**WorkforceGPS**

**Transcript of Webinar**

**Subpart D: Trade Adjustment Assistance (TAA) Final Rule**

**Wednesday, September 2, 2020**

*Transcript by*

*Noble Transcription Services*

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GRACE MCCALL: So without further ado, I'm going to turn things over to one of our speakers for today, Julie Baker, supervisor OTAA/ETA. Take it away, Julie.

JULIE BAKER: Thank you, Grace. And greetings. Good morning and good afternoon to everyone. As we get started, I want to let you know that the speakers' notes are included in the presentation for you to review. You can download the PowerPoint in the file share window and follow along.

MS. MCCALL: Julie, if I could have – just interrupt for one moment. I'm seeing a few people saying that there is no sound. So give me one second. I'm just going to double-check streaming on my end, so give me one moment. (Pause.) I'm going to see. (Pause.) Just start that again. (Pause.)

One moment still. Just trying to reconnect the streaming audio. OK. Let's see if there's any sound. Looking to the chat to see if they can say. We should be back up. All right. I see people saying they can hear us now. All right. Excellent. Thank you very much for your patience. Sorry about that.

Just in case nobody heard before, my name is Grace. If something similar tech-wise happens, please reach out again. In a few business days we're going to have the transcript, recording, and the executive summary up for this event. If you need to download the PowerPoint or any additional files, you can do so in the file share window that's in the bottom right-hand side of your screen.

Welcome to today's event, "Subpart D." I'm going to turn things back over to Julie Baker, supervisor OTAA, ETA. Take it away, Julie.

MS. BAKER: Thank you so much, Grace. So greetings to everyone. Good morning and good afternoon to all.

As we get started, I want to let you know that the speakers' notes to this presentation is included in the PowerPoint that you can download in the file share window and follow along. Please also enter any questions you have throughout this presentation into the chat window. We will answer as we are able. And lastly, please consider having the Final Rule open so you can follow along with the presentation.

I'm Julie Baker. I'm with the Office of Trade Adjustment Assistance, Employment and Training Administration. And I'm going to turn it over to my co-presenter, Jesse Johnson. Over to you, Jesse.

JESSE JOHNSON: Thank you, Julie. Howdy, everybody. Good morning, good afternoon. Today's objectives, we're going to talk about the major provisions, job search allowances, relocation allowances, and federal travel regulations.

First, the major provisions. Subpart D governs job search and relocation allowances, which are authorized, respectively, under Sections 237 and 238 of the act. Subpart D consolidates provisions contained in Subparts D, E, and F of 20 CFR 617, which implement these allowances.

Subpart D largely preserves requirements for job search and relocation allowances, with a few substantive changes regarding a statutory increase to the limit for job search allowance reimbursement per AAW and per certification to $1,250 from $800 previously; an increase in the maximum lump-sum payment for relocation to $1,250 from $800 previously; and the definition of "suitable employment" used in the eligibility requirement for both job search and relocation allowances, explained below. Subpart D also contains procedural changes.

So some major provisions. Consolidates job search allowances and relocation allowances into a single subpart. Codifies updated statutory limits on allowances. Utilization of suitable employment standard instead of suitable work. Continues to require use of the Federal Travel Regulations at 41 CFR 300 through 304. Provides that participants receiving these allowances travel under the same rules as employees of the department. And changes to determinations required for approval of a job search allowance

Subpart D continues to require the use of Federal Travel Regulations, at 41 CFR chapters 300 through 304, in determining amounts for use by states to provide travel, subsistence, and transportation benefits, and establishing specified other requirements to eligible adversely-affected workers.

This is not a new requirement; the department already requires use of the FTR. However, there has been confusion in some states as to what travel requirements apply to the TAA program. Subpart D, in expanding references to FTR, clarifies that workers using job search and relocation allowances are subject to the same federal travel rules as employees of the department.

Now job search allowances. Section 618.400 explains the scope of this Subpart D. This provision is new. It explains that the purpose of job search and relocation allowances is to help adversely-affected workers secure suitable employment and relocate outside their commuting area.

In Section 618.405(a), the department added examples of allowable activities that could be funded under a job search allowance. A non-limiting list of examples of allowable activities was added to the rule, though which activities are allowable may vary depending on the needs of the individual.

Some examples of activities that may be funded with a job search allowance are: travel to and attendance at job fairs and interviews; travel to and attendance at prevocational workshops; making an in-person visit with a potential employer who may reasonably be expected to have openings for suitable employment; completing a job application in person with a potential employer who may reasonably be expected to have openings for suitable employment; going to a local One-Stop, copy shop, post office, or similar entity to print, copy, mail, email, or fax a job application, cover letter, and/or a resume; going to a local One-Stop, public library, community center, or similar entity to use online job matching systems, to search for job matches, request referrals, submit applications/resumes, attend workshops, and/or apply for jobs; and, attending a professional association meeting for networking purposes.

Section 618.405, General, contains general provisions. Paragraph (a) replaces the old reference to "securing a job" with "suitable employment," and contains the list of allowable activities from the last slide.

Paragraph (b) eliminates the reference to the "head of the family." Instead, it authorizes payment to AAW in the family who first applies for the relocation allowance, if otherwise eligible. The department has concluded that this minor change makes it easier for states to administer these benefits by eliminating the need to identify the head of the family.

Section 618.410, Applying for a Job Search Allowance, changes instructions on when to file an application. Under 20 CFR 617.31(b), an AAW who is covered under a petition, who is totally or partially separated, may apply for a job search allowance before or after the department issues a certification.

