



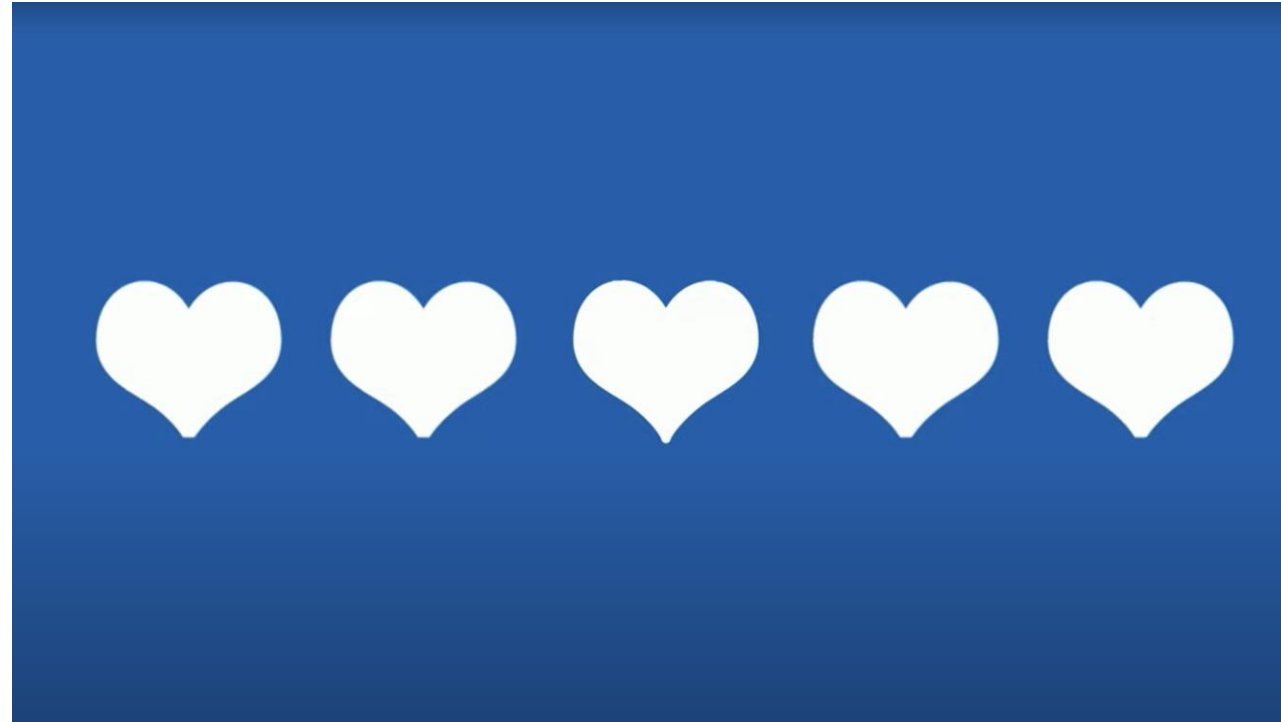
MICHIGAN DEPARTMENT OF
**LABOR & ECONOMIC
OPPORTUNITY**

Webinar Agenda

- Work Share Overview
- How it Works
- Eligibility Requirements
- Application Process
- Certifying a Plan
- Terminating a Plan
- Work Share and the Paycheck Protection Program
- Employer FAQs
- Employee FAQs
- Contact



Work Share Program Restart. Retain.



WorkShare

Work Share Program Restart. Retain.



