

ALERT

Resilient Communities Act Introduced to Assist Communities Injured by Unfair Trade

December 7, 2023

On December 6, 2023, U.S. Senators Tammy Baldwin (D-WI) and Bill Cassidy, M.D. (R-LA) introduced bipartisan legislation aimed at supporting U.S. industries that have been harmed by unfairly traded imports. Under the proposed Resilient Communities Act, revenues collected from antidumping and countervailing duties would be used to create a fund at the U.S. Department of Commerce (Commerce), which the agency could then award to communities that have been negatively impacted by unfair trade practices. If passed, this legislation would become an important tool for strengthening domestic manufacturing and assisting U.S. industries, communities, and workers.

Every year, U.S. Customs and Border Protection collects hundreds of millions of dollars in antidumping and countervailing duties that have been imposed on imports that are subsidized and/or being dumped in the United States and injuring domestic industries, workers, and communities. These duties play a critical role in combating unfair trade and creating a level playing field in the U.S. market. The Resilient Communities Act would create additional support for harmed industries by directing money from these duties back to the communities that have suffered from the negative impact of unfairly traded imports.

The legislation would establish the creation of the Resilient Communities Program, through which Commerce would award funds to communities that have been injured by trade. Domestic producers eligible to receive the funds include those that are able to demonstrate harm from trade, as evidenced by:

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- Declines in sales or market share, higher or growing inventory, or downward trends in production, market share, profits, wages, or employment;
- Significant idling of production facilities, plant closures, or capacity underutilization;
- The inability to carry out production operations at a reasonable profit level;
- Difficulty in generating adequate capital to finance the modernization of plants, property, or equipment;
 or
- The inability to maintain existing levels for research and development.

Priority for receipt of these funds would be for domestic producers that are most likely to increase production and employment as a result of obtaining a grant. Funds provided through the Resilient Communities Program could also be used to promote economic development within a community, including through improving workforce development; building public infrastructure; improving access to health care, social services, healthy food, or education; complying with environmental standards; building affordable housing; and expanding access to broadband.

The full text of the legislation is available here.

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