

USDA Trade Adjustment Assistance (TAA) Program

TAA and Rhode Island
Lobstermen

What is TAA?

- TAA is a national program of the US Dept. of Agriculture (USDA), to provide training and financial assistance to farmers and fishermen.
- The goal is to strengthen US businesses that have been affected by reduced revenues and negative impacts from foreign imports.

History of TAA

- Trade Act of 1974 was created to provide business owners and their employees relief from hardships created by foreign import competition
- TAA for Farmers first authorized in Trade Act of 2002 which amended the Trade Act of 1974
- TAA for Farmers has an annual appropriation of \$90 million

TAA and the Lobster Fishery

- The Rhode Island Lobstermen's Association applied to the TAA program on behalf of all Rhode Island commercial lobster harvesters
- That application was approved on Sept. 24, 2010, allowing Rhode Island lobstermen to apply to the TAA program.
- Rhode Island Sea Grant and the University of Rhode Island Cooperative Extension will be working with other partners in the state (FSA) to deliver information and programming to fishermen who are accepted into the TAA program.

Purpose of TAA

- Traditional TAA provides technical assistance & labor retraining services to non-agricultural businesses and employees
- TAA for farmers expanded these benefits to farmers & fishermen that have experienced significant price or production declines as a result of increased imports

Commodity Eligibility

- A commodity must first be certified as eligible before producers can apply for benefits
- A group of producers or its authorized representative may submit a petition
 - Usually a commodity organization
 - By any three unrelated producers of the commodity
- Petitions are submitted to the USDA Foreign Agricultural Service (FAS)
- FAS does an initial screen. If the petition meets basic requirements, the petition is posted in the Federal Register

Commodity Eligibility

- To be eligible for TAA
 - A commodity must have experienced greater than a 15% decline in the:
 - national average price or
 - quantity of production or
 - value of production or
 - cash receipts
 - in the most recent marketing year compared to the previous three marketing years;
 - And imports must have “Contributed Importantly” to this decline

Producer Eligibility

- When applying for TAA producers must also certify that:
 - Their average gross fishing income for the year in which the petition was certified does not exceed \$500,000
 - Their average taxable adjusted gross farm income (Sch. F net) does not exceed \$750,000

TAA Benefits

- Four phases of education
 - Initial technical assistance
 - Intensive technical assistance
 - Initial business plan
 - Long-term business adjustment plan

TAA Benefits

- **Phase 1: Initial technical assistance**
 - A one to three hour workshop that provides:
 - An overview of TAA technical assistance
 - Commodity outlook
 - Short discussion on:
 - Opportunities to improve production
 - Alternative marketing opportunities
 - Evaluation of alternative enterprises
 - Must complete to proceed to next phase

TAA Benefits

- **Phase 2: Intensive technical assistance**
 - A series of workshops on topics relevant to improving the profitability of the commodity
 - 7 to 8 workshop topics will be delivered
 - Participants elect to attend three to four workshops
 - Must attend a minimum of 12 hours

TAA Benefits

- **Phase 3: Initial Business Plan**
 - After attending at least 12 hours of workshops, the producer is required to write an Initial Business Plan
 - The Initial Business Plan must:
 - Describe the skills gained by the producer from the Intensive Technical Assistance workshops
 - Describe how the producer will apply those skills to their business

TAA Benefits

- **Phase 3: Initial Business Plan**
 - An Initial Business Plan template is available
 - Upon completion and approval of the Initial Business Plan, participants are eligible to receive a maximum of \$4,000 to help implement the Initial Business Plan or develop a Long-Term Business Adjustment Plan

TAA Benefits

- **Phase 4: Long-term business adjustment plan**
 - An individual business planning consultant will be assigned to each participant
 - Upon completion and approval of the plan participants will be eligible to receive a maximum of \$8,000

TAA Benefits

- **Phase 4: Long-term business adjustment plan must:**
 - Outline the steps the business will take to adjust economically to changing market conditions
 - Take into consideration the interests of workers employed by the producer
 - Demonstrate that the producer will have sufficient resources to implement the business plan

TAA Benefits

- **Phase 4: Long-term business adjustment plan**
 - AgPlan will be the template used to develop business plans
 - www.agplan.umn.edu
 - There will also be PC and paper versions of AgPlan available

Signing Up

- **How do I sign up for TAA?**
 - Lobster license holders should sign up through their local Farm Service Agency (FSA) office in Rhode Island – a list of county offices is or on line at: <http://offices.sc.egov.usda.gov/locator/app?state=ri&agency=fsa> or call their main office at (401) 828-3120 ext 1214.
- To apply to the program, use FSA Form 229-1, available through the FSA, <http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA229-1.PDF> or on the TAA for Farmers Web site at: <http://www.taaforfarmers.org/>
- **The deadline for signing up for the current TAA program for lobster is December, 23, 2010.**

- For more information, go to
 - www.TAAforfarmers.org