

103D CONGRESS  
1ST SESSION

# H. R. 3450

To implement the North American Free Trade Agreement.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 4, 1993

Mr. ROSTENKOWSKI (as designee of the Majority Leader) (for himself and Mr. ARCHER) (as designee of the Minority Leader) (by request) introduced the following bill; which was referred jointly to the following committees for a period ending not later than November 15, 1993: Ways and Means, Agriculture, Banking, Finance and Urban Affairs, Energy and Commerce, Foreign Affairs, Government Operations, the Judiciary, and Public Works and Transportation

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## A BILL

To implement the North American Free Trade Agreement.

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 AND TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “North American Free Trade Agreement Implementation  
6 Act”.

7 (b) **TABLE OF CONTENTS.**—

Sec. 1. Short title and table of contents.

Sec. 2. Definitions.

15 **TITLE V—NAFTA TRANSITIONAL**  
16 **ADJUSTMENT ASSISTANCE**  
17 **AND OTHER PROVISIONS**  
18 **Subtitle A—NAFTA Transitional**  
19 **Adjustment Assistance Program**

20 **SEC. 501. SHORT TITLE.**

21 This subtitle may be cited as the “NAFTA Worker  
22 Security Act”.

1 **SEC. 502. ESTABLISHMENT OF NAFTA TRANSITIONAL AD-**  
2 **JUSTMENT ASSISTANCE PROGRAM.**

3 Chapter 2 of title II of the Trade Act of 1974 (19  
4 U.S.C. 2271 et seq.) is amended by adding at the end  
5 the following new subchapter:

6 **“Subchapter D—NAFTA Transitional**  
7 **Adjustment Assistance Program**

8 **“SEC. 250. ESTABLISHMENT OF TRANSITIONAL PROGRAM.**

9 **“(a) GROUP ELIGIBILITY REQUIREMENTS.—**

10 **“(1) CRITERIA.—**A group of workers (including  
11 workers in any agricultural firm or subdivision of an  
12 agricultural firm) shall be certified as eligible to  
13 apply for adjustment assistance under this sub-  
14 chapter pursuant to a petition filed under subsection  
15 (b) if the Secretary determines that a significant  
16 number or proportion of the workers in such work-  
17 ers’ firm or an appropriate subdivision of the firm  
18 have become totally or partially separated, or are  
19 threatened to become totally or partially separated,  
20 and either—

21 **“(A) that—**

22 **“(i) the sales or production, or both,**  
23 **of such firm or subdivision have decreased**  
24 **absolutely,**

25 **“(ii) imports from Mexico or Canada**  
26 **of articles like or directly competitive with**

1 articles produced by such firm or subdivi-  
2 sion have increased, and

3 “(iii) the increase in imports under  
4 clause (ii) contributed importantly to such  
5 workers’ separation or threat of separation  
6 and to the decline in the sales or produc-  
7 tion of such firm or subdivision; or

8 “(B) that there has been a shift in produc-  
9 tion by such workers’ firm or subdivision to  
10 Mexico or Canada of articles like or directly  
11 competitive with articles which are produced by  
12 the firm or subdivision.

13 “(2) DEFINITION OF CONTRIBUTED IMPOR-  
14 TANTLY.—The term ‘contributed importantly’, as  
15 used in paragraph (1)(A)(iii), means a cause which  
16 is important but not necessarily more important  
17 than any other cause.

18 “(3) REGULATIONS.—The Secretary shall issue  
19 regulations relating to the application of the criteria  
20 described in paragraph (1) in making preliminary  
21 findings under subsection (b) and determinations  
22 under subsection (c).

23 “(b) PRELIMINARY FINDINGS AND BASIC ASSIST-  
24 ANCE.—

1           “(1) FILING OF PETITIONS.—A petition for cer-  
2           tification of eligibility to apply for adjustment assist-  
3           ance under this subchapter may be filed by a group  
4           of workers (including workers in any agricultural  
5           firm or subdivision of an agricultural firm) or by  
6           their certified or recognized union or other duly au-  
7           thorized representative with the Governor of the  
8           State in which such workers’ firm or subdivision  
9           thereof is located.

