

A Brief Overview of the Trade Adjustment Assistance (TAA) Program

When the United States Department of Labor (USDOL) certifies a petition indicating a group of workers as eligible for worker adjustment assistance, USDOL establishes an "*impact date*" identifying when layoffs, reduced work schedules or threats of layoffs began due to increased foreign competition from imports or because of a shift in production from the trade impacted employer to *any* foreign country. All workers in the group may apply for *Trade Adjustment Assistance (TAA)* and *Trade Readjustment Allowance (TRA)*. If workers are found eligible for *TRA*, these benefits can provide income support to workers enrolled in *Trade Adjustment Assistance (TAA)* approved training as well as those workers who have been placed on a *waiver* of training requirements.

TRADE ADJUSTMENT ALLOWANCES (TRA)

Eligibility Overview

To qualify for **BASIC TRA** you must:

- Be covered by a certified petition.
- Be laid off due to lack of work or threatened with separation by a trade-affected employer.
- Be laid off on or after the impact date and no later than the expiration date of the certified petition.
- Have worked at least 26 weeks at wages of \$30 or more a week with a trade-affected employer.
 1. Workers' Compensation and active military duty may be counted toward the 26 weeks.
 2. Up to 7 weeks of authorized leave or full-time service as a representative of a labor organization in the company may be counted as a part of the 26 weeks.

- Have been employed by the firm or subdivision of the trade-affected employer during the year prior to the week of the layoff or reduced work schedule.
- Have applied for and been entitled to Reemployment Assistance (RA) Program benefits (formally known as the Unemployment Compensation benefits).
- Have applied for and is entitled to TRA Benefits
- Be enrolled in an approved full-time training program, or have a waiver from the training requirement by the later of:
 1. The last day of the 26th week after the worker's qualifying separation from the trade-affected employer, or
 2. The last day of the 26th week after the U.S. Secretary of Labor issues a certification covering the worker.
- Have basic TRA benefits remaining prior to enrollment in the TAA Program while actively seek work up to the enrolled in training deadline.
- Completed TAA approved training with Basic TRA benefits remaining

To qualify for **ADDITIONAL TRA** you must:

- Have exhausted Basic TRA Benefits and
- Actively participating in TAA-approved full-time training.

To qualify for **COMPLETION TRA** you must:

- Have exhausted Basic and Additional TRA benefits and meet all of the following criteria:
 1. The requested weeks are necessary for the worker to complete a training program that leads to completion of a degree or industry-recognized credential, as described in TEGL No. 15-10.
 2. The worker is participating in training in each such week.
 3. The worker has substantially met the performance benchmarks established in the approved training plan.

4. The worker is expected to continue to make progress toward the completion of the approved training.
5. The worker will be able to complete the training during the period authorized for the receipt of Completion TRA.

Note: Completion TRA can only be drawn up to 13 weeks within a 20 week time period from the scheduled training completion date.

TRA Benefits Period

• Reemployment Assistance Program benefits up to (maximum)	12	weeks
• Basic TRA Benefits up to (maximum)	40	weeks
• Additional TRA Benefits up to (maximum)	65	weeks
• Completion TRA (if approved) up to <u>(maximum)</u>	<u>*13</u>	<u>weeks</u>
	Total	*130 weeks

*If Completion TRA is not approved, the maximum TRA benefit period will not exceed 117 weeks.

Note: If a worker qualifies for TRA, the weekly benefit amount will generally be the same as the RA benefit amount. If the individual is working while participating in full-time training, earnings that are equal to or less than the most recent weekly benefit amount will not be deducted from the TRA amount.

HEALTH COVERAGE TAX CREDIT (HCTC)

The Trade Adjustment Assistance Reauthorization Act of 2015 reinstated the HCTC which provides a federal tax credit to eligible TAA recipients, Alternative Trade Adjustment Assistance (ATAA) or Reemployment Trade Adjustment Assistance (RTAA) recipients, Pension Benefit Guaranty Corporation pension payees, the family member of an eligible TAA, ATAA or RTAA recipient or PBGC pension payee who is deceased or who finalized a divorce with you.

Effective 01/01/17, the HCTC Advance Monthly Payments benefit is available. If you qualify, you can choose to have 72.5 percent of your qualified health insurance monthly premium paid directly to your health plan administrator to lower your out-of-pocket expense. To participate, you must complete and mail [Form 13441-A, HCTC Monthly Registration and Update](#), with all required supporting documents to the IRS to enroll.

The HCTC can only be used to cover the cost of qualified health coverage:

- **COBRA** as provided under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985. COBRA HPAs are required to accept payments from the HCTC program for eligible COBRA enrollees who wish to participate in the monthly HCTC program. Internal Revenue Service Regulations 64 Fed. Reg. 5169-5170 (February 3, 1999) requires COBRA administrators to accept payments from third parties on behalf of their qualified enrollees.
- **Non-group/individual health plans** purchased directly through the insurance provider or broker. A qualified health plan offered through a Health Insurance Marketplace is not qualified coverage for the HCTC for 2017.
- **Spousal coverage** under a group plan available through the employer of an eligible individual's spouse, and where the employer, or former employer, did not pay 50 percent or more of the cost of coverage. This type of coverage, although allowable under the HCTC legislation, may not qualify for participation in the advance monthly HCTC program unless it is also COBRA, or if your HPA or TPA agrees to receive payments from a third party.

The HCTC program is administered by the Internal Revenue Service (IRS). Information can be obtained online at www.irs.gov/HCTC or use the HCTC toll free number: 1-844-853-7210.

REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE (RTAA)

Reemployment Trade Adjustment Assistance (RTAA) is available to trade-affected workers and provides a wage subsidy to help bridge the salary gap between their former and new employment.

Initial Eligibility Criteria for Worker:

- Must be covered by an approved petition.
- Must be age 50 or become age eligible during reemployment.
- Reemployment earnings must be less than the wages earned from the trade-affected employer.
- Total gross reemployment earnings cannot exceed \$50,000 annually (excluding overtime pay).
- If working full-time, must be employed at least 32 hours per week.
- If attending full-time approved training, must be employed 20 hours per week.
- Cannot be employed at the firm from which the worker was separated, unless the petition's certification covers a specific division(s) and the new employment is not within a covered division.
- Must establish a Florida RA claim.

Continuing Eligibility Criteria for Worker:

- Provide verification of earnings. Verification must include hours worked and wages. Payment will not be released until proof of earnings and hours worked has been submitted to the Trade Program Unit.
- Continue to work at least 32 hours or more per week.
- Participants who are working at least 20 hours per week and participating in TAA-approved full-time training, must continue providing proof of wages, hours worked and verification of participation in training.