

Short-Time Compensation



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What is Short-Time Compensation?

- The Short-Time Compensation (STC) program helps businesses retain their workforce during a temporary slowdown in work. The program allows employer to voluntarily reduce hours of staff in lieu of layoffs. Employees of the business are allowed to received a partial unemployment benefit to help them offset the loss of income.
- STC is a way for employers to help cushion the adverse effects of the reduction in business activity and keep the employment relationship in tact for when business demand increases.

How Does STC Benefit You?

- Employers can reduce their employee work hours to reflect decreases in business demand, retain their skilled workers, and avoid the expense of recruiting, hiring and training new employees when business demand increases.
- Employers determine their current production demands and their employees share the work as part of the employers STC plan.

How Does STC Benefit Your Employees?

- Employees are able to continue working and receive a supplemental unemployment benefit, which will help to offset lost wages.
- Employees retain the connection with their current employer as well as access to the benefits currently provided by the employer. This would include medical, retirement, etc.

Requirements For Approval

- There must be 3 or more affected employees per unit associated on the plan and their hours must be reduced uniformly.
- Hours may not be reduced less than 10% or more than 60% of the employees regularly scheduled hours
- Employers must agree to continue to provide medical, dental, and retirement benefits currently being provided. Contributions based on hours worked would continue to be provided according to those guidelines.
- 13 months is maximum length for an STC plan.
- Employer must be current on UI tax billed charges.

How does STC Work?

- Employers submit an STC Application at networks.Nebraska.gov
- The application is reviewed for approval. It can take up to 30 days to receive a determination on your application.
- Upon approval for STC, all employees willing to participate in the program must file their personal unemployment claim for benefits.
- Following each week hours are reduced between 10% and 60%, the employer will complete the weekly certification between Sunday and Wednesday for all employees on the plan that have applied for unemployment.

How Are Payments Calculated?

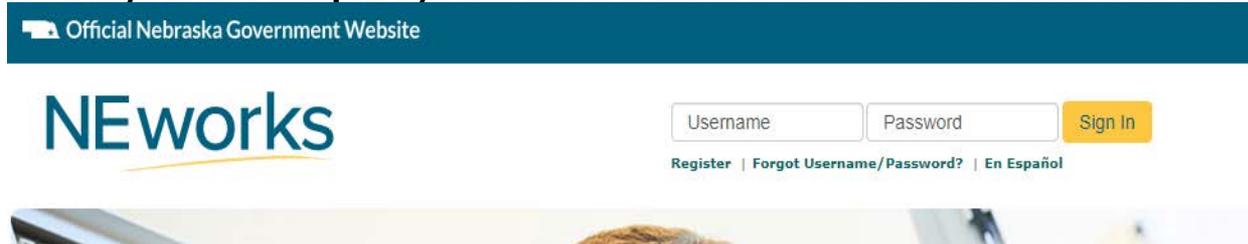
The weekly benefit amount is determined by the individual employee's wages reported for the last 18 months. Each employee must meet wage requirements for regular unemployment in order to receive payment.

Weekly payments will be paid based on a percentage equal to the percentage hours have been reduced.

For example if hours are reduced by 50%, then unemployment would pay half of the weekly benefit amount (WBA) established for the claim.

Filing For STC

Log in to your employer account at [Networks.nebraska.gov](https://networks.nebraska.gov)

