

Short-Time Compensation/Work Sharing

An Introductory Presentation on the Short-Time
Compensation Program and its benefits.

June 15, 2022

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Agenda

- ❖ What is Short-Time Compensation (STC)
- ❖ Program Highlights
- ❖ States with STC programs
- ❖ Benefits to States
- ❖ Benefits to Employers
- ❖ Benefits to Employees
- ❖ USDOL's Role
- ❖ Walk through of the STC Community of Practice Website
- ❖ Other Resources
- ❖ Join us for a deeper dive!

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What is Short-Time Compensation?

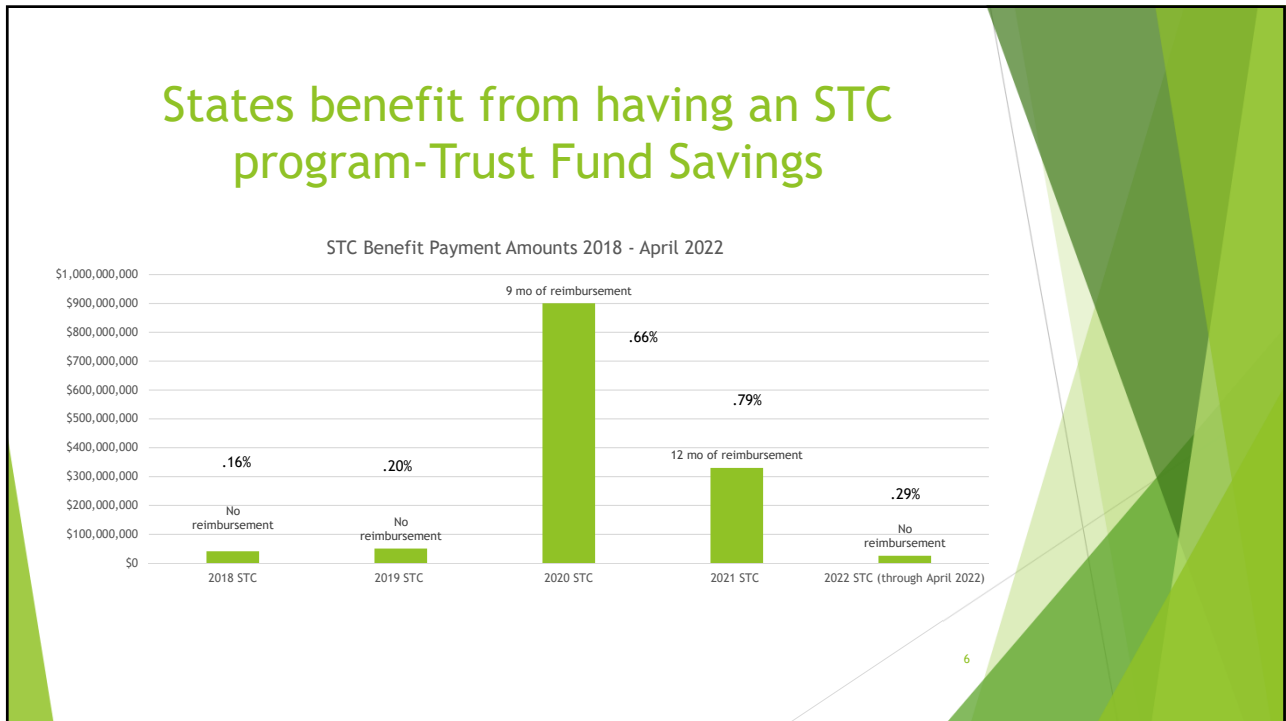
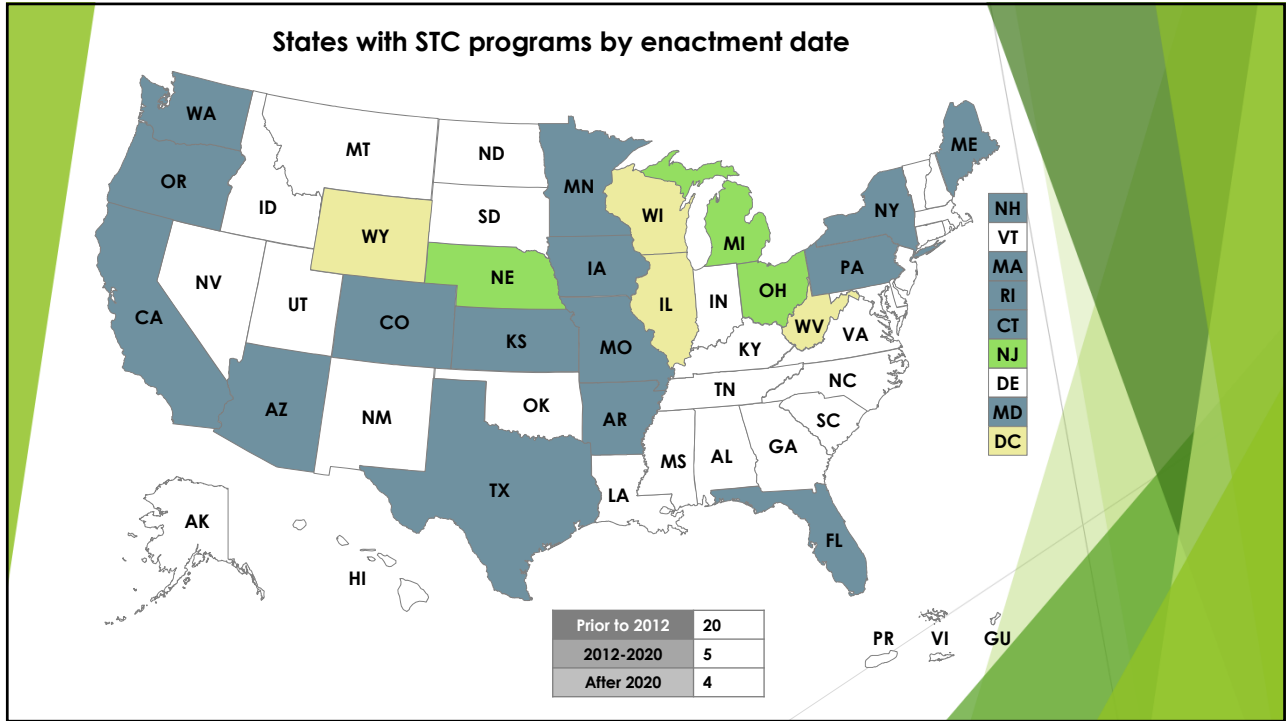
- ❖ Short-Time Compensation helps businesses prevent layoffs by allowing them to temporarily reduce employee hours and use partial unemployment insurance benefits to supplement lost wages.
- ❖ Also known as Shared Work or Work Sharing.
- ❖ An exception to the withdrawal standard.

