

- Mandatory
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TAA TECHNICAL ASSISTANCE

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Topic: TAA Relocation Allowance Application and Determination Process

Purpose: To provide guidance on Trade Adjustment Assistance (TAA) new regulatory requirements for eligibility, payments, and overpayment procedures for Relocation Allowance benefits.

Content

Background

The purpose of the Trade Adjustment Assistance program is to help each worker participating in the TAA program obtain suitable employment whenever possible, and to return to employment as quickly as possible. As one of the benefits of TAA, the TAA Relocation Allowance benefit assists TAA-eligible adversely affected workers by paying 90 percent of the participants allowable costs to move outside of their commuting area for new suitable employment.

Deadlines

Deadlines to apply for the Relocation Allowance benefit are 425 days from the participant's separation date or TAA certification date, whichever is later; or if the participant attends TAA-approved training and receives transportation and/or subsistence as part of their TAA-approved training plan, the participant may apply for Relocation Allowance up to 182 days after the completion of the TAA-approved training program. Participants must have a total separation from their TAA-certified employer, therefore for the benefit is not available to adversely affected incumbent workers.

Commuting Area

Effective September 21, 2020, the commuting area, for purposes of Relocation Allowance, is five (5) miles one way from the participant's primary place of residence. To be eligible for the Relocation Allowance, the participant must relocate within the United States but outside of the participant's commuting area. The five (5) mile commuting area will be deducted from the total number of miles the participant is relocating.

Example: A relocation allowance participant is relocating to new employment 250 miles away. The payable mileage for this example would be a total of 245 miles since the distance within the commuting area cannot be reimbursed.

Suitable Employment

The TAA participant must show the inability to locate suitable employment within their commuting area. Suitable employment is defined as employment with a similar skill set earning at least 80% of the participant's separation wage. The participant's inability or ability to obtain suitable employment within their commuting area, must be documented in the participants Initial Assessment (Objective Assessment within the case management system).

Suitable Employment must be documented using real-time local Labor Market Information (LMI). Case managers may use:

- Indiana Career Connect (e.g. job vacancy listings and occupational outlooks)
- Hoosiers by the Numbers
- Partner program provided reports/data for the regional/local area

Additionally, the participant's new employment must also be considered suitable employment by the above definition OR the new employment wages must pay a wage in at least the 75th percentile of national wages, as determined by the National Occupational Employment Wage Estimates. This report may be obtained at: https://www.bls.gov/oes/current/oes_nat.htm

Eligible Family Members

The relocation allowance benefit pays 90 percent of the allowable relocation costs for the TAA participant, the TAA participant's eligible family members, and all their household goods. Eligible family members must reside within the same household as the TAA-participant and may include:

- Spouse and/or domestic partner
- Children
 - *Children of the participant or children of the spouse/domestic partner, who are unmarried and under 21 years of age or who are incapable of self-support*
 - *Includes: children, stepchildren; adopted children; grandchildren, dependent children under guardianship of the participant or spouse/domestic partner of the participant.*
- Dependent Parents
 - *Includes step or legally adoptive parents of the TAA participant or spouse/domestic partner*
- Dependent Brothers and Sisters
 - *Includes step or legally adoptive brothers and sisters of the TAA participant or spouse/domestic partner who are under 21 years of age or who incapable of self-support*

Relocation Timeframes

The TAA participant must begin the relocation as promptly as possible after the date of the TAA certification but no later than:

- 182 days after the worker filed the application for a relocation allowance: or
- 182 days after the conclusion of an approved training program (if the participant received transportation/subsistence while participating in TAA-approved training).

The TAA participant, and their eligible family members, must complete the relocation within a reasonable timeframe unless extenuating circumstances exists, such as:

- Suitable housing is not immediately available in the relocation area
- The ability for the participant to dispose of current residence delays the relocation of all family members and household goods
- The participant and/or family health reason prevents or delays the relocation
- A member of the family is attending school and cannot be enrolled or transferred to a school or training provider within the same area

If extenuating circumstances exist, the participant and their eligible family members must complete the move within one (1) year from completing the Relocation Allowance application.

Family members may relocate separately on different dates; however, the relocation timeframes above apply to all eligible family members.

Example: The TAA participant obtains employment on 12/30/2020 and relocates to start that job on 1/5/2021. The spouse and children stay at their current home until the end of the school semester in May and begin their relocation on June 5, 2021. The relocation would be considered complete when the spouse and children arrive at the new residence.

