

FY 2017

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Federal Unemployment Benefits and Allowances

This page is intentionally left blank.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	4
Budget Authority by Object Class	5
Appropriation History	6
Budget Activities	7
Trade Adjustment Assistance	7

This page is intentionally left blank.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

APPROPRIATION LANGUAGE

For payments during fiscal year [2016] 2017 of trade adjustment benefit payments and allowances under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974, and section 246 of that Act; and for training, employment and case management services, allowances for job search and relocation, and related State administrative expenses under part II of subchapter B of chapter 2 of title II of the Trade Act of 1974, and including benefit payments, allowances, training, employment and case management services, and related State administration provided pursuant to section 231(a) of the Trade Adjustment Assistance Extension Act of 2011 and section 405(a) of the Trade Preferences Extension Act of 2015, [\$861,000,000] \$849,000,000 together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15, [2016] 2017: *Provided*, That notwithstanding section 502 of this division, any part of the appropriation provided under this heading may remain available for obligation beyond the current fiscal year pursuant to the authorities of section 245(c) of the Trade Act of 1974 (19 U.S.C. 2317(c)).(*Department of Labor Appropriations Act, 2016.*)

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$710,600	0	\$861,000	0	\$849,000
Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 ¹	0	-\$51,874	0	-\$58,548	0	\$0
Appropriation, Revised	0	\$658,726	0	\$802,452	0	\$849,000
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$658,726</i>	<i>0</i>	<i>\$802,452</i>	<i>0</i>	<i>\$849,000</i>
Offsetting Collections From:						
Reimbursements	0	\$40,000	0	\$0	0	\$0
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$40,000</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$698,726	0	\$802,452	0	\$849,000
Offsetting Collections:						
Reimbursements	0	-\$40,000	0	\$0	0	\$0
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>-\$40,000</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority	0	\$658,726	0	\$802,452	0	\$849,000
Before Committee	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$40,000	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$698,726</i>	<i>0</i>	<i>\$802,452</i>	<i>0</i>	<i>\$849,000</i>
D. Total Budgetary Resources	0	\$698,726	0	\$802,452	0	\$849,000
Unobligated Balance Expiring	0	-\$151,292	0	\$0	0	\$0
Reimbursements	0	-\$38,254	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$509,180	0	\$802,452	0	\$849,000

¹ Enacted amounts reflect 7.3 and 6.8 percent reductions for FY 2015 and FY 2016 for mandatory authority, respectively, pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Request	Net Change
Budget Authority			
General Funds	\$802,452	\$849,000	\$46,548
Total	\$802,452	\$849,000	\$46,548

Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

FY 2017 Change

Explanation of Change	FY 2016 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$58,548	0	\$58,548
Built-Ins Subtotal	0	\$0	0	\$0	0	\$58,548	0	\$58,548
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	0	\$0	0	\$0	0	\$58,548	0	\$58,548
Decreases:								
A. Built-Ins:								
To Provide For:								
Grants, subsidies, and contributions	0	\$861,000	0	\$0	0	-\$12,000	0	-\$12,000
Built-Ins Subtotal	0	+\$861,000	0	\$0	0	-\$12,000	0	-\$12,000
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	+\$861,000	0	\$0	0	-\$12,000	0	-\$12,000
Total Change	0	+\$861,000	0	\$0	0	\$46,548	0	\$46,548

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY²								
(Dollars in Thousands)								
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request		Diff. FY17 Request / FY16 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Trade Adjustments Assistance	0	658,726	0	802,452	0	849,000	0	-12,000
General Funds	0	658,726	0	802,452	0	849,000	0	-12,000
TAA Benefits	0	388,000	0	384,000	0	357,000	0	-27,000
General Funds	0	388,000	0	384,000	0	357,000	0	-27,000
TAA Training	0	235,726	0	391,452	0	450,000	0	58,548
General Funds	0	235,726	0	391,452	0	450,000	0	58,548
Alternative-Reemployment TAA	0	35,000	0	27,000	0	42,000	0	15,000
General Funds	0	35,000	0	27,000	0	42,000	0	15,000
Total	0	658,726	0	802,452	0	849,000	0	46,548
General Funds	0	658,726	0	802,452	0	849,000	0	46,548

² Enacted amounts reflect 7.3 and 6.8 percent reductions for FY 2015 and FY 2016 for mandatory authority, respectively, pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

