One Hundred Seventh Congress

of the

United States of America

AT THE SECOND SESSION

Begun and held at the City of Washington on Wednesday,

the twenty-third day of January, two thousand and two

An Act

To extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the `Trade Act of 2002'.

- SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.
  - (a) DIVISIONS- This Act is organized into 5 divisions as follows:
    - (1) DIVISION A- Trade Adjustment Assistance.
    - (2) DIVISION B- Bipartisan Trade Promotion Authority.
    - (3) DIVISION C- Andean Trade Preference Act.
    - (4) DIVISION D- Extension of Certain Preferential Trade Treatment and Other Provisions.
    - (5) DIVISION E- Miscellaneous Provisions.
  - (b) TABLE OF CONTENTS- The table of contents for this Act is as follows:
    - Sec. 1. Short title.
    - Sec. 2. Organization of Act into divisions; table of contents.

DIVISION A--TRADE ADJUSTMENT ASSISTANCE

Sec. 101. Short title.

TITLE I--TRADE ADJUSTMENT ASSISTANCE PROGRAM

Subtitle A--Trade Adjustment Assistance For Workers

Sec. 111. Reauthorization of trade adjustment assistance program.

- Sec. 112. Filing of petitions and provision of rapid response assistance; expedited review of petitions by secretary of labor.
- Sec. 113. Group eligibility requirements.
- Sec. 114. Qualifying requirements for trade readjustment allowances.
- Sec. 115. Waivers of training requirements.
- Sec. 116. Amendments to limitations on trade readjustment allowances.
- Sec. 117. Annual total amount of payments for training.
- Sec. 118. Provision of employer-based training.
- Sec. 119. Coordination with title I of the Workforce Investment Act of 1998.
- Sec. 120. Expenditure period.
- Sec. 121. Job search allowances.
- Sec. 122. Relocation allowances.
- Sec. 123. Repeal of NAFTA transitional adjustment assistance program.
- Sec. 124. Demonstration project for alternative trade adjustment assistance for older workers.
- Sec. 125. Declaration of policy; sense of Congress.

## Subtitle D--Effective Date

Sec. 151. Effective date.

### TITLE II--CREDIT FOR HEALTH INSURANCE COSTS OF ELIGIBLE INDIVIDUALS

- Sec. 201. Credit for health insurance costs of individuals receiving a trade readjustment allowance or a benefit from the Pension Benefit Guaranty Corporation.
- Sec. 202. Advance payment of credit for health insurance costs of eligible individuals.
- Sec. 203. Health insurance assistance for eligible individuals.

#### DIVISION A--TRADE ADJUSTMENT ASSISTANCE

SEC. 101. SHORT TITLE.

This division may be cited as the `Trade Adjustment Assistance Reform Act of 2002'.

TITLE I--TRADE ADJUSTMENT ASSISTANCE PROGRAM

Subtitle A--Trade Adjustment Assistance For Workers

- SEC. 111. REAUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE PROGRAM.
  - (a) ASSISTANCE FOR WORKERS- Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking `October 1, 1998, and ending September 30, 2001,' each place it appears and inserting `October 1, 2001, and ending September 30, 2007,'.
  - (b) ASSISTANCE FOR FIRMS- Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking `October 1, 1998, and ending September 30, 2001' and inserting `October 1, 2001, and ending September 30, 2007,'.
  - (c) TERMINATION- Section 285 of the Trade Act of 1974 is amended to read as follows:

`SEC. 285. TERMINATION.

- `(a) ASSISTANCE FOR WORKERS-
  - `(1) IN GENERAL- Except as provided in paragraph (2), trade adjustment assistance, vouchers, allowances, and other payments or benefits may not be provided under chapter 2 after September 30, 2007.
  - `(2) EXCEPTION- Notwithstanding paragraph (1), a worker shall continue to receive trade adjustment assistance benefits and other benefits under chapter 2 for any week for which the worker meets the eligibility requirements of that chapter, if on or before September 30, 2007, the worker is--
    - `(A) certified as eligible for trade adjustment assistance benefits under chapter 2 of this title; and
    - `(B) otherwise eligible to receive trade adjustment assistance benefits under chapter 2.
- SEC. 112. FILING OF PETITIONS AND PROVISION OF RAPID RESPONSE ASSISTANCE; EXPEDITED REVIEW OF PETITIONS BY SECRETARY OF LABOR.
  - (a) FILING OF PETITIONS AND PROVISION OF RAPID RESPONSE ASSISTANCE-Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended to read as follows:
  - `(a)(1) A petition for certification of eligibility to apply for

adjustment assistance for a group of workers under this chapter may be filed simultaneously with the Secretary and with the Governor of the State in which such workers' firm or subdivision is located by any of the following:

- `(A) The group of workers (including workers in an agricultural firm or subdivision of any agricultural firm).
- `(B) The certified or recognized union or other duly authorized representative of such workers.
- `(C) Employers of such workers, one-stop operators or one-stop partners (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)), including State employment security agencies, or the State dislocated worker unit established under title I of such Act, on behalf of such workers.
- $\hat{}$  (2) Upon receipt of a petition filed under paragraph (1), the Governor shall--
  - `(A) ensure that rapid response assistance, and appropriate core and intensive services (as described in section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864)) authorized under other Federal laws are made available to the workers covered by the petition to the extent authorized under such laws; and
  - `(B) assist the Secretary in the review of the petition by verifying such information and providing such other assistance as the Secretary may request.
- `(3) Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that the Secretary has received the petition and initiated an investigation.'.
- (b) EXPEDITED REVIEW OF PETITIONS BY SECRETARY OF LABOR- Section 223(a) of such Act (19 U.S.C. 2273(a)) is amended in the first sentence by striking `60 days' and inserting `40 days'.

#### SEC. 113. GROUP ELIGIBILITY REQUIREMENTS.

- (a) TRADE ADJUSTMENT ASSISTANCE PROGRAM-
  - (1) IN GENERAL- Section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended--
    - (A) by amending subsection (a) to read as follows:
- `(a) IN GENERAL- A group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that--
  - `(1) a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to

become totally or partially separated; and

- `(2)(A)(i) the sales or production, or both, of such firm or subdivision have decreased absolutely;
- `(ii) imports of articles like or directly competitive with articles produced by such firm or subdivision have increased; and
- `(iii) the increase in imports described in clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm or subdivision; or
- `(B)(i) there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and
- `(ii)(I) the country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States;
- `(II) the country to which the workers' firm has shifted production of the articles is a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or
- `(III) there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.';
  - (B) by redesignating subsection (b) as subsection (c); and
  - (C) by inserting after subsection (a) the following:
- `(b) ADVERSELY AFFECTED SECONDARY WORKERS- A group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) shall be certified by the Secretary as eligible to apply for trade adjustment assistance benefits under this chapter if the Secretary determines that--
  - `(1) a significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;
  - `(2) the workers' firm (or subdivision) is a supplier or downstream producer to a firm (or subdivision) that employed a group of workers who received a certification of eligibility under subsection (a), and such supply or production is related to the article that was the basis for such certification (as defined in subsection (c) (3) and (4)); and
  - (3) either--
    - `(A) the workers' firm is a supplier and the component parts it supplied to the firm (or subdivision) described in

