OBAMA-BIDEN TRANSITION PROJECT

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Turn Around America
AFL-CIO Recommendations for the Obama Administration

Job Training

This memorandum covers three issue areas:
A. National Workforce Development
B. National Workforce Statistics and Data Collection
C. Trade Adjustment Assistance

A. National Workforce Development

I. Overview of Issue Area

Many federal agencies operate programs to provide workforce development services to unemployed workers, disadvantaged persons, and targeted population groups (such as veterans, Native Americans, Farmworkers, youth, and disabled persons.) The largest number of these programs (17), according to the General Accountability Office, are housed in the Department of Labor (DOL). Of these, the single largest program is the Employment Service, which served more than 13 million participants in Fiscal Year 2007, according to DOL.

II. Orientation for a New Administration

Overall, a new administration should place increased emphasis on national workforce development programs and the formulation of coherent skill development policy. These programs are important because they help to equip workers with a wide range of transferable skills that help them obtain employment, move up on available career ladders, function effectively in high performance work environments, and adjust to plant closings and layoffs by building upon their existing skills to locate new jobs. Skill development programs have the potential to improve labor-management relations, boost productivity, and strengthen employment security and mobility for workers. In an era when globalization and the workings of international trade are pressuring employers to cut costs and improve productivity, a well-training and highly educated workforce helps firms and public agencies make optimal use of advanced technologies, innovative organizational structures, and team-based production methods.

In addition, officials in a new administration should be open to increased involvement of labor unions in federal employment and training programs. Unions have a vital stake in ensuring that skill development programs benefit their members, promote career

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advancement for all employees, and help dislocated workers obtain further education and training to achieve employment security. Active union engagement in skill development programs promotes accountability and improves the capacity of programs to tailor training and education services to the needs of workers. Organized labor historically has pushed for equal representation with business on planning councils and boards as well as meaningful comment and concurrence rights where federal training and employment programs will affect their members. Yet the Workforce Investment Act (WIA) stipulates that only two members of State Workforce Investment Boards be nominated by labor federations.

In 1984, the AFL-CIO Human Resources Development Institute compiled a listing of labor-involved JTPA Title III programs and identified 90 distinct programs operating in 38 states and the District of Columbia. Few labor-operated programs exist today.

III. Key Agencies and Programs

The key federal agency responsible for national workforce development policies and programs is the Department of Labor, especially the Employment and Training Administration (ETA), which oversees a variety of federal employment and training efforts. Notably, DOL administers the Workforce Investment Act, which specifies the allowable activities for adults, dislocated workers and youth; the operation of the Job Corps; amendments to the Wagner-Peyser Act; and grants under the Green Jobs Act, among other programs. The ETA expends funds and sets policy for State Employment Service agencies and provides funding from the Federal Unemployment Tax Act (FUTA) for labor exchange services. Following are program highlights and why they are important to workers.

The cornerstone of the nation's publicly accountable labor exchange infrastructure is the **Wagner-Peyser system**, a federally funded, state-operated system that provides labor exchange and reemployment services, and labor market information, to workers and employers. For workers, Wagner Peyser services include job search and placement assistance, skill assessment, counseling, testing, and labor market information. More specialized services include rapid response for workers who have been dislocated from plant closings, case management and job referrals for persons who are eligible for TAA, and specialized veterans employment services. Until eliminated by the Bush administration, Wagner-Peyser also maintained an extensive national job bank and the state offices conducted labor certification for H-2A and H-2B workers.

Wagner-Peyser funds and the Employment Services represent the backbone of the **One-Stop Centers**, a network of offices established by WIA to coordinate workforce programs in DOL and several other departments (notably, vocational rehabilitation in the Department of Education, TANF in Health and Human Services, and Food Stamp work programs in Agriculture) in workforce investment areas established in states.

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In the Office of National Response, a part of ETA, a **Trade Adjustment Assistance** division includes the investigators who go out into the field after a petition is submitted and determine whether a group of workers will be certified as eligible for TAA services.

