Washington State Trade Adjustment Assistance Policy

Policy Number: 3010 (2002)

Policy Title: Job Search Allowance

Effective Date: January 17, 2006

1. Purpose:

To communicate guidance on job search allowances for workers eligible for Trade Adjustment Assistance (TAA) for petitions certified under 2002 rules.

2. Background:

The Trade Adjustment Assistance for Workers Program (TAA program) was first established in the Trade Act of 1974 as a tool to retrain trade impacted workers and help them find suitable employment.

The Trade Adjustment Assistance Reform Act of 2002 (Public Law 107-210) reauthorized and expanded the scope of the TAA program. It also repealed the North American Free Trade Agreement Transitional Adjustment Assistance (NAFTA-TAA) program, which had been added to the TAA program in 1993 to provide benefits to workers who lost their jobs because of trade with Mexico and Canada after NAFTA. The NAFTA-TAA program was no longer necessary because the 2002 amendments extended the same favorable TAA coverage to workers who lost their jobs because of shifts in production to other countries with which the United States had trade agreements, treaties or where there was also a likelihood of increased imports because of shifts in productions to Mexico and Canada.

The 2002 amendments expanded coverage to adversely impacted secondary workers, whose layoffs could be attributed to trade impacts demonstrated by TAA certifications of workers for companies considered upstream suppliers or downstream producers to the certified primary firm. The 2002 Program applies to workers covered under petition numbers TA-W 50,000 – 69,999.

3. Policy:

Certified workers who apply for TAA services may be eligible for Job Search Allowances. Job Search Allowances can cover expenses incurred by participants while seeking employment outside their normal commuting area.

Participants may receive reimbursement for 90 percent of the necessary out-of-area job search not to cumulatively exceed \$1,250. Cumulative expenses for participants with certification numbers **below 50,000** shall not exceed \$800.

These funds are to assist participants in securing work within the United States, when the service provider determines that no <u>suitable work</u> is available in the commuting area in which the worker resides.

a. Conditions and Requirements

- An <u>Initial Assessment</u> must be completed prior to the approval of any request for job search allowances.
- The participant must file a job search allowance application no later than one year (365 days) after the date of their last total separation from adversely affected employment or from the date of their certification, whichever is later.
- Participants enrolled in TAA approved training must file the application no later than six months (182 days) after completion.
- A participant must request approval in writing prior to conducting the out of area
 job search and they must have a <u>scheduled employment interview</u> in order for
 the service provider to approve the request.
- The service provider shall verify the job search interview and will advise the participant of the allowable duration for the out of area job search.
- The participant may use Job search allowances to pay for job search expenses not covered by the prospective employer or other partner programs.
- The service provider shall not reimburse out-of-area job search expenses without original receipts as evidence of actual costs.
- The participant must complete the out-of-area job search within 30 days from the day on which the job search began.
- The service provider shall only reimburse costs for the participant.
- The service provider shall verify the outcome of the out of area job search.
- A worker may request allowances after a Petition for Trade Adjustment
 Assistance has been filed. The service provider shall not reimburse job search
 expenses until it is determined that the participant is covered under a certification
 and all of the conditions for approval outlined in this section have been satisfied.

b. Transportation

The amount allowable for transportation will not exceed the lesser of:

i. 90 percent of the actual cost of a round trip by the most economical public transportation the worker reasonably can be expected to take from the place of residence to the area of the job search; or

ii. 90 percent of the cost per mile at the prevailing federal mileage rate for such round-trip travel by the usual route from the place of residence to the area of the job search

c. Lodging and Meals

The amount allowable for lodging and meals will not exceed the lesser of:

i. 90 percent of the actual cost to the worker for lodging and meals while engaged in the job search; or 45 percent of the prevailing federal rate for lodging and meals for the locality where the job search is being conducted.

d. Maximum Days Allowable

The maximum days allowable for payment of transportation and lodging and meals on an out-of-area job search will be calculated using one of the following formulas:

- i. When a private vehicle is used, the number of allowable days for travel will be calculated by dividing the mileage traveled by 425 miles (this is the expected mileage for a worker to travel in one day). This will determine the number of days that will be allowed for travel to and from the interview.
- ii. One day (more if required by the employer) may be added to the number of days allowed for travel to cover the interview itself. This will determine the total number of days that will be allowed for payment for that job search request; or
- iii. If a commercial carrier (plane, train, or bus) is used, the number of allowable days for travel will be based on the normal scheduled time it takes the carrier to travel from the home destination to the place of the interview and back, plus one day (more if required by the employer) for the interview, if necessary. This will determine the total number of days allowed for payment on the job search request.

e. Advance Payment

Case managers may authorize payment of an advance for up to 60 percent of the estimated job search allowance payable not to exceed \$360 (Except with an individual not yet covered under a certification). The case manager shall not give this advance to the participant until approximately three days prior to the commencement of the verified out-of-area job search.

Upon completion of the out-of-area job search, the participant will provide original receipts to the case manager. From these original receipts, the case manager shall make a determination of the remaining balance or overpayment due.

f. Veteran's Priority of Service

The Trade Adjustment Assistance program will comply with the Jobs for Veterans Act, enacted into Public Law 107-288 on November 2, 2002. Covered veterans

determined eligible for the TAA program must receive priority over non-veterans for the receipt of appropriate services provided under the TAA program.

4. Definitions:

<u>Suitable Work</u>: Suitable work as defined in the applicable state law for claimants for regular compensation i.e., employment in an occupation in keeping with an individual's prior work experience, education, or training...or employment the individual would have the physical and mental ability to perform -- *RCW 50.20.100*); or Suitable work as defined in the applicable state law provisions consistent with section 202(a)(3) of the Federal-State Extended Unemployment Compensation Act of 1970; whichever is applicable, but does not in any case include self-employment or employment as an independent contractor.

5. References:

- Public Law 107-210, Trade Adjustment Assistance Reform Act 2002
- <u>Training and Employment Guidance Letter (TEGL) 11-02</u>, Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002; <u>Change 1</u>; <u>Change 2</u>; <u>Change 3</u>

6. Supersedes:

None

7. Website:

Workforce Professionals Center

8. Action:

Employment Security Regional Directors and WorkSource Administrators must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

Direct Inquiries To:

Employment System Administration and Policy Employment System Policy and Integrity Division Employment Security Department P.O. Box 9046 Olympia, WA 98507-9046 SystemPolicy@esd.wa.gov