Section 618.410 changes these procedures to require that a state accept applications for job search allowance only after the department has issued a certification. Further, the department eliminated precertification applications for job search allowances to avoid unrealistic expectations for reimbursement.

For most workers, requiring certification prior to filing a job search application will result in only a short delay in filing and no delay in payment, because only AAWs may receive job search allowances. This approach is similar to that of many assistance programs that do not reimburse individuals for activities conducted with their own funds before the individual becomes eligible for assistance.

So we have a question. Does an AAW need to first apply under Subpart H – 20 CFR 618.820(a), determinations on initial applications under applicable state law – before receiving a job search allowance under this section?

The answer is yes. The worker would have to submit an initial application to establish eligibility because Section 618.410(b) requires that the worker apply for the job search allowance in advance of conducting the activity.

Workers are not eligible for job search or relocation allowances under the TAA program until after a certification is issued and they are determined to be AAWs. The department maintains that it is necessary for states to be aware of the worker's planned job search and relocation activities at the outset, to ensure expenditures will be appropriate.

The requirement that the Federal Travel Regulations apply to AAWs also prohibits eligibility to impacted workers who are not yet covered by a certification. Workers needing job search assistance prior to a petition determination should be referred to WIOA or other partner programs.

Section 618.415, Eligibility for a Job Search Allowance, sets forth the eligibility requirements for job search allowances. Section 237(a)(2)(B) of the act requires, as a condition for receipt of a job search allowance, that the worker cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

In implementing this provision, the department used the same definition of the term "suitable employment" as is used in Subpart F and defined in Subpart A, Section 618.110. This departs from 20 CFR 617.32(a)(4) and 617.42(a)(6), which used "suitable work," applying the state UI law definition of suitable work, as the threshold for approval of job search and relocation allowances.

Section 618.415 paragraph (a) has several changes. Paragraph (a) excludes language on registration for work with the state agency because Section 618.310 already requires states to provide employment and case management services, and the act does not contain this particular registration requirement for job search allowance eligibility.

Paragraph (a)(3) substitutes the term "suitable employment" for "suitable work" and eliminates the reference to long-term duration. Suitable employment may exclude some work – i.e., some low-skilled and lower-paying work – that would qualify as suitable work under state law. Suitable employment is work at a substantially equal or higher level, paying at least 80 percent of the AAW's wage – previous wage.

Suitable employment differs from suitable work because, in most states, suitable work includes jobs with wages, skills requirements, or both, that are lower than those in jobs that would qualify as suitable employment under the act.

Paragraph (a)(3) also adds "employment that pays a wage of at least the 75 percentile of national wages, as determined by the National Occupational Employment Wage Estimates." This alternative ensures that AAWs who can reasonably expect to find a job that otherwise meets the suitable employment definition, except it pays a wage of at least the 75th percentile of national wages rather than paying at least 80 percent of the AAW's previous wage, would still be eligible for job search allowances.

This change will make it easier for workers to qualify for a job search allowance, because fewer local jobs would qualify as suitable employment. The change, however, might make it harder for workers to qualify for a relocation allowance, because, similarly, fewer jobs requiring relocation would qualify as suitable employment.

This difficulty should be mitigated by the fact that workers who find suitable employment with the help of a job search allowance would also be eligible for a moving allowance to relocate to that same suitable employment. The unique economic circumstances of workers adversely affected by international trade is why the department made this change.

This change also would provide administrative consistency and uniformity of interpretation and application of federal law.

The next few slides will walk you through finding the 75th percentile, and the state would use the percentile for the occupation of the job in question. If there are multiple jobs available that might be suitable, the percentile for that specific occupation would apply.

To find the 75th percentile of national wages, as determined by the National Occupational Employment Wage Estimates, visit the U.S. Bureau of Labor Statistics web page, select the appropriate state and occupation for the worker, view the percentile wages, and locate the 75th percentile. (Pause.)

View percentile wage estimates, and locate the 75th percentile, as we've done here. (Pause.) And there's the 75th.

And we have a question. What is the meaning of the phrase "in the area of the job search," as the definition of suitable employment does not mention such a restriction?

States are required to review the availability of suitable employment within the area of the job search. The department largely expects this benefit to be used for workers to travel to in-person interviews or job fairs outside of their commuting area. A state must determine that no suitable employment is available to the worker in the commuting area before approving a job search allowance.

Section 618.415(a)(1) provides the time limits within which an AAW must request a job search allowance. It contains minor rewording for readability, but the requirements are unchanged.

Section 618.415 paragraph (a)(4) establishes that the state determines whether an AAW could reasonably expect to find suitable employment through alternatives to a job search allowance, such as by having an AAW search and interview for jobs through electronic means.

The department added this provision to reflect the cost-saving technological advances of the modern era. There are now countless websites, apps, and online services that connect employers with workers; and many communication technologies make face-to-face discussion via video conferencing simple and inexpensive. By this change, the department is encouraging states and AAWs to use these cost-saving, and possibly equally effective, measures.

Paragraph (a)(5) clarifies that a state may not approve job search allowances if the AAW received a relocation allowance under the same certification, since an AAW must have already obtained work to qualify for the relocation allowance.

Paragraph (a)(6) gives an AAW 30 calendar days to complete a job search.

