

## Trade Adjustment Assistance (TAA) Overview

The Trade Act of 1974 established the TAA program to assist workers employed by a firm that produces an article who lose their jobs or whose hours of work and wages are reduced as a result of increased imports or shifts in production to foreign countries.

The TAA program provides an array of reemployment and retraining services. Workers who believe they have been adversely affected by foreign trade, or others acting for those workers, may petition the U.S. Department of Labor (USDOL) for a determination of eligibility. Workers certified as eligible to apply for TAA may receive reemployment services, training in new occupational skills, a job search allowance when suitable employment is not available in the workers' normal commuting area, a relocation allowance when the worker obtains permanent employment outside the commuting area, and Trade Readjustment Allowances (TRA) while the worker is in training.

## Alternative Trade Adjustment Assistance (ATAA)

There is a single petition form for both TAA and ATAA. If the worker group is found eligible for TAA, then eligibility for ATAA will also be considered. Eligible individuals in the certified group who are age 50 and over and who obtain new employment at wages of less than \$50,000 within 26 weeks of their separation, may receive a wage subsidy of 50% of the difference between the old and new wages, up to \$10,000 over a period of up to two years.

## Health Coverage Tax Credit (HCTC)

Eligible TAA and ATAA recipients may receive a tax credit covering 65% of qualified health insurance premium costs. The HCTC is administered by the IRS.

## Petition Activity

In Fiscal Year 2007, USDOL instituted 2,249 new petitions, and issued 2,205 determinations. The determinations resulted in 1,426 certifications, 618 denials, and 161 terminations for various reasons. Average petition processing time for reaching a determination was 32 days, which is well below the 40-day statutory requirement.

## Funding

For FY 2007, nearly \$900 million was appropriated for TAA from the Federal Unemployment Benefits and Allowances (FUBA) account, including \$259.4 million for training, job search allowances, relocation allowances, and program administration; \$23.5 million for ATAA; and \$572.0 million for TRA.

## Number of Participants

In Fiscal Year 2007, states reported that 92,634 individuals participated in training, and 47,046 participants began receiving TRA. Of all participants, 59% received occupational training, 13% received remedial education, 0% received customized training, and 1% received on-the-job training. The average training duration was 63 weeks.

The typical participant is an unemployed white female, between the ages of 30 and 45, with at least a high school diploma or its equivalent, who had been working in the trade affected employment for approximately nine years at the time of layoff.

## Performance Outcomes

Data reported on the Fiscal Year 2007 Trade Act Participant Report indicates that 70% of participants who exited the program entered employment in the first quarter after exit. Of those who entered employment, 88% were employed six months later.

## Contact Information

Division of Trade Adjustment Assistance (DTAA)  
(202) 693-3560

ETA Toll-Free Helpline  
(877) US-2JOBS  
(877) 889-5627 (TDD/TTY)

DTAA Website  
[www.doleta.gov/tradeact](http://www.doleta.gov/tradeact)

HCTC Customer Contact Center  
(866) 628-HCTC  
(866) 626-HCTC (TDD/TTY)  
[www.irs.gov](http://www.irs.gov) Keyword: HCTC