The **Job Corps** is a job training and education program for disadvantaged youth, between the ages of 16 and 24, that operates through 122 residential centers in the US and Puerto Rico. Authorized by WIA, the Job Corps serves approximately 62,000 persons annually, providing a combination of career development services, training in more than 100 occupational areas, classroom education, income support and post-graduation placement services. Job Corps centers are operated by private contractors, including non-profit organizations and profit-making enterprises. Technical training in many centers is provided by a network of eight National Training Contractors (NTCs), which include the Masonry Institute, the Operating Engineers, the Painters union, the Plasterers' Joint Apprenticeship Trust, the Transportation-Communications Union, the Carpenters Training Fund, and the UAW/Labor, Employment and Training Corp. These seven labor-related organizations receive about $50 million per year (by sole source contract) to deliver these services, which have been highly successful in placing participants.

In March 2006, a provision in a Congressional appropriations bill moved the Office of the Job Corps out of ETA, where it had been located for many years, to the Secretary's office.

The Green Jobs Act of 2007 amended WIA to provide national and state grants for an Energy Efficiency and Renewable Energy Worker Training Program. The Act is authorized at $125 million per year, with funds to be distributed through the Department's Demonstrations, Pilots and Research account. The AFL-CIO and allied organizations were involved in refining the legislative language that became the Green Jobs Act, and a number of unions (notably those in the building and construction trades) are quite interested in these programs. In June 2008, the House Labor, Health, Education Appropriations Subcommittee had appropriated $22.8 million for Green Jobs training.

IV. Legacy of the Bush Administration

The workforce development system, as it is expressed in programs administered by the Department of Labor, has been under attack since the early days of the Bush administration. In his proposed FY 2003 federal budget, the President proposed deep cuts in programs for dislocated workers, youth, Farmworkers, and apprentices. In recent years, the administration has proposed the elimination of the Employment Service and categorical training programs (for dislocated workers, Farmworkers, youth and others) and the transfer of funds into state block grants to pay for unproven (and not authorized by Congress) Career Advancement Accounts that would reduce the amount of training available to eligible workers. Overall, from the beginning of the administration through the President's FY 2009 proposed budget, WIA Training and Employment Services have lost nearly $2 billion in funding.

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The public labor exchange system operated by state agencies has been weakened by years of neglect and under-funding, practices which have become more severe during the Bush administration. Employer services have withered while reemployment services have become substantially more limited. The administration has encouraged local operators of One-Stop Centers to replace this state function with WIA funds, often using private contractors.

In July 2007, the DOL eliminated America's Job Bank (AJB), a resource that was open to all users and provided a valuable tool for State Employment Security agency staff. A "Job Central National Labor Exchange" is now operated by the National Association of State Workforce Agencies (NASWA) and a non-profit group composed of company officials. A total of 47 states now participate in the NASWA job bank and are expected to link their state job banks it. The loss of AJB has removed an important resource that was open to use by the general public.

An important legacy of the administration has been the failure to reauthorize the Workforce Investment Act and Trade Adjustment Assistance. The administration has repeatedly supported amended WIA legislation that would repeal the Wagner-Peyser Act, eliminate publicly-operated Employment Services, reduce funds for training services, undermine worker protections, and institute block grant programs to reduce the accountability for how federal funds are spent. Similarly, the administration has refused to accept Congressional attempts to broaden the sweep of TAA to encompass all workers who have been adversely affected by federal trade policy. The outcome: neither WIA nor TAA have been reauthorized, and the entire system has been severely damaged by underfunding, neglect, and policy abuses.

