facility bonds allocable
2 to any person (taking into account such issue) ex-
3 ceeds—
4 "(A) $15,000,000 with respect to any 1
5 manufacturing redevelopment zone, or
6 "(B) $20,000,000 with respect to all man-
7 ufacturing redevelopment zones.
8 "(2) AGGREGATE ENTERPRISE ZONE FACILITY
9 BOND BENEFIT.—For purposes of paragraph (1),
10 the aggregate amount of outstanding manufacturing
11 zone facility bonds allocable to any person shall be
12 determined under rules similar to the rules of sec-
13 tion 144(a)(10), taking into account only bonds to
14 which subsection (a) applies.
15 "(d) MANUFACTURING ZONE PROPERTY.—For pur-
16 poses of this section—
17 "(1) IN GENERAL.—The term 'manufacturing
18 zone property' means any property to which section
19 168 applies (or would apply but for section 179) if—
20 "(A) such property was acquired by the
21 taxpayer by purchase (as defined in section
22 179(d)(2)) after the date on which the designa-
23 tion of the manufacturing redevelopment zone
24 took effect,

1 "(B) the original use of which in the man-
2 ufacturing redevelopment zone commences with
3 the taxpayer, and
4 "(C) substantially all of the use of which
5 is in the manufacturing redevelopment zone and
6 is in the active conduct of a qualified business
7 by the taxpayer in such zone.
8 "(2) QUALIFIED BUSINESS.—The term 'quali-
9 fied business' means any trade or business except
10 that—
11 "(A) the rental to others of real property
12 located in a manufacturing redevelopment zone
13 shall be treated as a qualified business only if
14 the property is not residential rental property
15 (as defined in section 168(e)(2)), and
16 "(B) such term shall not include any trade
17 or business consisting of the operation of any
18 facility described in section 144(c)(6)(B).
19 "(3) SPECIAL RULES FOR SUBSTANTIAL REN-
20 OVATIONS AND SALE-LEASEBACK.—Rules similar to
21 the rules of subsections (a)(2) and (b) of section
22 1397D shall apply for purposes of this subsection.
23 "(e) NONAPPLICATION OF CERTAIN RULES.—Sec-
24 tions 57(a)(5) (relating to tax-exempt interest), 146 (re-
25 lating to volume cap), and 147(d) (relating to acquisition

1 of existing property not permitted) shall not apply to any
2 manufacturing zone facility bond.

3 **"SEC. 1400U-5. ADDITIONAL LOW-INCOME HOUSING CRED-**
4 **ITS.**

5 "(a) IN GENERAL.—For purposes of section 42, in
6 the case of each calendar year during which the designa-
7 tion of a manufacturing redevelopment zone is in effect,
8 the State housing credit ceiling of the State which includes
9 such manufacturing redevelopment zone shall be increased
10 by the lesser of—

11 "(1) the aggregate housing credit dollar amount
12 allocated by the State housing credit agency of such
13 State to buildings located in such manufacturing re-
14 development zone for such calendar year, or

15 "(2) the excess of—

16 "(A) the manufacturing zone housing
17 amount with respect to such manufacturing re-
18 development zone, over

19 "(B) the aggregate increases under this
20 subsection with respect to such zone for all pre-
21 ceding calendar years.

22 "(b) MANUFACTURING ZONE HOUSING AMOUNT.—
23 For purposes of subsection (a), the term 'manufacturing
24 zone housing amount' means, with respect to any manu-

1 facturing redevelopment zone, the product of $20 multi-
2 plied by the population of such zone.
3 "(c) OTHER RULES.—
4 "(1) CARRYOVERS.—Rules similar to the rules
5 of section 1400N(c)(1)(C) shall apply for purposes
6 of this section.
7 "(2) RETURNED AMOUNTS.—If any amount of
8 State housing credit ceiling which was taken into ac-
9 count under subsection (a)(1) is returned within the
10 meaning of section 42(h)(3)(C)(iii)—
11 "(A) such amount shall not be taken into
12 account under such section, and
13 "(B) such allocation shall cease to be
14 treated as an increase under this subsection for
15 purposes of subsection (a)(2)(B) until reallo-
16 cated.".
17 (b) APPLICATION OF WORK OPPORTUNITY TAX
18 CREDIT TO MANUFACTURING REDEVELOPMENT
19 ZONES.—Subparagraphs (A) and (B) of section 51(d)(5)
20 of such Code are each amended by inserting "manufac-
21 turing redevelopment zone," after "renewal community,".
22 (c) CONFORMING AMENDMENTS RELATED TO MANU-
23 FACTURING REDEVELOPMENT TAX CREDIT BONDS.—
24 (1) GENERAL RULES.—Part IV of subchapter A
25 of chapter 1 of such Code (relating to credits

1 against tax) is amended by adding at the end the
2 following new subpart:

3 **"Subpart I—Qualified Tax Credit Bonds**

"Sec. 54A. Credit to holders of qualified tax credit bonds.