Paragraph (b) describes when a job search is complete. A job search is not complete until the AAW has received a bona fide – i.e., good faith – offer of employment, or has contacted each employer the AAW has either planned to contact or to whom the AAW was referred by the state agency or One-Stop partner.

Question. What does the "alternatives to being physically present" part of this – let me reread this. I'm sorry. What does the "alternatives to being physically present" part of this provision mean?

The answer, examples of such alternatives would be telephone or video interviews. But this is not an exhaustive list and the department encourages states to innovate in serving workers.

Section 618.420, Findings Required for a Job Search Allowance, explains what a state must find before approving a job search allowance, and further delineates the responsibilities between a liable state and an agent state, when a job search occurs in a different state from the liable state.

Subpart H, Administration by Applicable State Agencies, establishes the responsibilities of the liable state and an agent state. Specifically, Section 618.824 establishes that the liable state makes all determinations on each claim for program benefits; and the agent State pays the costs for job search and relocation allowances.

Paragraph (a) adds the employer contact verification requirement. The department has determined that this requirement, which requires a liable state to verify the AAW's contacts with employers certified by the AAW in the worker's own job search plan or through referrals, more logically fits under the section on required findings.

Give you a moment to read this slide over. (Pause.) Section 618.420 paragraph (b) adds a new requirement that the agent state, when requested by the liable state, must verify with the employer and report to the liable state whether the AAW has obtained suitable employment, or a bona fide offer of suitable employment, and pay the job search allowance.

We have a question. Wouldn't involving the agent state in job search allowances complicate the process and "frustrate a potentially already frustrated affected worker?"

If a worker is traveling outside of the liable state for a job search allowance, but is not accessing or receiving any services in the state he or she is traveling to, then the state to which the worker travels is not an agent state. In that scenario, the liable state is also the agent state.

As liable and agent state responsibilities apply to various types of decisions, the department has aligned the responsibilities in this Final Rule based on years of feedback and requests for technical assistance, as well as reviewing requests for reserve funds. The department has aligned the agent state's provision of services with funding for those services and is assuring the retention of the policies of the liable state to give strength to a seamless transition for the worker.

Further explanation is provided in Subpart H, Section 618.824.

Section 618.425, Amount of a Job Search Allowance, explains how to calculate the amount of a job search allowance and updates the maximum amount available for allowances to the statutory limit of $1,250. It also simplifies requirements by basing allowable travel, lodging, and meal costs on the Federal Travel Regulations, which in the department's judgment are reasonable and necessary in amount.

The lodging and meal allowance is set, by statute, at 90 percent of the lower of actual meal and lodging costs or one-half the applicable prevailing per diem rates in the FTR. Section 618.425 reflects the statutory limit. Section 618.425 also replaces the term "public transportation" with the term "mode of transportation." The reference to public transportation has been unduly limiting, so the department is using this more expansive term.

Question. What is the meaning of the phrase "by the usual route" with respect to the calculation of allowable travel expenses under 20 CFR 618.425(a)(1)?

The department has determined that the phrase "by the usual route" means a route by which most commuters would typically travel. The route is usual if it is a reasonable one and not unduly out of the way.

Section 618.430, "Determination of a Job Search Allowance, requires an AAW to provide supporting documentation upon completion of a job search in order for the state to make payment, and requires the state to reimburse the AAW promptly.

Paragraph (a) eliminates the reference to the state making determinations before or after the department issues a certification covering a worker. This aligns with the rationale for Section 618.410(b), which provides that the state may accept applications for job search allowances only after the department issues a certification.

Consistent with this change, all references in Subpart D are to the AAWs, not to the individuals, as in 20 CFR Part 617. Further, Section 618.410(a) clarifies that job search allowance determinations are subject to the requirements of Subpart H Sections 618.820 – determinations and notice – and 618.828 – appeals and hearings – and requires states to include copies of job search allowance applications and determinations in the AAW's case file. These are changes to ensure proper administration of job search allowances.

618.430 paragraph (b) clarifies, without changing, the conditions for payment of a job search allowance, and a payment – and adding that payment is conditioned on the availability of funds.

Paragraph (c) permits the state to advance up to 60 percent of the cost of an expected job search allowance, but increases the maximum amount of an advance from $360 to $750, which is 60 percent of the statutory dollar limit of $1,250.

Paragraph (d) specifies the evidence an AAW must provide to receive a job search allowance. In cases where the state has advanced the worker more than the allowable amount means the worker must reimburse the state for the difference.

The department aligns the requirements for documentation with the Federal Travel Regulations and the Uniform Guidance at 2 CFR Part 200. At the time of this publication, receipts are required for all lodging and purchased transportation expenses. A receipt is also required for any expenses of $75 or greater.

Now to the job search program. Participation implements Section 637(c) of the act.

A job search program is defined in Subpart A and consists of a job search workshop or a job finding club. A job search program is different than the job search allowance and is governed by a separate statutory provision.

Section 618.435 paragraph (a) provides the requirements for an AAW participating in a job search program to receive reimbursement for the necessary expenses of subsistence and transportation related to participation in an approved job search program.

Paragraph (b) allows a state to approve a job search program if it is provided through WIOA, the public employment service, or any other federal- or state-funded program, and meets the definition provided in Subpart A 618.110, or is sponsored by the firm from which the AAW has been separated.

Paragraph (c) requires the subsistence and transportation costs must be approved, as appropriate, for workers participating in a job search program and the job search program may be within or outside the AAW's commuting area.

Question. Why are transportation and subsistence payments able to be provided for travel within the worker's commuting area in an approved job search program?

