

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSI FI CATI ON TAA
	CORRESPONDENCE SYMBOL OTAA
	DATE January 14, 2011

ADVISORY: **TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 01-10, CHANGE 1**

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
ONE-STOP CENTER SYSTEM LEADS
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS

FROM: JANE OATES /s/
Assistant Secretary

SUBJECT: The Effect of the Omnibus Trade Act of 2010 on the Deadline for Implementing Merit Staffing of State Administration Personnel Under 20 CFR Part 618 Trade Adjustment Assistance

- 1. Purpose.** To update guidance provided to the State Workforce Agencies or agencies designated by Governors as “Cooperating State Agencies” (CSAs) (also jointly referred to as “states”) to implement the regulatory requirement for states to adopt merit staffing by December 15, 2010, in consideration of the retroactive extension of the deadline by the Omnibus Trade Act of 2010 (Omnibus Trade Act).
- 2. References.** Omnibus Trade Act of 2010, (Pub. L. No. 111-344, enacted December 29, 2010); the Trade and Globalization Adjustment Assistance Act of 2009, Division B, Title I, Subtitle I of the American Recovery and Reinvestment Act of 2009, (Pub. L. No. 111-5, enacted February 17, 2009); Trade Adjustment Assistance Reform Act of 2002, Division A Title I, Subtitle A of the Trade Act of 2002, (Pub. L. No. 107-210) (2002 Amendments); the Trade Act of 1974, as amended (Pub. L. No. 93-618, as amended) (Trade Act); Training and Employment Guidance Letter (TEGL) No. 01-10 “Promulgation of 20 CFR Part 618 Trade Adjustment Assistance: Merit Staffing of State Administration and Allocation of Training Funds to States.”
- 3. Background.** The Trade Adjustment Assistance for Workers program (TAA program), established under Chapter 2 of Title II of the Trade Act (19 U.S.C. 2271 et seq.), provides adjustment assistance for workers whose jobs have been adversely affected by international trade. TAA includes training, case management and reemployment services, income support, job search and relocation allowances, a wage supplement option for older workers, and

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eligibility for a health coverage tax credit (HCTC). In TEGL No. 01-10, the Department of Labor (Department) instructed states to implement the TAA program according to “new merit staffing provisions which were to become applicable to TAA-funded positions effective December 15, 2010, as codified in the new regulation at 20 CFR 618.890(b).”

4. **Omnibus Trade Act Change to Merit Staffing Requirement Deadline.** On December 29, 2010, President Obama signed into law the Omnibus Trade Act. Section 102 of the Omnibus Trade Act retroactively extends the deadline for states to implement the merit-based state personnel staffing requirements contained in 20 CFR 618.890(a) from December 15, 2010, to no earlier than February 12, 2011. Therefore, until at least February 12, 2011, states not otherwise exempt from the merit staffing requirements under 20 CFR 618.890(c), are under no requirement to engage state government personnel to perform TAA-funded functions.
5. **Action Requested.** States do not have to comply with the merit-based State personnel staffing requirements contained in 20 CFR 618.890(a) until a date no earlier than February 12, 2011. States should treat February 12, 2011, as the new deadline under paragraph (b) of section 618.890, unless further notice is provided.
6. **Inquiries.** State Administrators should direct all inquiries to the appropriate Employment and Training Administration Regional Office.