4 **"SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CRED-**
5 **IT BONDS.**

6 "(a) ALLOWANCE OF CREDIT.—If a taxpayer holds
7 a qualified tax credit bond on one or more credit allowance
8 dates of the bond during any taxable year, there shall be
9 allowed as a credit against the tax imposed by this chapter
10 for the taxable year an amount equal to the sum of the
11 credits determined under subsection (b) with respect to
12 such dates.

13 "(b) AMOUNT OF CREDIT.—

14 "(1) IN GENERAL.—The amount of the credit
15 determined under this subsection with respect to any
16 credit allowance date for a qualified tax credit bond
17 is 25 percent of the annual credit determined with
18 respect to such bond.

19 "(2) ANNUAL CREDIT.—The annual credit de-
20 termined with respect to any qualified tax credit
21 bond is the product of—

22 "(A) the applicable credit rate, multiplied
23 by

1 "(B) the outstanding face amount of the
2 bond.
3 "(3) APPLICABLE CREDIT RATE.—For purposes
4 of paragraph (2), the applicable credit rate is the
5 rate which the Secretary estimates will permit the
6 issuance of qualified tax credit bonds with a speci-
7 fied maturity or redemption date without discount
8 and without interest cost to the qualified issuer. The
9 applicable credit rate with respect to any qualified
10 tax credit bond shall be determined as of the first
11 day on which there is a binding, written contract for
12 the sale or exchange of the bond.
13 "(4) SPECIAL RULE FOR ISSUANCE AND RE-
14 DEMPTION.—In the case of a bond which is issued
15 during the 3-month period ending on a credit allow-
16 ance date, the amount of the credit determined
17 under this subsection with respect to such credit al-
18 lowance date shall be a ratable portion of the credit
19 otherwise determined based on the portion of the 3-
20 month period during which the bond is outstanding.
21 A similar rule shall apply when the bond is redeemed
22 or matures.
23 "(c) LIMITATION BASED ON AMOUNT OF TAX.—

1 "(1) IN GENERAL.—The credit allowed under
2 subsection (a) for any taxable year shall not exceed
3 the excess of—
4 "(A) the sum of the regular tax liability
5 (as defined in section 26(b)) plus the tax im-
6 posed by section 55, over
7 "(B) the sum of the credits allowable
8 under this part (other than subpart C and this
9 subpart).
10 "(2) CARRYOVER OF UNUSED CREDIT.—If the
11 credit allowable under subsection (a) exceeds the
12 limitation imposed by paragraph (1) for such taxable
13 year, such excess shall be carried to the succeeding
14 taxable year and added to the credit allowable under
15 subsection (a) for such taxable year (determined be-
16 fore the application of paragraph (1) for such suc-
17 ceeding taxable year).
18 "(d) QUALIFIED TAX CREDIT BOND.—For purposes
19 of this section—
20 "(1) QUALIFIED TAX CREDIT BOND.—The term
21 'qualified tax credit bond' means a manufacturing
22 redevelopment bond (as defined in section 1400U-3)
23 which is part of an issue that meets the require-
24 ments of paragraphs (2), (3), (4), (5), and (6).

