

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION OTAA
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**ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 24-20,
CHANGE 1**

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE LIAISONS
AFFILIATE AMERICAN JOB CENTER MANAGERS
COMPREHENSIVE AMERICAN JOB CENTER MANAGERS
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE BOARD CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS
STATE UI DIRECTORS
RAPID RESPONSE COORDINATORS
TRADE ADJUSTMENT ASSISTANCE LEADS

FROM: BRENT PARTON /s/
Acting Assistant Secretary

SUBJECT: Change 1 to Operating Instructions for Implementing the Reversion Provisions of the Amendments to the Trade Act of 1974 Enacted by the Trade Adjustment Assistance Reauthorization Act of 2015

- Purpose.** To update operating instructions, previously issued in Training and Employment Guidance Letter (TEGL) No. 24-20 to State Workforce Agencies or agencies designated by Governors as “Cooperating State Agencies” (CSAs or “states”) regarding the allowability for Trade Adjustment Assistance (TAA) Program funds for employment and case management services under the reversion provisions of the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015) and the Trade Adjustment Assistance Reform Act of 2002 (TAARA 2002). This Change 1 revises the operating instructions that apply to the use of funds and on the provision of employment and case management services¹ to adversely affected workers covered by petitions filed on and after July 1, 2021. This version of the TAA Program is described herein as “Reversion 2021.”

¹ See [20 CFR § 618.300 through § 618.360](#) for additional information on employment and case management activities, including requirements states must meet, under the Governor-Secretary Agreement at § 618.804, to integrate the provision of benefits and services available to trade-affected workers under the TAA Program with the delivery of employment and case management services and other assistance provided through the American Job Center (AJC) network (established under title I of WIOA), as required by sections 235 and 239(a), (e), and (g) of the Trade Act. Further information is provided in those sections including states’ responsibilities for the delivery of these services, and the specific activities available under employment and case management services.

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2. **Action Requested.** CSAs are to implement the policy change set forth in this Change 1 to the Operating Instructions provided in TEGL No. 24-20 for workers covered under petitions filed on or after July 1, 2021. Additionally, CSAs must continue to administer the 2002 Program, the 2009 Program, the 2011 Program, and the 2015 Program, in accordance with existing regulations and, where applicable, prior guidance. States must inform all appropriate staff of the contents of this Change 1. Although the TAARA 2015 program expiration provision requires that the Department will no longer accept petitions for Trade Adjustment Assistance as of July 1, 2022, States are required to continue serving those adversely affected workers from worker groups certified prior to that date.
3. **Summary and Background.**
 - a. Summary – The TAA Program is a federal entitlement program that assists U.S. workers who lost their jobs as a result of foreign trade. On July 1, 2021, the TAA Program began operating under Reversion 2021. TEGL No. 24-20, explained States could not use TAA Program Training and Other Activities (TaOA) funds for the provision of employment and case management services under Section 235 for workers covered by Reversion 2021 certifications. This TEGL updates that guidance and informs States of a new interpretation of Section 235 of the Trade Act that allows states to use TAA Program funds to provide employment and case management services in the same manner as those services are currently provided for trade-affected workers under the 2009 through 2015 programs, using established state practices for all certified worker groups and for outreach activities. To the extent that this TEGL conflicts with the guidance located in TEGL 13-21 on the use of TaOA funds, this TEGL supersedes it.
 - b. Background – Section 235 of the Trade Act, as amended, provides for the Secretary to “make every reasonable effort to secure” employment and case management services for adversely affected workers. Every adversely affected worker is entitled to receive employment and case management services; however, due to the Department’s long-standing interpretation of Sec. 235, states could not use TAA Program funds to pay for the provision of such services to workers covered by petitions filed under the 2002 and Reversion 2021 programs. Rather, the Department encouraged states to provide employment and case management services to affected workers using alternative funding sources, such as Workforce Innovation and Opportunity Act (WIOA) or Wagner-Peyser Act Employment Service program funding. This guidance informs states that effective immediately, a new interpretation of Section 235 of the Trade Act, as amended, provides for the use of TAA Program funds in the provision of employment and case management services, as provided for in Subpart C of 20 CFR 618, for all trade-affected worker groups covered by certified petitions, regardless of the version of the TAA Program in effect when the petition covering the worker group was filed.
4. **Policy Change.** This policy change is a departure from the longstanding interpretation of Sec. 235 and will modernize the implementation of the termination provisions in a way that is operationally practical and considerate of States’ responsibilities for carrying out the TAA Program, while promoting equity among TAA participants. It ensures all certified worker groups have equal access to TAA-funded employment and case management services

