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December 14, 2010

House Committee on Ways & Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Members of the Ways & Means Committee:

As a means of addressing the growing number of trade agreements and the exporting of American jobs abroad, the National Employment Law Project supported amendments to TAA passed with the American Recovery and Reinvestment Act. We now urge Congress to pass a reauthorization of “new” TAA before these 2009 changes sunset on December 31, 2010.

Recognizing that not all workers reap the economic benefits of free trade, Congress created TAA to provide essential income supports and training to workers who have lost their livelihoods in trade-impacted industries. However, prior to 2009, TAA failed to keep pace with our changing economy. Training funds remained flat for five straight years, while service employees and workers whose jobs were exported to China and India were ineligible for TAA services.

Between FY 2008 and FY 2009, the overall number of workers covered by TAA certifications grew by nearly 60 percent to 201,053—an increase attributable to the significant number of TAA petitions submitted and approved after the 2009 amendments took effect in May 2009. Within four months of the new provisions taking effect, service sector workplaces accounted for nearly one out of five TAA certifications. As a result of broadened eligibility and training funds available, enrollment increased to 58,190 in FY 2009 from 38,189 the previous year.

Failure to reauthorize the 2009 changes will result in the elimination of significant improvements in TAA, including:

- Increased Health Coverage Tax Credit from 65 to 80 percent of monthly insurance premiums of laid off workers
- More than doubled training funds from \$220 million to \$575 million a year
- Expanded TAA eligibility for workers whose firms shifted jobs to any foreign country (rather than to just Canada and Mexico)
- For the first time, added TAA coverage for workers in the service industry and public sector (rather than just those workers producing goods)
- Increased the maximum duration of Trade Readjustment Allowances—cash payments for workers enrolled in training—from 130 to 156 weeks

Congress passed the new TAA provisions to help workers better cope with job losses, but the fact remains that these changes were long overdue. The 2009 changes were achieved with bipartisan support in both Houses of Congress and maintaining this achievement in our weak labor market remains

a priority. We ask members of Congress to do what is right for workers and what is best for our nation's economic health by reauthorizing new TAA before it is too late.

Sincerely yours,

A handwritten signature in cursive script that reads "Christine L. Owens". The ink is dark and the signature is fluid, with a large loop at the end of the last name.

Christine L. Owens
Executive Director