1 "(2) SPECIAL RULES RELATING TO EXPENDI-
2 TURES.—
3 "(A) IN GENERAL.—An issue shall be
4 treated as meeting the requirements of this
5 paragraph if, as of the date of issuance, the
6 issuer reasonably expects—
7 "(i) 100 percent or more of the avail-
8 able project proceeds to be spent for 1 or
9 more qualified purposes within the 3-year
10 period beginning on such date of issuance,
11 and
12 "(ii) a binding commitment with a
13 third party to spend at least 10 percent of
14 such available project proceeds will be in-
15 curred within the 6-month period begin-
16 ning on such date of issuance.
17 "(B) FAILURE TO SPEND REQUIRED
18 AMOUNT OF BOND PROCEEDS WITHIN 3
19 YEARS.—
20 "(i) IN GENERAL.—To the extent that
21 less than 100 percent of the available
22 project proceeds of the issue are expended
23 by the close of the expenditure period for
24 1 or more qualified purposes, the issuer
25 shall redeem all of the nonqualified bonds

1 within 90 days after the end of such pe-
2 riod. For purposes of this paragraph, the
3 amount of the nonqualified bonds required
4 to be redeemed shall be determined in the
5 same manner as under section 142.
6 "(ii) EXPENDITURE PERIOD.—For
7 purposes of this subpart, the term 'expend-
8 iture period' means, with respect to any
9 issue, the 3-year period beginning on the
10 date of issuance. Such term shall include
11 any extension of such period under clause
12 (iii).
13 "(iii) EXTENSION OF PERIOD.—Upon
14 submission of a request prior to the expira-
15 tion of the expenditure period (determined
16 without regard to any extension under this
17 clause), the Secretary may extend such pe-
18 riod if the issuer establishes that the fail-
19 ure to expend the proceeds within the
20 original expenditure period is due to rea-
21 sonable cause and the expenditures for
22 qualified purposes will continue to proceed
23 with due diligence.
24 "(C) QUALIFIED PURPOSE.—For purposes
25 of this paragraph, the term 'qualified purpose'

1 means a purpose specified in section 1400U-
2 3(a)(1).
3 "(D) REIMBURSEMENT.—For purposes of
4 this subtitle, available project proceeds of an
5 issue shall be treated as spent for a qualified
6 purpose if such proceeds are used to reimburse
7 the issuer for amounts paid for a qualified pur-
8 pose after the date that the Secretary makes an
9 allocation of bond limitation with respect to
10 such issue, but only if—
11 "(i) prior to the payment of the origi-
12 nal expenditure, the issuer declared its in-
13 tent to reimburse such expenditure with
14 the proceeds of a qualified tax credit bond,
15 "(ii) not later than 60 days after pay-
16 ment of the original expenditure, the issuer
17 adopts an official intent to reimburse the
18 original expenditure with such proceeds,
19 and
20 "(iii) the reimbursement is made not
21 later than 18 months after the date the
22 original expenditure is paid.
23 "(3) REPORTING.—An issue shall be treated as
24 meeting the requirements of this paragraph if the

1 issuer of qualified tax credit bonds submits reports
2 similar to the reports required under section 149(e).
3 "(4) SPECIAL RULES RELATING TO ARBI-
4 TRAGE.—
5 "(A) IN GENERAL.—An issue shall be
6 treated as meeting the requirements of this
7 paragraph if the issuer satisfies the require-
8 ments of section 148 with respect to the pro-
9 ceeds of the issue.
10 "(B) SPECIAL RULE FOR INVESTMENTS
11 DURING EXPENDITURE PERIOD.—An issue shall
12 not be treated as failing to meet the require-
13 ments of subparagraph (A) by reason of any in-
14 vestment of available project proceeds during
15 the expenditure period.
16 "(C) SPECIAL RULE FOR RESERVE
17 FUNDS.—An issue shall not be treated as fail-
18 ing to meet the requirements of subparagraph
19 (A) by reason of any fund which is expected to
20 be used to repay such issue if—
21 "(i) such fund is funded at a rate not
22 more rapid than equal annual installments,
23 "(ii) such fund is funded in a manner
24 that such fund will not exceed the amount
25 necessary to repay the issue if invested at

1 the maximum rate permitted under clause
2 (iii), and
3 "(iii) the yield on such fund is not
4 greater than the discount rate determined
5 under paragraph (5)(B) with respect to the
6 issue.
7 "(5) MATURITY LIMITATION.—
8 "(A) IN GENERAL.—An issue shall not be
9 treated as meeting the requirements of this
10 paragraph if the maturity of any bond which is
11 part of such issue exceeds the maximum term
12 determined by the Secretary under subpara-
13 graph (B).
14 "(B) MAXIMUM TERM.—During each cal-
15 endar month, the Secretary shall determine the
16 maximum term permitted under this paragraph
17 for bonds issued during the following calendar
18 month. Such maximum term shall be the term
19 which the Secretary estimates will result in the
20 present value of the obligation to repay the
21 principal on the bond being equal to 50 percent
22 of the face amount of such bond. Such present
23 value shall be determined using as a discount
24 rate the average annual interest rate of tax-ex-
25 empt obligations having a term of 10 years or

