

FY 2015

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Federal Unemployment Benefits and Allowances

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

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APPROPRIATION LANGUAGE

For payments during fiscal year [2014] 2015 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, and training, employment and case management services, and related State administration provided pursuant to section 231(a) *and* section 233(b) of the Trade Adjustment Assistance Extension Act of 2011, [\$656,000,000,] \$710,600,000 together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15, [2014] 2015, *Provided, That, amounts allocated to States to carry out training, employment and case management services, allowances for job search and relocation, and related State administrative expenses may be recaptured and reobligated in accordance with section 245(c) of the Trade Act of 1974. (Department of Labor Appropriations Act, 2014.)*

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EXPLANATION OF LANGUAGE CHANGE

The Administration proposes two changes to the language under the heading "Federal Unemployment Benefits and Allowances" for FY 2015 from the enacted version in FY 2014. The first change is to add a reference to section 233(b) of the Trade Adjustment Assistance Extension Act of 2011 after the reference to section 231(a) of that Act regarding the activities that are funded under this appropriation. Section 231(a) provides that workers certified as eligible under the 2002 Amendments to the Trade Act of 1974 and the 2009 Amendments to the Trade Act of 1974, respectively, pursuant to petitions filed while those amendments were in effect continue to be entitled to benefits and services in accordance with the conditions that were applicable under those amendments. Similarly, section 233(b) of that Act provides that workers certified as eligible for benefits under the TAA for Workers program pursuant to a petition filed before January 1, 2014, continue to be entitled to receive benefits and services under the TAA program in accordance with the provisions that were in effect on the date of enactment of the 2011 Amendments. On January 1, 2014, the TAA program reverted to provisions relating to benefits and services that are different in many respects from those that applied on the date of enactment of the 2011 Amendments. This change clarifies that this appropriation is also available to provide benefits and services to workers covered under section 233(b).

The second change is to add a proviso that would allow the Department to exercise the authority contained in section 245(c) of the Trade Act of 1974 to recapture and reallocate funds. Specifically, the provision authorizes the Secretary of Labor to recapture funds that are allotted to States to carry out training, employment and case management services, allowances for job search and relocation, and related State administrative expenses, that remain unobligated during the second or third fiscal year after the year in which the funds are allotted to the States, and reallocate those funds to other States for those purposes. Under the general provisions of appropriations acts, funds are generally only available for Federal obligation during the fiscal year in which they are appropriated "unless expressly so provided" in the appropriations act. The inclusion of this reference to the reobligation and reallocation authority under section 245(c) of the Trade Act of 1974 would constitute an express provision within the appropriations act that would allow the Department to carry out the authority provided under section 245(c).

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ANALYSIS OF APPROPRIATION LANGUAGE

Not applicable.

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2013 Enacted		FY 2014¹ Enacted		FY 2015 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$797,000	0	\$656,000	0	\$710,600
Reduction Pursuant to P.L. 113-6 for FY 2013	0	\$0	0	\$0	0	\$0
Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985	0	-\$40,647	0	-\$47,232	0	\$0
Appropriation, Revised	0	\$756,353	0	\$608,768	0	\$710,600
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$756,353</i>	<i>0</i>	<i>\$608,768</i>	<i>0</i>	<i>\$710,600</i>
Offsetting Collections From:						
Reimbursements	0	\$40,000	0	\$40,000	0	\$40,000
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$40,000</i>	<i>0</i>	<i>\$50,000</i>	<i>0</i>	<i>\$40,000</i>
B. Gross Budget Authority	0	\$796,353	0	\$648,768	0	\$750,600
Offsetting Collections:						
Reimbursements	0	-\$40,000	0	-\$40,000	0	-\$40,000
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>-\$40,000</i>	<i>0</i>	<i>-\$40,000</i>	<i>0</i>	<i>-\$40,000</i>
C. Budget Authority	0	\$756,353	0	\$608,768	0	\$710,600
Legislative Proposal	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$40,000	0	\$40,000	0	\$40,000
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$796,353</i>	<i>0</i>	<i>\$648,768</i>	<i>0</i>	<i>\$750,600</i>
D. Total Budgetary Resources	0	\$796,353	0	\$648,768	0	\$750,600
Unobligated Balance Expiring:	0		0	\$0	0	\$0
Required sequester adjustment to match actual obligations	0	-\$121	0	\$0	0	\$0
Reimbursements		-\$11,607				
E. Total, Estimated Obligations	0	\$784,625	0	\$648,768	0	\$750,600

