

Alabama Workforce Investment System

**Alabama Department of Economic and Community Affairs
Workforce Development Division
401 Adams Avenue
Post Office Box 5690
Montgomery, Alabama 36103-5690**

March 7, 2003

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY2002-01, Chge. 8

SUBJECT: Training and Employment Guidance Letter (TEGL)

1. **Purpose.** This transmits the following TEGL:

<u>Number</u>	<u>Date</u>	<u>Subject</u>
20-02	3/03/2003	Use of National Emergency Grant (NEG) Funds Under the Workforce Investment Act (WIA), as Amended, to Support Health Insurance Coverage Assistance for Trade-Impacted Workers

2. **Discussion.** TEGL No. 20-02 provides policies and procedures governing the use of Workforce Investment Act (WIA) National Emergency Grants (NEG) for health insurance coverage assistance and support services to eligible trade-impacted workers and other eligible individuals, as specified in the Trade Adjustment Assistance Reform Act of 2002.

The primary mechanism for such health insurance coverage assistance is a federal tax credit equal to sixty-five percent of the amount paid by an eligible individual for coverage of the individual and certain family members under qualified health insurance coverage.

TEGL No. 20-02 provides specific policy guidance regarding the use of NEG funds to implement the "bridge mechanism" provision of the Act (newly enacted section WIA Section 173(g)), and identifies the procedures by which states can access NEG funds to help pay the costs of the health insurance coverage assistance and other authorized support services until such time as the affected individuals can defray the cost of these services through the advance payment tax credit mechanism.

Trade Adjustment Assistance Reform Act programs in Alabama are administered by the Alabama Department of Industrial Relations.

3. **Action.** Copies of TEGL No. 20-02 are provided for informational and action purposes.

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4. **Contact.** Please direct any questions regarding this information to the USDOL Regional Office.



Steve Walkley, Division Director
Workforce Development Division

Attachments