1 more which are issued during the month. If the
2 term as so determined is not a multiple of a
3 whole year, such term shall be rounded to the
4 next highest whole year.
5 "(e) OTHER DEFINITIONS.—For purposes of this
6 subchapter—
7 "(1) CREDIT ALLOWANCE DATE.—The term
8 'credit allowance date' means—
9 "(A) March 15,
10 "(B) June 15,
11 "(C) September 15, and
12 "(D) December 15.
13 Such term includes the last day on which the bond
14 is outstanding.
15 "(2) BOND.—The term 'bond' includes any ob-
16 ligation.
17 "(3) STATE.—The term 'State' includes the
18 District of Columbia and any possession of the
19 United States.
20 "(4) AVAILABLE PROJECT PROCEEDS.—The
21 term 'available project proceeds' means—
22 "(A) the excess of—
23 "(i) the proceeds from the sale of an
24 issue, over

1 "(ii) the issuance costs financed by
2 the issue (to the extent that such costs do
3 not exceed 2 percent of such proceeds),
4 and
5 "(B) the proceeds from any investment of
6 the excess described in subparagraph (A).
7 "(f) CREDIT TREATED AS INTEREST.—For purposes
8 of this subtitle, the credit determined under subsection (a)
9 shall be treated as interest which is includible in gross in-
10 come.
11 "(g) S CORPORATIONS AND PARTNERSHIPS.—In the
12 case of a tax credit bond held by an S corporation or part-
13 nership, the allocation of the credit allowed by this section
14 to the shareholders of such corporation or partners of such
15 partnership shall be treated as a distribution.
16 "(h) BONDS HELD BY REGULATED INVESTMENT
17 COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—
18 If any qualified tax credit bond is held by a regulated in-
19 vestment company or a real estate investment trust, the
20 credit determined under subsection (a) shall be allowed to
21 shareholders of such company or beneficiaries of such
22 trust (and any gross income included under subsection (f)
23 with respect to such credit shall be treated as distributed
24 to such shareholders or beneficiaries) under procedures
25 prescribed by the Secretary.".

1 (2) REPORTING.—Subsection (d) of section
2 6049 of such Code (relating to returns regarding
3 payments of interest) is amended by adding at the
4 end the following new paragraph:
5 "(9) REPORTING OF CREDIT ON QUALIFIED
6 TAX CREDIT BONDS.—
7 "(A) IN GENERAL.—For purposes of sub-
8 section (a), the term 'interest' includes amounts
9 includible in gross income under section 54A
10 and such amounts shall be treated as paid on
11 the credit allowance date (as defined in section
12 54A(e)(1)).
13 "(B) REPORTING TO CORPORATIONS,
14 ETC.—Except as otherwise provided in regula-
15 tions, in the case of any interest described in
16 subparagraph (A) of this paragraph, subsection
17 (b)(4) of this section shall be applied without
18 regard to subparagraphs (A), (H), (I), (J), (K),
19 and (L)(i).
20 "(C) REGULATORY AUTHORITY.—The Sec-
21 retary may prescribe such regulations as are
22 necessary or appropriate to carry out the pur-
23 poses of this paragraph, including regulations
24 which require more frequent or more detailed
25 reporting.".

1 (3) OTHER CONFORMING AMENDMENTS RE-
2 LATED TO TAX CREDIT BONDS.—
3 (A) Sections 54(c)(2) and 1400N(l)(3)(B)
4 of such Code are each amended by striking
5 "subpart C" and inserting "subparts C and I".
6 (B) Section 1397E(c)(2) of such Code is
7 amended by striking "subpart H" and inserting
8 "subparts H and I".
9 (C) Section 6401(b)(1) of such Code is
10 amended by striking "and H" and inserting
11 "H, and I".
12 (D) The heading of subpart H of part IV
13 of subchapter A of chapter 1 of such Code is
14 amended by striking "**Certain Bonds**" and
15 inserting "**Clean Renewable Energy**
16 **Bonds**".
17 (E) The table of subparts for part IV of
18 subchapter A of chapter 1 of such Code is
19 amended by striking the item relating to sub-
20 part H and inserting the following new items:

"SUBPART H—NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

"SUBPART I—QUALIFIED TAX CREDIT BONDS.".