V. Key Priorities for a New Administration

a. Priorities for Day 1

1. Regulations. Consider official withdrawal of regulations proposed by DOL on WIA and TAA. For the past two years, Congressional appropriations riders have prohibited DOL from issuing in final form or implementing these regulations.

b. Priorities for First Hundred Days

1. Review of WIA Waivers. The Department of Labor should compile and make available to the public all of the waivers that have been issued to states and local Workforce Investment Boards (WIBs), identifying their content, expiration date and conformity with the WIA statute. The review also should address the effect these waivers have had on the integrity and consistency of the system established by WIA and related programs.

c. Priorities for First Year

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1. Incumbent Worker Training Initiative. In the Department of Labor, launch a "Sector Partnership/Incumbent Worker Training" Initiative that would make competitive grants available to sector skill development partnerships (also known as "Skill Panels" in Washington State, for example, or "Skills Banks" in Ohio) that will identify economic clusters in regions of states and provide funds to conduct planning, develop education and training options, and implement workforce and economic development strategies. Give preference to programs that are operated as joint labor-management partnerships, target incumbent workers for skill upgrading, and propose high-road approaches. Focus on occupations in high-growth industries such as information technology, health care and renewable energy.

2. Assess National Job Bank. Organized labor should assess the functionality of the NASWA job bank and consider improvements that might be made to meet selected policy and programmatic goals in the interests of working people. In light of this assessment, consider whether to recommend to the new administration that AJB be reestablished.

3. Wagner-Peyser and UI. The Department of Labor should conduct a study of the relationship between Wagner-Peyser and the Unemployment Insurance system, focusing on the impact on unemployment insurance claimants of the weakening of reemployment services resulting from reduced funding and the implementation of call centers and electronic filing for benefits.

4. Policy change: OJT. DOL should issue regulations regarding the use of On the Job Training, restricting it to jobs that pay more than the minimum wage.

B. National Workforce Statistics and Data Collection

I. Overview of Issue Area

The federal government collects a vast array of statistics that serve as the basis for research in a number of scientific disciplines and sources of information for public policy decisions. Overall, the collection of data and national statistics is decentralized, spread over more than 70 agencies, each of which spend more than $500,000 yearly on specialized research activities, according to the Council of Professional Associations on Federal Statistics. One subset of this data collection is information on the national workforce, a category that includes data on workforce trends, occupational projections, training available to workers, and the impact of international trade and globalization on employment in particular industries. Taken together, this research provides an overview of the labor market in the United States and whether the supply of skilled workers appears to be meeting the demand of industries for employees.

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The collection of workforce statistics is important to workers because it provides detail about the conditions under which they work and identifies patterns in the labor market that may affect their current jobs, industry trends, and future employment prospects. Employment projections in particular industries and occupational groups offer guidance for young people in career selection, and may point the unemployed and dislocated workers toward the sort of training they need to obtain new jobs or upgrade their skills. Labor market information available through State Employment Security agencies enables job seekers to identify job openings at specific employers in multiple industries, find training and education programs, and review the features of targeted programs for specific groups (such as veterans, young people, older workers, and those interested in volunteer and internship opportunities.) For unions, information about prospective plant closings and mass layoffs may provide the necessary background to avert worker dislocation, offer worker adjustment services to members, and file for Trade Adjustment Assistance benefits. For employers, workforce statistics provide profiles of labor market areas, industries, and the availability of skilled workers, factors that are relevant to decisions about where to start a business or expand their operations.

II. Orientation for a New Administration

Overall, a new administration should *not* assume that the federal government is collecting the statistics that are necessary to provide an accurate picture of employment trends (and unemployment) in the US, or guide young people in their career choices. Rather, they should assume that statistics have been manipulated by the Bush administration to underplay structural problems in the economy – such as the prevalence of plant closings and the decline in manufacturing employment – and obscure industry actions such as the use of offshoring and visas to hire foreign workers. A new administration should approach the statistical research conducted by federal agencies with skepticism, and a desire to take a fresh look at these programs to help American workers and organizations adjust to a turbulent global labor market. A new administration should approach this issue area with a sense of openness, and the willingness to make whatever changes are necessary to help the American economy compensate for major employment trends such as, for example, the prospective retirement of the baby boom generation and the need for skilled workers to make the transition to a green economy.

The approach: a top-to-bottom, comprehensive review by recognized experts of what workforce statistics are collected by federal agencies and how those programs need to be modernized to meet the challenges of a global economy.

