



NEW YORK STATE WORKFORCE DEVELOPMENT SYSTEM TECHNICAL ADVISORY

Workforce Development System Technical Advisory # 04-6.5

TO: Workforce Development Community

DATE: October 5, 2011

SUBJECT: **REVISED** Guidance regarding the TAA/TGAA Program Funding Caps Under the Trade Act Programs (the Trade Adjustment Assistance [TAA] Program and the Trade and Globalization Adjustment Assistance [TGAA] Program)

Purpose:

The purpose of this Technical Advisory (TA) is to modify the TAA/TGAA funding cap guidelines outlined in TA# 04-6.4 issued July 28, 2009. This TA supersedes previously issued advisories related to the TAA/TGAA program funding caps.

Action:

Effective September 12, 2011, the TAA/TGAA funding caps on approved training programs have increased to:

- Training Programs up to 52 instructional weeks – \$10,000
- Training Programs that exceed 52 instructional weeks – \$20,000

Exceptions to the TAA/TGAA funding caps will be considered by the State on a case-by-case basis when:

- It is determined that the program is the best fit;
- It is not available at another training provider at a lower cost;
- All available funding sources have been investigated and utilized to the maximum extent possible; and
- The program has the Workforce Investment Board Director's recommendation of support.

Employer contributions, school scholarships, Tuition Assistance Program (TAP), and any other funds that can be used only to cover tuition are to be used in the first instance. TAA/TGAA funds should be used next. If the total cost of training exceeds the combined total funds available through employer contributions, school scholarship, TAP, other funding sources that can only be used for tuition, and the TAA/TGAA programs,

the training program can be approved only if other funding streams, such as but not limited to Workforce Investment Act (WIA), ACCESS (formerly known as VESID) or Pell, are available to fully-fund the program. Trade-entitled customers cannot pay for any portion of their training program with funds personal to the trade-entitled customer, relatives, or friends. This includes personal or student loans, used to cover any portion of the training program, because the trade-entitled customer is required to pay back these loans. NOTE: Trade-entitled customers can take out personal or student loans for other expenses, but not to pay for any portion of the training program that is covered under the TAA/TGAA programs.

To ensure our TAA/TGAA allocation allows the maximum number of trade-entitled customers receive training assistance, training programs must include only the required courses or certificates required to work in the customer's chosen occupation and at the most reasonable cost possible (i.e., one training program that leads to a single occupational goal at the most reasonable cost possible). To be good stewards of our federal allocation; and to comply with regulations, we must only approve programs that are determined to be ones that are at the most reasonable cost considering the customer's individual circumstances. This means that we may not be able to approve the customer's first choice of training providers (i.e., training at a private or for-profit proprietary school may not be approvable when the same education/ skills can be attained from a different training provider at a more reasonable cost).

These changes were made to ensure trade-entitled customers can take full advantage of the benefits received through participation in TAA/TGAA approved training that will lead to a reasonable expectation of employment upon completion and ensure our TAA/TGAA funding caps sufficiently cover the reasonable cost of training in all localities.

Background:

TA #04-6.4 issued July 28, 2009 raised the TAA/TGAA funds caps to support individual occupational and On-the-Job training to:

- \$15,000 for training plans that exceed 52 instructional weeks; and
- \$8,250 for a training plan up to 52 instructional weeks.

TA#04-6.4 also included guidance regarding the operating instructions for the TGAA Act of 2009 outlined in Training and Employment Guidance Letter (TEGL) No. 22-08 that requires States to: (1) ensure training caps are sufficient to cover the reasonable cost of suitable training for high growth, demand, and green occupations in all localities to which those caps apply; and (2) allow use of a trade-entitled customer's Pell grant award on a voluntarily basis, allowing the customers to decide whether or not they wish to voluntarily contribute all or a portion of their Pell Grant towards their training program. This meant that, contrary to WIA regulations, use of a trade-entitled customer's Pell grant to offset the cost of TAA approved training programs is voluntary and should be used only if required to fully-fund the trade-entitled customer's program.

Inquiries:

Questions regarding this TA should be directed to the TAA mailbox at laborWDTDTAA@labor.ny.gov

References:

TEGL No. 11-02, Operating Instructions for Implementing the Amendments to the Trade Act of 1974 enacted by the Trade Act of 2002, October 10, 2002

TEGL No. 11-02, change 1, Operating Instructions for Implementing the Amendments to the Trade Act of 1974 Enacted by the Trade Act of 2002, November 06, 2003

TEGL No. 22-08, Operating Instructions for Implementing Amendments to the Trade Act of 1974 Enacted by the Trade and Globalization Adjustment Assistance Act of 2009, May 15, 2009