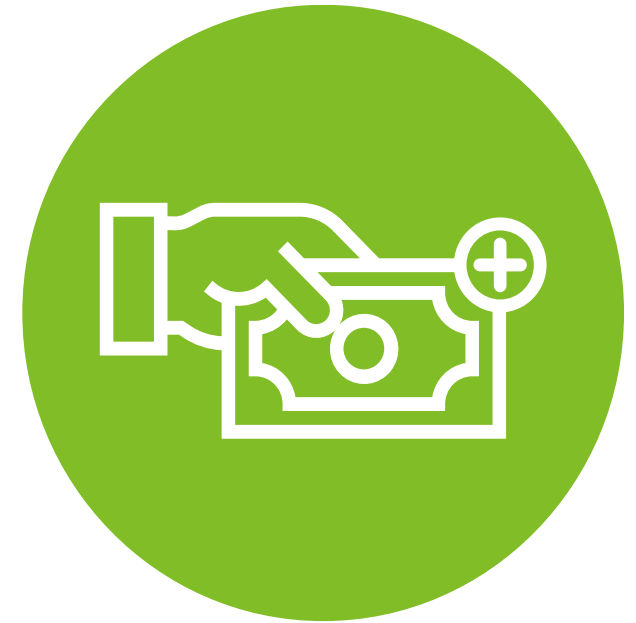
- Work Share is the State of Michigan's program that can help employers retain their employees and restart their business during disruptions in operations.
- It allows employers to bring back or keep employees working with reduced hours, while employees collect partial unemployment benefits to make up a portion of the lost wages.
- Work Share has traditionally been used by employers to retain their employees and avoid layoffs.



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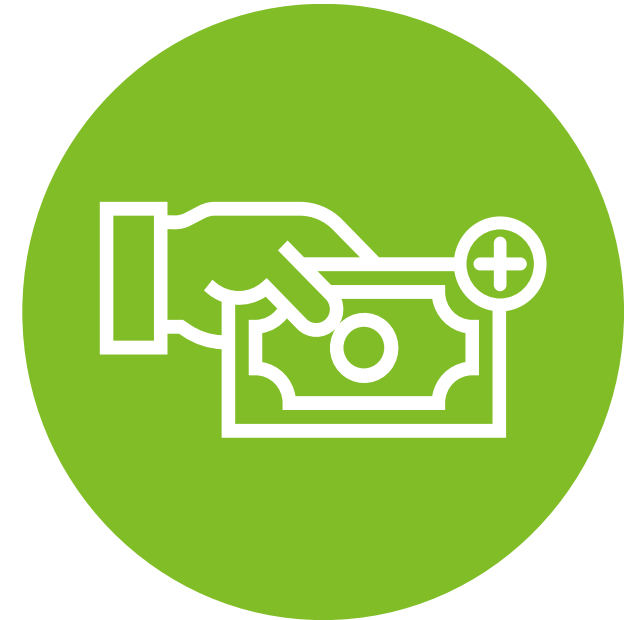
How it Works

- As Michigan restarts its economy, employers are urged to use the program to bring their employees back from unemployment and restart their operations.
- With the Work Share program, an employee works fewer hours in a week receiving a reduced salary from an employer but is given a percentage of their state UI benefits plus an additional \$600/week in Pandemic Unemployment Assistance through the federal CARES Act benefit through July.



How it Works

- An employer can bring back their employees at a reduced rate, and the employees could even receive more money than they would during normal work hours.
- More importantly, they would receive more money than they would if they remained on standard unemployment.
- This allows the employer to start their business at a reduced capacity while their employees still earn high wages and received unemployment benefits.



Employer Eligibility Requirements

Employer

- Active UI account number & be a liable as an employer
- Employer must obtain approval of any applicable collective bargaining unit representative.
- Employers participating in Work Share cannot modify employees fringe benefits.

Employee

- Have earned enough wages to meet the monetary eligibility in order to establish an unemployment claim
- Part time employees and new employees are eligible.
- Employees on previous UI claim **MUST** discontinue certifying previous claims while participating in Work Share



Advantages of Work Share- Employer

- Minimizes or eliminates the need for layoffs
- Businesses can reduce employee work hours to reflect decreases/increases in business demand
- Enables a business to retain trained employees and avoid the expense of recruiting; hiring and training new employees when business improves
- Saves money and keeps your skilled workforce intact
- Can be used in almost any type of business or industry
- Employees keep their fringe benefits
- Employees are spared the hardship of full unemployment and receive more income than if they were fully laid off



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Flexible for Employers



- Employers can pick which employees they want in a Workshare plan, their only needs to be a minimum of 2 employees in each plan, and employers can have multiple plans.
- Employers have flexibility to stop within the timeframe of your approved application
- An employer can reduce hours and wages by as little as 10% and as much as 60%.
- Employer will have to certify your employee weekly or biweekly
- An employer could bring back 10 employees with a 20% reduction in one Work Share Unit they create and 20 employees at a 50% reduction in a different Work Share unit.