1 (d) CLERICAL AMENDMENT.—The table of parts for
2 subchapter Y of chapter 1 of such Code is amended by
3 adding at the end the following new item:

"PART III—MANUFACTURING REDEVELOPMENT BONDS".

4 (e) EFFECTIVE DATE.—
5 (1) IN GENERAL.—Except as otherwise pro-
6 vided in this subsection, the amendments made by
7 this section shall apply to taxable years ending after
8 the date of the enactment of this Act.
9 (2) BOND PROVISIONS.—Sections 1400U-3 and
10 1400U-4 of the Internal Revenue Code of 1986 (as
11 added by subsection (a)), and the amendments made
12 by subsection (c), shall apply to obligations issued
13 after the date of the enactment of this Act.
14 (3) WORK OPPORTUNITY TAX CREDIT.—The
15 amendments made by subsection (b) shall apply to
16 individuals who begin work for the employer after
17 the date of the enactment of this Act.

18 **SEC. 502. DELAY IN APPLICATION OF WORLDWIDE INTER-**
19 **EST ALLOCATION.**

20 (a) IN GENERAL.—Paragraphs (5)(D) and (6) of sec-
21 tion 864(f) of the Internal Revenue Code of 1986 are each
22 amended by striking "December 31, 2008" and inserting
23 "December 31, 2011".

1 (b) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2008.

4 TITLE VI—WORKER ADJUST-
5 MENT AND RETRAINING NO-
6 TIFICATION

7 **SEC. 601. SHORT TITLE.**

8 This title may be cited as the "Early Warning and
9 Health Care for Workers Affected by Globalization Act".

10 **SEC. 602. AMENDMENTS TO THE WARN ACT.**

11 (a) DEFINITIONS.—
12 (1) EMPLOYER, PLANT CLOSING, AND MASS
13 LAYOFF.—Paragraphs (1) through (3) of section
14 2(a) of the Worker Adjustment and Retraining Noti-
15 fication Act (29 U.S.C. 2101(a)(1)–(3)) are amend-
16 ed to read as follows:
17 "(1) the term 'employer' means any business
18 enterprise that employs 100 or more employees;
19 "(2) the term 'plant closing' means the perma-
20 nent or temporary shutdown of a single site of em-
21 ployment, or of one or more facilities or operating
22 units within a single site of employment, which re-
23 sults in an employment loss at such site, during any
24 30-day period, for 25 or more employees;

1 "(3) the term 'mass layoff' means a reduction
2 in force at a single site of employment which results
3 in an employment loss at such site, during any 30-
4 day period, for 25 or more employees.".
5 (2) SECRETARY OF LABOR.—
6 (A) DEFINITION.—Paragraph (8) of such
7 section is amended to read as follows:
8 "(8) the term 'Secretary' means the Secretary
9 of Labor or a representative of the Secretary of
10 Labor.".
11 (B) REGULATIONS.—Section 8(a) of such
12 Act (29 U.S.C. 2107(a)) is amended by striking
13 "of Labor".
14 (3) CONFORMING AMENDMENTS.—
15 (A) NOTICE.—Section 3(d) of such Act (29
16 U.S.C. 2102(d)) is amended by striking out ",
17 each of which is less than the minimum number
18 of employees specified in section 2(a)(2) or (3)
19 but which in the aggregate exceed that min-
20 imum number," and inserting "which in the ag-
21 gregate exceed the minimum number of employ-
22 ees specified in section 2(a)(2) or (3)".
23 (B) DEFINITIONS.—Section 2(b)(1) of
24 such Act (29 U.S.C. 2101(b)(1)) is amended by
25 striking "(other than a part-time employee)".

1 (b) NOTICE.—

2 (1) NOTICE PERIOD.—

3 (A) IN GENERAL.—Section 3 of the Work-
4 er Adjustment and Retraining Notification Act
5 (29 U.S.C. 2102) is amended by striking "60-
6 day period" and inserting "90-day period" each
7 place it appears.

8 (B) CONFORMING AMENDMENT.—Section
9 5(a)(1) of such Act (29 U.S.C. 2104(a)(1)) is
10 amended in the matter following subparagraph
11 (B), by striking "60 days" and inserting "90
12 days".

