

## Is your business experiencing a slow time?

### Let's work together to help you through it.

A temporary decline in business does not mean that your only option is to lay off productive employees. Pennsylvania's Shared-Work Program offers an innovative alternative to layoffs.

### Pennsylvania's Shared-Work Program benefits employers *and* employees.

Pennsylvania's Shared-Work Program allows you, the employer, to retain your workforce during a temporary slowdown and then quickly ramp up operations without the expense of recruiting, hiring and training new employees. At the same time, the program enables employees to receive a percentage of their unemployment compensation (UC), if they meet eligibility requirements for UC.

### Employer Benefits of a Shared-Work Plan:

- Maintain full staff for future business growth
- Reduce future hiring and retraining costs
- Maintain employee productivity
- Retain experienced employees
- Protect employees from the financial hardship of a full layoff
- Keep employee morale high

## How will Shared-Work affect the bottom line of your business?

Participation in the Shared-Work Program may increase the amount of UC contributions due. The goal of the program, however, is to prevent long-term unemployment of your employees.

If you are a contributory employer, the experience-rated portion of your UC contributions may increase based on the Shared-Work benefits that are paid.

If you are a reimbursable employer, you will be responsible for the portion of UC benefits which are attributable to the employee's service with your company.

### *Pennsylvania's* **SHARED- WORK** PROGRAM

An Innovative Alternative  
to Employee Layoffs



For more information on Pennsylvania's Shared-Work Program, visit [www.uc.pa.gov/SharedWork](http://www.uc.pa.gov/SharedWork) or contact us at [SharedWork@pa.gov](mailto:SharedWork@pa.gov).

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**RETAIN**  
*your employees*  
*while your business*  
**REGAINS**  
*its momentum.*

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*Find out more at*

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## How does Pennsylvania's Shared-Work Program work?

### Who is included in a Shared-Work plan?

As the employer, you select which employees will be included in a Shared-Work plan, as long as certain criteria are met. A plan is made up of an "affected unit" which is defined as a department, shift, or other organizational unit. Employers may have more than one plan if there is more than one affected unit. For example, all employees working the night shift may be one unit.

There must be at least two participating employees in a Shared-Work plan. All employees in the affected unit are required to participate in an approved plan.

### How much will the employees' hours be reduced under a Shared-Work plan?

Once you have identified the affected unit(s), you must select the percentage by which the employees' hours are reduced, referred to as the "**reduction percentage**." The employer determines the reduction percentage based on business needs, but it must be at least 20 percent and cannot exceed 40 percent of the employees' normal weekly hours. The reduction percentage must be the same for all employees participating in a Shared-Work plan.

### How are UC benefits determined under the plan?

For each week in the plan, an employee receives a percentage of his or her UC weekly benefit amount (WBA) equal to the reduction percentage. For example, if the employee's WBA is \$400 and the employee's hours are reduced by 20 percent under the plan, the employee would receive 20 percent of \$400 (or \$80) in Shared-Work benefits.

## Employer Qualifications and Responsibilities

### What qualifications are required for participation?

As an employer, you are eligible to participate in the Shared-Work program if you have filed all UC tax reports and paid all amounts due under PA UC Law, have a positive reserve account balance (for contributory employers) and have paid wages for the last 12 consecutive quarters, according to the department's Office of UC Tax Services.

### What are an employer's responsibilities in the Shared-Work program?

To see a complete list of responsibilities, please visit our website at [www.uc.pa.gov/SharedWork](http://www.uc.pa.gov/SharedWork).

One of the main responsibilities, however, is that you agree not to hire new employees in, or transfer employees to, the affected unit during the period of the Shared-Work plan. Additionally, you must agree not to

lay off participating employees or reduce participating employees' hours of work by more than the reduction percentage during the effective period.

## Shared-Work Procedures

### What steps do you need to take to participate in the Shared-Work Program?

Interested employers must first complete an application. Applications for participation in the program can be found at [www.uc.pa.gov/SharedWork](http://www.uc.pa.gov/SharedWork). Your completed application will need to include all requested details about your affected unit including its employees, the reduction percentage, and proposed beginning and ending dates.

Your application will be reviewed within 15 days of receipt. The decision to approve or disapprove a Shared-Work plan is a matter within the department's discretion and is not appealable. If an application is disapproved, you are permitted to submit a new application.

### Once approved, what responsibilities do you have?

Employers must gather UC applications and biweekly UC claim forms from participating employees and submit them to the department for processing. If there is a change in the Shared-Work plan, you will need to submit a modified application to the department for review and approval.