10           “(2) FINDINGS AND ASSISTANCE.—Upon re-  
11           ceipt of a petition under paragraph (1), the Gov-  
12           ernor shall—

13                   “(A) notify the Secretary that the Gov-  
14                   ernor has received the petition;

15                   “(B) within 10 days after receiving the  
16                   petition—

17                           “(i) make a preliminary finding as to  
18                           whether the petition meets the criteria de-  
19                           scribed in subsection (a)(1) (and for pur-  
20                           poses of this clause the criteria described  
21                           under subparagraph (A)(iii) of such sub-  
22                           section shall be disregarded), and

23                           “(ii) transmit the petition, together  
24                           with a statement of the finding under

1 clause (i) and reasons therefor, to the Sec-  
2 retary for action under subsection (c); and  
3 “(C) if the preliminary finding under sub-  
4 paragraph (B)(i) is affirmative, ensure that  
5 rapid response and basic readjustment services  
6 authorized under other Federal law are made  
7 available to the workers.

8 “(c) REVIEW OF PETITIONS BY SECRETARY; CER-  
9 TIFICATIONS.—

10 “(1) IN GENERAL.—The Secretary, within 30  
11 days after receiving a petition under subsection (b),  
12 shall determine whether the petition meets the cri-  
13 teria described in subsection (a)(1). Upon a deter-  
14 mination that the petition meets such criteria, the  
15 Secretary shall issue to workers covered by the peti-  
16 tion a certification of eligibility to apply for assist-  
17 ance described in subsection (d).

18 “(2) DENIAL OF CERTIFICATION.—Upon denial  
19 of certification with respect to a petition under para-  
20 graph (1), the Secretary shall review the petition in  
21 accordance with the requirements of subchapter A to  
22 determine if the workers may be certified under such  
23 subchapter.

24 “(d) COMPREHENSIVE ASSISTANCE.—Workers cov-  
25 ered by certification issued by the Secretary under sub-

1 section (c) shall be provided, in the same manner and to  
2 the same extent as workers covered under a certification  
3 under subchapter A, the following:

4           “(1) Employment services described in section  
5           235.

6           “(2) Training described in section 236, except  
7           that notwithstanding the provisions of section  
8           236(a)(2)(A), the total amount of payments for  
9           training under this subchapter for any fiscal year  
10          shall not exceed \$30,000,000.

11          “(3) Trade readjustment allowances described  
12          in sections 231 through 234, except that—

13               “(A) the provisions of sections  
14               231(a)(5)(C) and 231(c), authorizing the pay-  
15               ment of trade readjustment allowances upon a  
16               finding that it is not feasible or appropriate to  
17               approve a training program for a worker, shall  
18               not be applicable to payment of such allowances  
19               under this subchapter; and

20               “(B) notwithstanding the provisions of sec-  
21               tion 233(b), in order for a worker to qualify for  
22               trade readjustment allowances under this sub-  
23               chapter, the worker shall be enrolled in a train-  
24               ing program approved by the Secretary under  
25               section 236(a) by the later of—

1           “(i) the last day of the 16th week of  
2           such worker’s initial unemployment com-  
3           pensation benefit period, or

4           “(ii) the last day of the 6th week after  
5           the week in which the Secretary issues a  
6           certification covering such worker.

7           In cases of extenuating circumstances relating to en-  
8           rollment in a training program, the Secretary may  
9           extend the time for enrollment for a period not to  
10          exceed 30 days .

11          “(4) Job search allowances described in section  
12          237.

13          “(5) Relocation allowances described in section  
14          238.

15          “(e) ADMINISTRATION.—The provisions of sub-  
16          chapter C shall apply to the administration of the program  
17          under this subchapter in the same manner and to the  
18          same extent as such provisions apply to the administration  
19          of the program under subchapters A and B, except that  
20          the agreement between the Secretary and the States de-  
21          scribed in section 239 shall specify the procedures that  
22          will be used to carry out the certification process under  
23          subsection (c) and the procedures for providing relevant  
24          data by the Secretary to assist the States in making pre-  
25          liminary findings under subsection (b).”.

1 **SEC. 503. CONFORMING AMENDMENTS.**

2 (a) REFERENCES.—Sections 221(a), 222(a), and  
3 223(a) of the Trade Act of 1974 (19 U.S.C. 2271(a),  
4 2272(a), and 2273(a)) are each amended by striking out  
5 “assistance under this chapter” and inserting “assistance  
6 under this subchapter”.

7 (b) BENEFIT INFORMATION.—Section 225(b) of the  
8 Trade Act of 1974 (19 U.S.C. 2275(b)) is amended by  
9 inserting “or subchapter D” after “subchapter A” each  
10 place it appears.