BUDGET AUTHORITY BY OBJECT CLASS³					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
	Full-Time Equivalent				
	Total	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	658,726	802,452	849,000	46,548
	Total	658,726	802,452	849,000	46,548

³ Enacted amounts reflect 7.3 and 6.8 percent reductions for FY 2015 and FY 2016 for mandatory authority, respectively, pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2007					
Base Appropriation	\$938,600	\$837,600	\$837,600	\$837,600	0
2008					
Base Appropriation...1/	\$888,700	\$888,700	\$888,700	\$929,700	0
2009					
Base Appropriation...2/	\$958,800	\$0	\$958,800	\$703,000	0
Legislative Proposal	\$6,000	\$0	\$0	\$0	0
2010					
Base Appropriation	\$1,156,400	\$1,818,400	\$0	\$1,374,400	0
2011					
Base Appropriation	\$1,938,200	\$0	\$0	\$515,000	0
Legislative Proposal	\$431,300	\$0	\$0	\$0	0
2012					
Base Appropriation	\$1,100,100	\$0	\$0	\$854,623	0
Legislative Proposal	\$571,000	\$0	\$0	\$0	0
2013					
Base Appropriation...3/ 4/	\$1,421,000	\$0	\$0	\$756,353	0
Legislative Proposal	-\$323,000	\$0	\$0	\$0	0
2014					
Base Appropriation...3/	\$656,000	\$0	\$0	\$608,768	0
2015					
Base Appropriation...3/	\$710,600	\$0	\$0	\$658,726	0
2016					
Base Appropriation 3/	\$664,200	\$664,200	\$664,200	\$802,452	0
Legislative Proposal	\$986,000	\$0	\$0	\$0	0
2017					
Base Appropriation	\$849,000	\$0	\$0	\$0	0

1/ Excludes \$41,000,000 included in the Advances to the Unemployment Trust Fund and Other Funds appropriation which was transferred to this account.

2/ This bill was only reported out of Subcommittee and was not passed by the full House.

3/ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

4/TRA costs declined (-\$323,000) in FY 2013 due to the Emergency Unemployment Compensation (EUC) program, enacted under the American Taxpayer Relief Act of 2012 (P.L. 112-240) in effect until January 1, 2014.

TRADE ADJUSTMENT ASSISTANCE

BUDGET AUTHORITY BEFORE THE COMMITTEE⁴				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	658,726	802,452	849,000	46,548
FTE	0	0	0	0

⁴ Enacted amounts reflect 7.3 and 6.8 percent reductions for FY 2015 and FY 2016 for mandatory authority, respectively, pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended

Introduction

The Trade Act of 1974 (P.L. 93-618), as amended (the Act) (codified at 19 U.S.C. §§ 2271 et seq.), Title II, Chapter 2, established the Trade Adjustment Assistance for Workers (TAA), Alternative Trade Adjustment Assistance (ATAA), and Reemployment Trade Adjustment Assistance (RTAA) programs. These programs, collectively referred to as the Trade Adjustment Assistance Program (TAA Program), provide assistance to workers who have been adversely affected by foreign trade. The Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015) (P.L. 114-27, Title IV) recently reauthorized and reinstated changes to the Act. TAARA 2015 also revised reporting requirements to align performance accountability for the TAA Program with that of other partner programs in the workforce system under the Workforce Innovation and Opportunity Act (WIOA) (P.L. 113-128). The enactment of TAARA 2015 created the 2015 Program and the continuation of grandfathered versions of the TAA Program, including:

- the 2002 Program, created out of the Trade Act of 1974, as amended by the Trade Adjustment Assistance Reform Act of 2002 (TAARA);
- the 2009 Program, created out of the Trade Act of 1974, as amended by the Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA), Division B, title I, subtitle I of the American Recovery and Reinvestment Act of 2009 (ARRA); and
- the 2011 Program, created out of Trade Act of 1974, as amended by the Trade Adjustment Assistance Extension Act of 2011 (TAAEA).

The TAARA 2015 restored the worker group eligibility and benefits established by the Trade Adjustment Assistance Extension Act of 2011. The TAARA 2015 expanded coverage of certifications of petitions filed since January 1, 2014; required reconsideration of negative determinations on petitions filed since that date and before the date of enactment under 2015 Act certification requirements; established a national cap on funding for Training and Other Activities (TaOA) at \$450 million per fiscal year; and reauthorized the Health Coverage Tax Credit (HCTC) program benefit for eligible TAA participants. The TAARA 2015 reauthorized the TAA Program through June 30, 2021; however, the TAA Program remains in the budget baseline (except for wage supplements). The fiscal-related programmatic changes included in the TAARA 2015 became effective on June 29, 2015, and therefore, aligns with the enacted FY 2016 appropriation as follows: 1) a statutory cap on funds in the amount of \$450 million that may be allocated to the states for TaOA per fiscal year; and 2) the Secretary’s authority to

TRADE ADJUSTMENT ASSISTANCE

recapture and reallocate funds that remain unobligated in the second and third year after allocation.