13 (2) RECIPIENTS.—Section 3(a) of such Act (29
14 U.S.C. 2102(a)) is amended—

15 (A) in paragraph (1), by striking "or, if
16 there is no such representative at that time, to
17 each affected employee; and" and inserting
18 "and to each affected employee;"; and

19 (B) by redesignating paragraph (2) as
20 paragraph (3) and inserting after paragraph
21 (1) the following:

22 "(2) to the Secretary; and".

23 (3) INFORMATION REGARDING BENEFITS AND
24 SERVICES AVAILABLE TO WORKERS AND DOL NO-
25 TICE TO CONGRESS.—Section 3 of such Act (29

1 U.S.C. 2102) is further amended by adding at the
2 end the following:
3 "(e) INFORMATION REGARDING BENEFITS AND
4 SERVICES AVAILABLE TO EMPLOYEES.—Concurrent with
5 or immediately after providing the notice required under
6 subsection (a)(1), an employer shall provide affected em-
7 ployees with information regarding the benefits and serv-
8 ices available to such employees, as described in the guide
9 compiled by the Secretary under section 12.
10 "(f) DOL NOTICE TO CONGRESS.—As soon as prac-
11 ticable and not later than 15 days after receiving notifica-
12 tion under subsection (a)(2), the Secretary of Labor shall
13 notify the appropriate Senators and Members of the
14 House of Representatives who represent the area or areas
15 where the plant closing or mass layoff is to occur.".
16 (c) ENFORCEMENT.—
17 (1) AMOUNT.—Section 5(a)(1) of the Worker
18 Adjustment and Retraining Notification Act (29
19 U.S.C. 2104(a)(1)) is amended—
20 (A) in subparagraph (A)—
21 (i) by striking "back pay for each day
22 of violation" and inserting "two days' pay
23 multiplied by the number of calendar days
24 short of 90 that the employer provided no-
25 tice before such closing or layoff"

1 (ii) in clause (ii), by striking "and" at
2 the end thereof;
3 (B) by redesignating subparagraph (B) as
4 subparagraph (C);
5 (C) by inserting after subparagraph (A)
6 the following:
7 "(B) interest on the amount described in sub-
8 paragraph (A) calculated at the prevailing rate;
9 and"; and
10 (D) by striking the matter following sub-
11 paragraph (C) (as so redesignated).
12 (2) EXEMPTION.—Section 5(a)(4) of such Act
13 (29 U.S.C. 2104(a)(4)) is amended by striking "re-
14 duce the amount of the liability or penalty provided
15 for in this section" and inserting "reduce the
16 amount of the liability under subparagraph (C) of
17 paragraph (1) and reduce the amount of the penalty
18 provided for in paragraph (3)".
19 (3) ADMINISTRATIVE COMPLAINT.—Section
20 5(a)(5) of such Act (29 U.S.C. 2104(a)(5)) is
21 amended—
22 (A) by striking "may sue" and inserting
23 "may,";
24 (B) by inserting after "both," the fol-
25 lowing: "(A) file a complaint with the Secretary

1 alleging a violation of section 3, or (B) bring
2 suit"; and
3 (C) by adding at the end thereof the fol-
4 lowing new sentence: "A person seeking to en-
5 force such liability may use one or both of the
6 enforcement mechanisms described in subpara-
7 graphs (A) and (B).".
8 (4) ACTION BY THE SECRETARY.—Section 5 of
9 such Act (29 U.S.C. 2104) is amended—
10 (A) by redesignating subsection (b) as sub-
11 section (d); and
12 (B) by inserting after subsection (a) the
13 following new subsections:
14 "(b) ACTION BY THE SECRETARY.—
15 "(1) ADMINISTRATIVE ACTION.—The Secretary
16 shall receive, investigate, and attempt to resolve
17 complaints of violations of section 3 by an employer
18 in the same manner that the Secretary receives, in-
19 vestigates, and attempts to resolve complaints of vio-
20 lations of sections 6 and 7 of the Fair Labor Stand-
21 ards Act of 1938 (29 U.S.C. 206 and 207).
22 "(2) SUBPOENA POWERS.—For the purposes of
23 any investigation provided for in this section, the
24 Secretary shall have the subpoena authority provided

