

Within each local area, there is a list of training programs and training providers that are used for referring workers to training. A team of workforce professionals in your area has approved this list based on employment opportunities that are in demand or are expected to exist. This list may be accessed for your local workforce area by going to [www.ncstars.org](http://www.ncstars.org).

Training approved under the TAA program must be full-time classroom training. Internet classes are approved under certain conditions; however, permission must be obtained from the local TAA representative before classes begin. If a participant discontinues full-time training, they may not be eligible to continue receiving weekly benefits.

The TAA program cannot provide training in areas that lead to self-employment. One of the goals of the TAA program is to train individuals in jobs that will allow them to earn at least 80% of their trade-affected wage.

Workers should apply for financial aide to assist with training costs. Types of financial assistance may include, Pell Grant, Veterans Educational Assistance, Federal, State or Local Scholarships. These funds must be used prior to using TAA funds to pay training costs. However, workers will still be eligible to receive weekly benefits while in approved training.

For those workers that are not interested in classroom training, the TAA program offers the following two types of employer-based training:

**On-the-Job Training (OJT)** is training provided by the employer while working on the job. Employers who hire workers for on-the-job training are reimbursed for half of the worker's salary during the training period, usually 4 to 6 months. Workers become regular employees of the company with the same rights and benefits as other employees while learning a new skill.

**Customized Training** is training conducted by a training provider customized to meet special requirements of an employer. The training is provided with a commitment by the employer to employ an individual upon successful completion of the training. The employer will be responsible for paying no less than 50% of the cost of such training.

### **Health Coverage Tax Credit**

Workers are often concerned with either a loss of health insurance coverage or of not being able to afford monthly health insurance premiums. Workers who are eligible for TRA benefits and either looking for work, enrolled in training, or re-employed through the ATAA program, may be eligible for the Health Coverage Tax Credit (HCTC) program.

Workers who do not have health insurance through COBRA, may obtain coverage through Inclusive Health, NC's state alternative plan. For more information contact [www.inclusivehealth.org](http://www.inclusivehealth.org) or 1-866-665-2117.

Workers are eligible for the Monthly HCTC advance payment which pays 65 % of the monthly health insurance premiums **or** the Yearly HCTC tax credit taken on their federal tax return. To be eligible for HCTC, a worker must:

- ❖ Apply for Unemployment Insurance (UI) Benefits
  - ❖ Apply for Trade Adjustment Assistance Benefits
  - ❖ Eligible to receive TRA benefits upon exhaustion of regular UI benefits
  - ❖ Currently receive UI or TRA benefits
  - ❖ Meet the enrollment in training requirement
  - ❖ Have qualified health insurance coverage
- or*
- ❖ Receive ATAA wage supplement benefits

