

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5718

To amend the Trade Act of 1974 with respect to the trade adjustment assistance program, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 2006

Mr. HAYES introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Trade Act of 1974 with respect to the trade adjustment assistance program, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Adjustment As-  
5 sistance Reform Act”.

6 **SEC. 2. ELIGIBILITY OF DISPLACED TEXTILE AND AND AP-**  
7 **PAREL WORKERS FOR TRADE ADJUSTMENT**  
8 **ASSISTANCE.**

9 Section 222 of the Trade Act of 1974 (19 U.S.C.  
10 2272) is amended—

1 (1) in subsection (a)—

2 (A) in the matter preceding paragraph (1),  
3 by striking “A group” and inserting “Subject to  
4 subsection (d), a group”; and

5 (B) in paragraph (2)(B), by amending  
6 clause (ii) to read as follows:

7 “(ii) there has been or is likely to be an in-  
8 crease in imports of articles that are like or directly  
9 competitive with articles which are or were produced  
10 by such firm or subdivision.”; and

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

12 “(d) TEXTILE AND APPAREL WORKERS.—In the case  
13 of workers in a firm that produces textiles or apparel prod-  
14 ucts, the Secretary shall make the determination under  
15 subsection (a) of the eligibility of such workers for trade  
16 adjustment assistance under this chapter without regard  
17 to paragraph (2) of subsection (a).”.

18 **SEC. 3. STUDY AND REPORT ON USE OF FUNDS FOR ADMIN-**

19 **ISTRATIVE EXPENSES.**

20 (a) STUDY.—The Secretary of Labor shall conduct  
21 a study on the feasibility of allowing States to use a great-  
22 er portion of funds received under the adjustment assist-  
23 ance for workers program under chapter 2 of title II of  
24 the Trade Act of 1974 (19 U.S.C. 2271 et seq.) for admin-  
25 istrative expenses. In conducting the study, the Secretary

1 shall compare applicable requirements under the adjust-  
2 ment assistance for workers program with requirements  
3 under other similar programs, such as programs under the  
4 Workforce Investment Act of 1998 (29 U.S.C. 2801 et  
5 seq.).

6 (b) REPORT.—Not later than 180 days after the date  
7 of the enactment of this Act, the Secretary shall submit  
8 to Congress a report that contains—

9 (1) the results of the study conducted under  
10 subsection (a); and

11 (2) recommendations for legislation, administra-  
12 tive actions, or other actions the Secretary considers  
13 appropriate.

14 **SEC. 4. INCREASE IN FUNDING FOR TRAINING.**

15 Section 236(a)(2)(A) of the Trade Act of 1974 (19  
16 U.S.C. 2296(a)(2)(A)) is amended by striking  
17 “\$220,000,000” and inserting “\$300,000,000”.

18 **SEC. 5. INCREASE IN CREDIT FOR HEALTH INSURANCE**  
19 **COSTS OF TAA AND PBGC PENSION RECIPI-**  
20 **ENTS; SIMPLIFICATION OF ELIGIBILITY DE-**  
21 **TERMINATIONS.**

22 (a) IN GENERAL.—Subsection (a) of section 35 of the  
23 Internal Revenue Code of 1986 is amended by striking  
24 “65 percent” and inserting “80 percent”.

1           (b) CONFORMING AMENDMENT.—Subsection (b) of  
2 section 7527 of such Code is amended by striking “65 per-  
3 cent” and inserting “80 percent”.

4           (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to amounts paid in taxable years  
6 beginning after the date of the enactment of this Act.

7           (d) JOINT PROGRAM TO SIMPLIFY TAA PROCESS.—  
8 The Secretary of the Treasury and the Secretary of Labor  
9 shall each, after consultation with each other, carry out  
10 compatible and coordinated programs to simplify the proc-  
11 ess for individuals to become eligible for a trade readjust-  
12 ment allowance, the credit allowed under section 35 of the  
13 Internal Revenue Code of 1986, and the program for the  
14 advance payment of such credit under section 7527 of  
15 such Code.

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