SECTION 6. TRADE ADJUSTMENT ASSISTANCE

CONTENTS

TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR WORKERS

Trade Adjustment Assistance for Workers (TAA) under sections 221–50 of the Trade Act of 1974, as amended, consists of trade readjustment allowances (TRA), employment services, training and additional TRA allowances while in training, and job search and relocation allowances for certified and otherwise qualified workers. The program is administered by the Employment and Training Administration (ETA) of the Department of Labor through State agencies under cooperative agreements between each State and the Secretary of Labor. ETA processes petitions and issues certifications or denials of petitions by groups of workers for eligibility to apply for TAA. The State agencies act as Federal agents in providing program information, processing applications, determining individual worker eligibility for benefits, issuing payments, and providing reemployment services and training opportunities.

CERTIFICATION REQUIREMENTS

A two-step process is involved in the determination of whether an individual worker will receive trade adjustment assistance: (1) certification by the Secretary of Labor of a petitioning group of workers in a particular firm as eligible to apply; and (2) approval by the State agency administering the program of the application for benefits of an individual worker covered by a certification.

The process begins by a group of three or more workers, their union, or authorized representative filing a petition with the ETA for certification of group eligibility. To certify a petitioning group of workers as eligible to apply for adjustment assistance, the Secretary must determine that three conditions are met:

1. A significant number or proportion of the workers in the firm or subdivision of the firm have been or are threatened to be totally or partially laid off;
2. Sales and/or production of the firm or subdivision have decreased absolutely; and
3. Increased imports of articles like or directly competitive with articles produced by the firm or subdivision of the firm have "contributed importantly" to both the layoffs and the decline in sales or production.

The Omnibus Trade and Competitiveness Act of 1988 (OTCA) amendments expanded the potential eligibility coverage to include workers in any firm or subdivision of a firm that engages in exploration or drilling for oil or natural gas.

The Secretary is required to make the eligibility determination within 60 days after a petition is filed. A certification of eligibility to apply for TAA covers workers who meet the requirements and whose last total or partial separation from the firm or subdivision before applying for benefits occurred within 1 year prior to the filing of the petition. Table 6–1 provides an overview of the number of petitions instituted and certified since 1975.

State agencies must give written notice by mail to each worker to apply for TAA where it is believed the worker is covered by a certification of eligibility and also must publish notice of each certification in newspapers of general circulation in areas where certified workers reside. State agencies must also advise each adversely affected worker, at the time that worker applies for unemployment insurance, of TAA Program benefits as well as the procedures, deadlines, and qualifying requirements for applying. State agencies must advise each such worker to apply for training before or at the same time the worker applies for TRA benefits, and promptly interview each certified worker and review suitable training opportunities available. Table 6–2 summarizes the number of workers certified by major industries since 1975.

QUALIFYING REQUIREMENTS FOR TRADE READJUSTMENT ALLOWANCES

In order to receive entitlement to payment of a trade readjustment allowance for any week of unemployment, an individual must be an adversely affected worker covered by a certification, file an application with the State agency, and meet the following qualifying requirements:

1. The worker's first qualifying separation from adversely affected employment occurred within the period of the certification applicable to that worker, i.e., on or after the "impact date" in the certification (the date on which total or partial layoffs in the firm or subdivision thereof began or threatened to begin, but never more than 1 year prior to the date of the petition), within 2 years after the date the Secretary of Labor issued the certification covering the worker, and before the termination date (if any) of the certification.
2. The worker was employed for at least 26 weeks during the 52-week period preceding the week of the first qualifying separation at wages of $30 or more per week in adversely affected employment with a single firm or subdivision of a firm. A week

of unemployment includes the week in which layoff occurs and up to 7 weeks of employer-authorized vacation, sickness, injury, maternity, or military leave, or service as a full-time union representative. Weeks of disability covered by workmen's compensation and weeks of active duty in a military reserve status may also count toward the 26-week minimum.