The Employment and Training Administration (ETA) has oversight responsibility for the TAA Program and, based on investigations of TAA petitions, certifies worker groups as eligible to apply for assistance. Upon receiving a petition, ETA initiates an investigation to determine whether the circumstances of the layoff meet the group eligibility criteria established by TAARA 2015. Once group eligibility has been determined and the petition is certified, workers covered under the petitions may apply for individual TAA benefits and services. Under agreements between the Secretary of Labor and each Governor, the states determine the individual eligibility and provide the TAA benefits to workers with Federal funds appropriated to the Department to carry out the TAA Program.

Individual workers of a certified worker group may apply for benefits and services, and those who meet the qualifying criteria may receive: job training; income support in the form of Trade Readjustment Allowances (TRA); job search and relocation allowances; HCTC (as determined by the Internal Revenue Service (IRS)); and for workers age 50 and older, a wage supplement in the form of Alternative Trade Adjustment Assistance (ATAA) or Reemployment Trade Adjustment Assistance (RTAA).

Alignment with WIOA

Training and Employment Guidance Letter (TEGL) No. 19-14 explains that WIOA seeks to modernize the workforce system to provide comprehensive, integrated and streamlined services, which requires linking and aligning the different one-stop center partners. As a required one-stop center partner, (one-stop centers are currently branded as American Job Centers), the TAA Program is a vital resource within the workforce system. TAA participants will continue, under WIOA, to be customers in the system and therefore, states may use their employment and case management funds for TAA's share in an appropriate cost-allocation of system enhancements that allow for the successful integration, including monitoring and reporting of TAA-funded employment and case management services.

The delivery of TAA Program training, employment and case management services, (individual reemployment services) will be aligned with WIOA to:

1. *Improve Intake Systems and Case Management*: Working with WIOA core and required partner programs to create an integrated intake system and integrated case management;
2. *Standardize Performance and Outcome Measures*: Applying a common set of outcome measures provided under WIOA;
3. *Enhance Engagement with Business*: Participating in partnerships with WIOA employer-based initiatives, such as Rapid Response and Business Services Units, that support connections with employers to determine their hiring needs while ensuring that workers are obtaining training that is responsive to those needs;
4. *Encourage Earning While Learning*: TAA certified workers will be encouraged to enroll in work-based training such as on-the-job training (OJT); Registered Apprenticeship

TRADE ADJUSTMENT ASSISTANCE

program opportunities; adversely affected incumbent worker training available under the 2015 Program as well as the 2011 and 2009 Programs; and

5. *Match Workers to Available Work Opportunities*: Strengthening linkages with labor market information to ensure that reemployment services are aligned with up-to-date local, regional, state, and national labor market trends.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$854,623	0
2013	\$756,353	0
2014	\$608,768	0
2015	\$658,726	0
2016	\$802,452	0

Funding Mechanism

ETA provides grants to states for the operation of the TAA Program under an Annual Funding Agreement. The amount of funding allocated to each state for TaOA, which includes training, employment and case management services, and allowances for job search and relocation, is determined through a funding formula for distribution codified at 20 CFR 618.910. The funding formula is designed to target funds for TaOA to the states where the resources are most needed, using a formula methodology to ensure stability of funding and transparency in the distribution. Funds for TRA and A/RTAA (wage supplements) are not determined by formula; rather states notify ETA of the projected needs and request funds to cover the wage supplement for trade-affected workers.

The amount of funds appropriated annually for the TAA Program is based on projected costs of the program for the fiscal year. Unemployment Insurance models calculate estimates of the amount of funds needed in the fiscal year for TRA and A/RTAA. These models consider the economic assumptions in the President's Budget, including the projected Gross Domestic Product, unemployment rate, and other factors to forecast the amount of funds needed. The estimate of funds for training is subject to an annual cap on the amount that may be expended on training according to the statutory amount specified. If, subject to that cap, the appropriated amount is insufficient to cover the costs of the program during the fiscal year, there is authority for the program to use additional amounts from the Advances to the Unemployment Trust Fund account.