Allowable Costs

The relocation allowance may include 90 percent of the following allowable costs:

Travel

Travel (mileage) may be paid up to 90 percent for each privately owned personal vehicle based on the federal travel rate located at: <https://www.gsa.gov/>, for travel from the worker's old home to the worker's new home. Separate travel of a family member or members who, due to extenuating circumstances (as outlined in the Relocation Timelines section of this guidance) and with the approval of the State of Indiana-TAA Unit, must travel separately to their new home, may also be reimbursed.

Lodging and Meals/Incidentals (subsistence)

Lodging and subsistence may be paid up to 90 percent for the lodging and meal expenses for the participant and eligible family members while they are in transit, but such costs may not exceed the lesser of:

- The actual lodging and meals cost to the worker and his or her family while they are traveling; or
- 50 percent of the prevailing per diem allowance established by the federal travel rate, located at: <https://www.gsa.gov/>, for the area where the lodging occurs for those days while the worker and his or her family are traveling.

Movement of household goods

Movement of household goods may be paid for up to 90 percent of the allowable costs of moving the participant, the participant's eligible family members, and family's household goods and personal effects. This includes 90 percent of the costs of moving by:

Commercial Carrier

- Must be the most economical commercial carrier (moving company) the State of Indiana-TAA Unit can reasonably expect the worker to use; and
- Includes costs to pack, ship, and transport all household goods up to a maximum of 18,000 pounds; and
- Insurance coverage of the personal household goods for their actual value or \$40,000 whichever is less.

Rental Truck or Trailer

- Includes cost of rental, mileage, and fuel

Moving a house trailer or mobile home

- The mobile home will be used as the participants primary residence at their new location; and
- Must be the most economical commercial carrier (moving company) the State of Indiana-TAA Unit can reasonably expect the worker to use; and
- The carrier's charge for actual transportation of the mobile home up to the maximum 18,000 pounds; and includes:

- Ferry fares, bridge, road, and tunnel tolls
- Taxes, charges, or fees fixed by a state or other government authority for permits to transport mobile homes in or through its jurisdiction
- Carrier's service charges for obtaining necessary permits; and
- Charges for a pilot (flag) car or escort services, when required by State or local law
- Insurance coverage of the personal household goods for their actual value or \$40,000 whichever is less.

Temporary Storage

- If the participant is unable to move into permanent housing upon moving to the area of relocation, temporary storage may be included for up to 60 days.

Lump Sum Allowance

As part of the relocation allowance, the participant will receive a lump sum equivalent to three times the worker's new average weekly wage, not to exceed \$1,250.

Example: To determine the lump sum payment, the workers hourly wage is multiplied by the expected hours per week and then multiplied by three. For example, if the workers new employment wage was \$30.00/hour the following calculation would be used:

$$\$30.00 \times 40 \text{ (hours per week)} \times 3 \text{ (weeks)} = \$3,600.00$$

Since \$3,600 is more than the maximum lump sum of \$1,250.00, the participant would receive the \$1,250.00 lump sum payment.

The lump sum payment is not reduced by any of the relocation costs, regardless of any costs paid by the new employer. This means that even if a participant's entire relocation is covered by their new employer, they are still eligible to receive the lump sum payment.

Reduction in Benefits

Relocation Allowance does not have a maximum allowable benefit amount. The total of the relocation allowance is 90% of all the allowable costs outlined above. All relocation costs will be reduced if the participant receives relocation payments from their new employer, or any other source.

If the job offer specifies how the relocation must be applied, the amount is reduced for that item.

Example: Job offer specifies that the participant will receive \$5,000.00 towards relocation of household goods. This \$5,000.00 will reduce the commercial carrier, rental truck/trailer, and temporary storage.

If the job offer does not specify how the relocation payment is to be applied, the amount will reduce the total allowable under Relocation Allowance, except the lump sum payment.

Example: Job offer specifies that the participant will receive \$5,000.00 towards relocation. The participant's estimated cost of relocation is \$10,000, the \$5,000 would reduce the total \$10,000 leaving an estimated allowance of \$5,000.00.

Advanced Payments

All allowable costs, including the lump sum, will be paid in advance of the participant's move and at the time of initial application, unless the participant elects to not receive advanced payments on the initial application. The advanced payments will be based on the estimates provided by the participant at initial application. It is imperative that these estimates are provided at the time of initial application so that the

participant does not have any financial burden paying for the relocation. Once the participant has completed the relocation, the participant is required to submit all zero-balanced receipts and supporting documentation to calculate the actual allowable amounts. If the advanced payment was higher than the actual allowable relocation costs, the participant is responsible for paying the State of Indiana the difference in the costs. This includes any costs paid directly to the participant or on behalf of the participant to any third-party.