TABLE 6–1.—NUMBER OF PETITIONS INSTITUTED AND CERTIFIED AND ESTIMATED NUMBER OF WORKERS PETITIONING AND CERTIFIED FOR TAA, 1975–97

Calendar year	Cases instituted		Cases certified		
	Petitions	Estimated workers	Petitions	Percent [1]	Estimated workers
1975	559	216,173	261	47	114,875
1976	1,057	226,778	457	43	148,030
1977	1,319	229,874	437	33	145,285
1978	1,874	176,877	933	50	168,226
1979	2,306	346,709	1,006	44	234,220
1980	5,571	1,051,364	1,059	19	598,739
1981	1,159	133,924	377	33	32,674
1982	1,063	176,306	280	26	22,988
1983	976	166,604	517	53	60,986
1984	511	44,247	356	70	17,011
1985	1,439	131,102	510	35	34,538
1986	1,887	168,625	920	49	80,610
1987	1,650	194,654	824	50	93,572
1988	2,761	230,541	1,195	43	106,363
1989	1,856	151,744	1,430	77	85,500
1990	1,621	160,793	706	44	75,638
1991	1,781	152,855	790	44	63,953
1992	1,999	128,858	1,321	66	60,190
1993	1,374	168,441	740	54	78,496
1994	1,629	137,242	1,047	64	81,974
1995	1,506	136,029	1,122	74	89,398
1996	1,655	175,962	1,113	68	111,833
1997	1,280	145,856	814	63	108,926

[1] Estimated percent of petitioning workers certified under completed cases; figures are not precise but indicate the trend.

Source: Department of Labor.

3. The worker was entitled to unemployment insurance (UI), has exhausted all rights to any UI entitlement, including any extended benefits or Federal supplemental compensation (if in existence), and does not have an unexpected waiting period for any UI.
4. The worker must not be disqualified with respect to the particular week of unemployment for extended benefits by reason of the work acceptance and job search requirements under section 202(a)(3) of the Federal-State Extended Unemployment Compensation Act of 1970. All TRA claimants in all States are subject to the provisions of the extended benefits "suitable work" test under that act (i.e., must accept any offer of suitable work, actively engage in seeking work, and register for work)

after the end of their regular UI benefit period as a precondition for receiving any weeks of TRA payments. The extended benefits work test does not apply to workers enrolled or participating in a TAA-approved training program; the test does apply to workers for whom TAA-approved training is certified as not feasible or appropriate.

TABLE 6–2.—ESTIMATED NUMBER OF WORKERS CERTIFIED BY MAJOR INDUSTRIES, 1975–97

Industry	Workers (in thousands)
Total estimated number of workers certified	2,562
Certifications by major industries:	
Motor vehicles	808
Apparel	444
Steel	186
Footwear	133
Electronics (including computers)	221
Oil and gas	162
Fabricated metal products	65
Textiles	59
Other	484

Source: Department of Labor.

5. The worker must be enrolled in, or have completed following separation from adversely affected employment within the certification period, a training program approved by the Secretary of Labor in order to receive basic TAA payments, unless the Secretary has determined and submitted a written statement to the individual worker certifying that approval of training is not "feasible or appropriate" (e.g., training is not available that meets the criteria for approval, funding is not available to pay the full training costs, or there is a reasonable prospect that the worker will be reemployed by the firm from which he was separated). No cash benefits may be paid to a worker who, without justifiable cause, has failed to begin participation or has ceased participation in an approved training program until the worker begins or resumes participation, or to a worker whose waiver of participation in training is revoked in writing by the Secretary.

This training requirement to encourage and enable workers to obtain early reemployment became effective under the OTCA amendments as of November 21, 1988; this 1988 amendment replaced a 1986 amendment that instituted a job search requirement as a condition for receiving cash benefits.

CASH BENEFIT LEVELS AND DURATION

A worker is entitled to TRA payments for weeks of unemployment beginning the later of (a) the first week beginning more than 60 days after the filing date of the petition that resulted in the certification under which the worker is covered (i.e., weeks following

the statutory deadline for certification), or (b) the first week after the worker's first total qualifying separation.

