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TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 5-00

TO : ALL STATE WORKFORCE LIAISONS
 ALL STATE EMPLOYMENT SECURITY AGENCIES
 ALL STATE WORKER ADJUSTMENT LIAISONS
 ALL ONE-STOP CAREER CENTER SYSTEM LEADS

FROM : LENITA JACOBS-SIMMONS 
 Deputy Assistant Secretary

SUBJECT : Guidance on Integrating Services Under the Trade Act Programs--the Trade Adjustment Assistance (TAA) Program and the North American Free Trade Agreement-Transitional Adjustment Assistance (NAFTA-TAA) Program (Including the Secondary Worker program)--with the Workforce Investment Act (WIA)

1. Purpose. To transmit guidance promoting the seamless integration and coordination of services provided under the Trade Act programs -- TAA program and the NAFTA-TAA program (including the Secondary Worker program) -- with the provisions of WIA of 1998.

2. References. Trade Act of 1974 (Pub. L. 93-618), as amended; 20 CFR Part 617; Trade Act of 1974 Section 239; WIA (Pub. L. 105-220); WIA Section 321; Statement of Administrative Action; Training and Employment Information Notice (TEIN) 1-00; 20 CFR Parts 661 and 662; Planning Guidance and Instructions for Submission of the Strategic Five-Year Plan for Title I of WIA and the Wagner-Peyser (W-P) Act, 64 Fed. Reg. 9402 (1999); WIA: Final Unified Planning Guidance (Developed by the Departments of Labor, Education, Health and Human Services, Agriculture, and Housing and Urban Development), 65 Fed. Reg. 2462 (2000); and 5 CFR 900.603.

3. Background. TEIN 1-00 stated that a Trade Act Taskforce had been established to review, analyze and make recommendations for improving services provided to trade-affected workers under the Trade Act programs. This communication transmits the vision of the Taskforce regarding the integration of services provided under the Trade Act programs into the One-Stop service delivery system.

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4. Integration of the Trade Act Programs with the Workforce Investment Act. As a required partner in the One-Stop service delivery system under WIA, the Trade Act programs are required to be accessible through One-Stop centers. Section 321 of WIA amends Section 239 of the Trade Act of 1974 by adding a new subsection (g) which indicates that “in order to promote the coordination of workforce investment activities in each State with activities carried out under this chapter, any agreement entered into under this section shall provide that the State shall submit to the Secretary, in such form as the Secretary may require, the description and information described in paragraphs (8) [procedures to assure coordination of and avoid duplication of workforce investment activities and One-Stop partner program activities] and (14) [strategy for assisting local areas in development and implementation of fully operational one-stop delivery systems] of section 112(b) of the Workforce Investment Act of 1998.” The challenge, thus, is to coordinate the delivery of the Trade Act programs’ benefits and services with other WIA programs and partners to improve services and enhance outcomes for all customers.

Attachment A contains an initial discussion of this vision of integration. Attachment A also discusses the forthcoming additional guidance that will be provided on this issue (which will be more comprehensive and detailed) as well as the methodology that will be used to develop and disseminate these future guidance pieces.

Attachment B is a matrix that delineates which funding sources may be used to provide various Trade Act programs’ benefits and services. The matrix is provided to help State and local officials begin thinking about how these services can be integrated with similar services in their One-Stop centers.

Attachment C demonstrates how the Quality Rapid Response Principles may be adapted for the Trade Act programs.

5. Action. State and local officials are urged to consider this information while designing and developing their workforce investment systems and to encourage the seamless integration and coordination of the Trade Act programs and their services in the One-Stop delivery system created by WIA.

6. Inquiries. Questions should be directed to the appropriate ETA Regional Office.

7. Attachments.

A. Integration of the Trade Act Programs with the Workforce Investment Act.

B. Funding Source Matrix for the Trade Act Programs’ Benefits and Services Activities

C. Quality Rapid Response Principles Adapted for the Trade Act Programs

INTEGRATION OF THE TRADE ACT PROGRAMS WITH THE WORKFORCE INVESTMENT ACT

WIA represents the first major reform of the nation's employment and training system in over fifteen years. The enactment of WIA provides an opportunity for significant improvements in the workforce development system that is resulting in a comprehensive, integrated One-Stop service delivery system unifying the delivery of numerous employment and training programs into a single, customer-friendly system.

In response to the implementation of WIA, along with an overall desire to improve the operation and outcomes of the Trade Act programs, the Office of Adult Services, Division of Trade Adjustment Assistance, established a Trade Act Taskforce. The Taskforce is composed of Federal, State, and local representatives from across the country who are responsible for the Trade Act Programs, as well as other One-Stop partner programs. It is charged with reviewing, analyzing, and making recommendations to the Employment and Training Administration (ETA) for improving services provided to trade-affected workers under all of the Trade Act programs (TAA and NAFTA-TAA, including the Secondary Worker program).

