

TAA Reauthorization in the American Recovery and Reinvestment Act

Key Workforce and Training Provisions

Note: This overview of the TAA reauthorization language in the American Recovery and Reinvestment Act is not intended to be comprehensive; rather, it is designed to highlight selected key changes to current law that relate to training and employment services.

- Reauthorizes the Trade Adjustment Assistance program through December 31, 2010.
- Extends eligibility to trade-affected workers in the service and public sectors, including secondary workers providing services to trade-impacted firms.
Current law largely restricts eligibility to workers engaged in the production of an "article," or to upstream or downstream suppliers of affected firms.
- Removes current "shifts in production" restriction that limits assistance to workers impacted by shifts in production to nations with free trade or other preferential trade relationships.
- Authorizes \$575 million in funding for training services in FY 2009 and 2010, and authorizes an additional \$143.75 million for the period between October 1 and December 31, 2010.
Current law provides \$220 million per year for training services.
- Expanding the list of allowable training options to include prerequisite training, pre-layoff training, and part-time training. Permits TAA recipients to participate in training programs or coursework at accredited institutions of higher education. Removes current statutory preference for training on the job.
- Permits TAA recipients to enroll in training up to 26 weeks after layoff or certification, whichever is later.
Current law requires enrollment in training eight weeks after certification or sixteen weeks after separation.
- Modifies the existing Alternative Trade Adjustment Assistance for workers over 50 by allowing workers to receive training and employment and case management services while still receiving up to \$12,000 in reemployment wage insurance over a two-year period.
Current law requires affected workers to choose between receiving wage insurance or participating in training.
- Requires the Secretary of Labor, either directly or through the states, to offer employment and case management services to qualified recipients, including skills assessments, information on job training and financial aid opportunities, and the provision of prevocational training. States may receive an amount equal to 15 percent of their training allocations for the administration of the TAA program and the provision of employment and case management services. States also receive a separate \$350,000 payment to provide employment and case management services.
Current law provides no funding for case management or employment services, meaning these services must be paid for from other funding streams such as WIA formula funding.

- Establishes within the U.S. Department of Labor an Office of Trade Adjustment Assistance to oversee the administration of the program.
- Revives the Trade Adjustment Assistance for Communities program, requiring the Department of Labor to provide technical assistance to communities impacted by trade to help such communities. Establishes three grant programs:
 - The Trade Adjustment Assistance for Communities Grant program, which allows eligible communities to receive up to \$5 million to develop strategic plans and undertake projects for economic adjustment. \$150 million is authorized for Fiscal Years 2009 and 2010, and an additional \$37.5 million is authorized for the period between October 1, 2010 and December 31, 2010.
 - The Community College and Career Training Grant Program, which authorizes the Secretary to award grants of up to \$1 million to community colleges to develop, offer or improve training programs for eligible workers. \$40 million is authorized for fiscal year 2009 and 2010, with an additional \$10 million authorized for the period between October 1, 2010 and December 31, 2010.
 - The Industry or Sector Partnership Grant Program for Communities Impacted by Trade, which authorizes the Secretary to award grants of up to \$3 million over a three-year period to eligible partnerships of business, labor, workforce development, educational, and other entities to strengthen and revitalize industries and create employment opportunities for workers in communities impacted by trade. \$40 million is authorized for fiscal year 2009 and 2010, with an additional \$10 million authorized for the period between October 1, 2010 and December 31, 2010.



Prepared by The Workforce Alliance | www.workforcealliance.org | 202.223.8991
For more information, contact Rachel Gragg at rachelg@workforcealliance.org

February 2009