A job search program is different than the job search allowance and is governed by a separate statutory provision. Section 237(c) of the act provides an exception to the restrictions provided in Section 237 governing job search allowances. Thus, the statutory prohibition on paying for transportation and subsistence within the commuting area does not apply to a job search program.

MS. BAKER: All right. Thank you so much, Jesse. Any questions on the job search section, go ahead and enter them into the chat window, please.

I think that we have some questions that have come in, but it looks like I can just go ahead and start with relocation allowance. We will get to those in the chat window.

So moving on to relocation allowance, next slide. Section 618.440, Applying for a Relocation Allowance, describes the application process for a relocation allowance but differs from 20 CFR 617.41 on when to file an application.

While paragraph (a) of this section is essentially unchanged, paragraph (b) allows an AAW to apply for a relocation allowance only after the department issues a certification covering that worker. This is consistent with Section 238(a)(1) of the act. This is the same change for job search allowances reflected in Section 618.410, which also does not permit applications until after the department issues a certification.

A State may not issue a relocation allowance or a reimbursement to anyone not covered by a certified petition for any reason. Permitting precertification applications can raise workers' expectations of payments that may not become available.

Paragraph (b) of this section also contains the requirement that the state may approve the relocation only after an AAW files an application and before such worker undertakes the relocation.

And next slide, please. Section 618.445, Eligibility for a Relocation Allowance.

To be eligible for a relocation allowance, the AAW must file an application before either: the later of the 425th day after the date of the certification under which the worker is covered, or the 425th day after the date of the worker's last total separation; or the 182nd day after the date the worker concluded training.

And next slide. So first, Section 618.445 removes the requirement regarding registration with the state agency from the job search eligibility requirements, because the act does not contain a registration requirement for relocation allowance eligibility; and because Section 618.310 of Subpart C, absent from previous regulations, already requires that states make available employment and case management services to all trade-affected workers.

Further, paragraph (a)(5) departs from the previous regulations in three respects. Paragraph (a)(5) substitutes a federal law definition of "suitable employment" for "suitable work" under state law and eliminates the reference to "affording a reasonable expectation of employment of long-term duration," because the concept of long-term employment is substantially included in the definition of "suitable employment."

Paragraph (a)(5) also adds "employment that pays a wage of at least the 75th percentile for national wages, as determined by the National Occupational Employment Wage Estimates." We showed you that under the job search, how to find the 75th percentile.

This alternative ensures that AAWs who obtain or receive a bona fide offer of a job that otherwise meets the suitable employment definition except that it pays a wage of at least the 75th percentile of national wages, rather than paying at least 80 percent of the AAW's previous wage, would still be eligible for relocation allowances.

Therefore, before granting a relocation allowance, the state must determine that an AAW has no reasonable expectation of securing suitable employment in the commuting area. This is consistent with the treatment of job search allowances, and, as explained earlier, is in many states likely to be a higher standard than the old suitable work standard used in 20 CFR Part 617.

Using suitable employment in the eligibility criteria for relocation allowances limits the jobs for which a state may pay a relocation allowance. However, the department has concluded this change would increase workers' options.

The change would permit more AAWs to use a relocation allowance to secure suitable employment or other high-paying employment outside the commuting area, rather than settle for suitable work within the commuting area. And AAWs who are eligible for the job search allowance, and thereby find suitable employment or other high-paying employment, will similarly be eligible to relocate to that same suitable employment by using a relocation allowance.

Next slide. Two other significant differences involve the timing of relocations. First, paragraph (a)(6) simply states the two statutory 182-day time limits for beginning a relocation, instead of stating that an AAW must begin a relocation within a reasonable period. And later elaborating on what is a reasonable period merely by providing the same deadlines as in paragraph (a)(6).

Section 618.445 omits references to reasonable period to begin a relocation because the firm deadlines provided for an AAW beginning a relocation are sufficient, and render moot the references to a reasonable period.

Paragraph (a)(7) requires an AAW to complete the relocation within a reasonable time under the Federal Travel Regulations, while retaining the required factors that a state must consider in determining whether a worker has completed the relocation within a reasonable time.

The second significant difference involves the statutory 182-day time limit in which the relocation must occur. So a little history.

The 2002 program amended Section 238(c)(2) of the act, which requires the AAW's relocation to occur within 182 days after the conclusion of an approved training program, by adding at the end of the provision the alternative condition "if the worker entered a training program approved by the Secretary under Section 236(b)(1) and (2)." That governs supplemental assistance for workers in training outside the commuting area.

So all workers who conclude the TAA approved training must apply for a relocation allowance no later than the 182nd day after concluding such training. And this is in accordance with Sectin 238(a)(2)(E)(ii) of the act and Section 618.445(a)(1)(ii) of the Final Rule.

However, the department interprets Section 238(c)(2) of the act to mean that an adversely-affected worker approved by the state, under Section 618.640(c) and (d), to receive subsistence and transportation payments – also called supplemental assistance – for training at facilities outside the worker's commuting area, must also begin the relocation within 182 days after completing training, the same as the relocation allowance application deadline.

In contrast, adversely-affected workers who are not approved by the state to receive subsistence and transportation payments because they receive training within their commuting area, may begin relocation within 182 days after applying for a relocation allowance. And that effectively permits these workers to begin relocation much later than workers who receive supplemental assistance in training.

And that's a little bit confusing, so I would recommend you take a look at those sections in the Final Rule.

