



# 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](http://www.sharedwork.go2ui.com), by calling 800-752-2500 or by e-mailing [sharedwork@esd.wa.gov](mailto:sharedwork@esd.wa.gov).

## Eligibility

### *Employers*

Public- and private-sector employers are eligible to participate, from large corporations to those with only one employee. Currently, to qualify, at least 10 percent of the employees in a work unit must participate in a shared-work plan. Starting April 5, 2009, this restriction is removed so that any number of employees may participate.

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 employees, 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.

Starting April 5, 2009, workers can receive shared-work benefits throughout their entire benefit year. Until then, they can receive benefits for up to only 26 weeks.

**When a shared-work plan takes effect**

Beginning April 5, 2009, an approved shared-work plan will take effect on a date that both the Employment Security Department and the employer have agreed upon, within two weeks of the approval. Until then, plans take effect the second Sunday after the plan is approved. In both cases, a later date may be requested by the employer.

**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**

As of mid-February 2009, a record number of employers and employees were participating in the program: about 600 employers and some 20,000 workers. Hundreds more applications are being reviewed, with more being submitted every day.

**Record  
participation**

**Contacts**

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