Flexible for Employers



- A Work Share plan may be approved for a period of up to 52 consecutive weeks but can be ended at any time without penalty and a new one can also be created whenever an employer wants.
- You will have to communicate with the employee about participating in workshare
- Plans are submitted during the week they are approved for the following Sunday



Employee Exclusions



- Employees who work more than 40 hours per week
- Employees cannot be seasonal, temporary or intermittent employment
- Work Share benefits are taxable income, but deductions can not be subtracted from your weekly or bi-weekly payment.

How to Apply for the Michigan Work Share Program

Here is a short video detailing how you can sign up today!

<https://www.youtube.com/watch?v=0NQPWI3S860&t=322s>



WorkShare

Certification

Home > Account: 2013997 000 > Work-Share

Work-Share Plans

To view details or modify an existing approved Work-Share plan, please select from the list below. To begin a new Work-Share plan application please click the button to the right.

Work-Share Plan Application

Plan Number	Unit Name	Reduction	Begin	End	Status		
56,000	TEST	45%	07-Jun-202	02-Jan-202	Approved	View Plan	File Certification
56,001	TESTING	45%	07-Jun-202	02-Jan-202	Approved	View Plan	File Certification



- For your employees to be paid, you will need to certify your employee's eligibility either weekly or bi-weekly.
- On the date you are to certify, login to your MiWAM account, click UI Tax, click Manage Work Share Plans, then click the File Certification link.



Terminating a Plan

- An employee can not have more than one active UI claim and **MUST** discontinue weekly or bi-weekly certifications on the week they return to work on a Work Share plan.

The screenshot shows a web application interface for managing Work-Share Plans. At the top, there is a navigation bar with 'Home', 'Settings', 'Help', and 'Log Off' options. Below this, a breadcrumb trail indicates the user is in 'Home > Account: 2171948 000 > Work-Share'. The main content area is titled 'Work-Share Plans' and includes a 'Work-Share Plan Application' button. A text instruction states: 'To view details or modify an existing approved Work-Share plan, please select from the list below. To begin a new Work-Share plan application please click the button to the right.' Below this is a table with a 'Filter' input field and columns for Plan Number, Unit Name, Reduction, Begin, End, Status, and three empty columns. A single row of data is visible: Plan Number 489,013, Unit Name AME AUTO, Reduction 40%, Begin 17-May-20, End 01-Aug-20, Status Approved, and three empty cells. Action links 'View Plan', 'File Certification', and 'Terminate Plan' are located at the end of the row.

Plan Number	Unit Name	Reduction	Begin	End	Status			
489,013	AME AUTO	40%	17-May-20	01-Aug-20	Approved	View Plan	File Certification	Terminate Plan

For security reasons it is important to remember to close your browser completely when you are done.



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Work Share and Paycheck Protection Program

- Keep in mind, employers that are a part of the Paycheck Protection Program (PPP) can still participate in Work Share, but the program design needs to be considered when the goal of PPP is forgiveness of loans.
- The Paycheck Protection Program recipients should review their PPP application as they structure their Work Share plan.



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Work Share and Paycheck Protection Program

PPP forgiveness requirements include:

- 75% of PPP loan amount must be used for payroll costs to be eligible for forgiveness
- Loan forgiveness will be reduced if salaries and decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.
- Employers have until June 30, 2020 to restore full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.



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Here's an Example

Let's say as the economy opens up:

- A manufacturer is considering restarting their business.
- They know they'll experience a loss of revenue for the next 12 weeks, but still want to reopen operations.
- They have 100 employees, and all were laid off due to COVID-19.
- The employer wants to bring them all back to work, but only at 70% capacity, so they would put each employee in Work Share plan with a 30% reduction.



Restarting a Business

- Let's assume each employee under normal operations, earns \$1,000/week. Under Work Share, the employee is retained to work with a 30% reduction in wages and hours.
- Their salary would then be \$700 per week plus 30% of their state unemployment benefits plus the extra \$600 federal benefit.
- Under Work Share, the employees would make more than \$1,400 a week vs only \$962 on unemployment.

Employee Weekly Salary
through July 2020

\$1,408

with Work Share

\$962

full unemployment



WorkShare

Work Share Expanded

Under the federal CARES Act and the Governor's Executive Orders:



- Employee hours/wages can now be reduced by as little as 10% or as high as 60%.
- The length of time requirement that employers must be in business has been waived
- Employers do not have to be current on their unemployment taxes
- Employers are not required to have a positive balance in their unemployment tax account.
- Regular part-time employees are now eligible
- Participants receive % MI benefits + \$600 PUA weekly through July
- Work Share is 100% federally funded through December 2020. Employers quarterly tax rate and reserve balance remain intact.



