**Section 2870.40 Short-Time Compensation Benefits' Formulas**

a) Consistent with the provisions of Section 401 of the Act pertaining to rounding both an individual's weekly benefit amount and any dependent allowance to the next higher dollar if calculations result in a weekly benefit amount or a dependent allowance in an amount that is not already a multiple of one dollar, the STC weekly benefit amount will be the product of:

1) the percentage of reduction in the individual's usual weekly hours of work; and

2) the sum of the regular weekly benefit amount for a week of total unemployment plus any applicable dependent allowance which the individual may be eligible to receive under Section 401 of the Act.

b) A week for which benefits are paid under this Part will be reported as a week of STC benefits. The formulas used to calculate an individual's STC benefit payment for a week are as follows.

1) For an individual who is not eligible for any dependent allowance under Section 401 of the Act:

Total Hours (TH) = (PH) + (OH)

WBAPA = 1 – ((TH) ÷ (NH))

STC Deduction = (WBA) × (1 – (WBAPA))

Benefit Payment Amount = ((WBA) – (STC Deduction)) or

Benefit Payment Amount = (WBA × WBAPA)

EXAMPLE 1: Bob is an employee of an affected unit under an approved STC plan, which provides for a 20% reduction in Bob's normal hours. Bob normally works 40 hours a week. Bob's hours were reduced to 32 when the employer's STC plan was approved effective June 6, 2021. Bob filed a new claim for benefits. Bob's regular unemployment weekly benefit amount is $500. Bob worked all his scheduled hours during the week ending June 12, 2021. Bob does not have a second job. Bob's STC benefit payment amount for the week ending June 12, 2021 is $100, using the formulas as shown below.

Using the formulas:

32 + 0 = 32 (TH)

1 – (32 / 40) = 1 – (.80) = .20 (WBAPA)

500 × (1 – .20) = 500 × .80 = 400 (STC Deduction)

500 – 400 = 100 (Benefit Payment Amount) or

500 × .20 = 100 (Benefit Payment Amount)

$100 (Benefit Payment Amount)

EXAMPLE 2: Mary is an employee of an affected unit under an approved STC plan, which provides for a 20% reduction in Mary's normal hours. Mary normally works 40 hours a week. Mary's hours were reduced to 32 when the employer's STC plan was approved effective June 6, 2021. Mary filed a new claim for benefits. Mary's regular unemployment weekly benefit amount is $484. Mary worked all scheduled hours during the week ending June 12, 2021. Mary does not have a second job. Mary's STC benefit payment amount for the week ending June 12, 2021 is $97, using the formulas as shown below.

Using the formulas:

32 + 0 = 32 (TH)

1 – (32 / 40) = 1 – (.80) = .20 (WBAPA)

484 × (1 – .20) = 484 × .80 = 387.20 (STC Deduction)

484 – 387.20 = 96.80 (Benefit Payment Amount) or

484 × .20 = 96.80 (Benefit Payment Amount)

$97 (Benefit Payment Amount due to rounding)

2) For an individual who is eligible for a dependent allowance under Section 401 of the Act:

Total Hours (TH) = (PH) + (OH)

WBAPA = 1 – ((TH) ÷ (NH))

STC Deduction = [(WBA) + (DA)] × (1 – (WBAPA))

Benefit Payment Amount = ([(WBA) + (DA)] – (STC Deduction)) or

Benefit Payment Amount = ([(WBA) + (DA)] × WBAPA)

EXAMPLE 1: Same facts as in EXAMPLE 1 in subsection (b)(1), except Bob is eligible for $188 in dependent child allowance. Bob's STC benefit payment amount, including dependent allowance, for the week ending June 12, 2021 is $138, using the formulas as shown below.

Using the formulas:

32 + 0 = 32 (TH)

1 – (32 / 40) = 1 – (.80) = .20 (WBAPA)

(500 + 188) × (1 – .20) = 688 × .80 = 550.40 (STC Deduction)

688 – 550.40 = 137.60 (Benefit Payment Amount) or

688 × .20 = 137.60

(Of the 137.60, 100.00 constitutes Benefit Payment Amount and 37.60 constitutes Dependent Allowance)

100 (Benefit Payment Amount due to rounding) +

38 (Dependent Allowance due to rounding) =

$138 (Benefit Payment Amount Plus Dependent Allowance)

EXAMPLE 2: Same facts as in EXAMPLE 2 in subsection (b)(1), except Mary is eligible for $181 in dependent child allowance. Mary's STC benefit payment amount, including dependent allowance, for the week ending June 12, 2021 is $134, using the formulas as shown below.

