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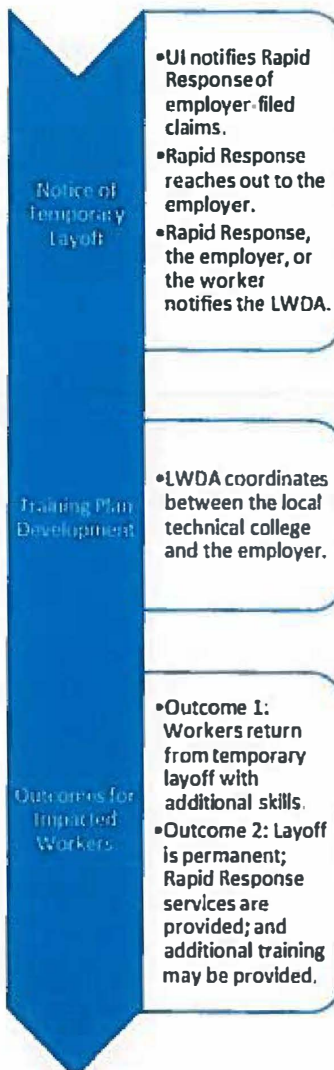
Subject: Temporary Layoff Assistance – Training Model Memo

Date: December 17, 2021

The workforce system, SC Works, and the local technical colleges can be an asset during temporary layoffs by exploring training needs and coordinating training resources, offering businesses the opportunity to upskill their workforce during this period of slowed production. Upskilling will not only advance the skill set of their workers but also allow them to retain their workforce, preventing a full layoff.

While the skill and certification requirements are unique to each business, there are industry standards that suggest certain trainings may be of benefit across industries, such as lean principles, information technology, and project management. The technical college system is an essential provider of short-term occupational training in SC, offering courses that retool workers quickly in today's high-demand skills.

Coordinating short-term occupational training for a worker group facing a temporary layoff will require coordination between the employer and the local technical college. **The local workforce development area (LWDA) will be the lead entity in coordinating training options with an employer facing temporary layoffs and the local technical college.** Notification of a temporary layoff occurs either through an employer filing



for Unemployment Insurance (UI) benefits for its workers or through notifying a member of the business services team of the temporary pause in production. Either way, notification of a temporary layoff is an opportunity to promote short-term training for the impacted workers by the LWDA in partnership with the technical college.

**The LWDA's efforts to partner with the local technical college, and available funding within the technical college system, are essential to the success of short-term training options as a layoff assistance tool.**

### **Possible Training Scenarios**

Likely scenarios in which short-term training may result in favorable outcomes for employers and workers include the following:

1. Production pauses and employees participate in short-term training while remaining on the payroll (job attached).
2. Production pauses and employees are laid off temporarily (payroll has paused) with a return date (job attached).
3. Employees are temporarily laid off (payroll paused) without a known return to work date, but the employer seeks training for the workers so they have improved skills and can possibly transition to new employment with the employer when recalled.

The partnership with technical colleges is largely the means for providing short-term training during temporary layoffs; however, depending upon business circumstances, other public training resources may be available.

### **Short-Term Training and Eligibility for Unemployment Insurance**

It is important that companies understand the direct correlation between short-term training and eligibility for UI benefits, even for business-filed claims.

1. An employer continues to pay the hourly wages and requires workers to participate in training.
  - Workers who continue to receive full pay will not need to file for UI and would receive no benefits while receiving full pay.
  - Workers who continue to receive pay at a reduced rate may file a claim for UI benefits; however, UI claimants must report their gross wages received each week that they certify a claim for UI benefits. Under SC's law, wages or subsidized payments will reduce or eliminate the benefits the claimant can receive that week. Alternatively, severance pay is not wages under our law and, therefore, would not reduce or eliminate the benefits the claimant can receive each week.

**NOTE:** A claim must be filed during the week of reduced pay in order to become eligible for UI benefits beginning that week. Delay in filing will cause a worker to be ineligible for UI benefits that could have been received in weeks prior to filing a UI claim.

2. An employer does not pay hourly wages, but offers training during the short-term separation.
  - Claimants receive their full weekly benefit amount because claimants would be completely unemployed for any week in which they perform no services, earning no wages.
  - **Waiting Week**—Before any UI benefits can be paid, an unpaid waiting period equivalent to one full week of unemployment benefits must be served.
    - Exception: claimants with an active benefit claim who had the waiting week waived due to the pandemic state of emergency (prior to June 18, 2021) will not serve a waiting week when filing for benefits due to the temporary layoff.
    - If a claimant establishes a new claim, the claimant must serve the waiting week before receiving payment, reducing the amount of UI benefits the claimant could receive before returning to work.
  - **Weekly Work Search Requirement**—In order for a UI claimant to continue to collect unemployment benefits while attending training, the claimant must be available for and seeking full-time work. A claimant who is not available and not seeking work due to enrollment in training may have those requirements waived if the training is considered approved for the UI program.
    - If an **employer files** on behalf of the workers, claimants will be automatically waived from the weekly work search requirement.
    - If an **employer does not file** on behalf of its workers, the weekly work search can be waived for the workers who participate in training. The employer or the individual claimant must notify DEW of the worker's participation in training in order to receive training approval and have the work search requirement waived.

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