- paragraph (2) accounted for at least 20 percent of the production or sales of the workers' firm; or
- '(B) a loss of business by the workers' firm with the firm (or subdivision) described in paragraph (2) contributed importantly to the workers' separation or threat of separation determined under paragraph (1).'.
- (b) DEFINITIONS- Section 222(c) of such Act, as redesignated by paragraph (1)(A), is amended--
  - (1) in the matter preceding paragraph (1), by striking `subsection (a)(3)' and inserting `this section'; and
  - (2) by adding at the end the following:
  - `(3) DOWNSTREAM PRODUCER- The term `downstream producer' means a firm that performs additional, value-added production processes for a firm or subdivision, including a firm that performs final assembly or finishing, directly for another firm (or subdivision), for articles that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm, if the certification of eligibility under subsection (a) is based on an increase in imports from, or a shift in production to, Canada or Mexico.
  - `(4) SUPPLIER- The term `supplier' means a firm that produces and supplies directly to another firm (or subdivision) component parts for articles that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm.'.
- SEC. 114. QUALIFYING REQUIREMENTS FOR TRADE READJUSTMENT ALLOWANCES.
  - (a) CLARIFICATION OF CERTAIN REDUCTIONS- Section 231(a)(3)(B) of the Trade Act of 1974 (19 U.S.C. 2291(a)(3)(B)) is amended by inserting after `any unemployment insurance' the following: `, except additional compensation that is funded by a State and is not reimbursed from any Federal funds,'.
  - (b) ENROLLMENT IN TRAINING REQUIREMENT- Section 231(a)(5)(A) of such Act (19 U.S.C. 2291(a)(5)(A)) is amended--
    - (1) by inserting `(i)' after `(A)';
    - (2) by adding `and' after the comma at the end; and
    - (3) by adding at the end the following:
      - $\hat{}$  (ii) the enrollment required under clause (i) occurs no later than the latest of--
        - $\dot{}$  (I) the last day of the 16th week after the worker's most recent total separation from adversely affected employment which meets the requirements of paragraphs (1) and (2),

- $\hat{}$  (II) the last day of the 8th week after the week in which the Secretary issues a certification covering the worker,
- `(III) 45 days after the later of the dates specified in subclause (I) or (II), if the Secretary determines there are extenuating circumstances that justify an extension in the enrollment period, or
- `(IV) the last day of a period determined by the Secretary to be approved for enrollment after the termination of a waiver issued pursuant to subsection (c),'.

## SEC. 115. WAIVERS OF TRAINING REQUIREMENTS.

- (a) IN GENERAL- Section 231(c) of the Trade Act of 1974 (19 U.S.C. 2291(c)) is amended to read as follows:
- `(c) WAIVERS OF TRAINING REQUIREMENTS-
  - `(1) ISSUANCE OF WAIVERS- The Secretary may issue a written statement to an adversely affected worker waiving the requirement to be enrolled in training described in subsection (a)(5)(A) if the Secretary determines that it is not feasible or appropriate for the worker, because of 1 or more of the following reasons:
    - `(A) RECALL- The worker has been notified that the worker will be recalled by the firm from which the separation occurred.
    - `(B) MARKETABLE SKILLS- The worker possesses marketable skills for suitable employment (as determined pursuant to an assessment of the worker, which may include the profiling system under section 303(j) of the Social Security Act (42 U.S.C. 503(j)), carried out in accordance with guidelines issued by the Secretary) and there is a reasonable expectation of employment at equivalent wages in the foreseeable future.
    - `(C) RETIREMENT- The worker is within 2 years of meeting all requirements for entitlement to either--
      - `(i) old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.) (except for application therefor); or
      - `(ii) a private pension sponsored by an employer or labor organization.
    - `(D) HEALTH- The worker is unable to participate in training due to the health of the worker, except that a waiver under this subparagraph shall not be construed to exempt a worker from requirements relating to the availability for work, active search for work, or refusal to accept work under Federal or State unemployment compensation laws.

- `(E) ENROLLMENT UNAVAILABLE- The first available enrollment date for the approved training of the worker is within 60 days after the date of the determination made under this paragraph, or, if later, there are extenuating circumstances for the delay in enrollment, as determined pursuant to guidelines issued by the Secretary.
- `(F) TRAINING NOT AVAILABLE- Training approved by the Secretary is not reasonably available to the worker from either governmental agencies or private sources (which may include area vocational education schools, as defined in section 3 of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2302), and employers), no training that is suitable for the worker is available at a reasonable cost, or no training funds are available.

### `(2) DURATION OF WAIVERS-

- `(A) IN GENERAL- A waiver issued under paragraph (1) shall be effective for not more than 6 months after the date on which the waiver is issued, unless the Secretary determines otherwise.
- `(B) REVOCATION- The Secretary shall revoke a waiver issued under paragraph (1) if the Secretary determines that the basis of a waiver is no longer applicable to the worker and shall notify the worker in writing of the revocation.