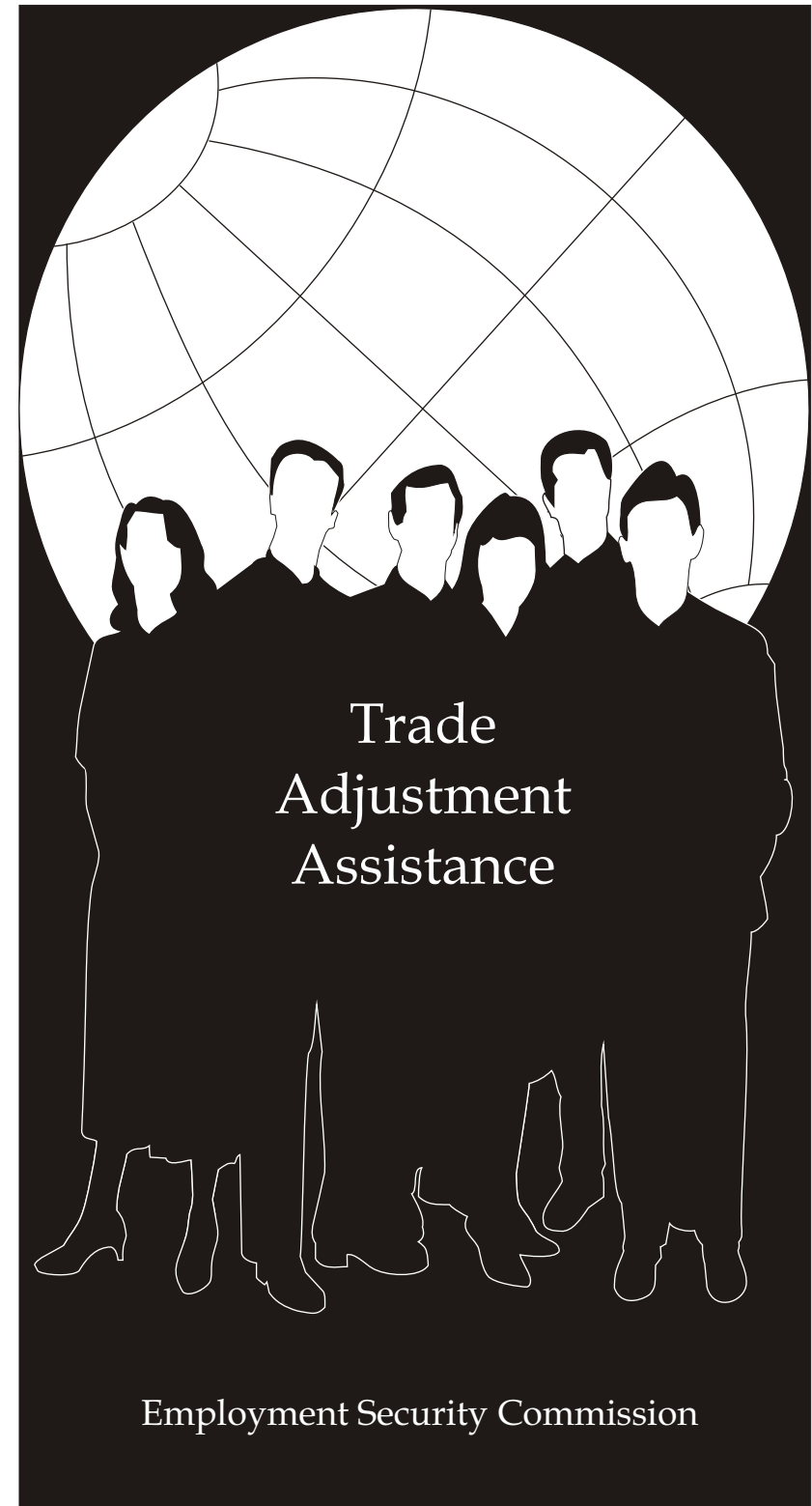
When a worker has met all of the above referenced conditions, their name and other required information is electronically sent to the HCTC Center in Washington, DC. The HCTC Center will mail the worker an HCTC Registration Packet within 10-20 days from receipt of the electronic file from ESC.

**Monthly HCTC** - To register for the advanced payment option, the worker must complete the HCTC Registration Form and return to the HCTC Center with their insurance premium notice. The registration process takes approximately 4-6 weeks. Once the worker is successfully registered, the worker will be required to mail the HCTC Center 35% of the premium and the remaining 65% will be paid by the Federal HCTC Center. The HCTC Center will remit payment to the insurance provider for 100% of the monthly premium.

**Yearly HCTC** - To claim a year end tax credit, a worker must complete IRS Form 8885 to claim a 65% tax credit of medical insurance premiums paid. The tax credit cannot be claimed for any month that the Federal government paid 65% of the health insurance premium on behalf of the worker.

**HCTC update:** The Trade Adjustment Assistance program was reauthorized on February 17, 2009. Workers eligible under Trade Adjustment Assistance (amended 2002) beginning on April 1, 2009 (for invoices due in May of 2009), will be paid 80% of their monthly health insurance premium (Monthly HCTC). The worker will pay the remaining 20% to the IRS. Workers who did not take the Monthly HCTC, may claim a year end tax credit of 80% using IRS Form 8885 (Yearly HCTC).

For more information or questions regarding Trade Adjustment Assistance, please contact your local Employment Security Commission [www.ncesc.com](http://www.ncesc.com)



## Trade Adjustment Assistance

The Trade Act created a program called Trade Adjustment Assistance (TAA) to provide re-employment services and benefits to individuals who become unemployed because their job moved to another country or the employer's customers began importing the product from another country.

### Alternative Trade Adjustment Assistance

The Trade Act also created the Alternative Trade Adjustment Assistance (ATAA) program. ATAA allows older workers an alternative to training. This program provides a wage supplement to workers to help bridge the salary gap between their old and new employment. This program was designed as an alternative to those workers who are age 50 or older.

**The TAA and ATAA programs are federal programs administered by the Employment Security Commission of North Carolina (ESC) for the United States Department of Labor (USDOL).**

### Petitioning for TAA & ATAA

To establish group eligibility for workers, a TAA petition must be filed. A petition may be filed by a group of three workers, company official, union representative or ESC manager. A TAA petition can be obtained from your local ESC office or downloaded in English or Spanish at [www.ncesc.com](http://www.ncesc.com). The petition must be filed directly with both the US Department of Labor and ESC Trade Act Coordinator.

After receiving a TAA petition, the USDOL will conduct an investigation and issue a written determination within approximately 40 days.

