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## **KEDC looks at program to ease pain of layoffs**

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Kilgore Economic Development Corporation board members on Monday discussed possible large layoffs by local employers and a Texas Workforce Commission program that may help companies keep their core employees.

Amanda Nobles, KEDC manager, said the program, Shared Work Compensation, could possibly be used to pay wage differences for workers whose hours are reduced due to a sagging economy.

Per the TWC Web site, "Shared Work Compensation offers an alternative to employers facing a reduction in force. Instead of laying off employees, the employer reduces the hours of work among a specific group of employees. Wages lost to the worker as a result of reduced hours are supplemented by a partial unemployment benefit amount."

Texas is one of 17 states to offer this type of program, Nobles said, adding she learned of the program while visiting with a local manufacturer who was familiar with a similar program in another state.

"Our hope is to get someone up here from TWC who can talk about this and have a meeting for our employers," Nobles said. "I can't predict the future, but if the economic downturn is lengthy, we need to know about tools like this."

At present, Nobles said she knows of no layoffs in Kilgore.

The money to pay for the Shared Work benefits comes from each company's TWC unemployment insurance fund. Interested companies must submit detailed plans to TWC for approval.

Per TWC, "If the plan is approved, workers who qualify for unemployment benefits will receive both wages and Shared Work benefits. The workers will receive the percentage of their regular benefits that matches the percentage of reduction in the employer's plan.

"Benefits paid under shared work plans are charged back against employers' accounts for use in computing general (experience) tax rates. Thus, they affect employers' tax rates in the same manner and to the same extent as other chargebacks of benefits."

The Shared Work program is good for one year from the date of TWC approval.