

WORK SHARE PROGRAM

Bring Workers Back from Unemployment

WorkShare

RESTART. RETAIN.

Michigan's Work Share program allows employers to restart their business and bring employees back from unemployment. Employers can bring employees back with reduced hours - while employees collect partial unemployment benefits to make up a portion of the lost wages. Employers can also retain their current workforce and are given the flexibility to choose which of their employees are part of a Work Share plan.



PROGRAM REQUIREMENTS

- › If business demand is down, employers participating in Work Share can preserve their workforce while reducing hours and wages by 15 - 45%.
- › Employers must have paid wages or at least 12 of the previous quarters.
- › Experience account must have a positive reserve.

Work Share requirements:

- › Employers are given flexibility to organize which employees are in a Work Share plan.
- › A plan must include a minimum of two employees and an employer can have multiple plans.
- › Plans may be approved for a period of up to 52 consecutive weeks.
- › Employee hours/wages may be reduced by a minimum of 15% up to a maximum 45%.
- › Part-time employees are eligible, but Work Share does not apply to seasonal, temporary, or intermittent employment.
- › Employees must be eligible to receive state unemployment benefits.
- › Employer must obtain approval of any applicable collective bargaining unit representative.
- › Employers participating in Work Share cannot modify employee fringe benefits.

Under the federal American Rescue Plan:

- › Employees that receive a percent of Michigan unemployment benefits (including Work Share) also receive an additional \$300 federal payment in Pandemic Unemployment Compensation through September 4, 2021.



HOW IT WORKS

With the Work Share program, a worker receives a reduced salary from an employer, but is given a percent their state benefits plus the additional \$300 federal benefit through September 4, 2021. The reduction in work hours must result in an equivalent reduction in wages.

HOW IT WORKS

If a worker's weekly wages are \$1,000, yet the employer needs to reduce their salary/hours by 30%. Under Work Share, their weekly salary would be \$700 ($\$1,000 - 30\% = \700). Plus 30% of their state unemployment benefits ($\$362 \text{ maximum} \times .30 = \108), plus an additional \$300 federal payment in Pandemic Unemployment Compensation through September 4, 2021.

With Work Share, the employee would earn \$1,108/week through September 4, 2021 vs. \$662 without Work Share.

As businesses are reopened, Work Share can help employers bring back their employees from unemployment faster and allows employers to retain their workforce and avoid layoffs.

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Examples

WorkShare

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RETAINING WORKERS

Average Salary of \$52,000 (\$1,000/week)

For 12 weeks, employer will experience a loss of revenue, but is still operating and wants to retain their 100 employees.

Employee is receiving \$1,000/week and then is retained to work under a 45% reduction in wages and hours.

Under Work Share

\$400/week in salary + 45% of state unemployment benefits (\$362 maximum x .45 = \$162.90) + \$300 federal benefit through September 4, 2021.

Employee Weekly Salary

through September 4, 2021

\$863

with Work Share



\$662

full unemployment



RESTARTING BUSINESS

Average Salary of \$52,000 (\$1,000/week)

Employer wants to bring back 100 employees that were laid off and on unemployment to restart the business at 70% capacity for 12 weeks.

Employee is receiving \$1,000/week and then is retained to work under a 30% reduction in wages and hours.

Under Work Share

\$700/week in salary + 30% of state unemployment benefits (\$362 maximum x .30 = \$108.60) + \$300 federal benefit through September 4, 2021.

Employee Weekly Salary

through September 4, 2021

\$1,108

with Work Share



\$662

full unemployment

APPLICATION PROCESS



Go to Michigan.gov/UIA.



Login to MiWAM.



File an application.

For more information, visit Michigan.gov/WorkShare or call the Office of Employer Ombudsman at 1-855-484-2636.