*Example: If the amount of the estimated costs (advanced payment) is **HIGHER** than the actual costs as calculated upon the completion of the move, the participant is liable to pay back any such overpayment. Please see the Appeals and Overpayment section below.*

*Example: If the amount of the estimated costs (advanced payment) is **LOWER** than the actual costs as calculated upon the completion of the move, the state of Indiana will pay the difference to the participant.*

Travel, Lodging, and Meals/Incidentals

All travel allowance must be paid, no earlier than 10 days in advance of and no later than at the time of, the participant's scheduled departure to begin relocation. If the eligible family members are completing travel separately, the travel allowance must be paid 10 days in advance of, or at the time of that eligible family member's scheduled departure.

Case managers must work closely with the TAA participant to ensure that the TAA Relocation Allowance Application is submitted prior to the 10-day period prior to the relocation. Once the TAA Relocation Allowance Application is approved by the TAA Unit, payment will be issued within 10-days of the approval of the request.

At initial application, the travel (mileage) as well as any lodging and meals/incidentals (subsistence) will be calculated using the federal travel rates established by the General Services Administration (GSA) located at: www.gsa.gov/perdiem.

For this example, the participant, his spouse, and his teenage daughter are relocating to Nashville, Tennessee and will be lodging overnight for 1 night. They will all be staying in 1 room. According to www.gsa.gov/perdiem:

The screenshot shows a search interface for GSA Per Diem rates. At the top, there is a text input field labeled "Search by City, State or ZIP". Below it, a dropdown menu is set to "2020 (Current Year)". There are two input fields: one for "State" containing "Tennessee" and another for "City" containing "Nashville". A horizontal line with the word "OR" separates these from a "ZIP" input field. At the bottom is a large blue button with the text "Find Rates". Three yellow arrows point to the "State" field, the "City" field, and the "Find Rates" button respectively.



Meals & Incidentals (M&IE) Breakdown

Use this table to find the following information for federal employee travel:

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Nashville	Davidson	\$61	\$14	\$16	\$26	\$5	\$45.75

Lodging: \$223.00 (lodging per night) x 1 (number of rooms) x 1 (number of days of lodging) = \$223.00

Meals/Incidentals: \$61.00 (meals and incidentals) x 1 (number of days lodging) x 3 (number of travelers) = \$183.00

\$223.00 + \$183.00 x 50% (allowable rate) = \$203.00

Movement of household goods

Commercial Carrier

TAA pays the amount equal to 90 percent of the estimated costs of moving the household goods by the most economical commercial carrier. Movement of household goods must be paid, no earlier than 10 days in advance of and no later than at the time of the participant scheduled departure to begin relocation.

If the participant utilizes a commercial carrier to move their household goods and personal effects, the state must provide the worker with an advance equal to 90 percent of the estimated cost of the move, including any other charges that the state has approved, such as insurance, no earlier than 10 days in advance of, and no later than at the time of, the scheduled shipment of the household goods.

If more economical, the advanced payment of the commercial carrier costs may be paid directly to the commercial carrier and insurer that the participant selects.

Rental Truck or Trailer and Movement of Mobile Home

If the TAA participant uses a rental truck or rental trailer, the State must advance 90 percent of the estimated rental cost within 10 days in advance of the scheduled move.

If a house trailer or mobile home is moved by commercial carrier, the State must advance 90 percent of the approved estimated cost to the worker within 10 days in advance of the scheduled move. The State may make payment to either the worker or the carrier.

Temporary Storage

If the participant requires temporary storage of their household goods because the participant and/or eligible family members are not able to move directly into a new permanent residence, the participant may be eligible to receive 90 percent of a maximum of up to 60 days of temporary storage costs.

Lump Sum Allowance

The State must pay the lump sum allowance when the initial application is submitted, but not more than 10 days before the earlier of the participant's anticipated departure from his or her old home, or the anticipated date of shipment of the worker's household goods and personal effects.

Application Process

TAA participant's requesting relocation allowance benefits must complete the ***TAA Request for Relocation Allowance (State Form 43117)*** and receive approval from the TAA Unit prior to beginning their relocation to a new residence. The TAA participant is limited to one application for relocation allowance under the TAA certification. This includes relocation allowance benefits received on behalf of a family member for the same relocation covered under the same TAA certification. The ***TAA Request for Relocation Allowance*** form must be submitted with all below supporting documentation as applicable:

<i>If the participant is requesting...</i>	<i>the following is required.</i>
<i>Commercial Carrier</i>	<i>2-3 written and itemized estimates from moving companies. Must include weight of household goods, household insurance (if applicable), and all other moving costs.</i>
<i>Rental Truck/Trailer</i>	<i>Written and itemized estimates from rental company. Must include estimated fuel costs.</i>
<i>Temporary Storage</i>	<i>Written estimate from storage company for up to 60 days of storage costs</i>
<i>Lodging/Per Diem</i>	<i>Copy of GSA lodging and meals and incidental rates for location of the relocation</i>
<i>Required for ALL requests</i>	
<i>Completed and signed Request for Relocation Allowance (State form 43117)</i>	
<i>Copy of Job Offer Letter from new employer</i>	
<i>Copy of any relocation offer from new employer or other sources</i>	
<i>Complete Direct Deposit form (State Form 47551)</i>	
<i>Complete IRS W-9 form</i>	

Benefit Determination- Initial Application

After the TAA Unit receives the relocation allowance request and supporting estimates, the TAA Unit will review the request and information from the case management system to determine if the eligibility criteria listed in the Eligibility section of this technical guidance have been met. The TAA Unit will issue a formal determination within ten (10) business days of receipt of the complete ***TAA Request for Relocation Allowance*** and supporting documentation. The TAA Unit will issue a Relocation Allowance Determination of Eligibility to the participant via FedEx overnight delivery.

Completion of a Move

A move is considered complete when the participant, all eligible family members, and the household goods arrive at the area of relocation or temporary storage. Upon completion of the relocation, the participant must promptly submit all itemized and zero-balanced receipts, within 30-days of the completion of the move, to the TAA case manager for submission of the Actual costs' calculations to the TAA Unit for determination.

Benefit Determination - Actual Costs Calculations

Once the relocation is completed and the itemized zero-balanced receipts are received, the TAA case manager will complete the *Actual Costs* section of the Request for Relocation Allowance and submit to the TAA Unit for formal determination. The TAA Unit will review the documentation and determine if the advanced amount was different from the actual allowable amount. If the amount the worker received as

an advance is greater than 90 percent of the actual allowable costs, the TAA Unit will issue a Relocation Allowance Determination of Eligibility and Overpayment notice to the participant via FedEx overnight delivery

Benefit Payments

All payments will be issued to the participant's Direct Deposit information on file with the state of Indiana within 35 days of receipt of the complete TAA Request for Relocation Allowance and supporting documentation, unless otherwise noted above.

Appeals and Overpayments

If the participant incurred an overpayment due to the advanced payment being more than the actual allowable benefit amount, the TAA participant will receive a Relocation Allowance Determination of Eligibility with Overpayment Notice detailing the calculations and will provide appeal rights to this determination. The participant has the right to appeal the determination within ten (10) business days of receipt of the determination. The determination of eligibility will be considered final after the ten (10) days have passed or after the completion and final Administrative Law Judge ruling, if appealed. Once the determination has become final, the participant has the right to request a waiver of the overpayment.

Overpayment Waiver

The State of Indiana, Department of Workforce Development may waive repayment if the State of Indiana, Department of Workforce Development determines that:

- (i) The payment was made without fault on the part of the participant; **and**
- (ii) Requiring such repayment would cause a financial hardship for the participant (or the participant's household, if applicable).

20CFR618.832 (a) (3) states "a financial hardship exists if recovery of the overpayment would result in the person's (or the person's household's) loss of or inability to pay for ordinary and necessary living expenses. This determination must take into consideration the income and resources (including liquid financial resources) reasonably available to the person (and the person's household)."

The participant may request, in writing, a waiver of overpayment by emailing the TAA Unit directly at: taaappellate@dwd.in.gov or by sending the request in writing to:

Indiana Department of Workforce Development

10 N Senate Ave

Indianapolis, IN 46204

ATTN: TAA Unit, Suite 205

Overpayment Payment Options

If the participant does not wish to request or is found ineligible for a waiver of the overpayment, the TAA participant must make prompt payment to the state of Indiana. Failure to repay the full amount owed may result in the following collection methods:

- Referral of the debt to the Office of the Indiana Attorney General for collection
- The United States Department of the Treasury taking the full amount of the debt plus administrative fees from the participant's federal tax refund and relinquishing it to the Indiana Department of Workforce Development
- Wage garnishment of the participant's wages
- The Department applying future Indiana tax refunds and lottery winnings to any unpaid balance

Participants may make payment by personal check, money order, or Cashier's check by sending a copy of the Relocation Allowance Overpayment Notice to:

Indiana Department of Workforce Development
10 N Senate Ave
Indianapolis, IN 46240
ATTN: SE 309

Effective Date: September 21, 2020.

Questions: Please direct all questions to the TAATrainingPlans@dwd.in.gov inbox.