The TRA cash benefit amount payable to a worker for a week of total unemployment is equal to, and a continuation of, the most recent weekly benefit amount of unemployment insurance payable to that worker preceding that worker's first exhaustion of UI following the worker's first total qualifying separation under the certification, reduced by any Federal training allowance and disqualifying income deductible under UI law.

The maximum amount of basic TRA benefits payable to a worker for the period covered by any certification is 52 times the TRA payable for a week of total unemployment minus the total amount of UI benefits to which the worker was entitled in the benefit period in which the first qualifying separation occurred (e.g., a worker receiving 39 weeks of UI regular and extended benefits could receive a maximum 13 weeks of basic TRA benefits). UI and TRA payments combined are limited to a maximum 52 weeks in all cases involving extended compensation benefits. Thus, a worker who received 52 or more weeks of unemployment benefits would not be entitled to basic TRA. TRA benefits are not payable to workers participating in on-the-job training.

The eligibility period for collecting basic TRA is the 104-week period that immediately follows the week in which a total qualifying separation occurs. If the worker has a subsequent total qualifying separation under the same certification, the eligibility period for basic TRA moves from the prior eligibility period to 104 weeks after the week in which the subsequent total qualifying separation occurs.

A worker may receive up to 26 additional weeks of TRA benefits after collecting basic benefits (up to a total maximum of 78 weeks) if that worker is participating in approved training. To receive the additional benefits, the worker must apply for the training program within 210 days after certification or first qualifying separation, whichever date is later. Additional benefits may be paid only during the 26-week period that either follows the last week of entitlement to basic TRA or that begins with the first week of training if the training begins after the exhaustion of basic TRA.

A worker participating in approved training continues to receive basic and additional TRA payments during breaks in such training if the break does not exceed 14 days or if the worker was participating in the training before the beginning of the break, resumes participation in the training after the break ends, and the break is provided for in the training schedule. Weeks when TRA is not payable because of this break provision count against the eligibility periods for both basic and additional TRA. Total annual outlays, the number of recipients, and average weekly benefits since 1975 for trade readjustment allowances are summarized in table 6–3.

TABLE 6–3.—TOTAL OUTLAYS FOR TRADE READJUSTMENT ALLOWANCES, NUMBER OF RECIPIENTS, AND AVERAGE WEEKLY PAYMENTS AND DURATION, FISCAL YEARS 1975–97

Fiscal year	Total outlays (millions)	Total number of recipients (thousands)	Average weekly payment per recipient
1975 (4th quarter)	$71	47	$58
1976 [1]	79	62	47
1977	148	111	57
1978	257	155	68
1979	256	132	70
1980	1,622	532	126
1981	1,440	281	140
1982	103	30	119
1983	37	30	120
1984	35	16	139
1985	40	20	133
1986	118	40	144
1987	208	55	155
1988	186	47	165
1989	125	24	175
1990	93	19	164
1991	116	25	169
1992 [2]	43	9	163
1993	51	10	157
1994	120	31	181
1995	143	24	193
1996	166	31	197
1997 (preliminary)	183	31	192

[1] Fiscal year 1976 is the first full year of experience under the program as amended by the Trade Act of 1974.

[2] The 1992 figures for TRA recipients and outlays are abnormally low because of Extended Unemployment Compensation (EUC) payments that were made to eligible workers in lieu of TRA payments. Average duration figures for 1992 are not available.

Note.—The above figures relate only to trade readjustment allowances; administrative expenses and outlays for employment services, training, and job search and relocation allowances are not included.

Source: Department of Labor.

Training and Other Employment Services, Job Search, and Relocation Allowances

Training and other employment services and job search and relocation allowances are available through State agencies to certified workers whether or not they have exhausted UI benefits and become eligible for TRA payments.

Employment services consist of counseling, vocational testing, job search and placement, and other supportive services, provided for under any other Federal law.

