

**UNEMPLOYMENT
INSURANCE
AGENCY**

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Trade Readjustment Allowances (TRA)

Help for those affected by foreign competition and with TAA petitions filed on or after May 18, 2009

Workers who lose their jobs or whose hours of work and wages are reduced because of foreign competition may apply for federal assistance through the federal Trade Adjustment Assistance (TAA) program. Among the benefits they may receive are weekly Trade Readjustment Allowances (TRA), which are payable once they exhaust state unemployment benefits and any extended benefits. Basic TRA benefits can be paid if an individual is enrolled in training, or qualifies for and receives a waiver from training through a Michigan Works! Agency (MWA) Service Center. Additional TRA can only be paid if the individual is participating in an approved training program. There are other TAA benefits for which an individual may qualify if certain requirements are met.

When a company or a group of workers believes foreign competition has adversely affected their jobs, the company, a group of workers, the union, *Michigan Works!* Agency (MWA) staff or the state dislocated worker unit can petition the federal government for TAA benefits. The U.S. Department of Labor (USDOL) will decide whether foreign competition was the major reason for the job cutbacks. If so, USDOL will issue a "certification" and indicate the period during which total or partial job separations will be covered by the certification. *This fact sheet pertains to petitions filed on or after May 18, 2009.*

Applying for Trade Readjustment Allowances

Workers should contact an MWA Service Center to file their TRA applications immediately after being advised that they are covered under a certification. Delays in applying could result in the worker becoming ineligible for TRA.

Qualifying for Trade Readjustment Allowances

To qualify for TRA:

- Workers must be laid off due to lack of work.
- Layoffs must occur on or after the "impact date" of the certification and before its expiration or termination date. This is called the "certification" or "window" period. Or, if the certification is based on findings of the International Trade Commission (ITC), layoffs can occur up to a year before the date the ITC's notice is published in the *Federal Register*.
- Workers must also have had enough qualifying employment with the affected employer. They must have been employed at least 26 weeks, with weekly wages of at least \$30, during the 52 weeks ending with the week of separation. Up to seven weeks of employer-authorized leave may be counted as part of the 26 qualifying weeks. Also, up to 26 weeks of disability benefits paid under a state or federal law can be used to qualify for TRA, as well as 26 weeks of active duty time served by a military reservist.
- A worker must either be participating in or enrolled in training, or must have received a waiver of this training requirement. "Enrolled" means the worker will begin training approved under the Trade Act within 30 days. Workers must enroll by the end of the 26th week following: (1) the week that USDOL issues a certification; or (2) the week of the worker's last qualifying separation. This requirement may be waived for certain specific reasons (*see Waiver of training*).

Waiver of training

During the first series of TRA payments (known as "basic TRA"), workers must be in a training program unless that requirement is waived (set aside) for specific reasons.

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However, to receive any additional weeks of TRA, the requirement cannot be waived and workers must be in training. MWA offices process training approvals and waivers.

Weekly Amount of TRA Payable

Workers are paid TRA at the same weekly benefit amount they received in regular state benefits after their first qualifying separation.

Basic TRA Weeks and Eligibility Period

The eligibility period for basic TRA is 104 weeks. If training includes prerequisite courses or remedial education, the eligibility period is extended to 130 weeks. If workers have a later qualifying layoff due to foreign competition (that is, a layoff that meets the requirements described above under "Qualifying for TRA"), the 104/130-week period will be extended to run from that *later* layoff.

Workers start with a potential of 52 weeks of basic TRA. However, all weeks of entitlement to regular unemployment benefits from the unemployment claim already in effect, or established after their first qualifying separation will be deducted from their total weeks of basic TRA payable. Any state or federal extensions paid based on that unemployment claim will also be deducted. For example, a person who receives 26 weeks of regular unemployment benefits would be entitled to 26 weeks of basic TRA. And, if that person received 20 weeks of an extension based on that same unemployment claim, the basic TRA entitlement is reduced to six weeks.

Additional TRA Weeks and Eligibility Period

The eligibility period for additional TRA begins after either: (1) workers exhaust their basic TRA entitlement; or (2) the eligibility period for basic TRA ends; whichever occurs first. For additional TRA, workers *must* be participating in training approved under the Trade Act. The additional TRA eligibility period lasts for 91 weeks or until the end of approved training, whichever occurs first. A worker could receive up to 78 weeks of additional TRA during the 91-week eligibility period.

Remedial/Prerequisite TRA Weeks and Eligibility Period

If training includes *prerequisite courses or remedial education* and workers are still in TAA-approved training after being paid basic and additional TRA, another set of additional TRA is payable at the rate of *one week of TRA per each week of remedial education – up to 26 weeks. This additional set of benefits is sometimes called remedial or prerequisite TRA.*

Weekly eligibility

All the filing requirements and eligibility requirements that apply to collecting regular state unemployment benefits also apply to TRA. In addition, workers who are not participating in approved training must list three places where they sought employment for each week they claim basic TRA on their certification-by-mail forms. The availability, ability, and seeking work requirements are waived for workers participating in TAA-approved training.

Other Benefits

The Trade Act of 1974, as amended, now authorizes the following:

- A **Health Coverage Tax Credit (HCTC)** program; which is a federal income tax credit for health insurance premiums paid by eligible TAA recipients; and
- A **Reemployment Trade Adjustment Assistance (RTAA)** program for older workers; which provides a wage differential of up to \$12,000 for up to two years. The program is for those 50 years or older who obtain different full-time employment after separation from adversely-affected employment at wages less than those earned in the adversely-affected employment. If workers are in full-time training, the new employment can be part-time but must be at least 20 hours per week.

If you have any questions about TRA benefits, call the TRA/Special Programs Unit at 1-866-241-0152.

DELEG is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.



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