

SUPPORT H.R. 2832 REAUTHORIZING TRADE ADJUSTMENT ASSISTANCE: A CRITICAL ELEMENT OF DEMOCRATS' TRADE AGENDA

TAA: A 50 Year Old Program with Historically Bipartisan Support. In 1962, Congress created the Trade Adjustment Assistance (TAA) program to help workers laid off as a result of trade to retrain and acquire skills needed to compete in the global environment. In 2009, with bipartisan support, Congress made significant improvements to the program. At the time, Senator Grassley stated: "...today's achievement is the result of the dedication, hard work, and commitment of many individuals. It is the culmination of years of effort, and I am confident that the result will serve to benefit American workers in Iowa and across the United States for years to come."

Since the 2009 TAA Overhaul, TAA Has Assisted Hundreds of Thousands of Workers. Since the bipartisan reforms overhauling TAA were implemented in May 2009, hundreds of thousands of Americans have benefited from the program. In total, more than 447,000 workers have been certified as eligible for TAA since May 2009. In FY2010 alone, more than 227,000 workers took advantage of TAA and participated in the program, receiving case management, training and/or income support. And more than 185,000 additional trade-impacted workers who may not have been certified under the "old" 2002 TAA for Workers program have become eligible for training opportunities and benefits.

The 2009 TAA Reforms Expired in February 2011. In February 2011, House Republicans failed to extend TAA and the 2009 reforms lapsed and TAA reverted to the "old" 2002 program. Now, no service workers, and fewer manufacturing workers, are eligible for TAA. Inevitably, the inability of these laid off workers to obtain TAA support and training, as well as the more limited benefits available to those workers who are approved for TAA, is impeding their efforts to obtain new jobs and contribute to the economic recovery.

H.R. 2832 Furthers TAA's Goals. In June 2011, the White House, Chairman Camp and Chairman Baucus reached an agreement on a TAA extension that protects the integrity of the program and the 2009 reforms. On September 22nd, the Senate passed H.R. 2832, which reflects this agreement extending TAA. Specifically, H.R. 2832:

- Provides TAA eligibility to service sector workers and more manufacturing workers;
- Includes significant levels of funding for worker training and case management;
- Promotes longer –term training and more flexible training options, including on-the-job and part-time training; and
- Sets the Health Coverage Tax Credit subsidy at 72.5 percent (halfway between the 2002 program level and the 2009 reform level) until Affordable Health Care Act expanded coverage opportunities become available in 2014.

NELP has Endorsed the H.R. 2832 TAA extension. Christine Owens, Executive Director the National Employment Law Project (NELP), recently stated "It's high time that Congressional leaders found the will to rise above partisan politics and do what's best for our nation's trade impacted workers. We look forward to seeing this reauthorization package approved in short order because the workers who have been denied coverage and benefits should not be made to suffer any longer."

TAA for Firms, Farmers and Community Colleges. H.R. 2832 also reauthorizes the TAA for Firms program and the TAA for Farmers programs and makes no changes to the TAA for Communities – Community College and Career Training program (which is authorized through FY2014).

Duration and Cost. H.R. 2832 extends TAA until December 31, 2013, with retroactive application back to February 12, 2011. The total cost of the extension is \$964 million. It is fully offset by UI integrity reforms Medicare QIO improvement reforms, and an increase in Merchandise Processing Fees.