

Chapter 1 – Background, Performance, and Reporting

Section 1-1: Background

The TAA program is a federal program that assists United States workers who have lost or may lose their jobs as a result of foreign trade. This program provides adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become re-employed. Worker group eligibility is determined by the USDOL in response to a petition for services filed as a result of involuntary job loss.

Currently, four programs are available under TAA:

- 1) The Trade Act of 2002 (petition numbers of 69,999 and below).
- 2) The TGAAA of 2009 (petition numbers of 70,000-79,999).
- 3) The TAAEA of 2011 (petition numbers of 80,000-84,999).
- 4) The TAARA of 2015 (petition numbers of 85,000 and above).

Section 1-2: Performance and Reporting

The TAA program adheres to the Common Measures guidelines and will be a component of Common Measures reporting until further notice by the USDOL.

The TAARA of 2015 created TAA Indicators of Performance (TEGL 5-15). However, detailed information is forthcoming from the USDOL on the implementation of the new measures. The TAA Indicators of Performance are:

- 1) The percentage and number of workers who received benefits under the TAA program who are in unsubsidized employment during the second calendar quarter after exit from the program.
- 2) The percentage and number of workers who received benefits under the TAA program and who are in unsubsidized employment during the fourth calendar quarter after exit from the program.
- 3) The median earnings of workers who received benefits under the TAA program who are in unsubsidized employment during the second calendar quarter after exit from the program.
- 4) The percentage and number of workers who received benefits under the TAA program who obtain a recognized postsecondary credential or a secondary school diploma or its recognized equivalent, during participation in the program or within one year after exit from the program.
- 5) The percentage and number of workers who received benefits under the TAA program who, during a year while receiving such benefits, are in an education or training program that leads to a recognized postsecondary credential or employment and who are achieving measurable gains in skills toward such a credential or employment.

The most recent information regarding TAA performance measures can be obtained by contacting your TAA State Coordinator. The MWAs shall ensure complete and accurate submission of TAA participant-related data through the OSMIS. This data will allow the State to develop federal reports properly reflecting Michigan's efforts.

Participant reporting requirements defined in the E-PMIG remain in effect and apply to all adversely affected workers deemed eligible under the TAA program.

Section 1-3: Merit Staff Requirement

Merit staff requirements as defined in PI 10-21 remain in effect and apply to the delivery of services under all TAA programs.

In accordance with PI 10-21, issued January 26, 2011, all TAA eligibility determinations for TAA benefit eligibility, Job Search Allowances, Relocation Allowances, training approval and/or denial, and waiver of the training requirement must be made by individuals who meet the definition of a merit staff employee.

Under the State of Michigan's partial exemption to the merit-staffing requirement, all TAA services shall be provided by the staff of an MWA or contractor who has met one of the following Employment Services staffing requirements: *a unit of the State of Michigan, a local unit of government, special purpose unit of government, school district, intermediate school district, public community college, or public university.*

Section 1-4: Local Operations

The MWA is required to maintain the following three TAA local policies (in addition to the TAA Manual):

- Satisfactory Progress and Participation.
- Waiver of TAA Training Deadline.
- Protest and Appeals.

In addition, it is suggested that the MWA maintain local policies on the following procedures:

- WBOs.
- Veteran's Priority of Service for TAA.
- Establishment and Review of Training Benchmarks.
- File Management.
- Local Monitoring.
- Co-Enrollment with the WIOA.
- Job Search/Relocation Allowance.
- Local Area Training Approval.

TAA does not stipulate restrictions due to residency or any residency requirement. It is the expectation of the WDA that all eligible adversely affected workers will receive services in the geographic area in which they apply.

Section 1-5: Overpayments

Examples of an Overpayment include:

Mileage reimbursement paid to an adversely affected worker for a holiday or a day for which training was not scheduled.

An adversely affected worker was paid Job Search Allowances, and the MWA discovers the worker was not eligible under TAA.

If the MWA determines that an adversely affected worker has received a payment for which they were not entitled, the adversely affected worker shall be liable to repay the overpayment amount. The MWA is responsible for collecting the following overpayments: Job Search Allowances, Relocation Allowances, mileage or subsistence reimbursement, etc. The MWA is not responsible to take action on TRA overpayments.