11 (c) NONDUPLICATION OF ASSISTANCE.—Subchapter  
12 C of chapter 2 of title II of the Trade Act of 1974 is  
13 amended by adding at the end the following new section:  
14 **“SEC. 249A. NONDUPLICATION OF ASSISTANCE.**

15 “No worker may receive assistance relating to a sepa-  
16 ration pursuant to certifications under both subchapters  
17 A and D of this chapter.”.

18 (d) JUDICIAL REVIEW.—Section 284 of the Trade  
19 Act of 1974 (19 U.S.C. 2395(a)) is amended by inserting  
20 “or section 250(c)” after “section 223”.

21 (e) TABLE OF CONTENTS.—The table of contents for  
22 chapter 2 of title II of the Trade Act of 1974 is  
23 amended—

24 (1) by inserting after the item relating to sec-  
25 tion 249 the following new item:

“Sec. 249A. Nonduplication of assistance.”;

1 and

2 (2) by adding at the end thereof the following  
3 new items:

"SUBCHAPTER D—NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE PROGRAM  
"Sec. 250. Establishment of transitional program."

4 **SEC. 504. AUTHORIZATION OF APPROPRIATIONS.**

5 Section 245 of the Trade Act of 1974 (19 U.S.C.  
6 2317) is amended—

7 (1) by striking "There" and inserting "(a) IN  
8 GENERAL.—There",

9 (2) by inserting ", other than subchapter D"  
10 after "chapter", and

11 (3) by adding at the end the following new sub-  
12 section:

13 "(b) SUBCHAPTER D.—There are authorized to be  
14 appropriated to the Department of Labor, for each of fis-  
15 cal years 1994, 1995, 1996, 1997, and 1998, such sums  
16 as may be necessary to carry out the purposes of sub-  
17 chapter D of this chapter."

18 **SEC. 505. TERMINATION OF TRANSITION PROGRAM**

19 Subsection (c) of section 285 of the Trade Act of  
20 1974 (19 U.S.C. 2271 preceding note) is amended—

21 (1) by striking "No" and inserting "(1) Except  
22 as provided in paragraph (2), no"; and

23 (2) by adding at the end the following new  
24 paragraph:

1           (1) **GENERAL RULE.**—Except as provided in  
2 paragraph (2), no worker shall be certified as eligi-  
3 ble to receive assistance under subchapter D of  
4 chapter 2 of title II of the Trade Act of 1974 (as  
5 added by this subtitle) whose last total or partial  
6 separation from a firm (or appropriate subdivision of  
7 a firm) occurred before such date of entry into force.

8           (2) **REACHBACK.**—Notwithstanding paragraph  
9 (1), any worker—

10           (A) whose last total or partial separation  
11 from a firm (or appropriate subdivision of a  
12 firm) occurs—

13           (i) after the date of the enactment of  
14 this Act, and

15           (ii) before such date of entry into  
16 force, and

17           (B) who would otherwise be eligible to re-  
18 ceive assistance under subchapter D of chapter  
19 2 of title II of the Trade Act of 1974,  
20 shall be eligible to receive such assistance in the  
21 same manner as if such separation occurred on or  
22 after such date of entry into force.

1       “(2)(A) Except as provided in subparagraph (B), no  
2 assistance, vouchers, allowances, or other payments may  
3 be provided under subchapter D of chapter 2 after the  
4 day that is the earlier of—

5               “(i) September 30, 1998, or

6               “(ii) the date on which legislation, establishing  
7 a program providing dislocated workers with com-  
8 prehensive assistance substantially similar to the as-  
9 sistance provided by such subchapter D, becomes ef-  
10 fective.

11       “(B) Notwithstanding subparagraph (A), if, on or be-  
12 fore the day described in subparagraph (A), a worker—

13               “(i) is certified as eligible to apply for assist-  
14 ance, under subchapter D of chapter 2; and

15               “(ii) is otherwise eligible to receive assistance in  
16 accordance with section 250,

17 such worker shall continue to be eligible to receive such  
18 assistance for any week for which the worker meets the  
19 eligibility requirements of such section.”.

20 **SEC. 506. EFFECTIVE DATE.**

21       (a) **IN GENERAL.**—The amendments made by sec-  
22 tions 501, 502, 503, 504, and 505 shall take effect on  
23 the date the Agreement enters into force with respect to  
24 the United States.

25       (b) **COVERED WORKERS.**—