ETA places a high priority on providing guidance to the system on how the Trade Act programs should be effectively integrated into the One-Stop service delivery system under WIA. The Taskforce decided that the most effective way to provide this information was to begin furnishing materials that State and local officials and practitioners should consider while developing their workforce investment systems. More comprehensive and detailed guidance addressing specific integration issues will be provided in the near future.

Vision: Integrating the Trade Act Programs into One-Stops

The implementation of WIA provides an ideal opportunity to strengthen the linkages between the Trade Act programs, the adult and dislocated worker programs funded under WIA, and the employment services authorized by the W-P Act. Congress made significant changes to the W-P Act regarding the delivery of labor exchange services through the One-Stop service delivery system. Congress also emphasized integration of the Trade Act programs by amending the Trade Act to include a provision (WIA Section 321) on coordination with the WIA programs and other partner programs, as well as mandating that Trade Act programs be partners in the One-Stop service delivery system.

All too often, the Trade Act and JTPA-Title III/WIA-Title I dislocated worker programs have been viewed as distinct, unrelated programs when they are, in fact, very similar. Trade-affected workers are--by definition--dislocated workers. Complete integration of the services that all dislocated workers receive is an essential element of the seamless service delivery system that is envisioned under WIA. A review of best practices has shown that this

integration improves services, maximizes the efficient allocation of available resources, and enhances outcomes for all customers.

Most of the reemployment services that are provided to trade-affected workers under the Trade Act programs also fall within the WIA sequence of services (core, intensive, and training). These services, available to all eligible dislocated workers, include assessment, counseling, development of an employability plan or individual service strategy, and case management. These services should be the same for both Trade Act programs' participants and other dislocated workers being served through WIA and the W-P Act programs. The Trade Act programs provide resources that trade-affected workers may access to receive training and/or job search and relocation allowances, in addition to reemployment services provided by WIA and W-P Act programs, to expedite their return to suitable employment. Attachment B identifies these services as core, intensive, and training, and also identifies the funding sources that may be used to pay for the provision of these services.

WIA also requires that adults and dislocated workers--including those affected by trade--are to receive services through a One-Stop service delivery system, and that all individuals must have universal access to informational and core services. Since trade-affected workers meet the WIA definition of dislocated workers, these individuals may be receiving services through the WIA Title I dislocated worker program or other partner programs prior to their certification of eligibility to apply for benefits and services under the Trade Act programs.

Sharing information and educating One-Stop partners about the advantages of fully integrating the Trade Act programs and their services and resources into the State and local One-Stop system will enhance the partnerships envisioned in WIA. The Trade Act programs can contribute valuable training resources, as well as subsistence resources (per diem, travel payments, trade readjustment allowances (TRA)), that will enhance the provision of services to all One-Stop customers by freeing up WIA and other partner program resources for other participants. Having Trade Act programs work more closely with One-Stop partners will improve the efficiency and effectiveness of all One-Stop partner programs.

Extensive integration of all partner programs in the One-Stop center is desirable, and staff located in the One-Stop center should, first and foremost, consider themselves employees of the One-Stop, consistent with Federal laws. Certain program benefits and services of some One-Stop partner programs, including some elements of the Trade Act programs, are, among other Federal and State requirements, required to be conducted by staff hired under State merit-based personnel standards. States and local areas are encouraged to allow flexibility in the service delivery system for the Trade Act programs in the One-Stop, while also ensuring that the programs' merit staffing requirements are met. One-Stop operators have the option to determine what funding sources they will use to conduct Trade Act program benefits and services activities. However, it is important to highlight that some of the Trade Act program benefits and services funded under the Trade Act, Title III of the Social Security Act (which funds the administration of Unemployment Insurance (UI) programs), and the W-P Act must be provided by State merit-staffed employees.

Next Steps

Over the next several months, ETA will develop and disseminate additional guidance that will assist State and local staff in fully integrating the Trade Act programs into the One-Stop system. ETA intends to share: best practices for designing effective service models for Trade Act program participants; guidance for developing agreements (Memoranda of Understanding) with Local Boards and One-Stop partners; guidance on training and capacity building for the One-Stop system; ideas for improving communication among Federal, State, and local partners; ways of assessing program effectiveness; and guidance on using other resources effectively--including WIA National Emergency Grants--to supplement the limited resources available under the Trade Act programs.

Methodology

In developing such guidance, the Taskforce will focus on several key principles that will guide its work, including:

- recognizing that early intervention is critical to a dislocated worker's successful adjustment;
- allowing as much flexibility as possible for State and local areas to build a workforce investment system that meets the needs of their clients;
- promoting a seamless one-stop service delivery system that is customer friendly;
- eliminating duplication of assessments and other services amongst One-Stop partners; and
- advocating a no-wrong door approach--the worker receives the services required to return to work, no matter where the individual enters the system.