### `(3) AGREEMENTS UNDER SECTION 239-

- `(A) ISSUANCE BY COOPERATING STATES- Pursuant to an agreement under section 239, the Secretary may authorize a cooperating State to issue waivers as described in paragraph (1).
- `(B) SUBMISSION OF STATEMENTS- An agreement under section 239 shall include a requirement that the cooperating State submit to the Secretary the written statements provided under paragraph (1) and a statement of the reasons for the waiver.'.
- (b) CONFORMING AMENDMENT- Section 231(a)(5)(C) of such Act (19 U.S.C. 2291(a)(5)(C)) is amended by striking `certified'.

#### SEC. 116. AMENDMENTS TO LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

- (a) INCREASE IN MAXIMUM NUMBER OF WEEKS- Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended--
  - (1) in paragraph (2), by inserting after `104-week period' the following: `(or, in the case of an adversely affected worker who requires a program of remedial education (as described in section 236(a)(5)(D)) in order to complete training approved for the worker under section 236, the 130-week period)'; and
  - (2) in paragraph (3), by striking `26' each place it appears and inserting `52'.

- (b) SPECIAL RULE RELATING TO BREAK IN TRAINING- Section 233(f) of the Trade Act of 1974 (19 U.S.C. 2293(f)) is amended in the matter preceding paragraph (1) by striking `14 days' and inserting `30 days'.
- (c) ADDITIONAL WEEKS FOR INDIVIDUALS IN NEED OF REMEDIAL EDUCATION-Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end the following:
- `(g) Notwithstanding any other provision of this section, in order to assist an adversely affected worker to complete training approved for the worker under section 236 which includes a program of remedial education (as described in section 236(a)(5)(D)), and in accordance with regulations prescribed by the Secretary, payments may be made as trade readjustment allowances for up to 26 additional weeks in the 26-week period that follows the last week of entitlement to trade readjustment allowances otherwise payable under this chapter.'.
- SEC. 117. ANNUAL TOTAL AMOUNT OF PAYMENTS FOR TRAINING.

Section 236(a)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2296(a)(2)(A)) is amended by striking `\$80,000,000' and all that follows through `\$70,000,000' and inserting `\$220,000,000'.

- SEC. 118. PROVISION OF EMPLOYER-BASED TRAINING.
  - (a) IN GENERAL- Section 236(a)(5)(A) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)(A)) is amended to read as follows:
    - `(A) employer-based training, including--
      - `(i) on-the-job training, and
      - `(ii) customized training,'.
  - (b) REIMBURSEMENT- Section 236(c)(8) of such Act (19 U.S.C. 2296(c)(8)) is amended to read as follows:
    - `(8) the employer is provided reimbursement of not more than 50 percent of the wage rate of the participant, for the cost of providing the training and additional supervision related to the training,'.
  - (c) DEFINITION- Section 236 of such Act (19 U.S.C. 2296) is amended by adding at the end the following new subsection:
  - $\hat{\ }$  (f) For purposes of this section, the term  $\hat{\ }$  customized training means training that is--
    - $\hat{\ }$  (1) designed to meet the special requirements of an employer or group of employers;
    - `(2) conducted with a commitment by the employer or group of employers to employ an individual upon successful completion of the training; and
    - `(3) for which the employer pays for a significant portion (but

in no case less than 50 percent) of the cost of such training, as determined by the Secretary.'.

SEC. 119. COORDINATION WITH TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998.

Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended by inserting before the period at the end of the first sentence the following: `, including the services provided through one-stop delivery systems described in section 134(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(c))'.

SEC. 120. EXPENDITURE PERIOD.

Section 245 of the Trade Act of 1974 (19 U.S.C. 2317), as amended by section 111(a) of this Act, is further amended by amending subsection (b) to read as follows:

`(b) PERIOD OF EXPENDITURE- Funds obligated for any fiscal year to carry out activities under sections 235 through 238 may be expended by each State receiving such funds during that fiscal year and the succeeding two fiscal years.'.

SEC. 121. JOB SEARCH ALLOWANCES.

Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended to read as follows:

`SEC. 237. JOB SEARCH ALLOWANCES.

