



**POLICY
NUMBER 101**

Title:	Trade Adjustment Assistance Funding
Program:	Trade Adjustment Assistance (TAA)
Effective:	July 9, 2019

I. PURPOSE AND SCOPE

The purpose of this policy is to provide to Local Workforce Development Boards (LWDBs) the requirements for Trade Adjustment Assistance (TAA) funding.

II. BACKGROUND

The Trade Act of 1974 established the Trade Adjustment Assistance for Workers Program, referred to as the TAA Program, to assist workers who have been laid off or whose jobs have been threatened because of foreign trade or competition (trade-affected workers). The TAA program has been amended several times in the last forty years, most significantly in 2002, 2009, 2011 and 2015. The 2015 amendment, known as the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015), reauthorized TAA and is the most current. Currently, trade-affected workers may be covered and eligible to apply for TAA benefits and services under either the 2002, 2009, 2011 or 2015 amendments.

To be eligible for TAA benefits, a group of three or more workers must establish that they were separated from their employment either because their jobs moved outside the United States or because of an increase in directly competitive imports. To establish eligibility, a group of workers (or their representative) must file a petition with the United States Department of Labor (USDOL). Upon receipt of the petition, USDOL conducts an investigation to verify the role of foreign trade in the workers' job losses. If USDOL determines that the workers meet TAA requirements, it will issue a certification which renders the workers eligible to apply to a local career center for individual services and benefits, to include: training, employment and case management services, job search and relocation allowances, Trade Readjustment Allowance (TRA)*, Reemployment Trade Adjustment Assistance (RTAA)*, and the Health Coverage Tax Credit (HCTC)*.

The TAA program is funded by mandatory appropriations that are allocated to the states via a grant allocation formula that considers past and anticipated program usage. States may expend training

and reemployment service funds in the year of allocation or in either of the next two fiscal years (a three-year grant life cycle).

*Note: This policy covers only the administration of funding allocated to LWDBs for TAA training benefits and related services. The TRA and RTAA programs are funded by a separate uncapped grant administered by DEO and are not allocated to the LWDB. The HCTC is a tax credit that pays 72.5 percent of qualified health care insurance premiums for trade-affected workers and their families and is administered by the Internal Revenue Service.

III. AUTHORITY

[Trade Adjustment Assistance Act of 1974, as amended](#)

[Trade Adjustment Assistance Reform Act \(TAARA\) of 2002](#)

[Trade and Globalization Adjustment Assistance Act \(TGAAA\) of 2009](#)

[Trade Adjustment Assistance Extension Act \(TAAEA\) of 2011](#)

[Trade Adjustment Assistance Reauthorization Act \(TAARA\) of 2015](#)

[20 Code of Federal Regulations \(CFR\) Part 617](#)

[41 Code of Federal Regulations \(CFR\) Chapters 300-304 Federal Travel Regulation \(FTR\)](#)

[Training and Employment Guidance Letter \(TEGL\) 05-15 Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Adjustment Assistance Reauthorization Act \(TAARA\) of 2015](#)

[TEGL 15-12 Delivery of Benefits and Services to Trade Adjustment Assistance \(TAA\) Program Recipients through the American Job Center Network Delivery System](#)

[TEGL 22-08 Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the TGAAA of 2009](#)

IV. POLICIES AND PROCEDURES

LWDBs must ensure that TAA funds are used as the first option to support allowable expenses for trade-affected workers eligible for and receiving services under TAA (TAA participants), including those who are co-enrolled in another dislocated worker program. TAA funds allocated to LWDBs fall into four cost categories: Program, Case Management, Job Search and Relocation, and Administrative funds.

A. Program Funds

Program funding is primarily used to directly fund training expenditures for eligible TAA participants. TAA participants who are unable to find suitable employment may be eligible for training. Eligible trade-affected workers request training services through the appropriate LWDB. The Trade Act requires that the LWDB must approve training for a trade-affected worker if the following six program criteria are met:

1. There is no suitable employment available for the worker;
2. The worker would benefit from appropriate training;

3. There is a reasonable expectation of employment following completion of such training;
4. Training is reasonably available to the worker from either governmental agencies or private sources;
5. The worker is assessed and qualified to undertake and complete such training; and
6. The training is suitable for the worker (based upon the worker's capabilities, background and experience) and available at a reasonable cost.