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Conclusion

- Work Share is a great option for employers who need to bring back their employees at a reduced capacity.
- It also allows the company to reengage their workforce and ramp up their business at a schedule that works for them.
- Using additional money from the CARES Act serves as a great incentive for workers to return from total unemployment and get back to work!



Employer FAQs

Q. If an employer chooses Work Share, must he or she use it for their entire business?

A. No. A Work Share plan can apply to a department, shift or another organizational unit. Employers may have more than one Work Share plan.

Q. Can I lay off some of the workers participating in a Work Share plan and continue the plan with the remaining individuals?

A. No. You may not lay off any employees in a Work Share plan during the duration of the plan.



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Employer FAQs

Q. Not every employee within the “affected unit” is a union member; can the unit still be approved for a Work Share plan?

A. Yes

Q. What other responsibilities does an employer have after the plan is approved?

A. The employer will be responsible for distributing the initial UC application forms to their employees and, once completed, mailing them to the department. In addition, they will be required to submit claims on behalf of their employees on a biweekly basis.

Q. Can the union representative request a modification or termination of a Work Share plan?

A. No. The union cannot unilaterally modify or terminate a Work Share plan.



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Employee FAQs

Q. What do I do if my employer has been approved for Work Share?

A. Your employer will provide you with information regarding participation in a Work Share Program. You will receive a letter Form #1054, from the State of Michigan, Unemployment Insurance Agency, explaining your weekly benefit amount while participating in Work Share, your weeks of eligibility and your employer Work Share Plan begin and end date. This letter will provide you with instructions on method of payment. You do not need to contact the UI office to file for your weekly Work Share benefits, this will be completed by your employer.



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Employee FAQs

Q. When will I receive my weekly Work Share amount?

A. After UIA notifies you of your eligibility for Work Share Benefits, your employer will submit all the information on your behalf. If you have any questions regarding your Work Share benefits you must contact your employer.

Q. How will I receive my weekly Work Share amount?

A. Payments are issued by either a UIA issued debit card from Bank of America or direct deposit to your financial institution of choice. To set-up direct deposit you will need to create a Michigan Web Account Manager (MiWAM) and data enter your direct deposit information under the Claimant Services tab or call 1-866-500-0017 and select the payment option. You will need to have your financial Institution's routing number and your account number readily available. If no option is selected, your method of payment will default to debit card. If you have previously selected a method of payment, your option will remain the same.



WorkShare

Employee FAQs

Q. I forgot my personal identification number (PIN). Can you help me?

A. Call 1-866-500-0017 and speak to a representative.

Q. Can I protest my Work Share claim or benefit amount?

A. Form UIA 1054, *Notice to Employees of Approved Work Share Plan*, cannot be protested. Your employer handles the entire Work Share process including application, participant list and the work reduction percentage resulting in the payment of Work Share benefits.



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Employee FAQs

Q. I was receiving a standard UI claim then I was recalled back to work and told that my employer was having me to participate with Work Share. Do I continue to certify my standard UI claim?

A. It is imperative that while you are participating in the Work Share Program that you do not certify your previous standard claim. While the Plan is in effect, your employer is responsible for certifying you for benefits. You are not to receive benefits under a standard UI claim and a Work Share claim. You will be committing fraud if you certify your standard UI claim while you are receiving benefits from participating in the Work Share Program.



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Employee FAQs

Q. Can I work for another employer while participating in my employer's Work Share plan?

A. Yes. However, if you have other employment and work more hours in your other employment than were reduced by the Work Share employer, it is possible that your weekly UI benefit amount would be affected. For example, if you are reduced 10 hours with the Work Share employer and work 12 hours with a different employer you will not receive benefits for that week. You must report the number of hours worked each week with your other employer to your Work Share employer.



WorkShare

Learn More



Michigan.gov/WorkShare or email
UIA-WorkShare@Michigan.gov



Office of Employer Ombudsman
855-484-2636 or 844-WORKSHR
(967-5747)



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Questions and Answers

