



Trade Adjustment Assistance

FACT SHEET

The Trade Adjustment Assistance (TAA) program is a federal re-employment program established under the Trade Act of 1974. The program helps U.S. workers become re-employed after losing their jobs due to international trade. Certified workers can receive help looking for and relocating to a new job, as well as training for a new occupation.

Each trade-related layoff must be certified, then a wide array of benefits becomes available

Relocation allowance ~ Ninety percent of necessary moving expenses are covered if it's determined that there is no reasonable chance of finding a job in the commuting area and if the participant has obtained suitable employment in a new location. An additional lump-sum payment of up to \$1,250 also may be available to defray moving expenses. A relocation allowance may be granted only once.

Training assistance ~ A participant may attend up to 130 weeks of post-high-school training for a new occupation. Approved training costs are covered in Washington state if funding is available.

Income support ~ Through a combination of unemployment insurance and Trade Readjustment Allowances (TRA), participants may receive benefits for up to 130 weeks through:

- Unemployment insurance, generally up to 26 weeks
- Basic TRA, for 52 weeks minus weeks of unemployment insurance received.
- Additional TRA, up to 65 weeks.
- Completion TRA up to 13 additional weeks, if needed to complete training.

Retooling Washington's workforce

The most recent trade-related dislocations in Washington have been in the manufacturing and service sectors. The comprehensive benefits provided by the TAA program make a new career a viable choice.

Benefits

Job search allowance ~ Travel costs to find a job in another community are covered at 90 percent up to \$1,250, when suitable employment isn't available in the commuting area.





Re-employment Trade Adjustment Assistance (RTAA)

~ This is a wage-supplement program for workers age 50 and older who are deemed eligible. To qualify, workers must be earning a lesser wage in their new job than they were earning in their pre-layoff jobs. RTAA covers half the difference between their wages in the new job and the wages earned at the time they were laid off, for up to two years and a maximum of \$10,000. The worker's new wages can't exceed \$50,000 per year.

Health Coverage Tax Credit (HCTC) ~ The TAA Reauthorization Act of 2015 reinstated HCTC (a federal income tax credit) retroactively to tax year 2014 and forward through 2020. The tax credit, which is administered by the IRS, equates to 72.5 percent of premiums paid by a TAA participant or spouse under qualified health insurance plans (e.g., COBRA) if the TAA participants received TRA or RTAA payments during any calendar month in a tax year. Find more information on the tax credit at www.irs.gov/HCTC.

Application and certification

Within one year after a layoff or company closure, a petition must be filed with the U.S. Department of Labor or ESD to be eligible for Trade Adjustment Assistance. Petitions may be filed by:

- The Employment Security Department,
- WorkSource or WorkSource affiliates,
- A minimum of three affected workers,
- An official of a recognized union or other employee representative, or
- The employer or management of the affected business.

The U.S. Department of Labor investigates and issues a certification or denial for the affected workers. A certification covers workers laid off up to one year before the petition is filed and for up to two years after the certification is issued. The U.S. Department of Labor notifies the state, the company and employee petitioners of its decision and publishes a notification in the Federal Register and Department of Labor's TAA online database: http://www.doleta.gov/tradeact/taa/taa_search_form.cfm.

Results in Washington

During the July 2017-June 2018 program year, 1,244 Washington residents received TAA services, of which 866 also received job retraining.

TAA participants are measured two quarters after exiting the program. Because their tax and wage records are compared, it can take up to a year to be reported and verified. As of September 2017, an estimated 60 percent of participants exiting the program from October 2016 through June 2017 found work. The median wage for these participants was 48.7 percent of their wages in the quarter immediately before they were laid off.

Funding

For the October 2018-September 2019 federal fiscal year, the U.S. Department of Labor allocated nearly \$11.9 million to Washington state for TAA services.

