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Henry McMaster Governor

Jamie D. Suber Acting Executive Director

STATE INSTRUCTION NUMBER 18-08

To: Local Workforce Area Signatory Officials

Local Workforce Area Board Chairs Local Workforce Area Administrators

DEW Area Directors
DEW Regional Managers

Subject: Definition of "Substantial Layoff"

Issuance Date: February 1, 2019

Effective Date: Immediately

<u>Purpose:</u> To issue State policy regarding the definition of a "substantial layoff" as it applies to the definition of "Dislocated Worker" under the Workforce Innovation and Opportunity Act (WIOA). This policy rescinds State Instruction 08-04.

<u>Background:</u> WIOA section 3(15)(B)(i) defines a "dislocated worker" to include a worker who has been terminated or laid off, or has received notice of termination or layoff, from employment as a result of a permanent closure, or substantial layoff, at a plant, facility, or enterprise. WIOA does not further define "substantial layoff." Under the WIOA implementing regulations, the State may establish policies and procedures for use in determining an individual's eligibility as a dislocated worker, consistent with the definition at WIOA section 3(15).

<u>Policy:</u> Generally, the definition of a substantial layoff is any permanent reduction in force resulting in an employment loss of at least 50 employees at a single site over a 30 day period. In addition, the State Rapid Response Team may determine that a substantial layoff has occurred based on other factors that may indicate a significant, negative impact on the community and/or local economy. Such factors may include, but are not limited to:

- The local unemployment rate
- The employer size in comparison to the total number of jobs in the surrounding area
- If multiple employers, the potential number of employers involved and the potential number of employees impacted

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Local Workforce Development Areas (LWDAs) may request that the State Rapid Response Team consider whether a local area layoff is "substantial" by emailing the State Rapid Response Team at RR@dew.sc.gov.

Action: Please ensure that appropriate staff receive and understand this policy.

Inquiries: Questions may be directed to Policies and Procedures at PolnPro@dew.sc.gov.

Susan M. Boone, Chief Legal Officer

SC Department of Employment and Workforce