



# Trade Adjustment Assistance Community College and Career Training Grants

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## Summary

Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants are competitive grants to institutions of higher education for the development and delivery of career training programs that can be completed in two years or less. The program targets and gives enrollment preference to workers who have been adversely affected by international trade, though non-trade-affected workers may also participate in TAACCCT-funded programs.

TAACCCT is administered by the Department of Labor (DOL). It was created by the American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5) and is authorized under the Trade Act of 1974, as amended. The Health Care and Education Reconciliation Act of 2011 (HCERA, P.L. 111-152) provided \$500 million per fiscal year in mandatory appropriations for TAACCCT for FY2011 through FY2014. During this time, funds equal to at least 0.5% of the total annual appropriation must be awarded to institutions in each state.

TAACCCT grants may be used to design, develop, and deliver career training programs. Allowable uses of funds include personnel as well as materials and other expenses related to content delivery. Under the most recent solicitation for grant applications (SGA), TAACCCT grants provide a 48-month period of performance. This period includes 36 months for the design, development, and delivery of a training program and 12 months for data gathering and evaluation.

Statute requires that grant applications include a description of the proposed project and how it will serve trade-affected workers. Statute further specifies that grants will be judged on the merit of the proposed project and the local employment prospects for individuals who would complete the proposed program.

SGAs have expanded upon statutory criteria. In some cases, the SGAs have elaborated on statutory provisions, and in other cases they have introduced largely new requirements for grant applications. The first SGA was issued in January 2011 and grantees were announced in September of that year. The second SGA was issued in February 2012. As of August 15, 2012, the deadline for applications has passed but grantees have not been announced.

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## Background

Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants are competitive grants to institutions of higher education (IHEs) to support career training programs that can be completed in two years or less. Statute specifies that TAACCCT-funded programs should target workers who have been adversely affected by international trade and are eligible for the Trade Adjustment Assistance for Workers (TAAW) program. TAAW offers subsidized training and other supports for displaced workers who have lost their jobs due to foreign trade.<sup>1</sup> While the TAACCCT program targets and gives preference to TAAW-eligible workers, other adults may also be served by programs with TAACCCT funding.<sup>2</sup> The program is administered by the Department of Labor (DOL).

TAACCCT was created as part of the American Recovery and Reinvestment Act of 2009 (ARRA; P.L. 111-5) and is authorized by the Trade Act of 1974, as amended.<sup>3</sup> It is funded through mandatory appropriations at \$500 million per fiscal year from FY2011 through FY2014. Additional details are in the “Legislative and Funding Histories” section at the end of this report.

The statutory provisions of TAACCCT are somewhat general. DOL has not established regulations related to the program, so the department’s solicitation for grant applications (SGA) clarifies many details. To present the most up-to-date information possible, this report will focus on program elements and applicant requirements as they are conveyed in the most recent SGA, issued in February 2012.<sup>4</sup>

## Program Description

### Target Population and Purpose of the Program

Statute authorizes grants for “developing, offering, or improving educational or career training programs” for TAAW-eligible workers.<sup>5</sup> The SGA elaborates on this purpose, establishing three objectives: (1) increasing the attainment of employment-related credentials, (2) developing and implementing innovative training curricula, and (3) improving employment outcomes. The SGA also notes that while the purpose of the program is to meet the training needs of TAAW-eligible workers, it expects that “a wide range of individuals will benefit from the TAACCCT program.”

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<sup>1</sup> For more information on the TAAW program, see CRS Report R42012, *Trade Adjustment Assistance for Workers*, by Benjamin Collins.

<sup>2</sup> Under the Jobs for Veterans Act (P.L. 107-288), veterans or qualified veteran spouses receive preference in any employment or training program funded in whole or in part by DOL. As such, qualified veteran applicants receive priority of service over TAAW-certified workers for TAACCCT-funded programs.

<sup>3</sup> Full text of TAACCCT statutes are at 19 U.S.C. 2371-2372.

