



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

MEMORANDUM

DATE: February 28, 2025

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

Scott Starr
Clerk of the House

Dan Oberlin
Secretary of the Senate

FROM: Jason Palmer, Director
Unemployment Insurance Agency
Department of Labor and Economic Opportunity

SUBJECT: Unemployment Insurance Agency Work Share Program Annual Report
Section 28l of the Michigan Employment Security Act, MCL 421.28l

The purpose of the Work Share program 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.

Under Section 28l of the Michigan Employment Security Act, MCL 421.28l:

In addition to other reports required by law, the unemployment agency 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 that the unemployment agency determines is relevant to assess the impact of shared-work plans on the 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 questions, please contact Andrew Crane, UIA Legislative Liaison, at cranea3@michigan.gov or (517) 243-9778.

**Michigan Unemployment Insurance
Shared-Work Plan Annual Report for 2024**

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 2024 as follows:

- a. Number of approved shared-work plans
656
- b. Number of participating employers
107
- c. Number of participating employees
2,140
- d. Amount of compensation and aid to participating employees
\$1,566,451.00
- e. Relevant information to assess the impact of shared-work plans on the unemployment compensation fund

The number 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 low.

In 2024, there were 17,160 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 1,887 employees by using work-share instead. On average, weighing the weekly benefit amount and duration, those 1,887 employees would have cost \$7.4 million. On work-share it cost approximately \$1.6 million; therefore, work-share saved approximately \$5.8 million.