In addition to these principles, the ten quality principles developed by the National Rapid Response Workgroup (now the Dislocated Worker/Rapid Response Workgroup) have a direct relationship to the Trade Act programs and will be considered and incorporated--when appropriate--into guidance and policy recommendations developed by the Taskforce. Attachment B contains a discussion of the ten quality rapid response principles and their relationship to the Trade Act programs.

The Taskforce will also develop a communication strategy for disseminating guidance and policies to State and local areas through technical assistance, training opportunities, conferences, and USDOL directives. State and local areas are strongly encouraged to use these products as they develop strategies for effectively integrating the Trade Act programs and their clients into the One-Stop service delivery system.

Funding Source Matrix for the Trade Act Programs' Benefits and Services Activities

			Appropriate Funding Sources to Cover Benefits and Services Activities for Trade-Affected Workers ¹						
	Benefits and Services Activities	Comments	TAA Admin	TAA Program	UI/TRA Admin ₂	TRA Benefits	W-P	WIA Title I	Other
C O R E	Notification of Certification	Individual letter to affected workers			X				
	Outreach (newspaper notices)	Legal notice/public notice			X				
	Initial Intake	Initial visit and/or registration with the One-Stop (O-S)					X	X	
	Individual Eligibility Determination for TAA/NAFTA-TAA and Appeals	Decision on eligibility for Trade Act program benefits and services other than training			X		X		
	Determination of Eligibility for UI/TRA and Appeals	Monetary decision on eligibility for UI and TRA			X				
	Assessment	All activities to determine customer need					X	X	
	Career Counseling						X	X	
	Job Development/Placement						X	X	
	Employment Registration	Registration for labor exchange					X	X	

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			Appropriate Funding Sources to Cover Benefits and Services Activities for Trade-Affected Workers ¹						
	Benefits and Services Activities	Comments	TAA Admin	TAA Program	UI/TRA Admin ₂	TRA Benefits	W-P	WIA Title I	Other
	Staff Assisted Job Search	Job search workshop, job finding clubs					X	X	
	Employment Statistics Information	Local labor market information					X	X	
I N T E N S I V E	Testing	Any test deemed acceptable by partners of the O-S, i.e., any suitable aptitude, interest, or academic test					X	X	
	Development of Reemployment Plan	Any individual service strategy adopted by the O-S	X				X	X	
	TAA Job Search Allowance Application	Taking the application for a job search allowance	X				X	X	
	TAA Job Search Allowance Determination and Appeals	The actual approval/denial of the job search application	X				X		
	TAA Job Search Allowances			X				X	
	Relocation Allowance Application	Taking the application for a relocation allowance	X				X	X	
	Relocation Allowance Determination and Appeals	The actual approval/denial of the relocation application	X				X		
	Relocation Allowances			X				X	
	Case Management ³		X				X	X	
Recommendation on Training Waiver Actions		X				X	X		

			Appropriate Funding Sources to Cover Benefits and Services Activities for Trade-Affected Workers ¹						
	Benefits and Services Activities	Comments	TAA Admin	TAA Program	UI/TRA Admin ₂	TRA Benefits	W-P	WIA Title I	Other
	Issuing, Approving, Reviewing and Revoking Training Waivers		X				X		
T R A D E A C T I N G	Development of Training Plans/Contracts	Including application for transportation and subsistence	X				X	X	
	Training Program (including Transportation and Subsistence)			X				X	
	Approval/Denial of Training Program and Appeals		X				X		
	Transportation to Training Determination and Appeals		X				X		
	Subsistence while in Training Determination and Appeals		X				X		
	Trade Readjustment Allowances	Income Support while in Training				X			
	Overall Administration of Training and Allowances		X		X				

Disclaimer: This matrix provides a quick overview of the activities related to providing the Trade Act programs' benefits and services and may not be all inclusive. It also denotes which fund sources may be used to provide these benefits and services. One-Stop operators have the option to

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determine what funding source they will use to conduct such activities. **Note:** All benefits and services activities funded by UI, TAA, TRA, and W-P Act must be merit staffed to the extent required by 5 CFR 900.603 and 20 CFR 652.215.

¹ Some of these fund sources may not be available in your State or local area. Conversely, other funding sources not specified here may be available, so an “other” column is provided to allow for the listing of any other sources that may be available in your particular State or local area.

² UI administration is also known as base and contingency funds provided to the States from the State Unemployment Insurance and Employment Security Operations (SUIESO) account.

³ Case Management - under the TAA program case management has usually meant “follow-up.” Best practices have shown that active case management, such as the client-centered approach defined in the WIA, provides improved outcomes for program participants.