1 for under section 9 of the Fair Labor Standards Act
2 of 1938 (29 U.S.C. 209).
3 "(3) SUMS RECOVERED.—Any sums recovered
4 by the Secretary on behalf of an employee under
5 subparagraphs (A), (B), and (D) of section 5(a)(1)
6 shall be held in a special deposit account and shall
7 be paid, on order of the Secretary, directly to each
8 employee affected. Any such sums not paid to an
9 employee because of inability to do so within a pe-
10 riod of 3 years, and any sums recovered by the Sec-
11 retary under subparagraph (C) of section 5(a)(1),
12 shall be credited as an offsetting collection to the ap-
13 propriations account of the Secretary of Labor for
14 expenses for the administration of this Act and shall
15 remain available to the Secretary until expended.
16 "(c) LIMITATIONS.—
17 "(1) LIMITATIONS PERIOD.—An action may be
18 brought under this section not later than 2 years
19 after the date of the last event constituting the al-
20 leged violation for which the action is brought.
21 "(2) COMMENCEMENT.—In determining when
22 an action is commenced under this section for the
23 purposes of paragraph (1), it shall be considered to
24 be commenced on the date on which the complaint
25 is filed.".

1 (d) POSTING OF NOTICES; PENALTIES.—Section 11
2 of the Worker Adjustment and Retraining Notification Act
3 (29 U.S.C. 2101 note) is amended to read as follows:

4 **"SEC. 11. POSTING OF NOTICES; PENALTIES.**

5 "(a) POSTING OF NOTICES.—Each employer shall
6 post and keep posted in conspicuous places upon its prem-
7 ises where notices to employees are customarily posted a
8 notice to be prepared or approved by the Secretary setting
9 forth excerpts from, or summaries of, the pertinent provi-
10 sions of this chapter and information pertinent to the fil-
11 ing of a complaint.

12 "(b) PENALTIES.—A willful violation of this section
13 shall be punishable by a fine of not more than $500 for
14 each separate offense.".

15 (e) NON-WAIVER OF RIGHTS AND REMEDIES; INFOR-
16 MATION REGARDING BENEFITS AND SERVICES AVAIL-
17 ABLE TO EMPLOYEES.—Such Act is further amended by
18 adding at the end the following:

19 **"SEC. 12. RIGHTS AND REMEDIES NOT SUBJECT TO WAIV-**
20 **ER.**

21 "(a) IN GENERAL.—The rights and remedies pro-
22 vided under this Act (including the right to maintain a
23 civil action) may not be waived, deferred, or lost pursuant
24 to any agreement or settlement other than an agreement
25 or settlement described in subsection (b).

1 "(b) AGREEMENT OR SETTLEMENT.—An agreement
2 or settlement referred to in subsection (a) is an agreement
3 or settlement negotiated by the Secretary, an attorney
4 general of any State, or a private attorney on behalf of
5 affected employees.

6 **"SEC. 13. INFORMATION REGARDING BENEFITS AND SERV-**
7 **ICES AVAILABLE TO WORKERS.**

8 "The Secretary of Labor shall maintain a guide of
9 benefits and services which may be available to affected
10 employees, including unemployment compensation, trade
11 adjustment assistance, COBRA benefits, and early access
12 to training and other services, including counseling serv-
13 ices, available under the Workforce Investment Act of
14 1998. Such guide shall be available on the Internet website
15 of the Department of Labor and shall include a descrip-
16 tion of the benefits and services, the eligibility require-
17 ments, and the means of obtaining such benefits and serv-
18 ices. Upon receiving notice from an employer under sec-
19 tion 3(a)(2), the Secretary shall immediately transmit
20 such guide to such employer.".

21 (f) NOTICE EXCUSED WHERE CAUSED BY TER-
22 RORIST ATTACK.—Section 3(b)(2) of the Worker Adjust-
23 ment and Retraining Notification Act (29 U.S.C.
24 2102(b)(2)) is amended by adding at the end the following
25 new subparagraph:

1 "(C) No notice under this Act shall be required if
2 the plant closing or mass layoff is due directly or indirectly
3 to a terrorist attack on the United States.".

4 **SEC. 603. EFFECTIVE DATE.**

5 Except as otherwise provided in this Act, the provi-
6 sions of this Act, and the amendments made by this Act,
7 shall take effect on the date of the enactment of this Act.