III. Key Agencies and Programs

The preeminent agency in this issue area is the Bureau of Labor Statistics (BLS), a part of the US Department of Labor that received $548 million in funding in FY 2007. As Edward J. Spar explains, the BLS has "a dual mission: to provide general purpose statistics that support the formulation of economic and social policy decisions in the

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business and labor communities, in legislation, and other programs affecting labor; and to serve the program needs of the Department of Labor and other federal agencies that use the BLS data and research findings to administer and evaluate on-going programs, develop legislative proposals, and analyze economic and social problems. To meet these objectives, BLS collects, processes, analyzes, and disseminates data on employment and unemployment, projections of economic growth, the labor force, and employment by industry and occupation, prices and cost of living, consumer expenditures, wages and employee benefits, occupational injuries and illnesses, collective bargaining activities, and productivity and technological change in U.S. industries." [1]

The other DOL agency of particular importance regarding national workforce statistics and data is the Employment and Training Administration (ETA), which oversees the implementation of the Workforce Investment Act (WIA) and the provision of Trade Adjustment Assistance services. The work of ETA also impinges on the WARN Act because WARN notices are directed to state Dislocated Worker Units, which obtain WIA resources.

IV. Legacy of the Bush Administration

The Bush administration has sought to eliminate data collection programs that would reflect negatively on the state of the economy. They have sought to privatize informational programs that serve the needs of workers and state government employees. In December 2002, for example, the administration announced that it would no longer issue public reports on mass layoffs and plant closings. State officials responded that the monthly reports were vital in helping them plan and funds dislocated worker programs and services. The program was reinstated by a $5 million appropriation by the US Congress for FY 2003 programs, and has been in effect since then.

Labor Research Advisory Council. For many years, union representatives served on a Labor Research Advisory Council (LRAC) to "advise the Commissioner of Labor Statistics with respect to technical issues arising out of the statistical work of the Bureau" and provide a labor perspective on the US workforce, organized labor, and others interested in timely and accurate measures relating to American workers. AFL-CIO staff served on this Council, along with research directors and economists from a number of affiliates. The LRAC was formally reestablished in December 2005. The AFL-CIO provided nominees for the group, but it has never met since then. In effect, it has been disbanded. (A Business Research Advisory Council has continued to meet.) This is another instance of the administration ignoring the validity of input from workers and their representatives.

[1] Edward J. Spar. 2008. Federal Statistics in the FY 2009 Budget. Internet. Accessed 25 June 2008. Available at: http://www.aaas.org/spp/rd/09pch20.htm.

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As of January 2008, the BLS had instituted a hiring freeze and "curtailed all discretionary spending." As they described these reductions: "The quality and quantity of some BLS data will be diminished, as fewer resources are available to collect and review data or to perform data analysis. This will result in lowered response rates, fewer published estimates, and a loss of detail in many data series. The reduced funding level also will result in a decline in customer service, as fewer Federal and State staff will be accessible to respond to data inquiries from the public, other Federal government agencies, and Congress." [2]

V. Key Priorities for a New Administration

a. Priorities for Day 1 – None

b. Priorities for First Hundred Days

1. President's Council on National Workforce Statistics. Issue an Executive Order creating a new advisory commission that would conduct a comprehensive examination of data collection programs in federal government agencies that impinge upon employment, workforce trends, labor market analysis, the recruitment of foreign workers by US firms, changes in occupations, the capacity of the workforce to handle high-skill green jobs in multiple industries, and similar matters. The composition of the council should include both labor representatives, business leaders, economists, and recognized experts in quantitative social science research. The council should have staff assigned to it, hold hearings, conduct surveys and other research, and issue a report, including recommendations for action, within one year of establishment.

2. WARN Notices: Policy Change. The Secretary of Labor should direct the ETA to issue a Training and Employment Guidance Letter (TEGL) to state Dislocated Workers Units instructing them to send all WARN notices, immediately upon receipt, to designated staff at the ETA for assembly at the national level. At this time, covered employers who intend to layoff workers are required to send WARN notices only to the workers affected, the chief elected official in the area, and the state DW unit. There is no national compilation of data on WARN notices. By collecting such notices nationally, a DOL under new leadership could move to deploy rapid response and layoff aversion activities to help keep facilities open, action that could help save American jobs and benefit communities hard-hit by the loss in manufacturing jobs and future Federal climate change legislation. This policy change could contribute to saving union jobs.