regardless of the program in effect at the time the petition covering the worker group was filed. Under the new interpretation of Section 235, states may use TAA Program TaOA funds to cover case manager salaries and expenses and the cost of providing employment and case management services to workers covered by certified petitions filed under the 2002, 2009, 2011, 2015, and Reversion 2021 programs, instead of only the 2009, 2011, and 2015 programs. The regulatory provisions in Subpart C of 20 CFR 618 now apply to all certified worker groups and for outreach activities to these groups of workers. This policy change applies to the use of TAA Program TaOA funds allocated to the states by the Department for FYs 2021 and 2022, and prospectively funds allocated to states in FY 2023, in the delivery of employment and case management services to workers covered by petition numbers 50,000 to 69,999 and 98,000 and above. This guidance supersedes instructions provided in grants management and funds allocation guidance regarding the use of FY 2021 and 2022 TaOA funds and as provided in Notices of Award/Notices of Obligation language governing the use of TaOA funds for those fiscal years.

This policy change is based on statutory language in Section 235 that allows the Secretary to procure employment and case management services through agreements with the states. The Department has concluded states can carry out these activities through the existing agreements with states, authorized under Section 239 of the Act, in the same manner for all adversely affected workers, regardless of the program under which the petition covering the worker was filed. *Nothing in this guidance absolves states of their responsibility to meet the requirement in 20 CFR § 618.860(g), which specifies states must spend no less than 5 percent of a their annual TaOA allocation on employment and case management services.*

Under this policy change, states may use TaOA funds to cover the costs of providing the required employment and case management services described in 20 CFR § 618.300 through § 618.360. This includes outreach to members of certified worker groups and all other allowable costs described in the TAA Program regulations at 20 CFR 618. These services may be provided to workers covered by certified petitions regardless of the version of the TAA Program in effect when the petition covering the workers was filed. As required by the Governor-Secretary Agreements established under Sec. 239 of the Trade Act, TAA Program funds are to be the primary source of Federal assistance to trade-affected workers.

5. **Inquiries.** Please direct inquiries to the appropriate Regional Office.

6. **References.**

- Chapter 2 of Title II of the Trade Act of 1974, as amended (Pub. L. 93-618) (Trade Act) (codified at 19 U.S.C. §§ 2271 et seq.);
- Pub. L. 114-27, Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015);
- Pub. L. 112-40, Trade Adjustment Assistance Extension Act of 2011 (TAAEA);
- Pub. L. 111-5, Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA);
- Pub. L. 107-210, Trade Adjustment Assistance Reform Act of 2002 (TAARA 2002);
- TAA Program Regulations, 20 CFR Part 618, 85 FR 51896 (August 21, 2020);

- Agreement Between the Governor and Secretary of Labor, United States Department of Labor, to Carry Out the Provisions of Subchapters A, B, and C of Chapter 2 of Title II of the Trade Act of 1974, as amended by the Trade Adjustment Assistance Reauthorization Act of 2015;
- TEGL No. 11-02 and Changes 1, 2, and 3: *Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002*;
- TEGL No. 22-08 and Change 1: *Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade and Globalization Adjustment Assistance Act of 2009*;
- TEGL No. 14-20: *Initial Allocation of Fiscal Year (FY) 2021 Trade Adjustment Assistance (TAA) Program Training and Other Activities (TaOA) Funds and Process for Requesting TAA Reserve Funds*;
- TEGL No. 24-20: *Operating Instructions for Implementing the Reversion Provisions of the Amendments to the Trade Act of 1974 Enacted by the Trade Adjustment Assistance Reauthorization Act of 2015*;
- TEGL No. 02-21: *Second Distribution of Fiscal Year (FY) 2021 Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Funds and Process for Requesting TAA Reserve Funds*;
- TEGL No. 14-21: *Fiscal Year (FY) 2022 Trade Adjustment Assistance (TAA) Training and Other Activities (TaOA) Grant Management Guidance*;
- TEGL No. 15-21: *Initial Allocation of Fiscal Year (FY) 2022 Trade Adjustment Assistance (TAA) Program Training and Other Activities (TaOA) Funds and Process for Requesting TAA Reserve Funds*;
- TEGL No. 13-21: *Trade Adjustment Assistance (TAA) for Workers and Alternative Trade Adjustment Assistance (ATAA) and Reemployment Trade Adjustment Assistance (RTAA) Program Operations after June 30, 2022*; and
- U.S. Department of Labor FY 2022 – 2026 Strategic Plan.

7. **Attachment(s)**. None.