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STC Program Highlights

- ❖ Currently, there are 29 states enrolled in the STC program.
 - Each region is represented.
- ❖ Several States have expressed interest in applying for the STC grant.
- ❖ \$18,728,150 for STC grants under the CARES Act have been awarded to 10 states. (MO, WA, DC, ME, NY, IL, OR, WV, WY, CT).
- ❖ \$1,336,635,078 issued to 26 states under Section 2108 through September 2021. (100% reimbursement)

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States benefit from having an STC program

- ❖ More involvement with the business community
- ❖ Greater trust with employers-see the state agency as a partner, not just a “taxing” agency
- ❖ Establishing a robust STC program can help a state test its communication strategies
- ❖ More funding available on the workforce side that can be used to address the needs of harder to serve populations.

Employers benefit from participating in STC programs

- ❖ UI tax rate may be lower than if employees totally laid off;
- ❖ Avoid high costs of hiring/training new employees;
- ❖ Secure labor force during economic downturns;
- ❖ Increased employee morale.

Employees benefit from participating in STC programs

- ❖ Avoid total unemployment (Work, Earn wages, and receive partial unemployment benefits);
- ❖ Continue to receive health and retirement benefits throughout the duration of their modified work schedule;
- ❖ Maintain skills;
- ❖ Increase employee morale.

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USDOL's role in STC

- ❖ Provide legislative support when you are considering enacting or changing STC legislation
- ❖ Provides technical assistance on the administration of your STC program
- ❖ Through December 2023, DOL is providing grants to states to implement or improve an STC program and also grants for the promotion of the STC program or the enrollment of participants in the STC program.

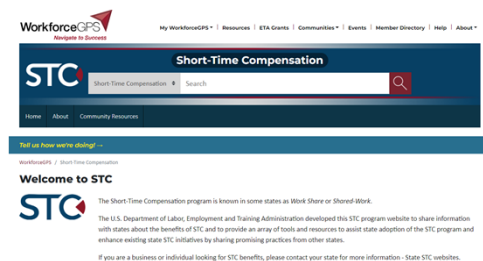
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STC Community of Practices Website

► QR Code:



► Website: <https://stc.workforcegps.org/>



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STC Community of Practices Website

DOL has a STC Resource website that contains the following:

- STC 101
- STC quick Start Action Planner (QSAP)
- STC Tools and Resources
 - Other State forms
 - Other states' laws
 - Other states' fact sheets
 - Other states outreach materials
- Best practices from states
- Implementation & Administration information
- Promotion & Enrollment information
- STC grants under the CARES Act
- Links to DOL Webinars
- And much more....

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Walk-Through of
STC Community of
▶ Practices Website

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Join us for a
deeper dive
into STC
program

- Outreach Best Practices
- Collaborating & Building Workforce Partnerships
- Best Practices for applying an Equity & Inclusion lens
- Conversation on how to start and/or support an STC program in your state

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Resources

Hyperlinks to Guidance

- ❖ [UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 21-20](#)
- ❖ [UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 22-20](#)
- ❖ [UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 27-12](#)
- ❖ [UNEMPLOYMENT INSURANCE PROGRAM LETTER No. 10-20](#)
- ❖ [TEN 9-12: Layoff Aversion in Rapid Response Systems](#)

Handbooks and Other Resources

- ❖ [Employment and Training Handbook No. 401](#)
- ❖ [STC 101](#)
- ❖ [STC Tools and Resources](#)
- ❖ <https://stc.workforcegps.org/>

- “A one-stop shop”

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