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2014 Enacted ¹	FY 2015 Request	Net Change
Budget Authority			
General Funds	\$608,768	\$710,600	+\$101,832
Total	\$608,768	\$710,600	+\$101,832
 Full Time Equivalents			
General Funds	0	0	0
Total	0	0	0

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

Explanation of Change	FY 2014 Base		FY 2015 Change				Total	
	FTE	Amount	Trust Funds FTE	Trust Funds Amount	General Funds FTE	General Funds 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	\$608,768	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$608,768	0	\$0	0	\$0	0	\$0
B. Programs:								
TAA Benefits	0	\$270,500	0	\$0	0	\$128,500	0	\$128,500
Programs Subtotal	0	\$270,500	0	\$0	0	+\$128,500	0	+\$128,500
Total Increase	0	+\$608,768	0	\$0	0	+\$128,500	0	+\$128,500
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
TAA Training	0	\$306,268	0	\$0	0	-\$18,668	0	-\$18,668
Alternative-Reemployment TAA	0	\$32,000	0	\$0	0	-\$8,000	0	-\$8,000
Programs Subtotal	0	\$338,268	0	\$0	0	-\$26,668	0	-\$26,668
Total Decrease	0	\$0	0	\$0	0	-\$26,668	0	-\$26,668
Total Change	0	+\$608,768	0	\$0	0	+\$101,832	0	+\$101,832

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2013 Enacted		FY 2014 ¹ Enacted		FY 2015 Request		Diff. FY15 Request / FY14 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Trade Adjustments Assistance	0	756,353	0	608,768	0	710,600	0	101,832
General Funds	0	756,353	0	608,768	0	710,600	0	101,832
TAA Benefits	0	189,000	0	270,500	0	399,000	0	128,500
General Funds	0	189,000	0	270,500	0	399,000	0	128,500
TAA Training	0	534,353	0	306,268	0	287,600	0	-18,668
General Funds	0	534,353	0	306,268	0	287,600	0	-18,668
Alternative-Reemployment TAA	0	33,000	0	32,000	0	24,000	0	-8,000
General Funds	0	33,000	0	32,000	0	24,000	0	-8,000
Total	0	756,353	0	608,768	0	710,600	0	101,832
General Funds	0	756,353	0	608,768	0	710,600	0	101,832

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 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	756,353	608,768	710,600	101,832
	Total	756,353	608,768	710,600	101,832

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APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2005					
Base Appropriation	\$1,057,300	\$1,057,300	\$1,057,300	\$1,057,300	0
2006					
Base Appropriation	\$966,400	\$966,400	\$966,400	\$966,400	0
2007					
Base Appropriation... ^{1/}	\$938,600	\$837,600	\$837,600	\$837,600	0
2008					
Base Appropriation... ^{2/}	\$888,700	\$888,700	\$888,700	\$929,700	0
2009					
Base Appropriation... ^{3/}	\$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 ⁴⁵					
Base Appropriation	\$1,421,000	\$0	\$0	\$756,353	0
2014 ⁴					
Base Appropriation	\$656,000	\$0	\$0	\$608,768	0
2015	\$710,600				

¹ Excludes \$17,500,000 included in the Advances to the Unemployment Trust Fund and Other Funds appropriation which was transferred to this account.

² Excludes \$41,000,000 included in the Advances to the Unemployment Trust Fund and Other Funds appropriation which was transferred to this account.

³ This bill was only reported out of Subcommittee and was not passed by the full House

⁴ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

⁵ 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.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted¹	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	756,353	608,768	710,600	101,832
FTE	0	0	0	0

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

Introduction

The Trade Adjustment Assistance (TAA) program for workers is a Federal program that assists U.S. workers who have lost their jobs as a result of foreign trade. The TAA program, established by the Trade Act of 1974, has been amended a number of times over the past 40 years. The latest amendments, referred to as the 2011 Amendments, are contained in the Trade Adjustment Assistance Extension Act of 2011 (TAAEA or 2011 Amendments), which was signed into law on October 21, 2011.

The sunset provisions contained in the TAAEA provided that the 2011 Amendments expired on December 31, 2013. Workers covered by certified petitions filed after that date, are under a version of the TAA program known as Reversion 2014, which operates under some different requirements from the 2011 Amendments. While Reversion 2014 retained three important provisions from the 2011 Amendments relating to training, the program has largely reverted to operating under the Trade Adjustment Assistance Reform Act of 2002 (or 2002 Amendments) with the more narrow group of eligible workers. The TAAEA expiration provisions also state that the authorization for the reverted TAA program will terminate after December 31, 2014.