3. WARN Notices: Educational Campaign. The Secretary of Labor should direct the ETA to develop a standardized format for WARN notices, specifying the information to be included in each notice. Consult with the AFL-CIO, the National

[2] See: Impact of the 2008 Federal Budget on the Availability and Quality of Data from the Bureau of Labor Statistics. Internet. Accessed 25 June 2008. Available at: http://www.bls.gov/bls/budgetimpact.htm.

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Employment Law Project, and other parties about the content of that format. Then direct the regional offices of DOL to conduct an educational campaign among employers, state agencies, and others to encourage adoption of this format in future submissions of WARN notices. A standardized format would help to ensure that notices contain information to facilitate layoff aversion activities by unions and state agencies.

c. Priorities for First Year

1. TAA Certifications. At this time, DOL makes available on their Website a "Searchable Listing of Determinations" under TAA. Information is categorized according to the date upon which the determination was made, city and state, SIC code, and company name. Clicking on a TA petition number brings up a more complete description, which often includes the country to which jobs have moved. This site needs to be improved by increasing its capabilities, notably by allowing users to access the data by:

-- the country to which the jobs have moved
-- Congressional district (to aid contact with Members of Congress), and
-- more detailed four digit zip codes.

d. Longer Term Priorities

1. Implementation. Review the findings of the Presidential Council above, and develop plans to implement them in DOL and other agencies. Consider new legislation as necessary.

C. Trade Adjustment Assistance

I. Overview of Issue Area

Trade Adjustment Assistance (TAA) provides income protection, limited health care benefits, and job training to qualified workers who lose their jobs as a result of import competition or shifts in production to selected foreign countries. After receiving up to 26 weeks of unemployment benefits, workers certified as eligible for TAA can receive up to 78 weeks of trade adjustment allowances, for a potential of two full years of income support. (Workers enrolled in remedial education can receive an additional 26 weeks of trade readjustment allowances.) In order to continue receiving these trade adjustment allowances, workers must be enrolled in an approved training program or have received a waiver specifying that training is not available or feasible. Despite limitations and necessary improvements, TAA "represents one of the very best programs for income

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support and retraining for jobless workers in the U.S.," according to the National Employment Law Project (NELP) and the UAW. [3]

The legislation providing TAA services was last authorized in 2002, when a separate NAFTA TAA program was incorporated into the overall program and the scope of services was expanded to cover secondary workers. The current TAA program expired on September 30, 2007. Because the Consolidated Appropriations Act of 2008 (H.R. 2764) contained funds to fully operate the program for another year, the Department of Labor instructed states to continue to provide program services, and request funds for program benefits and administration, through September 30, 2008.

When the President mentioned TAA in his State of the Union address in January 2008, there was some attention directed toward the program. Observers entertained the notion that it might be reauthorized this year. The House of Representatives had already taken action, passing an excellent bill in November 2007 (H.R. 3920) that improved and modernized the program. That bill was supported by the AFL-CIO. Sen. Max Baucus (D-MT) has introduced a bill in the Senate (S. 1848) and reportedly is working with Republican members of the Senate Finance Committee to prepare a bill that will be approved by his Committee. As this time, it is unlikely that a TAA reauthorization bill will pass the full Senate.

According to the Department of Labor, approximately 147,000 workers were certified as eligible for TAA during FY 2007. DOL reported that 91,701 participants were served under TAA during that period.

II. Orientation for a New Administration

The new administration should view TAA as a top priority for reauthorization and modernization, sending a strong signal to the American people that they are serious about mitigating the impact of globalization on working families. The passage of an excellent TAA bill in the House in 2007 shows that a great amount of background work has already been done, and this should foster quick action. Although a bill introduced by Sen. Baucus is weaker than the House legislation, there are some aspects of it that merit support by labor and its allies.