And next slide, please. OK. We have a question here. Regarding the language in 20 CFR 618.445(a)(6)(ii), regarding workers who have completed an approved training program, that conditions the time limit on the workers having received supplemental assistance under 20 CFR 618.640(c) and (d), because the training occurred outside their commuting area. Does this provision allow only workers who completed training with supplemental assistance extra time in which to begin relocation, thus excluding workers who did not receive supplemental assistance?

The answer is, the 182-day period to apply for relocation allowances after the conclusion of an approved training if the worker received supplemental assistance and transportation assistance, is a statutory requirement. It's found in Sections 237(a)(2)(C)(ii) and 238(a)(2)(E)(ii) of the act. The department does not have the authority to establish a different deadline.

And just checking in to see if there's any questions that need to be answered verbally that have come in through the chat. OK. We do have two. Tim, did you want to go ahead and answer some of those?

TIM THEBERGE: I will do so. I'll take five and six here first because I read them.

So the first one says, "Do job search subsistence and travel payments come out of the $1250 job search allowance?" So yes. So for job search allowance, the total maximum benefit that an individual can receive is $1,250; that's per certification.

So most workers are only covered under one certification, so that's the maximum up-to amount that they can receive in benefits for job search allowance. Now, there can be multiple job search allowances or job search activity that occurs under that. But that payment itself is limited to the $1250.

I'm actually going to hold six because I want to make sure we get that one right.

And then the next question had to do with the 75th percentile. So the question is, "In the example on slide 14, the 75th percentile of the major occupational group for management occupations in the D.C. Metro area was shown. Should we be checking the 75th percentile of the major occupational group or the detailed occupation?"

So I'll answer that first. And so you should answer it based on as much information as you have available. So if you have the detailed occupation information, you would check it against that, as opposed to the major occupational group.

The second is, "Should we be checking the national estimates or a specific metro area?" The answer is a specific metro area. You're checking against where the job they are seeking is located, right? So if you're in – and again – if you're in Denver and the person's relocating to Houston or wants to job search in Houston, you're looking at those wages in Houston by comparison to what they were making in Denver. That would be how that plays out.

MS. BAKER: Awesome. That mysterious voice on the phone was Tim Theberge, also with the Office of Trade Adjustment Assistance. And thank you so much, Tim.

I have another question I'm going to take that has come in. This question is, "Does this rule preclude workers that attended 100 percent distance learning?" So training is training. So long as it is an approved training under Subpart F of the Final Rule, it really makes no difference if it is distance learning or regular classroom training.

Here's the thing, though. If you have someone who attended their entire training program 100 percent distance learning, they will not have any subsistence charges or transportation charges. They will not have received any supplemental assistance.

So in that event, you just have to kind check that box and say, OK, they do not fit into the date range provided for those who received supplemental assistance during their training. And you would just give them the timeframe for those who have completed training without supplemental assistance. That's the only thing there.

Just keep in mind that you are looking at their entire training program. And so there may be different components within that entire training program. So we will cover that in Subpart F coming up. We will talk about the different kinds of approvable training.

Okie-dokie. Great. I'm going to move on to the next slide.

Section 618.450, Findings Required for a Relocation Allowance, further delineates the responsibilities between a liable state and an agent state with respect to relocation allowances when a relocation occurs in a different state than the liable state.

Subpart H establishes the responsibilities of the liable state and the agent state. Specifically, Section 618.824 establishes that the liable state makes all determinations on each claim for program benefits, and the agent state pays the costs for job search and relocation allowances.

Section 618.450 paragraph (a)(1), Findings by Liable State, adds a new requirement that, as a condition of approving final payment of a relocation allowance, the AAW is not simultaneously receiving a job search allowance. This is the same prohibition contained in the eligibility requirements in Section 618.445(b).

And next slide. Thank you. OK. Here is 618.450(b), paragraph (b), Assistance by Agent State. So when an AAW relocates to an agent state, the agent state must assist the worker in relocating to that state. It doesn't mean you physically move them to the state. It just means that you provide any assistance that they may ask you for, if they have questions, so on and so forth.

The agent state must assist the worker in completing an application for a relocation allowance with the liable state. The agent state must pay the relocation allowance. And the agent state must cooperate with the liable state in carrying out its activities and functions with regard to relocation applications. For example, when requested by the liable state, the agent state must verify with the employer and report to the liable state whether the worker has obtained suitable employment or a bona fide offer of suitable employment.

And next slide, please. OK. Question. Wouldn't involving the agent state – sorry. Wouldn't involving the agent state in relocation allowances complicate the process unnecessarily and could confuse workers by introducing a party they might otherwise have no need of knowing?

And also, to which of the following situations does this language apply? One, a worker moves to the agent state and then requests a relocation allowance for another move within the agent state; or two, a worker requests a relocation allowance to move from the liable state to the agent state.

So the answer. If a worker is relocating to a state other than the liable state, but not receiving any services in the state he or she is relocating to, then the state to which the worker travels is not an agent state. In that scenario, the liable state is both the liable and agent state and would be responsible for making the payment.

As liable and agent state responsibilities apply to various types of decisions, the department has aligned the responsibilities in this Final Rule based on years of feedback and requests for technical assistance, as well as reviewing requests for reserve funds. The department is aligning the agent state's provision of services with funding for those services and is assuring the retention of the policies of the liable state to give strength to a seamless transition for the worker.

And yes, you have heard this speech before given by Jesse. We are repeating it again in this section.