The FY 2015 Budget request reflects the current-law baseline for the TAA program. While the authorization for the Reversion 2014 program expires December 31, 2014, the program remains in the budget baseline (except for wage insurance). The request assumes that the appropriators will continue Reversion TAA through September 30, 2015, and provide the funds requested.

Nothing in Reversion 2014 or any other previous law or guidance changes the goals and objectives of the TAA program which is to increase employment opportunities and wages for trade-affected workers, including low-wage, low-skilled workers, by addressing the skills mismatch and speeding reemployment of long term unemployed trade-affected workers.

The current-law budget request for the TAA program assumes the continuation of the program under Reversion 2014, and the 2015 Budget proposes legislation to establish a New Career Pathways program (NCP) program to replace the Trade Adjustment Assistance and WIA Dislocated Worker Programs.

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Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$1,374,400	0
2011	\$515,000	0
2012	\$854,623	0
2013	\$756,353	0
2014 ¹	\$608,768	0

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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Funding Mechanism

ETA provides grants to states for the operation of the TAA program under an agreement between the Governor and the Secretary of Labor. The amounts of funding allocated to each state for Training and Other Activities, which includes, training, case management and employment services, job search allowances, and relocation allowances, are determined through a funding formula for distribution. The funding formula is designed to target funds for Training and Other Activities 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 Trade Readjustment Allowances (TRA) and Alternative/Reemployment Trade Adjustment Assistance (wage insurance) are not determined by formula; rather states notify the Department of the projected needs and request funds to cover the income support costs for trade-affected workers.

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.

FY 2015

The TAA program's benefits and services help workers upgrade their skills and retrain in new careers that can help them remain in America's middle class. In FY 2015, TAA will be part of a government-wide review of training programs to help Americans get the skills they need for reemployment in in-demand jobs. TAA also contributes to the Administration's strategy to expand apprenticeship opportunities, and it already allows apprenticeship and other employment-based training opportunities as a type of approved training.

The continuation of the TAA program means that adversely affected workers may be eligible to apply for, or continue to receive, TAA benefits and services under Reversion 2014, the 2002 Amendments, the 2009 Amendments, or the 2011 Amendments, respectively. Under Reversion 2014, training funds are subject to a legislative cap of \$220,000,000 for FY 2015. That cap is based on the 2002 Trade Act, so that it covers only training costs. State administrative expenses, employment and case management services (for workers still entitled to these services under the 2009 and 2011 TAA programs), and funds for out-of-area job search and relocation allowances are provided on top of the \$220,000,000 training cap.

Funds provided to states for income support and wage subsidies, including TRA and A/RTAA are not subject to the legislative cap explained above. States notify ETA of the projected needs and request funds to cover the income support costs for trade-affected workers. Administrative costs of providing income support are funded through discretionary grants out of the State Unemployment Insurance and Employment Service Operations (SUIESO) account.

Breakdown of FY 2015 Funds

The FY 2015 President's Budget request is \$710,600,000 for the TAA program. This amount includes \$287,600,000 in funds for Training and Other Activities; \$399,000,000 for TRA and

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\$24,000,000 for A/RTAA. The FY 2015 request assumes continuation of Reversion 2014 throughout FY 2015. Amounts for TRA and A/RTAA are based on demand estimates for these benefits. TRA costs are expected to increase in FY 2015 because the extension of the Emergency Unemployment Compensation (EUC) program, enacted under the American Taxpayer Relief Act of 2012 (P.L. 112-240), expired on January 1, 2014.

The FY 2015 budget request assumes

1. Eligible workers are entitled to receive benefits and services under the program in effect when the worker's petition was certified. For example, petitions filed after December 31, 2013, will be covered by Reversion 2014. Workers certified by petitions filed on or before December 31, 2013 are entitled to benefits and services available under TAA programs in effect at the time their petition was certified, in accordance with controlling guidance;
2. States will operate the TAA Program in accordance with TEGL No. 07-13 and any subsequent related guidance for Reversion 2014;
3. FY 2015 funds will include allotments for Training and Other Activities, A/RTAA, TRA, and related state administration in an adequate amount to serve all cohorts, subject to the statutory training cap; and
4. FY 2015 funds may only be used to provide employment and case management services to workers certified under the 2009 and 2011 Programs, and not for workers certified under the Reversion 2014 and 2002 Programs for whom such services are to be provided through arrangements with other programs.

The Operating Instructions for Reversion 2014, TEGL No. 7-13, provides detailed information and highlights of the benefits and services available under Reversion 2014 are listed below. Guidance relating to those programs includes Operating Instructions provided in TEGL No. 11-02 and its changes for the 2002 Program; TEGL No. 22-08 and its changes for the 2009 Program; and TEGL No. 10-11 and its changes for information on program benefits and services provided under the 2011 Program.

