



For Immediate Release  
Monday, July 23, 2007

Contact: Carol Guthrie  
202-224-4515

**Statement of Senator Max Baucus (D-Mont.)**  
**Introduction of the Trade and Globalization Adjustment Assistance Act of 2007**

Mr. President, today, I am proud to join with my good friend and Colleague Senator Snowe to introduce the Trade and Globalization Adjustment Assistance Act of 2007. This legislation would invest in America's workers and firms, farmers and communities. It would help them to compete in the global marketplace.

The open trade system that has evolved over the past 50 years has created new markets for American ingenuity. It has delivered more affordable goods to American consumers. In Montana alone, trade supports nearly one in five jobs.

But for some Americans, trade-related economic change has not always been smooth. In 2005, the Owens and Hurst sawmill in Eureka, Montana, closed its doors. That mill fell victim to an onslaught of unfairly dumped and subsidized Canadian lumber. Jerry Ross, a supervisor at the mill, lost the job that she had held for over a decade.

Jerry's prospects for re-employment looked dim. Luckily for Jerry, she qualified for Trade Adjustment Assistance, or TAA. With a diligent, caring job service caseworker by her side, Jerry charted a new course in life.

Jerry has been training intensively in the Building Trades program at the Flathead Valley Community College in Kalispell, Montana. She is also taking accounting coursework. When she finishes her training in December, she will be qualified as a construction superintendent. She hopes to start her own business.

Trade Adjustment Assistance helps tens of thousands of American workers like Jerry retrain for and fill jobs, right here at home. But the program is set to expire on September 30. It is up to this Congress to reauthorize and expand the program.

I have consulted closely with workers in Montana. I have sought advice from not just Montana's Department of Labor. And I have also consulted with officials from Iowa, Michigan, Ohio, North Carolina, and Pennsylvania. I have sat down with unions, businesses, economists, and other experts.

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Everyone agrees. TAA is a lifeline to American workers re-entering an increasingly global labor market.

But for all the good that Trade Adjustment Assistance does, the current program is a complicated maze of hurdles and exceptions. For instance, workers can qualify for benefits if their jobs move offshore to Canada, Mexico, or another free trade agreement partner. But they will not qualify if their jobs move to China or India. Trade-displaced manufacturing workers can qualify for TAA if they lose their jobs. But accountants or any other service providers cannot. Workers can qualify for wage insurance, but only if they give up their right to retraining.

It does not have to be this way. The Trade and Globalization Adjustment Assistance Act authorizes a more fair, flexible, and relevant program.

Today's TAA overlooks the 80 percent of America's workforce employed in the services sector. Tens of thousands of workers who applied for TAA last year were shut out, simply because current law covers workers who produce "an article." This technicality is a holdover from a different era. That was an era when only the manufacturing sector experienced strong foreign competition. We must extend the same protections to services sector workers.

Equally confounding is why workers whose firms move to Canada deserve any less protection than workers whose firms move to India. Globalization does not adhere to any trade agreement. My bill will end this discrimination, by covering any workers whose jobs move offshore, regardless of whether our nations have a trade agreement in force.

Losing health care coverage can be nearly as devastating as losing a job. In 2002, Congress passed legislation to provide TAA-certified workers and certain retirees with an advanceable, refundable healthcare tax credit to cover 65 percent of their insurance premiums. But few have used this credit to replace a portion of their former employer's contribution to their health care premiums. And since folks who are out of work cannot afford to pay more for health coverage, that means most are going without. Our bill would increase the government share of participants' premiums to 85 percent. That could give workers a real shot at keeping their healthcare coverage. Our bill also would fix the glitches that have made it difficult for workers to access this tax credit.

Our bill would also ensure that states have enough funds to pay for the two years of training to which TAA-certified workers are entitled. Today, the law caps the amount of available funds. That leads some states either to run out of or to ration training funds. The Baucus-Snowe bill would double the cap on training funds. That would ensure that all workers, including newly eligible ones, get training. Our bill also includes a trigger to automatically raise the cap to respond to unanticipated training demands.

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Our bill also would make important improvements to the pilot wage insurance program that Congress created in 2002. Wage insurance helps older workers supplement lost wages when they get a new job. While older workers suffer worse wage loss, they are certainly not alone. Our bill would allow younger workers to participate in the pilot program. It also would eliminate the requirement that workers forfeit training if they opt for wage insurance. Instead, our bill would allow workers to choose what income assistance is right for them. They could choose this assistance either with training, without training, or after successfully completing training. Wage insurance should supplement, not supplant, TAA benefits.

Our bill also would make important changes in the Commerce Department's TAA for Firms program. This program helps workers and employers avoid painful layoffs in the first place. TAA for firms gives small businesses the technical assistance that they need to compete in the global economy. But the program runs a substantial backlog of approved but unfunded adjustment projects for participating firms. Our bill would extend coverage to services firms and triples funding to \$50 million annually.

Likewise, our bill would improve the Department of Agriculture's TAA for Farmers program. It would ease the overly strict eligibility criteria that have kept many farmers and fishermen legitimately affected by trade from receiving assistance.

But we can do more than that. Many communities in which workers, firms, or farmers have been certified for TAA are struggling to redefine their place in the global market. This bill would create a new TAA for Communities program to help communities uniquely challenged by trade to plan for the future and to access grant funding to implement that future.

Jerry Ross faced long odds when she lost her job. But because of Trade Adjustment Assistance, she has a bright career ahead of her. Jerry believes in TAA. She traveled all the way to Washington, D.C., to urge its renewal and improvement at a Finance Committee hearing in June. I look forward to working with my Colleagues on the Finance Committee and in this chamber to ensure that this Congress does not disappoint Jerry and the tens of thousands of American workers just like her.

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