Once approved, training can be paid on the worker's behalf directly to the service provider or through a voucher system using program funds by the LWDB. There is no federal or state limit on the amount of program funding that can be expended on training for a trade-affected worker. LWDBs may expend program funds on the following TAA training services (and all allowable benefits that accompany the services): classroom training, registered apprenticeship, on-the-job training, and customized training.

Examples of allowable support services that may accompany training services include, but are not limited to: books, required supplies, course fees, registration fees, travel and subsistence costs for training outside the local commuting area, and other items or services deemed necessary by the training institution for the completion of training.

Employ Florida Reporting

LWDBs must report training expenditures for TAA participants in Employ Florida when they are accrued, regardless of when billing, payments, or disbursements take place. Training expenditures are considered to be accrued when the participant can no longer drop the course and is financially liable for the cost of the course to the training provider.

LWDBs are required to report TAA-approved training costs in Employ Florida under the participant's TRA Payments subsection of the TAA application.

B. Case Management Funds

States are required to use at least five (5) percent of their program allocation to provide case management and employment services to TAA participants, except for those covered under TAARA of 2002. Under TAARA of 2002, case management funds may not be used to support employment services for participants certified under this amendment. Workforce Innovation and Opportunity Act (WIOA) and/or Wagner-Peyser funds must be utilized to support employment services for TAA participants covered under TAARA of 2002.

In accordance with Section 235 of the Trade Act of 1974 P.L. 93-618, as amended, LWDBs must offer the following eight employment services (and the offer must be documented) to trade-affected workers:

1. Comprehensive Assessments;
2. Individual Employment Plans (IEPs);
3. Training Information;
4. Financial Aid Information;
5. Employability Skills;

6. Career Counseling;
7. Labor Market Information (LMI); and
8. Supportive Service Information.

The following list of activities are also considered to be case management and are allowable uses of case management funds:

1. Promotion of the TAA program to potentially trade-affected employers;
2. Conducting Rapid Response TAA information sessions;
3. Entering data into Employ Florida, including entering service codes and case notes;
4. Establishing and updating training benchmarks;
5. Developing and tracking training plans (including verifying satisfactory participation);
6. Monitoring TAA participant files;
7. Developing and tracking IEPs to include removing employment barriers;
8. Costs associated with training TAA and LWDB staff on the TAA program, including activities and services available to TAA participants;
9. Maintaining and enhancing tools and equipment (including electronic equipment) that would improve case management services;
10. Program-related supplies, equipment, travel, postage, utilities, rental, and maintenance of office space for the Local TAA Coordinator;
11. Indirect costs associated with the program; and
12. Any other staff costs related to case management.

Some case management services may be provided under WIOA or Wagner-Peyser as basic or individualized career services, as appropriate.

Local TAA Coordinators

As outlined in Training and Employment Guidance Letter (TEGL) No. 01-10, the TAA program operates in accordance with merit principles established under the Wagner-Peyser Act. Under this guidance, DEO, as the State Workforce Agency is required to use TAA funds to hire merit-staff employees to provide case management and employment services to trade-affected workers, and apply to these personnel the standards for a merit system of personnel administration in accordance with Office of Personnel Management regulations at 5 CFR Part 900, subpart F.

To ensure case management and employment services are provided by state personnel, each LWDB is required to designate at least one merit-staff employee under their functional supervision as the Local TAA Coordinator. Local TAA Coordinators are primarily funded by Wagner-Peyser to provide TAA services to trade-affected workers. The case management cost category supports direct charges for Local TAA Coordinator salary and benefits.

C. Job Search and Relocation Allowances

LWDBs may receive funding to provide job search and relocation allowances. This funding should be used for TAA participants who have no reasonable expectation of securing suitable

employment within the state-defined commuting area (see DEO memorandum, [State Definition of Trade Adjustment Assistance Commuting Area](#)).

Job search allowance is a support service that may be used to subsidize transportation and subsistence (lodging and meals) costs related to job search activities outside the state-defined commuting area. The amount payable is ninety (90) percent of the total costs for transportation and ninety (90) percent of the total costs for subsistence. Costs for transportation are determined by the prevailing amount authorized under U.S. General Services Administration's (GSA) privately-owned vehicle mileage reimbursement rates. Costs for subsistence payments are determined by the federal per diem rate as defined by GSA. Reimbursement for these expenses may not exceed \$1,250 for any worker.