Training, preferably on the job, must be approved for a worker if the following six conditions are met:

1. There is no suitable employment available;
2. The worker would benefit from appropriate training;
3. There is a reasonable expectation of employment following training completion;

4. Approved training is reasonably available from government agencies or private sources;
5. The worker is qualified to undertake and complete such training; and
6. Such training is suitable for the worker and available at reasonable cost.

If training is approved, the worker is entitled to payment of the costs by the Secretary directly or through a voucher system unless they have been paid or are reimbursable under another Federal law. On-the-job training costs are payable only if such training is not at the expense of currently employed workers. The 1988 amendments added remedial education as a separate and distinct approvable training program.

The OTCA amendments converted training from an entitlement to the extent appropriated funds were available, to an entitlement without regard to the availability of funds to pay the training costs. As of the 1988 amendments, approved training is an entitlement in any case where the six criteria for approval are reasonably met, up to a $80 million statutory ceiling on annual fiscal year training costs (including job search and relocation allowances and subsistence payments) payable from TAA funds. Up to this limit workers are entitled to have the costs of approved training paid on their behalf. If the Secretary foresees that the $80 million ceiling would be exceeded in any fiscal year, the Secretary will decide how remaining TAA funds are apportioned among the States for the balance of that year.

Costs of approved TAA training may be paid solely from TAA funds, solely from other Federal or State programs or private funds, or from a mix of TAA and public or private funds, unless the worker in the case of a nongovernmental program would be required to reimburse any portion of the costs from TAA funds. Duplicate payment of training costs is prohibited, and workers are not entitled to payment of training costs from TAA funds to the extent these costs are paid from or shared by other sources. Training may still be approved if the fiscal year TAA funding entitlement limit is reached provided the training costs are paid from outside sources.

Supplemental assistance is available to defray reasonable transportation and subsistence expenses when training is not within the worker's commuting distance. This assistance is equal to the lesser of actual per diem expenses or 50 percent of the prevailing Federal per diem rate for subsistence and prevailing mileage rates under Federal regulations for travel expenses.

Job search allowances are available to certified workers who cannot obtain suitable employment within their commuting area, who are totally laid off, and who apply within 1 year after certification or last total layoff, whichever is later, or within 6 months after concluding training. The allowance for reimbursement is equal to 90 percent of necessary job search expenses, based on the same increased supplemental assistance rates described above, up to a maximum amount of $800. The Secretary of Labor is required to reimburse workers for necessary expenses incurred to participate in an approved job search program.

Relocation allowances are available to certified workers totally laid off at time of relocation who have been able to obtain an offer of or actual suitable employment only outside their commuting area, who apply within 14 months after certification or last total layoff, whichever is later, or within 6 months after concluding training, and whose relocation takes place within 6 months after application of completion of training. The allowance is equal to 90 percent of reasonable and necessary expenses for transporting the worker, family, and household effects, based on the same increased supplemental assistance rates described above, plus a lump sum payment of three times the worker's average weekly wage up to a maximum amount of $800. Table 6–4 provides a summary of training, job search, and relocation allowances since 1975.

TABLE 6–4.—TRAINING, JOB SEARCH, AND RELOCATION ALLOWANCES: TOTAL NUMBER OF WORKERS AND OUTLAYS, FISCAL YEARS 1975–97

Fiscal year	Total number			Total outlays (millions)
	Entered training	Job search	Relocation	
1975 (4th quarter)	463	158	44	.....
1976	823	23	26	$2.7
1977	4,213	277	191	4.0
1978	8,337	1,072	631	12.8
1979	4,456	1,181	855	13.5
1980	[1] 9,475	931	629	6.0
1981	[1] 20,366	1,491	2,011	2.4
1982	5,844	697	662	19.4
1983	11,299	696	3,269	36.0
1984	6,821	799	2,220	17.0
1985	7,424	916	1,692	30.2
1986	12,229	1,276	2,292	28.6
1987	22,888	1,709	1,537	49.9
1988	9,538	1,156	1,347	54.4
1989	17,042	863	989	62.6
1990	18,057	565	1,245	57.6
1991	20,093	525	759	64.9
1992	18,582	594	751	70.2
1993 [2]	19,467	802	2,063	80.0
1994	26,484	671	2,306	98.9
1995	26,447	861	1,565	97.8
1996	34,619	719	841	96.6
1997 (preliminary)	23,598	364	612	85.1

[1] Of total workers entering training, 5,640 (59 percent) in 1980 and 18,940 (94 percent) in 1981 self-financed their training costs.