Timely allocations ensure that trade-affected workers can access needed training as soon as an appropriate individual employment plan is developed, maximizing their opportunity to take advantage of training that will help them return to employment, increase the rates of credential and education attainment, and improve earnings.

TRADE ADJUSTMENT ASSISTANCE

FY 2017

The FY 2017 Request is \$849,000,000. This request includes the \$450,000,000 statutory cap on funds for TaOA that became effective under the TAARA 2015; \$357,000,000 for TRA; and \$42,000,000 for A/RTAA. The \$12 million decrease is a result of a reduction in the national unemployment rate, which leads to a lower number of workers eligible for TRA.

The FY 2017 request will provide funding to operate four versions of the TAA Program, including: the 2002 Program, the 2009 Program, the 2011 Program, and the 2015 Program. The TAARA 2015 contains the same certification of group eligibility provisions as the 2011 program, and the same individual benefit eligibility provisions as the 2011 program. A summary of the TAA Program under the TAARA 2015 is as follows:

- Expanded group eligibility criteria, including workers in service sectors and adversely affected incumbent workers, including workers affected by trade in all countries, not just those with Free Trade Agreements with the United States;
- Extended deadline for individuals to enroll in training as a condition for receiving TRA, which is now 26 weeks from the later of the worker's most recent total qualifying separation, or 26 weeks from the issuance of the certification;
- Payment of 65 weeks of additional TRA over a period of 78 weeks, allowing for breaks in training and temporary periods of employment where additional TRA is not paid;
- Payment of up to 13 weeks of completion TRA if the worker needs additional income support to complete a program of TAA training and earn a degree or industry-recognized credential;
- Federal Good Cause provision for waiving certain time limits for individual eligibility for TRA and other benefits; and
- Other changes as identified and explained in guidance, specifically the Operating Instructions for Implementing the TAARA 2015, TEGl No. 5-15.

In addition, TAARA 2015 assumes:

- Eligible workers under the 2002 Program, 2009 Program, and 2011 Program (programs in effect before the TAARA 2015 Program) will continue to be entitled to benefits and services under the applicable program, in accordance with controlling guidance;
- FY 2017 funds will include allotments for TaOA (subject to a \$450,000,000 statutory cap), A/RTAA, TRA, in an adequate amount to serve eligible workers under all versions of the TAA Program, and if needed, additional funds may be accessed through the *Advances account*; and
- FY 2017 funds may be used to provide employment and case management services to workers certified under the 2009 Program, 2011 Program, and 2015 Program; these funds may not be used to provide employment and case management services to workers certified under the 2002 Program.

TRADE ADJUSTMENT ASSISTANCE

FY 2016

The FY 2016 enacted budget of \$861,000,000 (pre-sequestration) includes \$450,000,000 for TaOA, \$384,000,000 for TRA, and \$27,000,000 for A/RTAA, which resulted in a \$150,600,000 increase in FY 2016, over FY 2015. This increase included \$162,400,000 for TaOA, \$3,000,000 for wage supplements, and a decrease of \$15,000,000 for TRA in FY 2016. The significant increase in the FY 2016 amount over FY 2015 is due to the increased amount of the funds available for TaOA under the TAARA 2015 (\$450,000,000 from \$220,000,000 under prior law). In FY 2016, a 6.8 percent sequester was applied to mandatory accounts, including FUBA. Therefore, the \$861,000,000 appropriation was reduced by \$58,548,000, applied to TaOA, leaving \$802,452,000 available for distribution to the states.

FY 2015

The Consolidated and Further Continuing Appropriations Act of 2015 appropriated \$710,600,000 (pre-sequestration) to carry out the TAA Program during FY 2015, including the grandfathered programs. This was the level requested by the President for the full operation of the TAA Program through FY 2015 including providing benefits to new groups of workers certified after December 31, 2014. The passage of this legislation had the effect of suspending the TAA authorization termination provisions through September 30, 2015, and continuing the TAA Program under the Reversion 2014 Program for groups of workers covered by petitions certified on and after January 1, 2015, through September 30, 2015. The TAA Program was set to expire on December 31, 2014, but this legislation authorized the full operation of the TAA Program to continue for the entire FY 2015.

Although the TAARA 2015 was enacted before the end of FY 2015, the fiscal-related programmatic changes, including the statutory cap on funds that may be used for TaOA (\$450 million per fiscal year), and the Secretary's authority to recapture and reallocate funds that remain unobligated in the second and third year after allocation, did not apply to the FY 2015 appropriation. These changes become effective with the FY 2016 appropriation.

