



Committee On Finance

Max Baucus, Chairman

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STATEMENT OF SENATOR MAX BAUCUS
Markup of Trade Adjustment Assistance
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Let me begin by expressing my sincere thanks to Senator Bingaman for his tireless efforts on Trade Adjustment Assistance. Because of the strong legislation that Senator Bingaman and others have crafted, I believe that this Committee – and ultimately the Senate – will be solidly behind TAA.

On Thursday, some suggested this bill was not bipartisan. In fact, TAA has always been an issue that has garnered strong bipartisan support. This is not a program for Democrats or Republicans; it is a program for workers – and for communities – in every state. And I would think that an expanded TAA program would be among the Administration's top priorities. Indeed, the President's home state of Texas is the state that benefits most from TAA. And members of this Administration – including Defense Secretary Donald Rumsfeld and USTR Bob Zoellick – were among the members of the bipartisan U.S. Trade Deficit Review Commission that last year endorsed a broad expansion of the TAA program.

Members of this Commission agreed on very little, but they did agree on a broad expansion of TAA, including providing coverage to secondarily affected workers, and providing income support for a longer period, if more time is needed for training. Our legislation accomplishes these objectives. In fact, when beginning the drafting process, we first looked to this bipartisan report.

We also looked for input from all Finance Committee Members. Seven months ago, before drafting even began, my staff met with their counterparts on the Committee to get suggestions for this bill. Some Republican Members, however, were reluctant to weigh in – for whatever reason. Still, we continued to reach out – as did Senator Bingaman.

We then began to look for measures that had strong bipartisan support. Senator Grassley and Senator Conrad, along with Senator Murkowski and others, all co-sponsored legislation regarding TAA for farmers and fishermen. We incorporated that legislation into the bill.

We also held two days of hearings on TAA. I thank Senators Grassley, Hatch, and Snowe for their participation in the first day of those hearings. But no other Republicans participated in those hearings.

After we introduced the legislation, Senator Snowe put forward a list of principles. We worked with her to modify the mark to incorporate her ideas. Several staff meetings were held with the Administration. When they put forth their proposal, we modified the mark again. The majority of the Administration's ideas are now reflected in this legislation.

_____At the end of the day, I think many Republicans will support this bill. Senator Collins recently co-sponsored. And Senator Cochran supported this bill early on – he decided it was a good bill for Mississippi. And that shouldn't be surprising. In the last 5 years, over 25,000 workers in Mississippi qualified for TAA benefits. Mississippi is hardly alone. Nearly 55,000 workers in North Carolina qualified; 48,000 in Pennsylvania; nearly 40,000 in New York; and the list goes on.

Last week, several Members also expressed disappointment that the Committee has not yet taken up fast track. The House is set to vote – in 2 days. So we will know soon if the House can pass this legislation. If they can, as I have said repeatedly, this Committee will hold a markup based on the House legislation. I will strive to hold a markup as quickly as practical after the House vote – given the demands of Finance Committee schedule and the Congressional recess.

I also want to address the question of expanding TAA without extending fast track to the President. It was suggested last week that we should not expand TAA without, quote, "expanding trade." But the TAA program has not been expanded since 1993 – and then only for trade related to Mexico and Canada. Since then, we have created the WTO, we have expanded trade preference programs for countries in the Caribbean and Africa. And since 1993, imports have more than doubled. Yet the TAA program has not changed.

But Americans' attitudes about trade have changed. Several efforts to pass fast track has failed. Trade agreements have become more difficult to pass. Americans are much more likely to support free trade if they think that the needs of those adversely affected by trade will be met. So, if we want to encourage support for more trade, we need to do a better job on TAA.

I look forward to working with Members of this Committee on accomplishing both objectives.