Further explanation is provided in Subpart H, section 618.824. The department has determined that the previous rules in 20 CFR Part 617 on this topic were incomplete and, by making agent and liable state activities more consistent in this Final Rule, there will be less confusion in the states and reduced requests for technical assistance around those areas.

OK. Before moving on, I just needed to check in with the team here to see if there's any questions that we need to answer. I think we are good for now.

OK. So I am now on the slide for 20 CFR 618.455. And sorry, I kind of lost my visual there, so the team is helping me advance these slides.

So Section 618.455, Determining an Amount of a Relocation Allowance. This section consolidates, reorganizes, and updates the requirements.

A relocation allowance includes, with specified qualifications, 90 percent of the travel and subsistence costs of the AAW and their family to reach their new home, 90 percent of the cost of moving household effects, and a lump sum equal to three times the worker's average weekly wage, not to exceed $1,250. The lump sum maximum reflects the statutory limit.

Section 618.455 requires states to follow the Federal Travel Regulations. Paragraph (a)(1) refers to 41 CFR chapter 301, travel; and paragraph (a)(3) refers to 41 CFR chapter 302, movement of household goods.

Paragraph (a)(2) of this section sets reimbursement amounts for the family's meals and lodging at 90 percent of the lower of their actual meals and lodging costs or one-half the applicable prevailing per diem rates in the Federal Travel Regulations. The current per diem rates can be found at gsa.gov.

Paragraph (a)(4), Lump Sum. As part of the relocation allowance, the worker will receive a lump sum equivalent to three times the worker's average weekly wage, not to exceed $1,250.

Paragraph (b), Reduction, is not new. If the adversely-affected worker is eligible to receive or has received moving expenses from any other source for the same relocation, the state must deduct the amount received from the amount of the relocation allowance, as determined in paragraphs (a)(1) through (3) of this section.

Paragraph (c), Limitation, is also not new. In no case may the state pay a travel allowance for the AAW or a family member more than once in a single relocation.

OK. Next slide. It's a question. Must states follow procurement rules in carrying out 20 CFR 618.455(a)(3)(iii), under which the state may make direct arrangements to relocate a worker's belongings?

So the answer is, states are subject to the Uniform Guidance, which requires states to use their procurement standards.

OK. Again I'm going to take a quick break here and see if the team has any questions that they want to answer over the phone.

MR. THEBERGE: Julie? So this is Tim.

MS. BAKER: Yep.

MR. THEBERGE: I will take one of them now and we'll do the rest at the end. So one of them asks about lodging and meals allowances. This is question 14, for those of us in the presenter chat. It says, "Is it correct that 90 percent of 50 percent of FTR or the less of the two?"

So for both job search allowance and reimbursement, it's 90 percent of allowable costs. So the participant is on the hook for 10 percent of the costs, whatever those happen to be. So in most instances when we're talking about lodging, in almost no instance is the actual cost of lodging going to be less than 50 percent of the per diem. Like, unless they're staying in a camp site in a tent. And even then, I'm not even sure that's going to be close to that.

So in most of these instances you're basing it on 50 percent of the federal per diem for that location. Let's say, for easy math, that's $100. You, the state, is going to pay $90 of that because the – that's the 90 percent. So you do all of the calculations and then apply the 90 percent.

MS. BAKER: Awesome. Thanks, Tim. OK. Moving on to the next slide, household goods.

Section 618.455 paragraph (a)(3)(ii) increases the allowable amount of insurance coverage of such household goods and effects to $40,000 from $10,000. The department determined that $10,000 was no longer an appropriate level of insurance coverage as households' accumulated goods and effects have increased in value due to inflation and rising household incomes since 1987, which is the last time we issued those regulations.

Section 618.455 omits the more detailed provisions for trailers, rental trucks, house trailers, and temporary storage. These detailed requirements are unnecessary and better addressed by the Federal Travel Regulations, or FTR. The department notes that moving a house trailer or mobile home, as permitted under paragraph (a)(3)(i), has special requirements under the FTR, at 41 CFR part 302-10, of which the worker must be notified before planning such a move.

So if you're trying to keep track of what is special, at this point just keep in mind that it's special for house trailers or mobile home moves. But all of this is laid out in the Federal Travel Regulations.

OK. Next slide, Section 618.460, Determinations and Payment of a Relocation Allowance. So this section contains some changes and reorganization. But nothing in Section 618.460 departs from current administration in substance, except for the requirements that an adversely-affected worker be covered by a certification as a condition for the state accepting an application, and that workers submit documentation supporting all lodging, transportation, and meal expenses to be reimbursed by the state.

Paragraphs (a) and (b) contain and somewhat revise requirements. Paragraph (a) omits any reference to determinations before a worker becomes an adversely-affected worker. And this reflects that Subpart D does not provide for applications before the department issues a certification. I think you've been hearing me say this over and over, so I think you'll retain that.

Paragraph (a) also newly requires states to promptly make and record determinations, as well as include copies of job search allowance applications and determinations in the AAW's case file. This provision has no comparable counterpart in the old regulations or in administrative guidance. This is to ensure proper administration of job search allowances and it mirrors the requirement – I'm sorry, this is to ensure proper administration of relocation allowances and mirrors the requirement for job search allowances in Section 618.430(a).

Paragraph (b) in this section is unchanged.

