

Alternative Trade Adjustment Assistance (ATAA) Demonstration Project

Established by the Trade Adjustment
Assistance Reform Act of 2002

What is ATAA?

ATTA is a program that provides eligible individuals over the age of 50 who obtain new employment within 26 weeks of their separation with a wage subsidy to help bridge the salary gap between their old and new employment when retraining may not be appropriate. To receive ATAA benefits, workers must be TAA and ATAA certified.

ATAA Benefits

- The State shall pay, for a period not to exceed 2 years, 50 percent of the difference between:
 - the wages received by the worker from reemployment, and
 - the wages received by the worker at the time of separation.
- ATAA payments made to a worker may not exceed \$10,000 per worker during the 2-year eligibility period.

ATAA Benefits

- An *ATAA participant who is receiving an ATAA benefit* is eligible to receive, for a period not to exceed 2 years, a credit for health insurance costs and relocation allowances.
- Workers who begin receiving payments under ATAA cannot receive TRA payments, training and job search allowances.

What Firms are Eligible for ATAA?

In determining whether to certify a group of workers as ATAA eligible the Secretary first determines that all of the criteria for a regular TAA certification are met and shall consider the following additional criteria:

- Whether a significant number of affected workers in the workers' firm are 50 years of age or older;

What Firms are Eligible for ATAA?

- Whether the affected workers in the workers' firm possess skills that are not easily transferable to other employment; and
- The competitive conditions within the affected workers' industry are adverse.

Who is Eligible for ATAA?

A worker who the Secretary of Labor has certified as eligible for the TAA/ATAA program **may elect to** receive benefits under ATAA if the worker:

- obtains reemployment by the last day of the 26th week after the date of separation from the adversely affected employment at wages less than those earned in adversely affected employment;
- is at least 50 years of age at the time of reemployment; and

Who is Eligible for ATAA (continued)?

- earns \$50,000 or less a year in wages from reemployment; and
- is employed on a full time basis (35 hours per week or more). Employment may be with more than one employer;
- does not return to the employment from which the worker was separated (cannot return to the same division/facility separated from, nor do the same or similar work for the employer in another division/facility).

When does ATAA Begin and End?

- Implementation Date - ATAA is effective for petitions filed on or after August 6, 2003.
- Termination Date - No ATAA payments may be made by a State after the date that is 5 years after the date on which such program is implemented by the State.
- Exception - A worker receiving ATAA payments on the termination date shall continue to receive such payments provided that the worker meets the eligibility criteria.

Option Preservation

- While a worker is seeking employment to qualify for ATAA, we must ensure that regular TAA deadlines are met and options are preserved. *The worker must either have a waiver of the training requirement, or be enrolled in approved training by either:*
 - the last day of the 8th week after issuance of the relevant certification covering the worker; or

Option Preservation

- the last day of the 16th week after the worker's most recent qualifying separation, whichever is later.
- If the worker's preferred option is the ATAA program, the worker should be encouraged to take advantage of reemployment services to assist him/her to return to work within 26 weeks of his/her qualifying separation.

Waivers of Training

Training may be waived if it is not feasible or appropriate because of 1 or more of the following:

1. **Recall**-the worker has been notified that he/she will be recalled by the firm from which the separation occurred.
2. **Marketable skills**-the worker possesses marketable skills for *suitable employment*, and there is a reasonable expectation of employment at equivalent wages in the foreseeable future.

Waivers of Training

3. **Retirement**-the worker is within 2 years of meeting all requirements for either: old-age insurance benefits under title II of the Social Security Act; or a private pension sponsored by an employer or labor organization.
4. **Health**-the worker is unable to participate in training due to their health, except that a waiver under this subparagraph shall not be construed to exempt a worker from requirements relating to the availability for work, active search for work, or refusal to accept work under Federal or State unemployment laws.

Waivers of Training

5. **Enrollment unavailable**-the first available enrollment date for the approved training is within 60 days after the date of the determination, or, if later, there are extenuating circumstances for the delay in enrollment.
6. **Training not available**-approved training is not reasonably available to the worker from either governmental agencies or private sources, no suitable training for the worker is available at a reasonable cost, or no training funds are available.

Rapid Response Activities

- Immediate and ongoing dissemination of information on TAA, HCTC, and ATAA, including early intervention measures prior to & following layoff notices.
- Distribution of available printed information.
- Presentations regarding TAA, HCTC, and ATAA to employer and community organizations.

Field Office Activities

- Provide ATAA information at BRI session
- Assist ATAA certified individuals to preserve their options until reemployed
- Obtain ATAA initial applications and supporting documentation
- Send ATAA application and supporting documents to Program Support Trade Act Unit for review, approval, and monthly payment processing

Central Office Activities

- Receive and review initial applications and supporting documentation from Field Offices
- Issue approval, or denial of ATAA eligibility & notify ATAA eligible of procedures to request monthly payments and documentation requirements or appeal rights
- Receive and process monthly payment requests and documentation

Central Office Activities

- Assess ATAA continuing eligibility
- Calculate ATAA annualized wages at separation and reemployment, and ATAA payment amount
- Process and account for ATAA payments
- Report to U.S. DOL on ATAA program
- Develop and distribute ATAA forms and other information

ATAA Required Documentation by Criterion

Criteria	Documentation
1. Be at least 50 at time of reemployment	Drivers License, birth certificate or other appropriate documentation
2. Obtain reemployment by the last day of the 26th week after the worker's qualifying separation from TAA/ATAA certified employment	Verify with a job offer letter , paycheck stub or statement from employer
3. Must not be expected to earn more than \$50,000 annually in gross wages (excluding overtime pay) from the reemployment	Copy of job offer letter, paycheck stub or a statement from employer indicating that annual wages will not exceed \$50,000
4. Be reemployed full-time (35 hrs. per week)	Paycheck stub or statement from employer
5. Cannot return to the employment from which the worker was separated.	N/A

ATAA Application Process

- The ATAA application must be filed within 2 years of the first day of qualifying reemployment.
- The worker must sign a statement on the application indicating that a “choice” has been made and that he/she understands that he/she cannot subsequently switch to the TAA program once he/she begins receiving the ATAA supplement.

