

For: State and County Offices

**Revised Eligibility Policy for Trade Adjustment Assistance (TAA) Applicants
and the FY 2005 Petitions Payment Schedule**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The statutory authority for TAA provides that the total amount of payments made to an agricultural producer during any crop year may not exceed the limitation on counter-cyclical payments which is \$65,000 per crop year. From the onset of administering TAA to be subject to the counter-cyclical payment limitation, it was considered appropriate to apply the same eligibility rules to TAA payment approval as apply to other payments subject to the counter-cyclical payment limit.

The recent implementation of the web-based eligibility process has resulted in a reconsideration of payment eligibility policies for TAA.

B Purpose

This notice informs State and County Offices that:

- some previously administered TAA eligibility requirements are discontinued effective with the reprogramming of the web-based eligibility application
- the programming revisions discussed in this notice are applicable to all TAA payments:
 - remaining to be paid from FY 2004 funds
 - resulting from new applications payable from FY 2005 funds
- payments for the FY 2005 petitions will not occur before June 2005.

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| Disposal Date | Distribution |
| February 1, 2006 | State Offices; State Offices relay to County Offices |

2 Policy Explanations

A Applicable Eligibility Rules

The web-based eligibility application is being programmed so that **only** the following indicators will be read to establish eligibility for TAA payment:

- person
- adjusted gross income
- AD-1026
- conservation compliance.

State Offices will be notified of the exact date the software changes are effective.

B Inapplicable Eligibility Rules

The following indicators, although possibly required for the approval of other program payments, **will not be read for TAA payment approval**:

- actively engaged
- cash rent tenant
- permitted entity
- controlled substance
- gross revenue for NAP
- NAP non-compliance
- delinquent debt (DCIA)
- Federal crop insurance fraud
- Federal crop insurance.

Notice SP-37

3 Action

A County Office Action

Effective with the issuance of this notice, County Offices shall:

- forego amending any TAA applicant eligibility records to remove inapplicable flags

Note: Such action is not needed because the web-based eligibility application will not read inapplicable flags for any TAA payments.

- disregard instructions contained in Notice CP-585 that were intended to allow approval of TAA payments to applicants not associated with a farm or tracts.

4 Payments for FY 2005 Petitions

A Timing of Payments

County Offices are reminded that TAA payments approved for:

- FY 2004 petitions should be paid as soon as possible

Note: Because of having to re-establish some eligibility records in the web-based eligibility application, some payments may be delayed beyond the previously established deadline. Every effort should be made to process payments approved under the FY 2004 petitions by the deadline that do not need eligibility records re-established.

- FY 2005 petitions cannot be paid until final payment rates are determined for all new petitions and funds provided from FAS.

Note: It is currently estimated that FY 2005 payments may possibly begin in June 2005 if the TAA application software is successfully linked to the new National Payment System.