- `(a) JOB SEARCH ALLOWANCE AUTHORIZED-
  - `(1) IN GENERAL- An adversely affected worker covered by a certification issued under subchapter A of this chapter may file an application with the Secretary for payment of a job search allowance.
  - `(2) APPROVAL OF APPLICATIONS- The Secretary may grant an allowance pursuant to an application filed under paragraph (1) when all of the following apply:
    - `(A) ASSIST ADVERSELY AFFECTED WORKER- The allowance is paid to assist an adversely affected worker who has been totally separated in securing a job within the United States.
    - `(B) LOCAL EMPLOYMENT NOT AVAILABLE- The Secretary determines that the worker cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.
    - `(C) APPLICATION- The worker has filed an application for the allowance with the Secretary before--
      - `(i) the later of--
        - `(I) the 365th day after the date of the certification under which the worker is certified

as eligible; or

- `(II) the 365th day after the date of the worker's last total separation; or
- `(ii) the date that is the 182d day after the date on which the worker concluded training, unless the worker received a waiver under section 231(c).

#### `(b) AMOUNT OF ALLOWANCE-

- `(1) IN GENERAL- An allowance granted under subsection (a) shall provide reimbursement to the worker of 90 percent of the cost of necessary job search expenses as prescribed by the Secretary in regulations.
- `(2) MAXIMUM ALLOWANCE- Reimbursement under this subsection may not exceed \$1,250 for any worker.
- `(3) ALLOWANCE FOR SUBSISTENCE AND TRANSPORTATION- Reimbursement under this subsection may not be made for subsistence and transportation expenses at levels exceeding those allowable under section 236(b) (1) and (2).
- `(c) EXCEPTION- Notwithstanding subsection (b), the Secretary shall reimburse any adversely affected worker for necessary expenses incurred by the worker in participating in a job search program approved by the Secretary.'.

# SEC. 122. RELOCATION ALLOWANCES.

Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended to read as follows:

#### `SEC. 238. RELOCATION ALLOWANCES.

## `(a) RELOCATION ALLOWANCE AUTHORIZED-

- `(1) IN GENERAL- Any adversely affected worker covered by a certification issued under subchapter A of this chapter may file an application for a relocation allowance with the Secretary, and the Secretary may grant the relocation allowance, subject to the terms and conditions of this section.
- `(2) CONDITIONS FOR GRANTING ALLOWANCE- A relocation allowance may be granted if all of the following terms and conditions are met:
  - `(A) ASSIST AN ADVERSELY AFFECTED WORKER- The relocation allowance will assist an adversely affected worker in relocating within the United States.
  - `(B) LOCAL EMPLOYMENT NOT AVAILABLE- The Secretary determines that the worker cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

- `(C) TOTAL SEPARATION- The worker is totally separated from employment at the time relocation commences.
- `(D) SUITABLE EMPLOYMENT OBTAINED- The worker--
  - `(i) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which the worker wishes to relocate; or
  - `(ii) has obtained a bona fide offer of such employment.
- $\dot{}$  (E) APPLICATION- The worker filed an application with the Secretary before--
  - `(i) the later of--
    - $\hat{}$  (I) the 425th day after the date of the certification under subchapter A of this chapter; or
    - `(II) the 425th day after the date of the worker's last total separation; or
  - `(ii) the date that is the 182d day after the date on which the worker concluded training, unless the worker received a waiver under section 231(c).
- `(b) AMOUNT OF ALLOWANCE- The relocation allowance granted to a worker under subsection (a) includes--
  - `(1) 90 percent of the reasonable and necessary expenses (including, but not limited to, subsistence and transportation expenses at levels not exceeding those allowable under section 236(b) (1) and (2) specified in regulations prescribed by the Secretary, incurred in transporting the worker, the worker's family, and household effects; and
  - `(2) a lump sum equivalent to 3 times the worker's average weekly wage, up to a maximum payment of \$1,250.
- $\dot{}$  (c) LIMITATIONS- A relocation allowance may not be granted to a worker unless--
  - `(1) the relocation occurs within 182 days after the filing of the application for relocation assistance; or
  - `(2) the relocation occurs within 182 days after the conclusion of training, if the worker entered a training program approved by the Secretary under section 236(b) (1) and (2).'.
- SEC. 123. REPEAL OF NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE PROGRAM.
  - (a) IN GENERAL- Subchapter D of chapter 2 of title II of such Act (19 U.S.C. 2331) is repealed.
  - (b) CONFORMING AMENDMENTS-

