

# 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 NOT have a previous history of layoffs.
- › 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 employees 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 maximum x .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

# WorkShare

RESTART. RETAIN.



### 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](https://Michigan.gov/UIA).



Login to MiWAM.



File an application.

For more information, visit [Michigan.gov/WorkShare](https://Michigan.gov/WorkShare) or call the Office of Employer Ombudsman at 1-855-484-2636.