[2] Fiscal year 1993 data are revised.

Source: Department of Labor.

NAFTA WORKER SECURITY ACT

Subchapter D of chapter 2 (section 250) of title II of the Trade Act of 1974 establishes a North American Free Trade Agreement (NAFTA) Transitional Adjustment Assistance Program for Workers

who may be adversely impacted by the NAFTA. Import-impacted workers may also petition for assistance under TAA, but cannot obtain benefits under both programs. Assistance under subchapter D shall terminate after the earlier of September 30, 1998, or the date on which legislation establishing a program providing all dislocated workers with comprehensive assistance substantially similar to the assistance provided under subchapter D becomes effective.

A group of workers (including workers in any agricultural firm) shall be certified as eligible to apply for adjustment assistance under subchapter D if the Secretary determines that a significant number or proportion of the workers in the firm or subdivision of the firm have become or are threatened to become totally or partially separated, and either:

1. Sales and/or production of the firm or subdivision have decreased absolutely, imports from Mexico or Canada of articles like or directly competitive with articles produced by such firm or subdivision have increased, and the increase in imports contributed importantly to the workers' separation or threat of separation and to the decline in the sales or production of the firm or subdivision; or
2. There has been a shift in production by the workers' firm or subdivision to Mexico or Canada of articles like or directly competitive with articles produced by the firm or subdivision.

A group of workers or their union or other duly authorized representative may file a petition for certification of eligibility to apply for adjustment assistance under subchapter D with the Governor of the State in which the worker's firm or subdivision is located. Upon receipt of the petition, the Governor must notify the Secretary of Labor. Within 10 days, the Governor must make a preliminary finding as to whether the petition meets the certification criteria and transmit the petition, together with a statement of the finding and reasons therefore, to the Secretary for action. If the preliminary finding is affirmative, the Governor will ensure that rapid response and basic readjustment services authorized under other Federal law are made available to the workers.

Within 30 days after receiving the petition, the Secretary must determine whether the petition meets the certification criteria. Upon an affirmative determination, the Secretary will issue to workers covered by the petition a certification of eligibility to apply for comprehensive assistance. Upon denial of certification, the Secretary will review the petition to determine if the workers meet the requirements of the TAA Program for certification.

Certified workers under the NAFTA Program receive employment services, training, trade readjustment allowances, and job search and relocation allowances in the same manner and to the same extent as workers covered under a TAA certification, with the following exceptions: (1) the total amount of payments for training costs for any fiscal year do not exceed $30 million; (2) with respect to TRA benefits, the authority of the Secretary of Labor to waive the training requirement does not apply with respect to payments under subchapter D; and (3) to receive TRA benefits, the worker must be enrolled in a training program approved by the Secretary by the later of the last day of the 16th week following the worker's most recent qualifying separation or the last day of the 6th week

after the week in which the Secretary issues a certification covering the worker. In extenuating circumstances, the Secretary may extend the time for enrollment by not more than 30 days.

The NAFTA Program took effect on January 1, 1994. No worker can be certified as eligible to receive assistance under subchapter D whose last total or partial separation occurred before January 1, 1994, except workers whose last layoff occurred after December 8, 1993 (the date of enactment of the NAFTA Implementation Act), and before January 1, 1994, who would otherwise be eligible to receive assistance under subchapter D.

For fiscal year 1996, $66.5 million has been appropriated for NAFTA trade adjustment assistance.

