

# Washington State

## Alternate Trade Adjustment Assistance Policy

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**Policy Number:** 3200 (2002)

**Policy Title:** Alternate Trade Adjustment Assistance (ATAA)

**Effective Date:** June 24, 2016

### 1. Purpose:

To communicate the policy on Alternative Trade Adjustment Assistance (ATAA) for petitions certified under 2002 rules (petition numbers TA-W 50,000 – 69,999).

### 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 TAA program had a two-step process. First, a group of workers (or other specified entity) file a petition for certification of eligibility with the Office of Trade Adjustment Assistance (OTAA). Second, workers who are part of a group covered by a certified petition apply individually to a state for benefits and services.

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 It also repealed the North American Free Trade Agreement Transitional Adjustment Assistance (NAFTA-TAA) program, which had been added to the TAA program in 1993 to provide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 amendments also added major features to the TAA program by creating the Health Coverage Tax Credit (HCTC) and the Alternative Trade Adjustment Assistance (ATAA) program for older workers. The 2002 Program applies to workers covered under petition numbers TA-W 50,000 to 69,999.

### **3. Policy:**

Alternative Trade Adjustment Assistance (ATAA) is a wage subsidy demonstration project for workers 50 years of age or older. Some workers in firms with a significant number of workers over age 50, without easily transferable skills, who find reemployment may choose, in lieu of other Trade Adjustment Assistance benefits (TAA), to receive 50% of the difference between their new salary and old salary for two years, up to a maximum of \$10,000.

#### **a. Petitioner Application**

Petitioners shall have the opportunity to request certification under the ATAA program based on the three following criteria:

- i. A significant number of workers in the affected workforce are 50 years of age or older.
- ii. The workers possess skills that are not easily transferable.
- iii. The competitive conditions within the workers' industry are adverse.

#### **b. Eligibility Requirements**

Individual workers must also satisfy the following:

- i. Be covered under a TAA certification.
- ii. Obtain reemployment within 26 weeks after trade affected layoff.
- iii. Be at least 50 years of age.
- iv. Reemployment wages must not exceed \$50,000 annually.
- v. Cannot return to the same job duties with trade affected employer.
  - Also, cannot return to the same division/facility from which separated.
- vi. Reemployment must be full-time (can be multiple employers; must apply separately for each employer).
- vii. Overtime/bonus earnings are not considered when computing ATAA wage subsidy.
- viii. Self-employment or work involving wages plus commission or piecework can be considered full-time if it meets the definition of full-time employment under applicable state law.
- ix. Can reapply for ATAA if subsequent employment is obtained within two years from the date of original reemployment.

**c. Choice**

Eligible workers who choose ATAA may not receive training, Trade Readjustment Allowances (TRA), job search allowances or relocation allowances.

If a participant is receiving ATAA, he or she is also eligible to apply for HCTC.

**d. Appeals**

Participants who receive a written determination denying benefits and disagree with the decision have the right to file an appeal.

- i. To be timely, participants must file their appeals within 30 days of the date of notification or mailing of one of the following decisions:
  - A redetermination of an Entitlement Determination to ATAA; or
  - A determination notice and overpayment assessment of ATAA.
  
- ii. Participants should file their appeals with the TAA service provider’s office or the State Coordinator. TAA service providers should contact the State Coordinator for guidance on processing appeals. The State Coordinator sends the appeal request and supporting documentation to the Office of Administrative Hearings (OAH).

**4. Definitions:**

None.

**5. References:**

- [Public Law 93-618](#), Trade Act of 1974, as amended
- [Public Law 107-210](#), Trade Adjustment Assistance Reform Act 2002
- [20 CFR Part 618](#), TAA Final Rule
- [Training and Employment Guidance Letter \(TEGL\) 11-02](#), Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002; [Change 1](#); [Change 2](#); [Change 3](#)
- [Unemployment Insurance Program Letter \(UIPL\) 24-03](#), Implementation of the Advance Health Coverage Tax Credit (HCTC) for Eligible Trade Adjustment Assistance/Trade Readjustment Allowances (TAA/TRA) Recipients
- Information on ATAA for unemployment insurance staff is contained in section 5930 of the internal, electronic UI Resource Manual (UIRM)

**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.

**9. Attachments:**

None

**Direct Inquiries To:**

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