

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

As a result of Governor Whitmer's Executive Order, Michigan's Work Share program eligibility requirements have been expanded:

- › If business demand is down, employers participating in workshare can preserve their workforce while reducing hours and wages by 10 - 60%.
- › Waived the length of time requirement that employers must be in business.
- › Waived the requirement that employers have a current or positive balance with UIA.

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 10% up to a maximum 60%.
- › 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 CARES Act:

- › Employees that receive a percent of Michigan unemployment benefits (including Work Share) also receive an additional \$600 federal payment in Pandemic Unemployment Assistance through the CARES Act through July 2020.



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 \$600 federal benefit through July. 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 \$600 federal payment in Pandemic Unemployment Assistance through the CARES Act through July 2020.

With Work Share, the employee would earn \$1,408/ week through July 2020 vs. \$962 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

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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 60% reduction in wages and hours.

Under Work Share

\$400/week in salary + 60% of state unemployment benefits (\$362 maximum x .60 = \$217.20) + \$600 federal benefit through July 2020.

Employee Weekly Salary
through July 2020

\$1,217

with Work Share



\$962

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) + \$600 federal benefit through July 2020.

Employee Weekly Salary
through July 2020

\$1,408

with Work Share



\$962

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.