<sup>4</sup> The most recent SGA (SGA/DFA PY 11-08) is available on the DOL website at <http://www.doleta.gov/taaccct/applicantinfo.cfm>. Some provisions of the most recent SGA may differ from the prior SGA (SGA/DFA PY 10-03), which was issued in April 2011 and is available on the same website.

<sup>5</sup> See 19 U.S.C. 2371(a)(1).

DOL emphasizes that TAACCCT funding should be used to develop new programs and materially improve existing ones. The SGA notes that “successful applicants will propose projects that expand and improve their ability to deliver education and training programs and achieve improved education and employment outcomes, rather than simply offering their existing courses to more workers and other students.”

## **Eligible Institutional Structures**

To be eligible to apply for TAACCCT funding, a qualified IHE must propose developing or improving a career training program that can be completed in two years or less. Qualified IHEs include public, private not-for-profit, and private for-profit institutions.<sup>6</sup>

IHEs may apply for TAACCCT funding as an individual institution or as a member of a multi-school consortium. The SGA describes a consortium as “two or more eligible institutions that will work together to develop programs that will impact individuals across a region, State, industry sector or cluster of related industries, and leverage their collective experience to expand and improve their ability to deliver education and career training programs.” Each consortium application must specify a lead institution that will have fiscal and administrative responsibility over the grant.

Institutions in the 50 states, the District of Columbia, Puerto Rico, and other U.S. territories are eligible to apply for TAACCCT grants. Since the TAAW program is limited to workers in the 50 states, the District of Columbia, and Puerto Rico, DOL has noted that U.S. territories other than Puerto Rico may be at a disadvantage in the application process because they do not have TAAW-eligible workers and therefore will not be able to meet all of the SGA’s criteria.

The 2012 SGA specified that single grantees and lead institutions in successful consortium applications under the 2011 SGA were not eligible for additional grants. These institutions could, however, be supporting members of consortium applicants.

The SGA states the intention of awarding approximately \$150 million of FY2012’s \$500 million through 52 grants of between \$2.5 million and \$3.0 million to a single institution in each of the 50 states, the District of Columbia, and Puerto Rico. The remaining funds (approximately \$350 million) are intended for larger awards to consortium applicants. In the SGA, DOL expressed particular interest in consortia that are geographically dispersed but associated with a single sector or industry.

## **Allowable Uses of Funds**

Allowable uses for TAACCCT funds are the development and offering or improvement of education and career training programs. This may include both personnel and non-personnel costs.<sup>7</sup> Grant funds may be used to hire and train staff that will develop or deliver new curricula or other program components. Funds may also be used for personnel who work directly to support goals of the grant such as job placement and tracking of program data. Allowable non-

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<sup>6</sup> TAACCCT follows the definition of IHEs established in Section 102 of the Higher Education Act (20 U.S.C. 1002).

<sup>7</sup> For a complete discussion of allowable activities, see Section I.E of the SGA.

personnel costs include purchasing classroom supplies or technological investments that directly support grant activities. Funds may also be used to lease classroom space.

Non-allowable activities include any kind of payment to training participants, including using grant funds for participants' tuition, fees, or other personal expenditures. In all cases, TAACCCT funds must supplement and not supplant any other sources that are funding existing activities.

## **Duration of Grants**

The most recent SGA specified that grants are for a 48-month period of performance. Grantees must develop and offer programs within the first 36 months and spend the final 12 months gathering information and reporting outcome data.

TAACCCT applications must address their ability to continue their programs beyond the initial federally funded period of performance.

## **Grant Applications Requirements and Award Criteria**

Statute establishes basic requirements for grant proposals and general criteria for choosing grantees. The law also specifies that DOL will promulgate guidelines for the submission of grant proposals. These guidelines have been issued through SGAs and both clarify and expand upon the requirements established in statute.