- (1) Section 225(b) (1) and (2) of the Trade Act of 1974 (19 U.S.C. 2275(b) (1) and (2)) is amended by striking `or subchapter D' each place it appears.
- (2) Section 249A of such Act (19 U.S.C. 2322) is repealed.
- (3) The table of contents of such Act is amended--
  - (A) by striking the item relating to section 249A; and
  - (B) by striking the items relating to subchapter D of chapter 2 of title  ${\tt II.}$
- (4) Section 284(a) of such Act is amended by striking `or section  $250\,(\text{c})\,\text{'}.$

### (c) EFFECTIVE DATE-

- (1) IN GENERAL- The amendments made by this section shall apply with respect to petitions filed under chapter 2 of title II of the Trade Act of 1974, on or after the date that is 90 days after the date of enactment of this Act.
- (2) WORKERS CERTIFIED AS ELIGIBLE BEFORE EFFECTIVE DATE-Notwithstanding subsection (a), a worker receiving benefits under chapter 2 of title II of the Trade Act of 1974 shall continue to receive (or be eligible to receive) benefits and services under chapter 2 of title II of the Trade Act of 1974, as in effect on the day before the amendments made by this section take effect under subsection (a), for any week for which the worker meets the eligibility requirements of such chapter 2 as in effect on such date.
- SEC. 124. DEMONSTRATION PROJECT FOR ALTERNATIVE TRADE ADJUSTMENT ASSISTANCE FOR OLDER WORKERS.
  - (a) DEMONSTRATION PROGRAM- Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by striking section 246 and inserting the following new section:
- `SEC. 246. DEMONSTRATION PROJECT FOR ALTERNATIVE TRADE ADJUSTMENT ASSISTANCE FOR OLDER WORKERS.

#### `(a) IN GENERAL-

`(1) ESTABLISHMENT- Not later than 1 year after the date of enactment of the Trade Adjustment Assistance Reform Act of 2002, the Secretary shall establish an alternative trade adjustment assistance program for older workers that provides the benefits described in paragraph (2).

# `(2) BENEFITS.

`(A) PAYMENTS- A State shall use the funds provided to the State under section 241 to pay, for a period not to exceed 2 years, to a worker described in paragraph (3) (B), 50 percent

of the difference between--

- `(i) the wages received by the worker from reemployment; and
- $\dot{}$  (ii) the wages received by the worker at the time of separation.
- `(B) HEALTH INSURANCE- A worker described in paragraph (3)(B) participating in the program established under paragraph (1) is eligible to receive, for a period not to exceed 2 years, a credit for health insurance costs under section 35 of the Internal Revenue Code of 1986, as added by section 201 of the Trade Act of 2002.

### `(3) ELIGIBILITY-

### `(A) FIRM ELIGIBILITY-

- `(i) IN GENERAL- The Secretary shall provide the opportunity for a group of workers on whose behalf a petition is filed under section 221 to request that the group of workers be certified for the alternative trade adjustment assistance program under this section at the time the petition is filed.
- `(ii) CRITERIA- In determining whether to certify a group of workers as eligible for the alternative trade adjustment assistance program, the Secretary shall consider the following criteria:
  - `(I) Whether a significant number of workers in the workers' firm are 50 years of age or older.
  - `(II) Whether the workers in the workers' firm possess skills that are not easily transferable.
  - `(III) The competitive conditions within the workers' industry.
- `(iii) DEADLINE- The Secretary shall determine whether the workers in the group are eligible for the alternative trade adjustment assistance program by the date specified in section 223(a).
- `(B) INDIVIDUAL ELIGIBILITY- A worker in the group that the Secretary has certified as eligible for the alternative trade adjustment assistance program may elect to receive benefits under the alternative trade adjustment assistance program if the worker--
  - $\dot{}$  (i) is covered by a certification under subchapter A of this chapter;
  - `(ii) obtains reemployment not more than 26 weeks after the date of separation from the adversely affected employment;