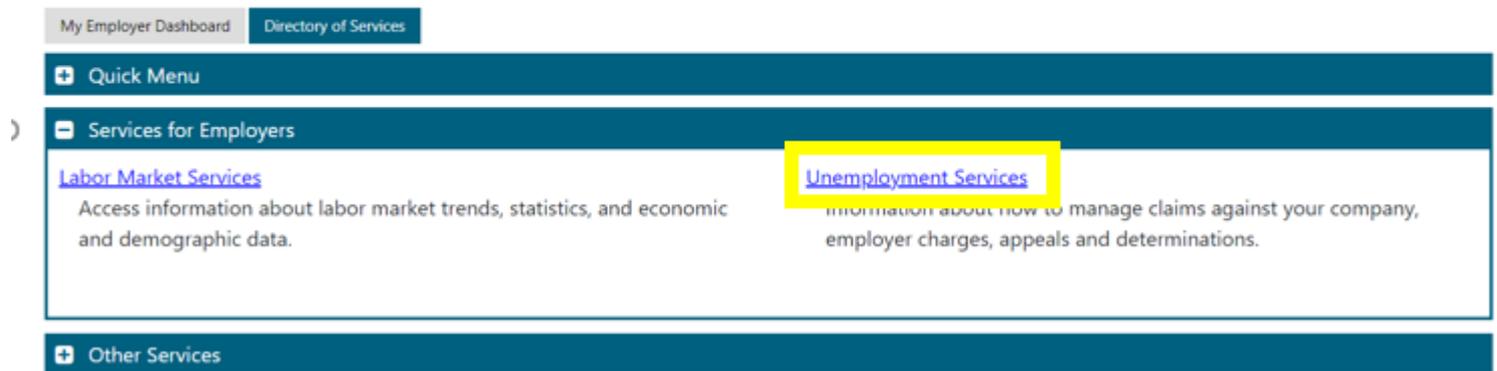


Select **Directory of Services** and **Unemployment Services**

NEworks

Welcome to My Employer Workspace

This page introduces you to features available in the system, lets you customize the content you are interested in, and offers suggestions to you. Please make a selection from the items below.



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Filing for STC

Select **STC Program**

NEworks

Please select from the Unemployment Services for Employers options listed below.



[Claimant Separation Form](#) - The Statement of Potential Charges and Separation Request can be completed and submitted here.



[Appeals](#) - You can file an appeal of a determination you feel is incorrect, respond to a Notice of Appeal, request to have an appeal withdrawn or reopened, or view any appeal you have filed or to which you are a party.



[Request Part Time Credits](#) - Select this option in order to request a credit for charges for a claimant that was working for you part time.



[View & Protest Employer Charges](#) - Select this option to view & protest employer charges.



[SIDES E-Response](#) - Select this option for SIDES E-Response



[Separation Notice Alleging Disqualification](#) - This should be completed for all employment separations that are not Lack of Work.



[Mass Layoff](#) - Select this option to check Mass Layoff.



[Benefits Accuracy Measurement](#) - Select this option if you have been randomly chosen to participate in a Benefits Accuracy Measurement audit.



[Protest Employer Charges](#) - Select this option to protest employer charges.



[STC Program](#) - Select this option to create and administer a STC program

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Filing for STC

Select the **Short-Time Compensation** tab and then select **Create STC Plan Application**

[Notices](#)



actions to a larger group of workers.

Workers usually receive no UI benefit for such partial layoffs in the absence of an STC program.

No records found

Create STC Plan Application

Application

Be sure to complete each field of the application. All fields with a *red star are required to move forward in the application process.

Previous Short-Time Compensation Plan Information

* Has your company previously had a STC Plan? Yes No

Short-Time Compensation Contact Information

Please enter the name, mailing address, telephone and fax numbers of your company's contact p

* First Name:

* Last Name:

* Job Title:

* Phone: - - Ext

Fax: - -

* Email:

* Employer Representative:

Note: This is the person responsible for entering the application and weekly certifications.

Application

- Enter how your company works, and how this plan will work.

STC Employer Plan

* Either by using the text box below or by uploading a file, please describe how your company operates and how this plan, if approved, will work.

Write STC Employer Plan

[\[Clear Text \]](#)

(4000 characters max)

Current Characters: 0

Upload STC Employer Plan

If you have a file available, you may choose to upload the information being requested in this section using the button below.

No file chosen

No records found

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Application

Indicate how employees will be notified of the plan.

STC Employee Notification Plan

*Provide a description of how you will notify employees in the affected units (whether in a collective bargaining unit or otherwise) of your par
Write STC Employee Notification Plan

[\[Clear Text \]](#)

(4000 characters max)

Current Characters: 0

Upload STC Employee Notification Plan

If you have a file available, you may choose to upload the information being requested in this section using the button below.