FUNDING OF TAA AND NAFTA PROGRAMS

Federal funds, as an annual appropriated entitlement from general revenues under the Federal Unemployment Benefits and Allowances Account (FUBA), cover the worker's total entitlement represented by the continuation of UI benefit levels in the form of TRA payments. Federal funds also cover payments for training, job search, and relocation allowances, as well as State-related administrative expenses. Funds made available under grants to States defray expenses of any employment services and other administrative expenses. For fiscal year 1996, $279.6 million was appropriated for TAA Program benefit allowances and $66.5 million was appropriated for the NAFTA Program and related administrative expenses.

States are reimbursed from general revenues for benefit payments and other costs incurred under the program. A penalty under section 239 of the Trade Act of 1974 provides for reduction by 15 percent of the credits for State unemployment taxes which employers are allowed against their liability for Federal unemployment tax if a State has not entered into or has not fulfilled its commitments under a cooperative agreement.

TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR FIRMS

Sections 251–64 of the Trade Act of 1974, as amended, contain the procedures, eligibility requirements, benefit terms and conditions, and administrative provisions of the Trade Adjustment Assistance Program for Firms adversely impacted by increased import competition. The program is administered by the Economic Development Administration within the Department of Commerce. Amendments in 1986 under Public Law 99–272 eliminated financial assistance (direct loan or loan guarantee) benefits, increased government participation in technical assistance, and expanded the criteria for firm certification.

Program benefits consist exclusively of technical assistance for petitioning firms which qualify under a two-step procedure: (1) certification by the Secretary of Commerce that the petitioning firm is eligible to apply, and (2) approval by the Secretary of Commerce of the application by a certified firm for benefits, including the firm's proposal for economic adjustment.

To certify a firm as eligible to apply for adjustment assistance, the Secretary must determine that three conditions are met:

1. A significant number or proportion of the workers in the firm have been or are threatened to be totally or partially laid off;
2. Sales and/or production of the firm have decreased absolutely, or sales and/or production that accounted for at least 25 percent of total production or sales of the firm during the 12 months preceding the most recent 12-month period for which data are available have decreased absolutely; and
3. Increased imports of articles like or directly competitive with articles produced by the firm have "contributed importantly" to both the layoffs and the decline in sales and/or production.

The 1988 amendments expanded potential eligibility coverage of the program to include firms that engage in exploration or drilling for oil or natural gas. Unlike the TAA Worker Program, this extension applies only prospectively after August 23, 1988.

A certified firm may file an application with the Secretary of Commerce for trade adjustment assistance benefits at any time within 2 years after the date of the certification of eligibility. The application must include a proposal by the firm for its economic adjustment. The Secretary may furnish technical assistance to the firm in preparing its petition for certification or in developing a viable economic adjustment proposal.

The Secretary approves the firm's application for assistance only if he determines that its adjustment proposal: (a) is reasonably calculated to make a material contribution to the economic adjustment of the firm; (b) gives adequate consideration to the interests of the workers in the firm; and (c) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.

BENEFITS

Technical assistance may be given to implement the firm's economic adjustment proposal in addition to, or in lieu of, precertification assistance or assistance in developing the proposal. It may be furnished through existing government agencies or through private individuals, firms, and institutions (including private consulting services), or by grants to intermediary organizations, including regional Trade Adjustment Assistance Centers. As amended by Public Law 99–272 in 1986, the Federal Government may bear the full cost of technical assistance to a firm in preparing its petition for certification. However, the Federal share cannot exceed 75 percent of the cost of assistance furnished through private individuals, firms, or institutions for developing or implementing an economic adjustment proposal. Grants may be made to intermediate organizations to defray up to 100 percent of their administrative expenses in providing technical assistance.

The Secretary of Commerce also may provide technical assistance of up to $10 million annually per industry to establish industry-wide programs for new product or process development, export development, or other uses consistent with adjustment assistance objectives. The assistance may be furnished through existing agencies, private individuals, firms, universities, and institutions, and by grants, contracts, or cooperative agreements to associations,

unions, or other nonprofit organizations of industries in which a substantial number of firms or workers have been certified.

