

TRAINING AND EMPLOYMENT NOTICE	NO. 10-13
	DATE November 14, 2013

TO: STATE WORKFORCE AGENCIES
STATE WORKFORCE ADMINISTRATORS
STATE AND LOCAL WORKFORCE INVESTMENT BOARD
CHAIRS AND DIRECTORS
STATE LABOR COMMISSIONERS
STATE UNEMPLOYMENT INSURANCE DIRECTORS
AMERICAN JOB CENTER MANAGERS

FROM: ERIC M. SELEZNOW /s/
Acting Assistant Secretary

SUBJECT: Announcement of a New Short-Time Compensation Technical Assistance Web Site Resource Toolkit

1. **Purpose.** The U.S. Department of Labor (Department), Employment and Training Administration (ETA) is pleased to announce the availability of a new Short-Time Compensation (STC) technical assistance Web site. The Web site features resources from states that currently administer STC programs, and information from the Department regarding incentives for states to adopt new legislation and begin administering STC. The site is also a resource that states can use to improve existing STC programs. The Web site can be found at:
<https://stc.workforce3one.org>.

2. **Background.** The STC program, also known as work-sharing or shared-work, preserves employees' jobs and employers' trained workforces during disruptions to a firm's regular business activity by reducing hours of work for an entire group of affected employees rather than by laying off some employees while others continue to work full time. STC provides a portion of the weekly unemployment insurance (UI) payment to individuals whose work week has been reduced. STC cushions the adverse effect of the reduction in business activity on workers and ensures that trained workers will be available to resume prior employment levels when business demand increases. STC is an important layoff aversion strategy.

In February 2012, the president signed Public Law No. 112-96, the Middle Class Tax Relief and Job Creation Act of 2012 (the Act), which included the Layoff Prevention Act (Section 2160 et seq. of the Act). ETA has issued several Unemployment Insurance Program Letters (UIPLs) with guidance related to the Act.

- UIPL No. 22-12 provides an overview of all of the provisions in the Act that concern STC programs. The UIPL also provides guidance to the state agencies regarding: 1) the new definition of STC in Federal UI law, 2) the transition period for states currently administering STC programs, and 3) the 100 percent Federal reimbursement of STC benefits available to states. UIPL No. 22-12 can be found at:
http://wdr.doleta.gov/directives/attach/UIPL/UIPL_22_12_Acc.pdf.
- UIPL No. 27-12 invites states to apply for grant funds for STC programs and provides guidance on the process to apply for these grants. UIPL No. 27-12 can be found at:
http://wdr.doleta.gov/directives/attach/UIPL/UIPL_27_12_Acc.pdf.
- UIPL No. 03-13 invites states that do not have STC laws to enter into an Agreement with the Secretary of Labor to administer a temporary Federal STC program, and provides states with instructions for implementing and operating the program. UIPL No. 03-13 can be found at:
http://wdr.doleta.gov/directives/attach/UIPL/UIPL_3_13.pdf.
- UIPL No. 22-12, Change 1, provides model legislation for states to use in implementing the Act's STC provisions and provides additional guidance to state agencies about the new definition of STC in Federal UI law. UIPL No. 22-12, Change 1 can be found at:
http://wdr.doleta.gov/directives/attach/UIPL/UIPL_22_12_Chg1_Acc.pdf.

3. **About the Web Site and Business Outreach Toolkit.** To support implementation and expansion of STC programs under the Act, ETA developed a new STC technical assistance Web site. The Web site will be available to state workforce agencies, state policy makers, and the general public. The Web site is located at: <https://stc.workforce3one.org>.

The Web site provides useful tools that can be used to expand STC education and outreach to states and to the public. The Web site is also a compendium of state practices, outreach efforts, operational tools, and vignettes from STC participants (employers and employees) who have benefitted from the program. ETA hopes that the information provided on the STC Web site will assist UI agencies and the state's workforce development partners in implementing and/or improving STC programs through the sharing of information and successful practices between states.

ETA is eager to continue to provide technical assistance and guidance to states as needed and requested. ETA's goal is for the STC Web site to be dynamic, and, to that end, ETA welcomes feedback and submissions of materials from states that will help expand the Web site's resources.

4. **Action**. We encourage states and local areas to visit <https://stc.workforce3one.org>. Please also share this notice with your workforce system and UI program partners.
5. **Inquiries**. Questions about this notice should be directed to the appropriate ETA Regional Office.