No file chosen

No records found

Application

When do you anticipate the plan will end?

Expectations

*What is your expectation for the end of the plan period? For example, return to full work, company chan

[\[Clear Text \]](#)

(4000 characters max)

Current Characters: 0

Application

What product or service does your company provide?

How did you hear about the program?

Company Product

*What product does your company produce and / or what type of service do you provide?

[\[Clear Text \]](#)

(4000 characters max)

Current Characters: 0

Other

*How or where did you first hear about the STC program?

None Selected ▼

Please enter any other comments you might have in this section.

[\[Clear Text \]](#)

(4000 characters max)

Current Characters: 0

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Application

Outline the details of the plan. Effective date of the plan and First date of reduced hours should always be the Sunday of the week.

Enter the number of weeks you **anticipate** using the plan. If uncertain of a specific date make a best estimate.

* Make note of Final Date of Reduced Hours

Plan Details

The plan will be effective the first Sunday of the week following the plan approval.

Plan Effective Date:

* First Date of Reduced Hours:

* Expected duration of the work hour reduction in week(s):

Must be 52 weeks or less.

Final Date of Reduced Hours:

* Number of employees working at the location where hours are being reduced:

* If you do not participate in this plan, provide an estimate of how many employees might be laid off:

* Are any of the employees seasonal (hired only for a particular season) or part-time (normally working less than 32 hours per week)?

Yes No

Note: If yes, do not include or list these employees; they do not qualify for STC.

* Will any fringe benefits be eliminated or diminished (such as health insurance, retirement benefits, paid vacation, holidays and sick leave) that STC participants had prior to implementation of this plan?

Yes No

Note: If Yes, STC plan would not be considered valid.

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Application

Be sure to enter all holidays that you would close for. Please indicate if employees will be paid for those days.

Collective Bargaining Agent Information

* Are any affected workers represented by a collective bargaining agent?

Yes No

Holiday or Plant Closings

* Are there any holidays or plant closings during the duration of this plan?

Yes No

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Application

- Select **Add Holiday or Plant Closing Date**
- Enter information for each regularly scheduled holiday or closing separately then select **Add to List**.
- Once all holidays and closings have been added, select **Next** to proceed.

Holiday or Plant Closings

* Are there any holidays or plant closings during the duration of this plan? Yes No

No records found

[\[Add Holiday or Plant Closing Date \]](#)

* Closing Date: 

* Hours Not Worked:

* Usual Hours Worked:

* Paid or Unpaid: Paid Unpaid

* Closing Comment:

Application

- Name and define each unit affected. Include all members of the unit and indicate how many employees in that unit will have reduced hours. There must be a **minimum of 3 members per unit**. Hours must be reduced uniformly for all members of a unit.
- Indicate the percentage of hours reduced for that unit. **Select Add.**

Unit Designation(s)

Identify each affected unit by type (clerical, sales, production, assembly, etc.), list the total number of full-time employees in the unit and the total number of STC participants from that unit.

* Unit Designation:

* Total Employees in Unit:

* Reduction Percentage:
Minimum 10 percentage - maximum 60 percentage.

* Total STC Participants in Unit:

Note: Employer must have at least 3 or more STC participants to be eligible for STC.



Application

- You may Edit or Delete Select **Add New Unit Designation** to enter additional units.
- Select **Next** once all units have been added.

Unit Designation(s)

Below is a list of existing unit designations you have identified. All members of the affected unit and any other workers performing similar services within the affected unit must have their usual hours reduced by the same percentage.