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QUALITY RAPID RESPONSE PROGRAM PRINCIPLES ADAPTED FOR THE TRADE ACT PROGRAMS

One of the early products of the National Rapid Response Workgroup was a set of 10 quality principles that have a direct linkage and application to the Trade Act programs (Trade Adjustment Assistance and NAFTA-Transitional Adjustment Assistance, including Secondary Workers).

SOONER VERSUS LATER

Linking Rapid Response with the Trade Act programs has proven successful in delivering timely benefits and services to trade-affected workers. Rapid Response teams gather a variety of information from the employer, including the cause of the layoff. In those instances where increased imports from any country or a shift in production to Canada or Mexico appear to be the cause of the layoff, employers and workers are encouraged and assisted by Rapid Response staff in filing a TAA and/or NAFTA-TAA petition(s). Filing the petition(s) at this point improves the possibility that the petitions may be approved by the time of the layoff and provides another source of reemployment assistance that will be available to the workers when the layoff occurs.

Rapid Response teams should ideally include a Trade Act representative or ensure that Rapid Response staff are thoroughly familiar with the Trade Act programs and the petitioning process.

Rapid Response teams should also gather information from the employer regarding their suppliers and assemblers of products. This would assist in the early identification and certification of these firms and their workers as secondarily-affected.

AVERSION BETTER THAN LAYOFF

The establishment of an early-warning system in the State will improve opportunities for averting layoffs. Early warning can be achieved through increased collaboration and information exchange among agencies and organizations involved in community, economic and workforce development. Sharing information about companies experiencing difficulties may lead to opportunities to save jobs through retraining or skill upgrading.

CUSTOMER CHOICE

A major objective of the Workforce Investment Act and the one-stop service delivery system is to increase the choices available to customers. Utilizing the local/State list of approved Workforce Investment Act training providers should expand the retraining options available to trade-affected workers and bring consistency to the process of referring customers to quality training providers. Utilizing training vendors on the approved list should also improve the Trade Act programs' performance outcomes and customer satisfaction.

LEVERAGE RESOURCES

Early intervention and a timely certification of TAA and/or NAFTA-TAA petitions provide an additional resource to One-Stop operators to design individual service strategies for trade-affected workers that may include job search and relocation allowance, training, and income support in addition to the mix of core and

intensive services provided to all dislocated workers in a One-Stop center. Through cooperative arrangements with One-Stop partners, as well as with company and union officials, community-based organizations, and agencies with Federal, State, and local funding, a more effective and efficient use of available resources is possible.

SEAMLESS DELIVERY

Fully integrating the Trade Act programs into the One-Stop service delivery system ensures that trade-affected workers have access to the same comprehensive services as all dislocated workers. Providing services to trade-affected workers through One-Stop outreach, intake, and assessment processes should ensure a seamless delivery of services where the various programs are invisible to the customer and opportunities for increased performance outcomes are maximized.

ON-SITE BETTER THAN OFF-SITE

The establishment of on-site centers where dislocated workers can easily access a full range of services can increase participation and improve outcomes. On-site centers provide more and earlier opportunities for workers, including trade-affected workers, to access both pre- and post-layoff services.

ACTIVE PROMOTION

Active promotion means having a strategy for making employers, workers and others aware that reemployment assistance and services are available through the One-Stop service delivery system. A comprehensive approach that includes the Trade Act programs is necessary to ensure that employers, workers, and others (organized labor, community groups, etc.) involved in dislocation events are aware and take full advantage of the wide range of reemployment services and assistance available to all dislocated workers. Active promotion and marketing of One-Stop services and activities, including the Trade Act programs, will enhance the opportunities for positive outcomes in all areas.

SUCCESS IS MEASURABLE

Measurable goals established at the Federal level, as well as by State and local Workforce Investment Boards, will provide valuable feedback to program staff. Fully integrating the Trade Act programs into the One-Stop system will provide an opportunity to receive valuable input from all customers that can be used to implement continuous improvement activities. Increasing customer service and satisfaction of trade-affected workers should be a primary goal of the One-Stop service delivery system.

CONSISTENT AND ACCURATE INFORMATION

The provision of uniform and factual information about the Trade Act programs' services and activities to employers, workers, and others is necessary to enhance performance outcomes and continuous improvement efforts. This can be achieved by providing training to Rapid Response teams, local Workforce Investment Board members, and providers, and by incorporating complete, easily understood, and user-friendly information about the Trade Act programs into Rapid Response presentations.

PARTNERSHIPS

Enhancing partnerships is a key element of the Workforce Investment Act and critical to the success of the One-Stop service delivery system. Increased collaboration, cooperation, and coordination with all partners within the One-Stop service delivery system will improve outcomes throughout the system.