### **Statutory Requirements**

Statute specifies that grant proposals must describe<sup>8</sup>

- the proposed project and how it will develop, offer, or improve a training program;
- how the project will meet the needs of TAAW-certified workers in the community;
- any previous experience the applicant has in providing training to TAAW-eligible workers (a lack of experience does not disqualify an applicant);
- outreach the applicant has conducted in the community to identify unmet training needs that will likely result in employment outcomes; and
- outreach to local employers who demonstrate a commitment to hiring individuals who partake in the proposed training.

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<sup>8</sup> See 19 U.S.C. 2371(c)(4)-(5).

Statute further specifies that, when awarding grants, DOL will consider<sup>9</sup>

- the merits of the proposal to develop, offer, or improve training programs to be made available to TAAW-eligible workers;
- the employment opportunities available to workers who complete a program that is developed, offered, or improved by TAACCCT funding; and
- the prior and anticipated demand for training programs by TAAW-eligible workers served by the applying institution as well as the capacity of existing programs to meet anticipated demand.

## Additional Requirements

In addition to the requirements in law, the SGA also requires applicants to demonstrate that their proposed projects contain certain core elements. In some cases, these core elements build upon statutory provisions. In other cases, they introduce new components.

The SGA establishes five core elements of TAACCCT projects:<sup>10</sup>

- *Evidence-based design.* Proposed programs must demonstrably improve educational and employment outcomes. Applicants replicating existing strategies should provide evidence of effectiveness. Applicants proposing new strategies should cite “preliminary research findings, related research findings, and/or reasonable hypotheses to support the design of the program.”
- *Stacked and latticed credentials.* Applicants should demonstrate how participants will earn industry-recognized credentials that can be “stacked” (e.g., multiple certificate programs leading to a degree) as well as “latticed” (e.g., credentials that serve as prerequisites to training in a related field.)
- *Online and technology-enabled learning.* The SGA suggests that technology-intensive programs provide participant flexibility and that successful technology-intensive programs can be easily scaled up to reach more students. TAACCCT proposals must consist of courses that are conducted online, in hybrid (combining traditional and online coursework), or otherwise incorporate technology.
- *Transferability and articulation.* Applicants must describe plans to establish transferability and transitions between institutions and develop at least one articulation agreement with a four-year institution.
- *Strategic alignment.* Proposed programs must coordinate with other workforce development stakeholders, including
  - at least one employer, though DOL expressed a preference for multiple employers and/or sector partnerships;
  - public workforce systems, including One-Stop Career Centers and workforce investment boards (WIBs);<sup>11</sup> and

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<sup>9</sup> See 19 U.S.C. 2371(d).

<sup>10</sup> For complete descriptions, see Section I.B of SGA.

<sup>11</sup> One-Stop Career Centers are local entities that provide employment services and connect workers with training (continued...)

- other educational institutions to help decrease duplication, share information, and standardize credentials.

## Reporting and Evaluation

Statute requires DOL to report annually to the Senate Committee on Finance and the House Committee on Ways and Means about each grant awarded and the impact of each award on TAAW-eligible workers.<sup>12</sup> According to the Ways and Means Committee, the most recent report was delivered in February 2012.<sup>13</sup>

The SGA establishes reporting and evaluation requirements for individual grantees. Each grantee must track program participation, completion, and subsequent employment outcomes. In addition to reporting their data to DOL, grantees are expected to use program data to facilitate “continuous improvement” in their programs. Institutions that propose to supplement program data with outcome data for students who are not involved in TAACCCT-funded activities (i.e., students involved in other programs; not a control group) will receive additional consideration in the funding process.

Each TAACCCT application must also include a budget, design, and implementation plan for a third-party evaluation of the proposed project. The SGA strongly encourages random-assignment experimental design, but notes that in certain projects, other evaluation methods may be acceptable.