Reversion 2014 Highlights

- *Four Programs; Five Cohorts:* Cooperating State Agencies (CSAs) will be required to manage benefits and services for four distinct programs and five participant cohorts resulting from the enactment of the TGAAA and the TAAEA and their sunset provisions, which required the program to snapback to an earlier program. Trade affected workers may be covered and eligible to apply for TAA benefits and services under the 2002 Program, the 2009 Program, the 2011 Program, or Reversion 2014. Workers receiving TAA program benefits and services under any of these amendments will continue to receive the applicable benefits and services as directed under these programs.
- *Limited Group Eligibility:* The broader criteria for group eligibility for workers under the 2009 and 2011 Amendments no longer applies to petitions received after January 1, 2014. This includes but is not limited to workers in the service sectors, and those workers will not be certified under Reversion 2014. Sixty-six percent of all FY 2014 certifications involved service workers.

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- *Incumbent Workers Ineligible to Apply:* Workers under Reversion 2014 will only be able to access TAA benefits and services after layoffs occur and not prior to separation.
- *Changes to Trade Readjustment Allowances (TRA):*
 - TRA is provided to assist a worker to complete TAA training, if needed. For workers certified under Reversion 2014, the maximum number of weeks of income support for workers is 130, which consists of a maximum of 52 weeks of Basic TRA; 65 weeks of Additional TRA; and 13 weeks of Completion TRA.
 - Basic TRA is payable only during the 104 week period beginning with a worker's most recent total qualifying separation and is reduced by the amount of any unemployment compensation received. Additional TRA is for up to 65 weeks, payable over a 78 week period that follows the last week of entitlement to Basic TRA or beginning with the first week of approved TAA training, if the training begins after the last week of entitlement to Basic TRA.
 - Completion TRA is only payable if the worker needs more time to complete their approved training leading to a degree or industry-recognized credential and meets certain eligibility criteria and benchmarks. Completion TRA is payable for a maximum of 13 weeks and is payable over 20 consecutive calendar weeks.
 - Eligibility for Additional TRA requires that a worker file a bona fide application for TAA training within 210 days after the date the worker is covered by a TAA certification or, if later, within 210 days after the date of the worker's total or partial separation.
- *Shorter Timeframes to Enroll in Training:* In order to remain eligible for TRA, workers certified under Reversion 2014 must enroll in training no later than the later of: 1) the last day of the 8th week following the date in which the certification covering the worker was issued by the Secretary; or 2) the 16th week following the day in which the worker was most recently totally separated from adversely affected employment;
- *Fewer Waivers of Deadlines:* The waivers of the requirement to be enrolled in training in order to receive Basic TRA available under Reversion 2014 remain limited to: 1) Health, 2) Enrollment Unavailable, and 3) Training Not Available.
- *No Application of Federal Good Cause :* Using Federal Good Cause to waive the deadlines relating to time limitations on filing an application for TRA or enrolling in training are eliminated in Reversion 2014; and
- Other changes as explained in TEGP No.7-13.

FY 2015 Legislative Proposal

The FY 2015 President's Budget proposes the New Career Pathways Program (NCP) that will include a universal set of services where the focus is on helping all dislocated workers whether trade impacted or not find new jobs. This program would consolidate and improve upon the benefits and services offered through the Trade Adjustment Assistance (TAA) and Workforce Investment Act (WIA) Dislocated Worker (DW) programs, offering a new path to reemployment for qualified dislocated workers, regardless of the cause of their dislocation.

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The NCP streamlines administrative steps and integrates proven practices, service delivery platforms, systems and infrastructure of TAA and WIA DW programs to create the availability of a universal suite of reemployment and training services to a broader number of unemployed workers. All dislocated workers would receive high-quality job-search assistance, and those workers who had worked with their previous employer for three years or more would have access to income support and up to two years of skills training for high-growth and in-demand industries. To assist older workers in becoming reemployed faster, wage insurance is also available under this new program.

Upon enactment of NCP, the Administration's funding request for TAA in FY 2015 will be reduced to reflect transition to the new program. The NCP proposal includes a phase-out provision for TAA, so that workers covered under a petition filed on or before December 31, 2014, will continue to be eligible for TAA, and workers covered under a petition filed subsequent to that date would be eligible under NCP.

