

FACT SHEET #156 March 2020

Work Share Program

Work Share is a program that permits employers to maintain operational productivity during declines in regular business activity instead of laying off workers. With the plan, rather than being laid off, eligible employees work a reduced number of hours in the work week and receive a portion of weekly unemployment benefits. By participating in Work Share, employers are able to retain trained employees and avoid the expense of recruiting, hiring and training new employees.

With the Work Share program, unemployment benefits are based on a percentage of the reduced hours of work and pay. The reduction in work hours must result in an equivalent reduction in wages.

Example of calculation of Work Share Plan Benefit: While weekly benefits rates vary from person to person, if a worker was fully unemployed, their weekly benefit amount would be, for example, \$360. Under Work Share, a worker whose hours were reduced by 20 percent would receive a Work Share benefit payment of \$72 ($\$360 \times 20\%$) = \$72.

Unemployment benefits cannot exceed 20 times the weekly benefit payable to participating employees. Participating employees must have earned a sufficient amount of wages in order to establish an unemployment claim and receive Work Share benefits. The program requires employers to maintain the fringe benefits of participating employees and obtain approval, if necessary, from collective bargaining representatives.

Program Eligibility

Employers must meet and maintain the following requirements in order to participate in the Work Share program:

- Unemployment taxes must be current;
- Experience account balance must have “positive” reserve; **As a result of Executive Order 2020-10, UIA may approve a work share plan regardless of whether the employer has a positive reserve until April 14, 2020.**
- Must have paid wages for at least 12 of the previous quarters;
- Must not hire new employees into the affected work unit nor transfer employees into the unit during a plan;
- May not reduce hours of work below the number approved under a plan; and
- Must certify that participation in a plan is in lieu of a temporary lay-off which reduces employees’ normal work hours by at least 15 percent but not more than 45 percent.

Employers may have two or more plans covering separate work units. All employees in the affected unit must participate in the plan. A plan must include a minimum of two employees. Plans may be approved for a period of up to 52 consecutive weeks.

Application Process

Employers may file an online application through the Michigan Web Account Manager (MiWAM) via the Unemployment Insurance Agency (UIA) website at michigan.gov/uia.

Work Share does not apply to seasonal, temporary, or intermittent employment.

For more information about Work Share, visit the UIA website at michigan.gov/uia or call 1-844-WORKSHR (967-5747) or call the Office of Employer Ombudsman at 1-855-484-2636.