



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY  
LANSING

SUSAN CORBIN  
DIRECTOR

## MEMORANDUM

**DATE:** March 8, 2023

**TO:** The Honorable Gretchen Whitmer  
Governor of the State of Michigan

Honorable Joe Tate  
Speaker of the House

Honorable Winnie Brinks  
Senate Majority Leader

Honorable Matt Hall  
House Minority Leader

Honorable Aric Nesbitt  
Senate Minority Leader

Rich Brown  
Clerk of the House

Dan Oberlin  
Secretary of the Senate

**FROM:** Julia Dale, Director  
Unemployment Insurance Agency  
Department of Labor and Economic Opportunity

**SUBJECT:** Unemployment Insurance Agency Work Share Program Annual Report  
Public Act 1 of 1936, Section 421.28I

The Work Share Program was created by the enactment of Public Act 1 of 1936, Section 421.28b to 421.28m of the Michigan Employment Security (MES) Act. The purpose of Work Share is to allow an employer to maintain operational productivity by reducing the work hours of employees during an economic decline in regular business activity instead of laying-off employees. With the plan, eligible employees work a reduced number of hours in the work week and receive a portion of weekly unemployment benefits.

Per Section 421.28l of the MES Act, the Unemployment Insurance Agency (UIA) shall submit to the Governor, the Secretary of the Senate, and the Clerk of the House of Representatives for referral to the Chair and Minority Vice-Chair of the appropriate committees an annual report regarding shared-work plans under Sections 28B to 28m. The report shall include the number of approved shared-work plans, the number of participating employers, the number of participating employees, the amount of compensation and aid to participating employees, and any other information the UIA determines is relevant to assess the impact of shared-work plans on the

LEO is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.  
105 WEST ALLEGAN STREET, LANSING, MICHIGAN 48933 • www.michigan.gov/leo • 517-241-6712

unemployment compensation fund. The first report shall be submitted on or before the first day of March following the first complete calendar year during which sections 28b to 28m are in effect, and subsequent reports shall be submitted on or before the first day of March of each subsequent year.

If you have any questions, please contact Rachael Wineland, UIA Legislative Liaison at [Winelandr@michigan.gov](mailto:Winelandr@michigan.gov) 517-241-0029 or 517-290-3053.

Attachment

**Michigan Unemployment Insurance**  
**Shared-Work Plan Annual Report for 2022**

The shared-work program provides an alternative to lay-offs, wherein an employer may reduce the hours for a group of employees in lieu of layoffs. Such employees would then be eligible for partial unemployment benefit payment.

The shared-work program was utilized in calendar year 2022 as follows:

- a. Number of approved shared-work plans:

483

- b. Number of participating employers:

140

- c. Number of participating employees:

1,170

- d. Amount of compensation and aid to participating employees:

\$1,485,959

- e. Any other relevant information to assess the impact of shared-work plans on the unemployment compensation fund:

Since the end of the pandemic and federal support for shared-work plans, the numbers of shared-work plan claims have decreased precipitously. Work share amounts and weeks are down over 90%, though still more than triple the amount during the pre-pandemic years. The impact to the trust fund is currently fairly low, although during the pandemic, work share was federally funded.

In 2022, there were 15,727 total weeks compensated under a shared-work plan. Assuming employers would have aid of in proportion to the full-time equivalent of people on work-share, employers avoided separating 728 employees by using work-share instead. On average, weighing the weekly benefit amount and duration, those 728 employees would have cost \$3,312,400. On work-share it cost approximately \$828,000; therefore, work-share saved approximately \$2,484,000.