Relocation allowance is a support service that may be used to subsidize the moving costs of TAA participants who have secured permanent employment outside of the state-defined commuting area. The amount payable is ninety (90) percent of the reasonable and necessary expenses of moving the participant, their family, and their household items. Relocating TAA participants may also be eligible for a lump sum equivalent to three times their weekly wage, up to a maximum of \$1,250. Under TAARA of 2002, TAAEA of 2011 and TAARA of 2015, participants can receive an allowance equal to ninety (90) percent of each of their job search and relocation expenses, up to a maximum of \$1,250 for each benefit. Under TGAAA of 2009, participants may receive up to \$1,500 for each benefit.

Job search and relocation funds shall be requested by LWDBs on an as-needed basis. LWDBs may request job search and relocation funds by emailing the request to DEO's Bureau of Financial Management at Caroline.Womack@deo.myflorida.com.

D. Administrative Funds

Administrative funding is limited to ten (10) percent of the state's total allocation and is used primarily to support state-level administration of the TAA program.

E. Initial Allocation Funding Methodology

At the beginning of each state program year (PY), DEO will automatically carry over the remaining allocation from the previous PY. If an LWDB does not have carry over funds, and a TAA petition is certified in their service area, the LWDB may request an initial allocation by emailing the request to the DEO Bureau of Financial Management at Caroline.Womack@deo.myflorida.com. It is recommended that LWDBs with recently certified petitions submit the request to DEO after the TAA informational session with the trade-affected workers has been held. This will allow the LWDB to submit a request for funds that considers:

1. The number of trade-affected workers;
2. Estimated participant levels (based upon the workers who indicated an interest in receiving TAA services and benefits in the informational session or one-on-one meeting); and
3. The projected cost of training.

LWDBs are expected to expend these funds within the period defined in the Notice of Grant Award/Fund Availability. LWDBs must ensure these funds are used in addition to, and not to offset, any funds the LWDB receives under Wagner-Peyser, WIOA or any other program.

F. Supplemental Funds

After LWDBs expend initial allocations for the PY, LWDBs may request additional TAA program funds by emailing the request to the DEO Bureau of Financial Management at Caroline.Womack@deo.myflorida.com. For supplemental funding requests, it is recommended that the LWDB's Chief Financial Officer review and approve each submission.

G. State and Local Monitoring

Services and activities provided under TAA must be monitored annually for compliance with TAA requirements by DEO. DEO will monitor the requirements outlined in this policy and local operating procedures. Additionally, LWDBs must establish local monitoring policies and procedures that include, at minimum:

1. Roles of the participant and LWDB staff; and
2. Local monitoring procedures for implementation of this policy.

V. DEFINITIONS

1. **Local TAA Coordinator:** A merit-staff employee designated by the LWDB to determine TAA eligibility and to provide TAA case management and employment services with the goal of leading participants to suitable employment.
2. **Petition:** A request submitted to USDOL to certify an employer as adversely impacted by global trade or competition.
3. **Reemployment Trade Adjustment Assistance (RTAA):** A wage subsidy for trade-affected workers 50 years of age or older who return to work paying less than their trade-impacted employment.
4. **Subsistence:** A monetary allowance to offset the costs of housing and meals when a participant must attend a training facility outside his or her normal commuting area.
5. **Suitable Employment:** Work of a substantially equal or higher skill level than the trade-affected worker's past trade-affected employment, with wages no less than 80 percent of the trade-affected worker's average weekly wage from the trade-affected employment.
6. **TAA Participant:** Any trade-affected worker who completes the initial TAA application and is enrolled in the TAA program by a Local TAA Coordinator by receiving a staff-assisted service.
7. **Trade-Affected Worker:** An individual who has been totally or partially separated from employment in a firm or subdivision of a firm that has been certified under TAA.

8. **Trade Readjustment Allowance (TRA):** An income support payment for trade-affected workers who have exhausted Unemployment Compensation while attending TAA-approved full-time training or, if waived from training, while conducting work search.