Overall, the new administration should be oriented toward winning passage of TAA legislation that provides assistance to any and all workers adversely affected by trade, regardless of whether jobs were lost to a country with which the US has a "free trade agreement." They should view the House bill as a model for the sort of broadened, comprehensive trade adjustment policies that are necessary for American workers. Additionally, the new administration should reject any consideration of merging TAA

[3] McHugh, Rick and Phil Gilliam. 2006. *Getting Certified for Trade Adjustment Assistance: a Guide for Unions, Workforce Agencies, and Community Groups*. Detroit, MI: NELP and International Union, UAW.

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into the Workforce Investment Act, a move that would reduce the training available to eligible workers.

III. Key Agencies and Programs

The key Federal agency response for TAA programs is DOL's Employment and Training Administration (ETA), which received $8.4 billion in funding for FY 2007. TAA is administered by their Office of National Response, which is part of their Workforce Investment System division (headed by a Deputy Assistant Secretary.) Federal staff in this Office play an extremely important role in the implementation of TAA – they are the investigators who go out into the field after individuals and organizations file for TAA certification, and they make the initial determination about whether applicants will qualify for TAA benefits. The slower these Office staff person are, the more likely it is for those adversely affected by trade to disperse and not receive services. The ineffectiveness of these investigators is discussed below.

Overall, TAA needs to assume a higher profile in the DOL of a new administration. More resources need to be available. Conceivably, investigators need education in labor economics and training that will enable them to recognize that trade has affected jobs in a particular facility or company, whether primary or secondary effects. Most importantly, a new administration needs to signal that TAA is considered to be an important program that intimately affects the lives of job-seekers and working families across the nation.

IV. Legacy of the Bush Administration

It is widely acknowledged that the administration of TAA in the Bush administration has been a disaster, marked by incompetence and a blatant disregard for the interests of those severely affected by international trade. In the past five years, court decisions have directed the DOL to reconsider erroneous denials of TAA income and training assistance to hundreds of trade-affected workers. In 2005 alone, court decisions found that DOL had ignored substantial amounts of factual evidence, conducted hasty and "merely perfunctory" investigations, and interpreted the TAA law in a rigid fashion that undermined the basic purpose of the program.[4] Workers have suffered protracted delays in getting assistance as a result of many errors and the DOL's reliance on biased corporate officials in collecting information. Many workers have become discouraged or lack the resources to pursue appeals.

Cuts to TAA income support benefits are compounded by shortfalls in training funds and other administrative failures by the DOL. Research studies have shown that many states exhaust their training funds before the end of each fiscal year, precluding numerous workers from being able to take advantage of training programs to which they are

[4] Robin H. Gilbert, "Trade Adjustment Assistance Cases – 2005 Developments", *Georgetown Journal of International Law*, Fall 2006.

entitled. According to the Government Accountability Office (GAO), 35 states expected that available TAA training funds for FY 2004 would not cover the amount they would obligate and spend for TAA-eligible workers. Eighteen states estimated the gap at over $1 million. [5] The GAO also has found that the DOL distributes substantial amounts of its training funds to states on the last day of the fiscal year, making it nearly impossible for states to direct training resources to eligible workers in a timely fashion. Bush administration policies have made it more difficult for states to use TAA to respond to mass layoffs, the GAO concluded.[6]

The new TAA program (reauthorized in 2002) was expanded to cover secondary workers, such as parts manufacturing workers who lose their jobs when a client-manufacturing firm moves its operations to another country. Poor program design and inadequate guidance to identify affected workers, however, have meant that few secondary workers are receiving benefits. Just over 2 percent of workers covered by TAA were secondary workers in FY 2003. No state has developed procedures to identify workers who are secondarily affected by a trade-related layoff in another state.[7]

Meanwhile, back at the Department of Labor, Secretary Chou continues to propose that TAA be merged into the Workforce Investment Act, a clear non-starter for Congress that would reduce the amount of training available to job seekers. Failing that, the Bush Administration has sought to push this agenda by forcing the states to execute a new agreement that specifically states that TAA need not be administered by state merit staff employees – in contradiction to longstanding policy and practice. It also has pushed the states to use the WIA program to provide employment services to TAA participants instead of requesting additional funding for state employment service job counselors to expand their capacity to provide these services. Overall, DOL under Bush and Chou have regarded TAA as a pawn to be moved around to convince Members of Congress to support "free trade agreements." As one state union official with extensive experience filing TAA petitions, put it: "The Trade Act certification process is arbitrary, capricious, erratic. It is broken."