Using the formulas:

32 + 0 = 32 (TH)

1 – (32 / 40) = 1 – (.80) = .20 (WBAPA)

(484 + 181) × (1 – .20) = 665 × .80 = 532 (STC Deduction)

665 – 532 = 133 (Benefit Payment Amount) or

665 × .20 = 133

(Of the 133, 96.80 constitutes Benefit Payment Amount and 36.20 constitutes Dependent Allowance)

97 (Benefit Payment Amount due to rounding) +

37 (Dependent Allowance due to rounding) =

$134 (Benefit Payment Amount Plus Dependent Allowance)

c) An individual may be eligible for STC benefits or unemployment insurance benefits, as appropriate, except that:

1) no individual shall be eligible for both STC benefits and unemployment insurance benefits for the same week;

2) no individual shall be eligible for combined benefits (excluding any payments attributable to a dependent allowance under Section 401 of the Act) in any benefit year in an amount more than the individual's maximum benefit amount; and

3) no individual shall be paid STC benefits for more than 52 weeks under a STC plan.

d) The STC benefits paid to an individual in an affected unit (excluding any payments attributable to a dependent allowance under Section 401 of the Act) will be deducted from the maximum benefit amount established for that individual in the benefit year.

e) The following provisions apply to individuals who work for both a STC employer and another employer during weeks covered by the approved STC plan:

1) If combined hours of work in a week for both employers do not result in a reduction of at least 20% of the usual weekly hours of work with the STC employer, the individual is not eligible for benefits.

EXAMPLE: Same facts as in EXAMPLE 1 in subsection (b)(1), except Bob has a second job. In the week ending June 12, 2021, Bob worked all regular plan hours and an additional 4 hours for the second employer. For the week, Bob worked a total of 36 hours, consisting of 32 hours worked for the STC employer and 4 hours worked for a second employer. In total, Bob's reduction of hours worked for the week, as compared to a normal 40 hours of work for the STC employer, is 4 hours, which is a 10% reduction in the normal hours of work for the STC employer. Since Bob's reduction in total hours worked amounts to only 10% of the normal STC hours, Bob's short-time weekly benefit amount would be $0, as the employer's STC plan only allows for a 20% reduction. Bob's weekly benefit amount percentage amount (WBAPA) equaling only 10% of the normal weekly hours is lower than the 20% under the STC plan (20% is also the lowest percentage of reduction of hours worked allowed for a STC plan under Section 502 of the Act). Therefore, Bob is not eligible for STC benefits that week. See formulas below:

32 + 4 = 36 (TH)

1 – (36 / 40) = 1 – (.90) = .10 (WBAPA)

500 × (1 – .10) = 500 × .90 = 450 (STC Deduction)

2) If combined hours of work for both employers results in a reduction equal to or greater than 20% of the usual weekly hours of work for the STC employer, the STC benefit amount payable to the individual is reduced for that week and is determined by multiplying the percentage by which the combined hours of work have been reduced by the weekly benefit amount for a week of total unemployment.

EXAMPLE: Same facts as in EXAMPLE 1 in subsection (b)(1), except the employer's STC plan provides for a 50% reduction in Bob's normal hours. Bob works his 20 plan hours and an additional 4 hours for a second employer. Bob's weekly benefit payment amount would be $200. See formulas below.

20 + 4 = 24 (TH)

1 – (24 / 40) = 1 – (.60) = .40 (WBAPA)

500 × (1 – .40) = 500 × .60 = 300 (STC Deduction)

500 – 300 = 200 (Benefit Payment Amount) or

500 × .40 = 200 (Benefit Payment Amount)

3) If an individual worked the reduced percentage of the usual weekly hours of work for the STC employer, is available for all usual hours of work with the STC employer, and did not work any hours for the other employer either because of the lack of work with that employer or because the individual is excused from work with the other employer, the individual is eligible for STC benefits for that week.

EXAMPLE: With the same facts as in EXAMPLE 1 in subsection (b)(1), Bob's weekly benefit payment amount would be $100.

32 + 0 = 32 (TH)

1 – (32 / 40) = 1 – (.80) = .20 (WBAPA)

500 × (1 – .20) = 500 × .80 = 400 (STC Deduction)

500 – 400 = 100 (Benefit Payment Amount) or

500 × .20 = 100 (Benefit Payment Amount)

4) An individual who is not provided any work during a week by the STC employer, or any other employer, and who is otherwise eligible for unemployment insurance, is eligible for the amount of regular unemployment insurance benefits plus any dependent allowance for which that individual may be eligible.

EXAMPLE: Same facts as in EXAMPLE 1 in subsection (b)(1), except that the STC employer shut down for a week of inventory and maintenance and Bob did not work any STC plan hours, nor did Bob work for another employer. Since the reduction in Bob's hours is more than the 60% allowed under Section 502 of the Act, Bob would not be eligible for any STC benefits. However, Bob would be entitled to regular unemployment insurance benefits, provided he is otherwise eligible.

5) An individual who is not provided any work by the STC employer during a week, but who works for another employer and is otherwise eligible may be paid unemployment insurance for that week subject to the disqualifying income and other provisions applicable to claims for regular unemployment insurance.

EXAMPLE: Same facts as in EXAMPLE 1 in subsection (b)(1), except that the STC employer shut down for a week of inventory and maintenance and Bob did not work any STC plan hours. Bob did, however, work 10 hours for another employer and earned $400 in gross income in the week ending June 12, 2021. Since the reduction in Bob's STC plan hours is more than the 60% allowed under Section 502 of the Act, Bob would not be eligible for any STC benefits. However, Bob could be eligible for reduced regular unemployment insurance benefits under the provisions of Section 402 of the Act.