- `(iii) is at least 50 years of age; and
- `(iv) earns not more than \$50,000 a year in wages from reemployment;
- `(v) is employed on a full-time basis as defined by State law in the State in which the worker is employed; and
- `(vi) does not return to the employment from which the worker was separated.
- `(4) TOTAL AMOUNT OF PAYMENTS- The payments described in paragraph (2)(A) made to a worker may not exceed \$10,000 per worker during the 2-year eligibility period.
- `(5) LIMITATION ON OTHER BENEFITS- Except as provided in section 238(a)(2)(B), if a worker is receiving payments pursuant to the program established under paragraph (1), the worker shall not be eligible to receive any other benefits under this title.

## `(b) TERMINATION-

- `(1) IN GENERAL- Except as provided in paragraph (2), no payments may be made by a State under the program established under subsection (a)(1) after the date that is 5 years after the date on which such program is implemented by the State.
- `(2) EXCEPTION- Notwithstanding paragraph (1), a worker receiving payments under the program established under subsection (a)(1) on the termination date described in paragraph (1) shall continue to receive such payments provided that the worker meets the criteria described in subsection (a)(3)(B).'.
- (b) TABLE OF CONTENTS- The Trade Act of 1974 (U.S.C. et seq.) is amended in the table of contents by inserting after the item relating to section 245 the following new item:
  - `Sec. 246. Demonstration project for alternative trade adjustment assistance for older workers.'.

## SEC. 125. DECLARATION OF POLICY; SENSE OF CONGRESS.

- (a) DECLARATION OF POLICY- Congress reiterates that, under the trade adjustment assistance program under chapter 2 of title II of the Trade Act of 1974, workers are eligible for transportation, childcare, and healthcare assistance, as well as other related assistance under programs administered by the Department of Labor.
- (b) SENSE OF CONGRESS- It is the sense of Congress that the Secretary of Labor, working independently and in conjunction with the States, should, in accordance with section 225 of the Trade Act of 1974, provide more specific information about benefit allowances, training, and other employment services, and the petition and application procedures (including appropriate filing dates) for such allowances, training, and services, under the trade adjustment assistance program

under chapter 2 of title II of the Trade Act of 1974 to workers who are applying for, or are certified to receive, assistance under that program, including information on all other Federal assistance available to such workers.

#### Subtitle D--Effective Date

#### SEC. 151. EFFECTIVE DATE.

- (a) IN GENERAL- Except as otherwise provided in sections 123(c) and 141(b), and subsections (b), (c), and (d) of this section, the amendments made by this division shall apply to petitions for certification filed under chapter 2 or 3 of title II of the Trade Act of 1974 on or after the date that is 90 days after the date of enactment of this Act.
- (b) WORKERS CERTIFIED AS ELIGIBLE BEFORE EFFECTIVE DATE-Notwithstanding subsection (a), a worker shall continue to receive (or be eligible to receive) trade adjustment assistance and other benefits under chapter 2 of title II of the Trade Act of 1974, as in effect on September 30, 2001, for any week for which the worker meets the eligibility requirements of such chapter 2 as in effect on such date, if on or before such date, the worker-
  - (1) was certified as eligible for trade adjustment assistance benefits under such chapter as in effect on such date; and
  - (2) would otherwise be eligible to receive trade adjustment assistance benefits under such chapter as in effect on such date.
- (c) WORKERS WHO BECAME ELIGIBLE DURING QUALIFIED PERIOD-
  - (1) IN GENERAL- Notwithstanding subsection (a) or any other provision of law, including section 285 of the Trade Act of 1974, any worker who would have been eligible to receive trade adjustment assistance or other benefits under chapter 2 of title II of the Trade Act of 1974 during the qualified period if such chapter 2 had been in effect during such period, shall be eligible to receive trade adjustment assistance and other benefits under chapter 2 of title II of the Trade Act of 1974, as in effect on September 30, 2001, for any week during the qualified period for which the worker meets the eligibility requirements of such chapter 2 as in effect on September 30, 2001.
  - (2) QUALIFIED PERIOD- For purposes of this subsection, the term `qualified period' means the period beginning on January 11, 2002, and ending on the date that is 90 days after the date of enactment of this Act.