

Resilient Communities Act

Senators Baldwin and Cassidy introduce legislation to direct millions in antidumping duties to towns injured by trade

Background

Over the last three decades American communities have lost millions of jobs after being exposed to the harms of cheaper, dumped, or illegally subsidized products imported into the U.S. from China. Every “factory town” that has lost its factory is evidence of this failure of American trade and investment policy.

These communities are often home to a business that produces a product that suddenly loses customers as cheaper imported products flood the U.S. market. Our antidumping and countervailing duty (AD/CVD) laws are designed to raise the price of unfairly dumped and subsidized products to their fair market level. But filing a case is a costly and time-consuming process. Even when you win, you may have to file another petition to stop transshipping and circumvention. When the relief finally comes, it is often too little too late.

What the bill does

The Resilient Communities Act would direct AD/CVD revenue collected by Customs and Border Protection to a fund at the Commerce Department. While collections vary annually, these revenues have ranged from roughly \$100 million to \$300 million each year. The Secretary of Commerce would award the funds to communities that have been injured by trade, including where there are companies facing layoffs, declining sales, or reduced shifts as a result of import competition. Priority is given to communities where a domestic producer would be most likely to increase production and employment with the benefit of a grant. Additional eligible uses are for economic development, including: building public infrastructure, improving workforce development services, improving access to health and social services, and complying with Federal environmental standards. The bill is compliant with international trade obligations.¹

The bill is supported by the United Steelworkers and the Alliance for American Manufacturing.

¹ Including the General Agreement on Tariffs and Trade, The Antidumping Agreement, the Subsidies and Countervailing Measures Agreement, and the World Trade Organization Agreement.