The FY 2015 appropriation of \$710,600,000 (pre-sequestration) included \$287,600,000 for TaOA; \$399,000,000 for TRA, and \$24,000,000 for A/RTAA. In FY 2015, a 7.3 percent sequester was applied to mandatory accounts, including FUBA. Therefore, the \$710,600,000 appropriation was reduced by \$51,900,000, applied to TaOA, leaving \$658,700,000 available for distribution to the states.

TRADE ADJUSTMENT ASSISTANCE

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
Trade Adjustments Assistance					
Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security					
Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work					
ETA-TAA-01	Entered Employment Rate/Employment in the 2nd quarter after exit (Trade Adjustment Assistance) ⁵	71.1%	74.0%	71.5%	TBD
ETA-TAA-02	Employment Retention Rate/Employment in the 4th quarter after exit (Trade Adjustment Assistance) ⁶	91.2%	92.4%	91.2%	TBD
ETA-TAA-03	Six Months Average Earnings/Median Earning in the 2nd quarter after exit (Trade Adjustment Assistance) ⁷	\$19,799	\$17,911	\$20,149	TBD
	Individuals in TAA ⁸	56,689	47,335	69,073	66,908
	Cost per participant (TAA)	\$11,620	\$16,094	\$12,465	\$12,689

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

⁵ Beginning in FY 2017, the Entered Employment Rate measure will change. The new WIOA measure will be calculated based on the percent employed in the 2nd quarter after program exit instead of 1st quarter after program exit.

⁶ Beginning in FY 2017, the Employment Retention Rate measure will change. The new WIOA measure will be calculated based on the percent employed in the 4th quarter after program exit instead of the 3rd quarter after program exit.

⁷ Beginning in FY 2017, the Six Month Average Earnings measure will change. The new WIOA measure will be Median Earnings of those employed in the 2nd quarter after program exit.

⁸ The number of individuals in TAA is derived by dividing the appropriation request by the cost per participant. The increase in the cost per participant in FY 2017 over FY 2016, and resulting reduction in the number of individuals in TAA, is due to increases in tuition costs, increases in wage supplements as more workers are eligible to receive this benefit while working and participating in training, and higher TRA costs for TRA as workers have longer eligibility periods for this benefit under the 2015 Program. This projection will be revised as actual data from operating the 2015 Program becomes available.

TRADE ADJUSTMENT ASSISTANCE

Workload and Performance Summary

The TAA Program benefits include TAA-funded job training, job search and relocation allowances, employment and case management services, income support in the form of TRA, wage supplements in the form of A/RTAA, and HCTC for workers covered under the 2009 Program, 2011 Program, and 2015 Program. All workers covered by certified petitions are entitled to receive employment and case management services; however, TAA funds may not be used to provide employment and case management services to the workers covered by the 2002 Program. TEGL No. 15-12 informs states which alternate funding sources can be used to provide employment and case management services to these workers.

Beginning in FY 2017, the common measures for the TAA Program are revised based on the TAARA 2015 alignment with WIOA authorization for six key common performance indicators that are consistent across populations served. These six indicators are: 1) placement in employment, education or long-term training in the second quarter after exit; 2) placement in employment, education or long-term training in the fourth quarter after exit; 3) median earnings of those employed in the second quarter after exit; 4) credential attainment; 5) measurable skill gains toward credential attainment/employment; and 6) effectiveness in serving employers. The targets and results for the six new performance indicators have not been included in the budget because of changes WIOA made to the methodology for calculating the performance indicators. To accurately determine targets and results, the Department is required to collect new baseline data in FY 2017. Based on those data, targets will need to be established in subsequent years.

TRADE ADJUSTMENT ASSISTANCE

BUDGET ACTIVITY BY OBJECT CLASS⁹					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	658,726	802,452	849,000	46,548
	Total	658,726	802,452	849,000	46,548

⁹ Enacted amounts reflect 7.3 and 6.8 percent reductions for FY 2015 and FY 2016 respectively due to the mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

TRADE ADJUSTMENT ASSISTANCE

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments \$0

Grants, subsidies, and contributions 46,548

Built-Ins Subtotal \$46,548

Net Program \$0

Direct FTE 0

	Estimate	FTE
Base	\$802,452	0
Program Increase	\$0	0
Program Decrease	\$0	0