Unit Designation	Total Employees in Unit	Total STC Participants in Unit	Reduction Percentage	Action
UNIT A	10	3	50.00%	Edit Delete

Add New Unit Designation

<< Back

Next >>

Add New Unit Designation

<< Back

Next >>

Application

Select the Unit Designation for each employee and enter required information. select **Add**

Participants

* Unit Designation:	<input type="text" value="UNIT A"/>
Unit Reduction Percentage:	50.00%
* Participant Status:	<input type="text" value="Active"/>
* Effective Date:	<input type="text" value="03/22/2020"/>
* End Date:	<input type="text" value="09/12/2020"/>
* First Name:	<input type="text" value="JOHN"/>
* Last Name:	<input type="text" value="DOE"/>
* SSN:	<input type="text" value="123456789"/>
* Participant Phone:	<input type="text" value="402"/> - <input type="text" value="458"/> - <input type="text" value="2500"/>
* Normal Hours:	<input type="text" value="40"/>
* Planned Hours:	<input type="text" value="20"/>
Reduction Percentage:	50.00%
<small>Minimum 10% - maximum 60%.</small>	

Normal Hours - Normal weekly hours of work. This is the number of hours in a week that the individual would regularly work for the STC employer

Planned Hours - The number of hours that you expect your employees to work each STC week. This may change from week to week. Actual payme

Application

- You may **Edit** or **Delete** a participant from this screen if needed.
- Select **Add New Participant** to add all employees to the respective unit designations.
- Select **Next** when all employees have been entered for all units.

Participants

Below is a list of existing participants you have identified. Click the *Edit* link to change an existing entry. When you have completed reviewing participant information, click the *Next* button at the bottom of this page.

Unit Designation	Participant Name	Status	Last 4 of SSN	Effective Date	End Date	Normal Hours	Planned Hours	Reduction Percentage	Action
UNIT A	DOE, HENRY	Active	5678	03/22/2020	09/19/2020	40.00	20.00	50.00%	Edit Delete
UNIT A	DOE, JOHN	Active	6789	03/22/2020	09/12/2020	40.00	20.00	50.00%	Edit Delete
UNIT A	DOE, MARY	Active	4567	03/22/2020	09/19/2020	40.00	20.00	50.00%	Edit Delete

Add New Participant

<< Back

Next >>

Certify Application

- This page lists your responsibilities of provision under the STC Plan to the Department of Labor as well as the employees.
- Use the **scroll bar arrow** to the right to review all responsibilities
- Select the **check box** to certify your understanding and agreement after you have read all the information.
- Select **Finish** to submit your application

Certification

By submitting this plan application, I certify that I understand and agree to the following:

employer contributions to a defined contribution plan that are based on a percentage of compensation may be less due to the reduction in the employee's compensation.

- Reduction in health and retirement benefits scheduled to occur during the duration of the STC plan will be applied consistently to employees who are not participating in the STC program and to those employees who are participating.
- Agreement by the employer to: Furnish reports to the commissioner relating to the proper conduct of the plan; allow the commissioner access to all records necessary to approve or disapprove the plan application and, after approval of a plan, to monitor and evaluate the plan; and follow any other directives the commissioner deems necessary for the agency to implement the plan and which are consistent with the requirements for short-time compensation plan applications
- Certification by the employer that participation in the short-time compensation plan and its implementation is consistent with the employer's obligations under applicable federal and state laws;
- Certification by the employer that it has obtained the written approval of any applicable collective-bargaining unit representative and has notified all affected employees who are not in a collective-bargaining unit of the proposed short-time compensation plan;

understand and agree to the items listed above.

<< Back

Finish

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Review Application

- You submitted application will show on the Short-Time Compensation tab with you plan number
- The status will display as pending (new) until a determination has been made. You will receive documentation of the decision within 30 days of you application

[Employer Charges](#) [Claimants](#) [Determinations](#) [Appeals](#) [Mass Layoffs](#) **Short-Time Compensation** [Employer-Filed Claims](#) [Wage Audit Notices](#)

Short-Time Compensation

Short-time compensation (STC) provides employers with an alternative to layoffs by allowing them to make work reductions to a larger group of workers.

Under STC, workers whose hours are reduced receive pro-rated unemployment insurance benefits for partial work. Workers usually receive no UI benefit for such partial layoffs in the absence of an STC program.

STC Plan Application

Plan Number	Employer	Entry Date	Effective Date	Planned End Date	Status
202000004	LYNCH MANAGEMENT INC	03/21/2020	03/22/2020	09/19/2020	Pending (New)

Create STC Plan Application