If an overpayment is discovered, please contact your TAA State Coordinator for technical assistance.

Waiver of Repayment

Prior to the enforcement of repayment from the adversely affected worker, the MWA must determine if the overpayment may be waived.

If both of the following exceptions apply, the adversely affected worker may be waived from the repayment requirement:

- 1) The payment was made *without fault*; and
- 2) The requirement of such repayment could cause financial hardship for the adversely affected worker (or the adversely affected worker's household, if applicable) when taking into consideration their income, resources reasonably available, and ordinary living expenses.

Collection of Overpayment

If the waiver of overpayment cannot be applied, the MWA must enforce collection of repayment. To collect repayment, MWAs must complete the following steps:

- 1) An official determination is issued in writing (Form TAA-501: *Notice of Determination* may be used).
- 2) Include the request for repayment amount and the deadline on the determination.
- 3) The adversely affected worker must be provided the local Protest and Appeal Policy.
- 4) If the adversely affected worker protests the determination, the local Protest and Appeal procedure should be followed.

Section 1-6: Fraud

Examples of Fraud include:

An adversely affected worker knowingly falsifies an attendance form to receive a transportation payment for the day(s) the worker did not attend TAA-approved training.

An adversely affected worker claims s/he has a qualifying separation to obtain TAA benefits while knowingly falsifying required eligibility documents.

If the MWA suspects that an adversely affected worker may have committed fraud, please contact your TAA State Coordinator. The staff will follow the guidelines as stated in TEGL 2-12 for reporting allegations of fraud, program abuse or criminal conduct.

Fraud

The MWA must evaluate if the adversely affected worker has demonstrated one of the following criteria of fraud:

- 1) Knowingly made, or presented a false statement or representation of fact.
- 2) Knowingly has failed, or caused another to fail to disclose a material fact, which results in a false statement or representation, or for which the nondisclosure, allowed a benefit or payment for which they are not entitled.

Fraud Process

If the MWA has determined that fraud has been demonstrated, the following process should be followed subsequent to contact with the TAA State Coordinator.

- 1) Issue an official determination (Form TAA-501: *Notice of Determination* may be used) in writing to include:
 - a. The fraud/false representation/nondisclosure of material fact, and
 - b. The request for repayment amount and the deadline for the determination, and
 - c. Indicate the implication of fraud by stating: ***“No future TAA services can be provided at any time in the future, regardless of future TAA certifications/eligibility.”***
- 2) Notification to the TRA Unit (Form TAA-319: *Participant Status Report* may be used).
- 3) The adversely affected worker must be provided the local Protest and Appeal Policy.
- 4) If the adversely affected worker protests the determination, the local Protest and Appeal procedure should be followed.

Section 1-7: File Retention

All participant records and supporting documentation must be in compliance with federal regulations pertaining to record retention requirements ([2 CFR 200.333](#)). In general, files must be retained for a period of three years from the date of submission of the final expenditure report.

Section 1-8: EO

The EO requirements as defined in PI 13-23, Change 2, and subsequent changes, must be followed in the delivery of services under each applicable TAA law. Documentation that local EO policies have been provided to participants must be included in all case files.

Section 1-9: Veterans Priority of Service

In general, a veteran is an individual who served in the active military, naval, or air service and was discharged or released from such service under conditions other than dishonorable. This may include National Guard or Military Reserve members who have been discharged from active duty service, but not necessarily from other reserve commitments, such as training.

Veterans' priority of service means that veterans and eligible spouses are given priority over non-covered persons for the receipt of employment, training, and placement services provided under a qualified job training program. Veterans' preference applies to all USDOL-funded employment and training programs, not just when a local area is in limited funds status. Federal law requires that the individual receiving priority must first meet the program's existing eligibility requirements. TEGs 10-09 and 22-04 provide guidance on implementing priority of service, including priority of service for veterans' spouses.

Section 1-10: TAA-Certified Employer Files

The MWA must maintain a file for each TAA-certified employer that is located in the MWA's area. The file must contain the petition certification information, company contacts, and all attempts to contact adversely affected workers (including ongoing attempts to contact adversely affected workers through the expiration of the petition, in the event that the company did not close).