Paragraph (c) specifies what the AAW must provide for expenses to be reimbursed by a state under a relocation allowance. This requires workers to provide documentation in accordance with the FTR and the Uniform Guidance. So at the time of this publication, this includes receipts for all lodging, purchased transportation, and any expense equal to or greater than $75.

Paragraphs (d), (e), and (f) reorganize previous the provisions from 20 CFR 617.48.

With respect to the practice of advancing funds to AAWs related to relocation expenses, the department advises that this is not a new requirement. The goal of this Subpart D is to convey the importance of reducing the financial stress placed on workers as they transition to new employment by reducing their out-of-pocket expenses at a time when they may still be unemployed, and by minimizing delays caused by reimbursement procedures.

The requirement to advanced – I'm sorry, the requirement to advance funds is not optional and states may not apply a percentage limit that is not authorized in this Final Rule. These payments are subject to the overpayment provisions contained in Subpart H at Section 618.832, and workers should be advised of that at the time the advances are paid.

In paragraph (d)(1) of this section, regarding the use of commercial carriers to move a worker's belongings, the department clarifies that, if the state is paying for the commercial carrier, that payment must be made in advance. The payment must be made no earlier than 10 days in advance and no later than at the time of the scheduled shipment. The 10-day advanced payment window was established in order to limit the financial impact on workers during a time of transition to new employment.

Paragraph (e), Lump Sum Allowance. The State must pay the lump sum allowance provided in Section 618.455(a)(4) when arrangements for the relocation are finalized, but not more than 10 days before the earlier of the adversely-affected worker's anticipated departure from his or her old home, or the anticipated date of shipment of the worker's household goods and personal effects.

And paragraph (f), Relocation Completed. An AAW completes a relocation when the worker and family, if any, along with the household goods and personal effects are delivered to the new residence in the area of relocation or to temporary storage.

If the worker moves no household goods and personal effects, then a worker completes the relocation when the worker and family, if any, arrive in the area of relocation and establish a residence in the new area. When a family member is approved for separate travel, the later arrival of such family member does not alter the date on which the state must consider the relocation completed.

OK. We're going to move on to the next section, Federal Travel Regulations. It's really short, so I think this is a good time just to check in with the team, see if there's any questions we might want to answer over the phone.

MR. THEBERGE: Yep. So we do. We have two.

MS. BAKER: OK.

MR. THEBERGE: I will take both of those. So one – they're related. So one said, "Please explain transportation and subsistence payments under job search program." And related to that, "Is a limit on reimbursement for job search program expenses?"

So the answer to both – the answer to the second part is no. So a job search program is different than a job search allowance. A job search allowance is a specific benefit for out-of-area work search activity. There are some other activities you can do under that, but nonetheless, it is for outside of the area and is not the same as a job search program, which has very specific definition and is tied to things like a job search workshop or job finding club or things along those lines. Those are two different things.

So there's a job search program. And again, this is – it's not new. It was very rarely, if ever, used, but it did exist under 617. And that's actually directly from the statute. So it's different from the job search allowance. And when we talk about transportation and subsistence under that, it's the same – you're still following the federal travel regulations, but it's different than the job search allowance provisions or the relocation provisions, if you have questions on that.

So we understand that many states may see that as a new part of the program, even though it's not. So I would encourage you, if you do have individuals – or when you have individuals that can take advantage of that, please get in touch with your regional office and we'll help you walk through what that looks like.

But again, job search program is not the same as a job search allowance.

MS. BAKER: OK. Did you want to talk about – Tim, did you want to talk about that – or did you already talk about the transportation one? I'm sorry, the first one.

MR. THEBERGE: I think I answered both.

MS. BAKER: I think you covered it.

MR. THEBERGE: So again, we're talking about the same thing. A person is still subject to the Federal Travel Regulations. We're talking about mileage to and from, or some other mode of transportation to and from, those job search workshops or networking workshops or job finding clubs. Those types of structured job search programs. That's what we're talking about here is a structured job search program.

And we're going to cover, of those transportation and subsistence costs – and remember that for the job search program those costs can be reimbursed whether it is inside or outside of the worker's commuting area. So that is different than the job search allowances.

MS. BAKER: Awesome. All right. Thank you so much.

OK. I'm going to go ahead and move on to the next section, Federal Travel Regulations. And we will start with the first slide that says "Primary Resource."

So the slide that says "Primary Resource" has a link in it. That is where to find the Federal Travel Regulations. We have a little picture insert; so when you click that link, that's what it looks like. You will see some primary sections there: 41 CFR 300 is general; 41 CFR 301, job search; and 41 CFR 302, relocation.

OK. The next slide is really just a wrapping up slide. I just want to make sure that if all have any questions, this is the time to submit them. We have a few minutes left to kind of wrap up these questions and answers. So I'm going to go ahead and give you a moment to type in any last questions you may have before moving on. (Pause.)

OK. I do want to take the time to clarify one thing. I think that this came up about the 75th percentile, whether it's national or state. You know, I think this might be good. I can't drive, so I'm going to ask somebody else to drive the PowerPoint. Can we back up in the slide show to that 75th percentile again? I'm going to go a little off script here.

And I know, Jesse, you had kind of gone through those slides on the 75th percentile. You don't have to go through that again, but I think it would be great to just quickly go through those three slides and just bring them up on the PowerPoint.

So really how to do it – it will become more clear to you as you actually go through this. I do recommend that you go to the Bureau of Labor Statistics site yourself. You'll see in the instructions for these three slides the link to the BLS website.