FUNDING

Funds to cover all costs of the program are subject to annual appropriations to the EDA of the Department of Commerce from general revenues. For fiscal year 1996, a total of $8.5 million was appropriated for the program.

LEGISLATIVE HISTORY

The Trade Adjustment Assistance (TAA) Programs were first established under the Trade Expansion Act of 1962 for the purpose of assisting in the special adjustment problems of workers and firms dislocated as a result of a Federal policy of reducing barriers to foreign trade. As a result of limited eligibility and usage of the programs, criteria and benefits were liberalized under title II of the Trade Act of 1974, Public Law 93–618. The Omnibus Budget Reconciliation Act of 1981 (OBRA), Public Law 97–35, reformed the Program for Workers. The amendments, particularly in program eligibility and benefits, were intended to reduce program cost significantly and to shift its focus from income compensation for temporary layoffs to return to work through training and other adjustment measures for the long-term or permanently unemployed. The OBRA also made relatively minor modifications in the Firm Program. Most amendments became effective on October 1, 1981. Both programs were extended at that time for 1 year, to terminate on September 30, 1983.

Public Law 98–120, approved on October 12, 1983, extended the Worker and Firm TAA Programs for 2 years, until September 30, 1985. Sections 2671–2673 of the Deficit Reduction Act of 1984, Public Law 98–369, included three provisions which amended the Program for Workers to increase the availability of worker training allowances and the level of job search and relocation benefits, and amended the Program for Firms to increase the availability of industrywide technical assistance.

The termination date of the Worker and Firm TAA Programs was further extended under temporary legislation in the first session of the 99th Congress (Public Laws 99–107, 99–155, 99–181, and 99–189) until December 19, 1985. The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Public Law 99–272, approved April 7, 1986, reauthorized the TAA Programs for Workers and Firms for 6 years retroactively from December 19, 1985, until September 30, 1991, with amendments.

Sections 1421–1430 of Public Law 100–418, the Omnibus Trade and Competitiveness Act of 1988 (OTCA), enacted on August 23, 1988, made significant amendments in the Worker TAA Program, particularly concerning the eligibility criteria for cash benefits, funding, and administration. A training requirement as a condition for income support to encourage and enable workers to obtain early reemployment became effective as of November 21, 1988. This replaced a 1986 amendment that instituted a job search requirement as a condition for receiving cash benefits. The amendments also expanded TAA eligibility coverage of workers and firms, contingent

upon the imposition of an import fee to fund program costs (statutory preconditions for imposition of an import fee were never met). Public Law 100–418 extended TAA Program authorization for an additional 2 years until September 30, 1993.

Section 136 of the Customs and Trade Act of 1990, Public Law 101–382, approved on August 20, 1990, extended the completion and reporting period for the supplemental wage allowance demonstration projects for workers required by the 1988 amendments. No other amendments affecting the TAA Programs were enacted in the 101st Congress. Section 106 of Public Law 102–318, to extend the Emergency Unemployment Compensation Program, provided for weeks of active military duty in a reserve status (including service during Operation Desert Storm) to qualify toward the minimum number of weeks of prior employment required for TAA eligibility. No other changes were made to the program during the 102d Congress.

Section 13803 of the Omnibus Budget Reconciliation Act (OBRA 1993) of 1993, Public Law 103–66, approved August 10, 1993, reauthorized the TAA Programs for Workers and Firms for an additional 5 years through fiscal year 1998, with assistance to terminate on September 30, 1998. Section 13803 of the OBRA 1993 also reduced the level of the "cap" on training entitlement funding from $80 million to $70 million for fiscal year 1997 only.

Sections 501–6 of the North American Free Trade Agreement (NAFTA) Implementation Act, Public Law 103–182, approved December 8, 1993, set forth the "NAFTA Worker Security Act," establishing the NAFTA Transitional Adjustment Assistance Program for Workers as a new subchapter D (section 250) under chapter 2 of title II of the Trade Act of 1974. That special program went into effect on January 1, 1994, and will terminate on the earlier of September 30, 1998, or the date a comparable comprehensive dislocated worker program becomes effective.