ATAA Application Process

- Receipt of the initial ATAA payment represents the individual's decision to choose ATAA and voids the participants rights to retraining, allowances, and TRA
- Correspondingly, once a worker has enrolled in training, he/she forfeits his/her right to ATAA participation.

ATAA Application Process

- Field office staff distribute ATAA application and fact sheet at BRI
- ATAA applicant visits field office to submit completed ATAA application and documentation
- The State TAA Coordinator will issue a written determination of ATAA applicant eligibility for ATAA payments within 5 working days of receiving the application.

ATAA Application Process

- The ATAA applicant has the right to appeal a state determination which denied ATAA benefits in the same manner as provided for in state law for TRA determinations.
- The ATAA eligibility determination date which establishes the 2-year period during which ATAA benefits can be paid will be the date of the first qualifying reemployment.

Continuing Eligibility

- Individuals who continue to meet the eligibility criteria are paid ATAA benefits until a total of \$10,000 in benefits has been received, or a period of 2-years has elapsed since their first qualifying reemployment, whichever occurs first.
- An individual may work for different employers within the 2-year period.
- Employment is not required to be consecutive.

Continuing Eligibility

- ATAA benefits are not payable during periods of unemployment (1 full week without wages). If there is a period of unemployment, workers will need to complete a new Individual Application for ATAA upon reemployment. The worker would be eligible for the *remaining* ATAA benefits to which he/she is entitled. The 2-year eligibility period continues to run from the date of the first qualifying reemployment.

Continuing Eligibility

- If the worker has more than one job, the employment must be at least 35 hours per week. The wages from this employment (all jobs) will be included in the calculation to determine if the worker is expected to reach the \$50,000 annual limit for reemployment wages.
- Each ATAA certified worker must visit a local office in person to provide information and determine initial ATAA individual eligibility.

Continuing Eligibility

- Continuing eligibility will be assessed monthly by UI Technical Unit staff. The worker will provide to the UI Technical Unit, by mail, or by fax, verification of employment and wages. The telephone may not be used for this purpose.
- Once approved, an ATAA payment will be issued. The worker will receive payment for the preceding monthly period, therefore, the worker will not receive payment until after the initial month has been verified.

ATAA Payments

- ATAA payments occur for a period not to exceed 2 years or \$10,000 whichever occurs first.
- ATAA pays 50 percent of the difference between:
 - the wages received by the worker from reemployment; and
 - the wages received by the worker at the time of separation.

ATAA Payments

- When calculating the ATAA payment, the recipient's wages must be annualized on a monthly basis to assure that the recipient's annual wages do not exceed \$50,000. Annual wage calculations will include all jobs in which the worker is employed and constitute at least full-time employment (includes full and part-time work)

Annualized Wages at Separation

- Annualized wages at separation are defined as the annualized hourly rate at the time of the most recent qualifying separation. The annualized wages are computed by multiplying the worker's hourly rate received during the last full week of her/his employment by the number of hours the individual worked during the last full week of employment and multiplying that number by 52. Overtime wages and hours are excluded from the calculation.

Annualized Wages at Reemployment

- Annualized wages at reemployment are defined as the annualized hourly rate for the first full week of reemployment. The annualized wages are computed by multiplying the worker's hourly rate received during the first full week of her/her reemployment by the number of hours the individual worked during the first full week of reemployment and multiplying that number by 52. Overtime wages and hours are excluded from the calculation.

Wage Calculation Methodology

- The calculated *monthly* allotment will be derived as follows:
- Annualized Separation Wages minus Annualized Reemployment Wages divided by 2 equals 50% of the difference between the two periods of wages.
- 50% of the difference between the two periods of wages divided by 12 equals the monthly ATAA wage subsidy.

Wage Calculation Methodology

- If, as a result of the monthly verification exercise, the ATAA participant's hourly wage and/or hours have changed so as to affect the ATAA wage subsidy, the calculation will be repeated and the ATAA payment will be adjusted accordingly.

Wage Calculation Example

Step 1 - Compute Annualized Wage at Separation

- The worker's hourly rate is \$18.00 during his last full week of employment.
- He worked 40 hours per week during his last full week of employment.
- Compute annualized wage at separation ($\$18.00 \times 40 \text{ hours} = \$720 \text{ weekly wage} \times 52 \text{ weeks in a year} = \$37,440 \text{ annualized wage at separation}$)

Wage Calculation Example

Step 2 - Compute annualized wages at reemployment

- The worker's hourly rate at reemployment is \$10.00.
- He worked 40 hours per week during his first full week of reemployment.
- Compute annualized wage at reemployment
($\$10.00 \times 40 \text{ hours} = \$400 \text{ weekly wage} \times 52 \text{ weeks in a year} = \$20,800 \text{ annualized wage at reemployment}$)

Wage Calculation Example

Step 3 - Calculate Monthly Allotment

- \$37,440 (annualized separation wages) minus \$20,800 (annualized reemployment wages) = \$16,640 divided by 2 = \$8,320 which equals 50% of the difference between the two periods of wages.
- Divide \$8,320 by 12 months = \$693.33 monthly ATAA allotment