### TAA Benefits and Services

ESC will notify workers who may be eligible for TAA benefits. Workers should not delay in filing for TAA benefits as there are critical deadlines that must be met to be eligible for all the benefits of the program. A worker may not be eligible for unemployment due to severance or vacation pay but should file for TAA benefits immediately after their last day on the job. Workers are required to report in-person to file for TAA benefits and services.

Filing a claim for Unemployment Insurance benefits should not be confused with filing a claim for TAA benefits, as this is two separate processes.

After applying for TAA benefits, a local workforce professional will provide an upfront assessment to determine the worker's education and job skills. Whenever possible, workers should also apply for services under the Workforce Investment Act at the local Job Link Career Center.

Reemployment benefits and services for trade-affected workers may include:

- ❖ Trade Readjustment Allowance (TRA)
- ❖ Job Search Allowance
- ❖ Relocation Allowance
- ❖ Alternative Trade Adjustment Assistance (ATAA)
- ❖ Training
- ❖ Health Coverage Tax Credit (HCTC)

**All TAA benefits must be approved in advance and are paid in accordance with State regulations and Federal TAA guidelines.**

### Trade Readjustment Allowance

Trade Readjustment Allowance (TRA) is a weekly benefit amount paid to trade affected workers who have exhausted their entitlement to regular unemployment insurance benefits. To qualify for TRA weekly benefits, a worker must have worked with the trade affected employer at least 26 weeks in one year period prior to their separation and earned at least \$30 in each of those weeks. In addition, workers must meet critical deadlines for enrollment in approved training, or a local TAA Representative must determine that enrollment in training is not appropriate or feasible. Some of the reasons enrollment may not be feasible or appropriate for a worker are: training not available due to schedule set by the training provider, possess marketable skills, or within 2 years of meeting the requirements for Social Security benefits.

**UI and Basic TRA** benefits may be paid for a combined total of **52 weeks** within a 2-year period beginning with the last day of work. **A total of 52 weeks of benefits can be paid for those workers who are actively seeking full-time employment and do not wish to enter training.**

**Additional TRA** benefits of **52 weeks, combined total of 104 weeks of UI and TRA benefits**, can be paid if the worker is still enrolled in training and has exhausted regular UI and Basic TRA benefits. Workers requiring remedial training (GED, ESL, Developmental Math, English, Reading), may receive **Additional Remedial TRA** benefits for each week they are enrolled in approved remedial training up to a maximum of **26 weeks**. **Under no circumstances will an individual receive more than 130 weeks of weekly benefits.** Examples of TRA benefit entitlement are reflected below:

Options	Regular UI	Basic TRA	Additional TRA	Remedial TRA	Maximum TRA	Training Weeks
Job Search Only	26	26	0	0	52 Max	0
Remedial Training	26	26	26	0	78	78
Occupational Training	26	26	52	0	104	104
Remedial & Occupational Training	26	26	52	26	130 Max	130 Max

TRA benefits will stop if a worker is eligible to establish another UI claim. A second UI claim may establish at a lower Weekly Benefit Amount (WBA) than the worker may have received in TRA benefits; however, federal regulations require that UI benefits exhaust prior to resuming TRA benefits at the higher amount.

### Job Search and Relocation Allowances

Job Search and Relocation Allowances are a great resource to assist in paying for expenses of looking for work and possibly relocating for a new job. Workers are required to request prior approval from the local TAA Representative before the job interview or relocation for a job occurs. The reimbursement for both allowances is 90% of reasonable expenses incurred.

### Alternative Trade Adjustment Assistance

Workers age 50 or older are often concerned that finding employment earning the wages they were making will be difficult. Older workers in the ATAA program can return to work and receive a wage supplement for ½ the difference in what the new job pays and what they earned at the trade affected job.

Participants must begin the new job within 26 weeks of the last day on the job with the trade affected employer. A worker may not earn more than \$50,000.00 per year in new employment. The maximum of wage supplements that a worker may receive is \$10,000 or 2 years, whichever comes first.

ATAA eligible workers are also eligible to apply for Job Search and Relocation Allowances and Health Coverage Tax Credit (HCTC) but are not eligible for other TAA benefits, which include training or TRA benefits. **Workers must choose between training or ATAA wage supplement benefits, as they are not eligible for both.**

### Training

**Classroom Training** is another benefit offered through the TAA program to those individuals who do not have the skills necessary to re-enter employment. **All workers do not need training or are not interested in going back to school.** For example, if a worker has marketable skills or is within 2 years of retirement age and is not interested in training, they may utilize the re-employment services of the program and receive up to 52 weeks of weekly benefits while looking for a job.

Workers who do not have education beyond high school or their skills need to be updated, may need some additional training to re-enter the workforce. Workers who enter training must make satisfactory progress; enroll in programs that are suitable for them based on prior educational background and work experience and in areas where employment is expected to exist upon completion.