

SHORT-Time COMPENSATION

EMPLOYER INFORMATION

- dol.nebraska.gov/stc
- 402-471-9912
- ndol.stclegal@nebraska.gov

What is Short-Time Compensation?

Short-Time Compensation (STC) helps businesses retain their workforce during a temporary slowdown in work. The program allows employers to voluntarily reduce the hours of staff in lieu of layoffs. Employees of the business are allowed to receive a partial unemployment benefit to help them offset the loss of income.

What does STC do?

- Preserves employees' jobs and the employer's skilled workforce during disruptions to regular business activity by reducing hours of work for an entire group of affected employees rather than laying off some employees while others continue to work full-time.
- Provides a portion of a weekly unemployment compensation payment to affected employees whose work weeks have been reduced.
- Cushions the adverse effect of the reduction in business activity on workers and ensures that these workers will be available to resume prior employment levels when business demand increases.

Why choose to participate?

- You can reduce employee work hours to reflect decreases in business demand, retain your skilled workers, and avoid the expense of recruiting, hiring and training new employees when business demand increases.
- You determine your current production demands and your employees share the work as part of your STC plan.
- Employees avoid the hardships of full unemployment and continue to earn a portion of their regular wages while receiving some unemployment benefits to replace a portion of their lost wages.

What information is needed to apply?

- Employer Account Number (EAN)
- Expected start and end dates of the plan
- Affected unit(s) covered by the plan
- Participant list for each affected work unit
- Usual weekly hours worked for each participant. All participants will have their usual hours worked reduced by the same percentage. The percentage of the reduction in hours must be between 10 and 60 percent.
- Estimated number of layoffs that would have occurred absent the STC plan.
- Dates of any shutdown period that falls within the length the STC plan.
- For any approved STC plan, employers submit weekly certifications that contains the information requested by the commissioner for the duration of the plan.

After the STC Plan is Approved

- Submit weekly certifications that contain the information requested by the commissioner for the duration of the plan and:
- Notify the Nebraska Department of Labor if there are any changes to the information submitted on the STC Plan application or the participant list.
- Continue to provide health and retirement benefits to any employee whose usual weekly hours of work are reduced under STC.