

# Trade Adjustment Assistance for Communities Part III of Subtitle I of Division B of the American Recovery and Reinvestment Act

## Summary

Amends Chapter 4 of Title II of the Trade Act of 1974 to reestablish the Trade Adjustment Assistance for Communities program. The new chapter is comprised of four subchapters: Subchapter A – Trade Adjustment Assistance for Communities; Subchapter B – Community College and Career Training Grant Program; Subchapter C – Industry or Sector Partnership Grant Program for Communities Impacted by Trade; and Subchapter D, General Provisions.

### **Subchapter A – Trade Adjustment Assistance for Communities (summary)**

- Establishes the trade adjustment assistance for communities program at the Department of Commerce. Requires the Secretary of Commerce to provide technical assistance to communities impacted by trade to facilitate the economic adjustment of those communities, and to award grants to communities impacted by trade to develop and carry out strategic plans for the community's economic adjustment to the impact of trade.
- Defines a community impacted by trade as a community that has received one or more certifications that a group of workers, a firm, or a group of agricultural producers within the community are eligible for adjustment assistance, and where the Secretary of Commerce determines that the community is significantly affected by the threat to, or loss of, jobs associated with the certification(s).
- Requires the Secretary of Commerce to coordinate the federal response to an eligible community by identifying and helping communities to access Federal, State, and local resources. Establishes an interagency community assistance working group to assist with the coordination of federal responses, comprised of representatives of all federal agencies that provide economic adjustment assistance.
- Authorizes the Secretary of Commerce to award grants to eligible communities to develop and implement strategic plans for the community's economic adjustment to the impact of trade:
  - Grants to develop strategic plans may be awarded to any eligible community and may not exceed 75 percent of the cost of developing the strategic plan.
  - Grants of up to \$5 million may be awarded to eligible communities to carry out programs and projects under their strategic plan. Priority is given to applications by eligible small- and medium-sized communities. The federal share for such grants is limited to 95 percent. Applicants seeking or intending to seek a Community College and Career Training Grant or a Sector Partnership Grant must include in their application a description of how activities funded under those grants would be integrated with programs or projects funded under this section.

- A total of \$150 million is authorized for each of fiscal years 2009 and 2010, and \$37.5 million for the period starting October 1, 2010 and ending December 31, 2010. Of that sum, not more than \$25 million in each of fiscal years 2009 and 2010, and \$6.25 million for the period starting October 1, 2010 and ending December 31, 2010, may be used to award grants to develop strategic plans.

### **Subchapter B – Community College and Career Training Grant (summary)**

- Authorizes the Secretary of Labor to award grants of up to \$1 million to eligible institutions to enable them to develop, offer, or improve educational or career training programs for workers eligible to receive training under TAA.
- Eligible institutions are defined as institutions of higher education as defined under section 102 of the Higher Education Act of 1965, but only with respect to programs that can be completed within two years. Eligible institutions may receive no more than one award at any given time.
- Among other criteria, applications must include detailed descriptions of the specific projects to be funded, the extent to which the project will meet the educational or career training needs of TAA training-eligible workers in the community served by the institution, the extent to which the project fits within a strategic plan developed by an eligible community under subchapter A, and the extent to which the project relates to any project funded by a Sector Partnership Grant.
- Applications must demonstrate that the eligible institution has conducted outreach to employers, similarly-situated institutions, and eligible partnerships that have sought or received a Sector Partnership Grant.
- Establishes criteria to be used for grant awards, including an evaluation of likely employment opportunities available to workers completing the programs and an evaluation of prior demand for training programs by TAA training-eligible workers and the capacity of existing training programs to meet future demand for training programs. Gives priority to eligible institutions serving communities that have been determined by the Secretary of Commerce to be eligible to apply for assistance under Subchapter A within the five years prior to the grant application.
- Authorizes \$40 million for each of fiscal years 2009 and 2010, and \$10 million for the period beginning October 1, 2010 and ending December 31, 2010.

### **Subchapter C - Industry or Sector Partnership Grant Program for Communities Impacted by Trade. (summary)**

- Authorizes the Secretary of Labor to award grants of not more than 3 years to eligible partnerships to strengthen and revitalize industries and create employment opportunities for workers in communities impacted by trade.
- Defines eligible partnerships as voluntary partnerships including representatives of an industry or sector; multiple firms within that industry or sector; local, county, or State government; local workforce boards; labor organizations, including State labor federations and labor-management initiatives; and educational institutions and other training providers.

- Establishes that funds may be used to carry out any project that furthers the purpose of the program, including (but not limited to) identifying skill gaps of the targeted industry or sector and any gaps in the available supply of skilled workers; analyzing the skills and education levels of dislocated and incumbent workers and developing training to help such workers obtain jobs in the targeted industry or sector; and identifying additional public and private resources to support activities.
- Requires that applicants submit grant proposals that (among other things) describe the goals that the partnership intends to achieve to promote the targeted industry or sector and the projects that the partnership will undertake to achieve such goals, and include performance measures and a timeline for achieving such goals.
- Limits individual grants to \$2.5 million, or \$3 million for communities not served by an institution receiving a Community College and Career Training Grant. Limits eligible partnerships to one Sector Partnership Grant at any given time.
- Requires the Secretary of Labor to provide technical assistance to eligible partnerships in applying for and administering Sector Partnership Grants.
- Requires annual progress reports from eligible partnerships to the Secretary of Labor. Requires annual progress reports from the Secretary of Labor to Congress on grants awarded and impact of prior awards on workers, firms, and communities.
- Authorizes \$40 million for each of fiscal years 2009 and 2010, and \$10 million for the period beginning October 1, 2010 and ending December 31, 2010

### **Subchapter D – General Provisions (summary)**

Establishes that nothing in Chapter 4 prevents a worker from receiving trade adjustment assistance under chapter 2 of the Trade Act at the same time that the workers is receiving assistance in any manner from a community receiving a community grant under subchapter A, an eligible institution receiving a Community College and Career Training Grant, or an eligible partnership receiving a Sector Partnership Grant.



Prepared by The Workforce Alliance | [www.workforcealliance.org](http://www.workforcealliance.org) | 202.223.8991  
For more information, contact Rachel Gragg at [rachelg@workforcealliance.org](mailto:rachelg@workforcealliance.org)

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