Then you need to essentially find the state that the job is located. Locate your state, then locate the kind of big industry that the occupation – I'm sorry, the big industry that the job is under. Then you can narrow it down a little bit more to that specific occupation. And then once you click on that, then you can find the 75th percentile of that occupation within that area.

If you can't narrow it down for some reason, I think we had mentioned before, you can just kind of look at the overall industry. But what we really want you to do is try to get this narrowed down to the specific region. So that's pretty much it. I hope that answers your question.

I do anticipate, because this is new, that you all will have questions about this. I do recommend that if you just can't find it, check with your regional coordinator and they can maybe lend you a hand.

And then thank you so much for those who are driving this PowerPoint. If you want to go back to the wrapping up slide, that would be awesome.

And Tim, I think that you had another question you wanted to take. So over to you. No? I'm sorry.

MR. THEBERGE: No, just a comment. That we overwhelmingly expect the use of the 75th percentile to be an exception rather than the rule. So that's not one we expect that to go – that's not – we don't expect that to be a part you all have to deal with regularly.

MS. BAKER: Yeah.

MR. THEBERGE: But again, please be in touch with your regional offices.

MS. BAKER: Yeah. I mean, absolutely. You're absolutely right, Tim. The main thing here to keep in mind, everyone, is that suitable employment is 80 percent. So it's 80 percent of the previous wages.

If the job that they have gotten or are looking to obtain is within that 80 percent, then you don't need to go to the 75 percent at all. The only time you would go to that 75 percent is if it falls short of 80 percent of their previous wages.

And this is just to check, OK, well, maybe it's a – they can get paid a little less than they were getting paid before. Wow, OK. It's less than 80 percent. Hm. This is the time in which to go check, well, is it within 75 percent of the previous wages? And then you can check.

And if it is within the 75 percent, then that's OK. That means, OK, well, it's just shy of suitable employment, but it's still a high-paying job. So we want to make sure that they get that high-paying job. That's the whole purpose of that 75 percent little flexibility.

If it's not anywhere near that range and you can tell that by just eyeballing the wage numbers, then you don't need to look it up at all. You can just deny it. That's pretty much how it goes. So I hope that helps.

All right. It doesn't really look like we have any questions remaining, so I'm going to go ahead to the next slide, please. Oh, sorry. Go ahead, Tim.

MR. THEBERGE: No, just that we do have one question about effective versus implementation, if you want to give our standard spiel on that.

MS. BAKER: Yep. Absolutely. So this Final Rule was issued in August – August 20th it was published and – or 20th it was put out for public inspection and it was published on August 20th. After that point – or 21st. After that point, it is 30 days for the Final Rule to become effective.

The Final Rule becomes effective on September 21st, 2020. That is basically like flipping a big switch. So everything in the Final Rule becomes effective on September 21st, 2020.

Now, the question is, is that the date the states are required to have all their policies updated to reflect all of the changes in the TAA program? I can tell you that September 21st, 2020 is the date in which you are expected to provide all the benefits and services within this Final Rule to the participants.

If that means that you might be lagging behind a little bit in finalizing and sprucing up your policies and procedures, we would expect that there might be a little bit of delay in implementing everything via policy and procedure. But just keep in mind, that's the effective date. So a participant walks in, they will be expecting to be – we will be expecting that they will be served by everything under this Final Rule.

If you need a little extra time to get your policies and procedures shipshape, then I would recommend that you let your regional Trade coordinator know what you're working on and when you expect it to be done.

We know this is a big ask. It's really one of the reasons why we posted an advance copy of the Final Rule, to give you a little bit of a head start. If you run into difficulty implementing any portion of this, contact your regional coordinator immediately and let them know what you're having trouble with.

OK. Great.

MR. THEBERGE: Just to add –

MS. BAKER: Go ahead.

MR. THEBERGE: – on to that, it's important to note that about 90 percent of this rule is based on existing program requirements. I understand that some of the 10 percent is big stuff, but an overwhelming percentage of this rule is based on the existing operating instructions and existing administrative guidance and even the 617 and 29 CFR 90.

So there's only about 10 percent of what you're doing that will now be different than it was before.

MS. BAKER: Good point. OK. So up on your PowerPoint slide should be resources. These resources include the links to the TAA community on WorkforceGPS. That could be very helpful if you want to discuss some issues in a discussion board. We have a discussion board you can talk to other states, get their input.

We also have a link to the TAA program website. Just keep in mind that that link has changed. We did have a change to our URL, so you might want to check if you have any links to the TAA program on your website or something. You might want to just double-check it's the correct link.

We also have links to the Federal Register of the Final Rule, which you can also download in the file share today. Keep in mind that is 129 pages before you hit the print button.

We also have a link to the official law, which is the 2015 program.

And the next slide, please, which is save the date. We have a number of trainings coming up. We have Subpart E through Subpart I yet to go through. Also, Subpart F is so big, we split it up into two parts and that will be coming up next week. So please see these upcoming trainings. And if you have not already done so, please register at taa.workforcegps.org.

And the next slide is any questions but also gives you a great place to ask your questions. If we didn't have time today to ask (sic) your question, or if you didn't put it in the chat, if you have any questions about the rest of this Final Rule please send your question to your regional coordinator – regional Trade coordinator. But also we have this handy regulations.taa@dol.gov email. And if you submit your question there, we have a team standing by to respond.

And our final slide today is a thank you. And I did want to thank you all very much for attending. And with that, I will turn this back over to Grace.

(END)