## Legislative and Funding Histories

### Legislative History

TAACCCT was created by the Trade Globalization Adjustment Assistance Act of 2009 (TGAAA), part of the ARRA.<sup>14</sup> TAACCCT was in a subsection of TGAAA that created several programs targeting communities that were adversely affected by international trade.<sup>15</sup> The Trade

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(...continued)

services. Workforce Investment Boards are local organizations that direct the activities of One-Stops and other local workforce development activities. One-Stops and WIBs receive federal funding under the Workforce Investment Act of 1998. For more information, see CRS Report R41135, *The Workforce Investment Act and the One-Stop Delivery System*, by David H. Bradley

<sup>12</sup> See 19 U.S.C. 2371(e).

<sup>13</sup> House Committee on Ways and Means, *Report on the Legislative and Oversight Activities of the Committee on Ways and Means*, 112<sup>th</sup> Cong., May 31, 2012, p. 69, available at [http://waysandmeans.house.gov/UploadedFiles/LAOR\\_112\\_Mid\\_Year\\_2012\\_Final.pdf](http://waysandmeans.house.gov/UploadedFiles/LAOR_112_Mid_Year_2012_Final.pdf), stated that the committee had received the TAACCCT report. The TAACCCT report itself could not be found on the DOL, House Ways and Means, or Senate Finance Committee websites.

<sup>14</sup> Specifically, TGAAA was Subtitle I of Title I of Division B of ARRA. The provisions related to TAACCCT were in Part III of Subtitle I.

<sup>15</sup> The other programs were Trade Adjustment Assistance for Communities, administered by the Department of Commerce, and the Industry or Sector Partnership Grant Program for Communities Impacted by Trade, administered by DOL. Details on these repealed programs are available in archived CRS Report R40863, *Trade Adjustment Assistance for Communities: The Law and Its Implementation*, by Eugene Boyd and Cassandra Dortch.



Adjustment Assistance Extension Act of 2011 (TAAEA; Title II of P.L. 112-40) repealed all components of the subsection except TAACCCT.

## Funding History

The original statute outlined the provisions of the TAACCCT and authorized \$40 million in each of FY2009 and FY2010 as well as \$10 million for the first quarter for FY2011. It also specified that no institution could receive more than one grant or a grant in excess of \$1 million.

No funds were appropriated for TAACCCT until March 30, 2010, when President Obama signed the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152). This act provided \$500 million in mandatory funding for TAACCCT in each of the four years from FY2011 through FY2014 (see **Table 1**). This act also specifies that institutions in each state receive at least 0.5% of each year's TAACCCT funding and explicitly supersedes the \$1 million limit established by prior law.<sup>16</sup>

**Table 1. Authorization Levels and Appropriations for the Community College and Career Training Grant Program: FY2009-FY2014**  
(in millions of dollars)

Fiscal Year	Authorization	Appropriation	
		Discretionary	Mandatory
2009	\$40	—	—
2010	40	—	—
2011	10 <sup>a</sup>	—	\$500
2012	—	—	500
2013	—	—	500
2014	—	—	500

**Source:** Table prepared by CRS based on program statute (19 U.S.C. 2372 et seq.)

a. The \$10 million authorization is for the first quarter of FY2011.

## Recent Activities

The first SGA for TAACCCT funding was issued by DOL in January 2011 with a closing date of April 21, 2011. DOL announced the grantees under this SGA on September 27, 2011. Among the grantees were 17 single institution applicants, 18 single-state consortia, and 5 multi-state consortia.<sup>17</sup> Each state received at least \$2.5 million in funding either directly or as their share of a grant to a multi-state consortium.

The second SGA was issued in February 2012 and closed May 24, 2012. As of August 15, 2012, grantees under the second SGA have not been announced.

<sup>16</sup> See Section 1501 of P.L. 111-152 and 19 U.S.C. 2372. Minimum grants only apply to the 50 states, the District of Columbia, and Puerto Rico. They do not apply to other territories.

<sup>17</sup> Grantees were published by DOL, [http://www.doleta.gov/taacct/pdf/TAACCCT\\_Maps\\_DH.pdf](http://www.doleta.gov/taacct/pdf/TAACCCT_Maps_DH.pdf).

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