V. Key Priorities for a New Administration

a. Priorities for Day 1 – None

b. Priorities for First Hundred Days

1. Office of Trade Adjustment Assistance. By Executive Order, establish an Office of Trade Adjustment Assistance in the Department of Labor. Office would be headed

[5] GAO, *Trade Adjustment Assistance: Reforms Have Accelerated Training Enrollment, but Implementation Challenges Remain*, GAO-04-1012, September 2004, http://www.gao.gov/new.items/d041012.pdf

[6] GAO, *Trade Adjustment Assistance: Changes Needed to Improve States' Ability to Provide Benefits and Services to Trade-Affected Workers*, GAO-07-995T, June 14, 2007, http://www.gao.gov/new.items/d07995t.pdf

[7] Ibid.

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by an Administrator and report to the Workforce Investment System division. This office would signal that the new administration attaches greater importance to TAA.

2. Revise Federal-State Agreement. DOL should withdraw the current Federal-State agreements imposed upon states, and execute revised agreements reinforcing the role of state workforce agency merit staff in determining eligibility for TAA benefits and providing employment services and case management services to participants.

c. Priorities for First Year

1. Reauthorize TAA. Based upon the model of the 2007 House bill, the new administration should support the reauthorization of TAA as soon as possible. Following are the major elements to be included: (1) Provide assistance to all workers adversely affected by trade; (2) Expand TAA coverage to workers in service sector firms; (3) Make workers employed by a public agency, or subdivision, eligible for TAA coverage; (4) Include workers who were employed by "downstream producers" of goods or services; (5) Enable industry-wide certification of eligibility for TAA; (6) Ensure that eligibility determination for trade readjustment allowances and training benefits under TAA be made by employees of the State who are appointed on a merit basis; (7) Increase the training funds available to States to provide to TAA-eligible persons, and improve the annual distribution of those funds; (8) Enable States to receive additional payments for administrative expenses, and employment and case management services, with administration provided by merit staff; (9) Clarify the rules for obtaining health care coverage so that persons who are eligible obtain access to such coverage; (10) Improve the Health Care Tax Credit (HCTC) program in line with provisions in Sen. Baucus bill; (11) Establish a network of Manufacturing Redevelopment Zones to enable distressed communities to revitalize manufacturing employment.

Review whether an Office of Trade Adjustment Assistance has been established in DOL, and consider whether the Office should be incorporated in legislation.

Consider whether a provision to strengthen the Worker Adjustment and Retraining Notification (WARN) Act should be included in the legislation. An amendment to WARN should include expanding the businesses covered, increasing back pay amounts to workers when companies violate WARN, and expanding the investigatory and enforcement powers of the Department of Labor.

d. Longer Term Priorities

1. Monitoring. In concert with allied organizations such as the National Employment Law Project, monitor the activities of the DOL Office of Trade Adjustment Assistance. Encourage specific measures to ensure that investigators obtain the training they need to make accurate determinations of TAA eligibility for groups of workers.

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Key Federal Agency Positions – Job Training

Department	Agency	Position	Nature of Position
DOL		Secretary of Labor	PAS
DOL	ETA	Assistant Secretary for Employment and Training	PAS
DOL	ETA	Deputy Assistant Secretary Workforce Investment Systems	NA
DOL	ETA	Deputy Assistant Secretary Administration and National Activity	NA
DOL	ETA	Administrator, Office of Apprenticeship	CA
DOL	ETA	Administrator, Office of Trade Adjustment Assistance	New
DOL	Office of the Assistant Secretary for Policy	Deputy Assistant Secretary	NA
DOL	BLS	Commissioner	PAS