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FY 2014

The FY 2014 enacted level funds FUBA at \$656,000,000. Since FUBA is a mandatory appropriation, a reduction under the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), commonly known as the Sequester, applied. This reduction totaled 7.2 percent of the enacted appropriation, which is \$47,232,000. As in FY 2013, the reduction will be entirely taken from TAA Training. After sequestration, enacted funding for TRA is \$270,500,000, \$306,268,000 for Training and Other Activities, and \$32,000,000 for A/RTAA.

In FY 2014, the Department assumed Reversion 2014 would apply to petitions filed after December 31, 2013 and certified on or before December 31, 2014, while the 2002, 2009 and 2011 programs continued for workers whose petitions were filed under those programs. Amounts for TRA and A/RTAA are based on demand estimates for these benefits. TRA costs are expected to increase since the extension of the Emergency Unemployment Compensation (EUC) program, enacted under the American Taxpayer Relief Act of 2012 (P.L. 112-240), expired on January 1, 2014. Therefore, EUC payments will not continue to substitute for TRA payments for many TAA participants in FY 2014, which may increase TRA.

FY 2013

For FY 2013, ETA was appropriated \$797,000,000, a decrease of \$303,100,000 over FY 2012. This amount included \$189,000,000 for TRA, \$575,000,000 for Training and Other Activities and \$33,000,000 for A/RTAA. The Budget Control Act of 2011 (BCA) amended the BBEDCA to require reductions in budgetary authority, known as sequestration, beginning on January 2, 2013, unless Congress passed and the President signed a bill reducing the deficit by at least \$1.2 trillion over 10 years. The American Taxpayer Relief Act of 2012 (ATRA) amended the BBEDCA to delay the sequestration implementation date from January 2, 2013, to March 1, 2013. As required by the BBEDCA, as amended by ATRA, the President issued a sequestration order on March 1, 2013, under which the FUBA appropriation was subject to a 5.1 percent reduction.

The amount of the entire reduction (\$40.6 million) was applied to the Training and Other Activities portion of the FY 2013 FUBA appropriation reducing the amount of funds available for the Training and Other Activities to \$534,400,000 in FY 2013, from \$575,000,000. The remaining funds remained at the estimated levels of \$189,000,000 to allow for increases in TRA as workers triggered off of EUC and \$33,000,000 for A/RTAA.

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DETAILED WORKLOAD AND PERFORMANCE				
	FY 2013 Enacted		FY 2014¹ Enacted	FY 2015 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				
Six Months Average Earnings (TAA)	\$13,660.00	\$18,966.00	\$19,799.00	\$20,149.00
Entered Employment Rate (TAA)	58.90%	69.90%	71.10%	71.50%
ETA- TAA- 02 Employment Retention Rate (Trade Adjustment Assistance)	83.60%	91.00%	91.20%	91.20%
Individuals in TAA	80,326	84,529	66,115	114,392
Cost per participant	\$9,922.00	\$9,395.00	\$9,922.00	\$9,922.00

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

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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Workload and Performance Summary

The Trade Adjustment Assistance for Workers (TAA) program benefits include job training, job search and relocation allowances, income support in the form of Trade Readjustment Allowances (TRA), and wage subsidies for workers age 50 and older. TAA participants come from a variety of backgrounds and industries, and therefore, enter the program with a wide array of skills and experiences. Many TAA participants face challenges including the lack of a post-secondary degree, long-term experience performing a specific job that may no longer exist, and an average age of 46.

To measure the program's progress towards returning trade-affected workers to the workforce, the TAA program uses the three Federal job training program common measures: Entered Employment Rate, Employment Retention Rate and Average Earnings. These performance indicators measure whether TAA participants entered the workforce after exiting the program, retained their employment, and were employed in well-paying jobs.

- Entered Employment Rate: Percent of TAA participants who were employed in the first quarter following the calendar quarter in which the workers ceased receiving benefits and services.
- Employment Retention Rate: Percent of TAA participants who are employed in the first, second, and third quarters following the calendar quarter in which the workers cease receiving TAA benefits and services.
- Six Months Average Earnings: For those TAA participants that received wages in the first, second and third quarters following program exit, the combined earnings in the second and third quarters, following the quarter in which the workers ceased receiving TAA benefits and services.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted¹	FY 2015 Request	Diff. FY15 Request / FY14 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	756,353	608,768	710,600	101,832
	Total	756,353	608,768	710,600	101,832

¹ Reflects sequestration reduction to mandatory budget authority pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended.

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CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments \$0

Grants, subsidies, and contributions 0

Built-Ins Subtotal \$0

Net Program \$101,832

Direct FTE 0

	Estimate	FTE
Base	\$608,768	0
Program Increase	\$121,500	0
Program Decrease	-\$19,668	0