



Shared-Work Program

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Employers can temporarily cut payroll costs while keeping skilled workers

Employees receive a paycheck and partial unemployment benefits – along with health benefits

The Shared-Work Program was created by the state legislature in 1983 to provide businesses greater flexibility in retaining employees at reduced hours rather than completely laying them off. An employer can temporarily reduce employees' hours 10 to 50 percent, and qualified workers may receive partial unemployment benefits to replace a portion of their lost wages.

The program is offered statewide by the Employment Security Department. Interested employers can learn more about the program online at www.sharedwork.go2ui.com, by calling 800-752-2500 or by e-mailing sharedwork@esd.wa.gov.

Eligibility

Employers

Public- and private-sector employers are eligible to participate, from large corporations to those with only one employee. Under legislation adopted in 2009, a shared-work plan can involve just one employee or all eligible employees at a company.

A participating employee's hours can be reduced by no more than 50 percent. Health benefits must be maintained if offered before a shared-work plan is established; they cannot be reduced due to a reduction in hours. A shared-work plan can last up to 12 months. If a plan expires, the company can reapply for another year. After two one-year plans, a company must wait at least 12 months to apply again.

Shared-work plans are not intended to address variations in economic activities that are an inherent part of the industry or business, or to address long-term economic downturns.

Employees

Only full-time, hourly workers who would be eligible to receive regular unemployment-insurance benefits in Washington state are eligible for the program. The program will not subsidize seasonal employers, part-time employees or employees paid on any basis other than hourly wages. This includes employees paid on a piece-rate basis as well as mileage rate, job rate, salary, commission basis and corporate officers.

Under legislation adopted in 2009, workers can receive Shared-Work benefits throughout an entire benefit year. Previously, they could receive their partial benefits for only up to 26 weeks.

**Record
participation****How the program works**

Employees work a reduced work week but potentially are eligible to receive a proportional unemployment benefit. For example, if an employee's work week is reduced by 20 percent (or eight hours), he could receive 20 percent of his unemployment insurance weekly benefit entitlement, in addition to the 32 hours of regular hourly earnings.

Advantages

Employers save money by lowering their payroll costs while retaining a skilled work force. By valuing employees' contributions, the employer builds trust and good will.

Employees are spared the hardships of full unemployment, realizing more net income than they would if they were fully laid off.

Participation in Shared Work

Washington has one of the most successful Shared-Work Programs in the country. A year and a half into the 2008-09 recession, nearly 2,200 businesses and more than 42,000 employees were approved to participate in Shared Work – compared to 145 employers and about 5,700 workers a year earlier. And more applications were coming in daily. .

Contacts

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