

Employer Assurances and Certifications

Shared-Work Employers must provide the following to the department:

- A written plan, describing the manner in which the shared-work plan will be implemented.
- An assurance that it will provide reports to the department relating to the operation of its shared-work plan as requested.
- The employer's assurance that it will not hire new employees in or transfer employees to the affected unit during the effective period of the shared-work plan.
- The employer's assurance that it will not lay off participating employees during the effective period of the shared-work plan.
- A list of the weeks within the requested effective period of the shared-work plan during which participating employees are anticipated to work fewer hours than the number of hours determined under the plan.
- The employer's certification that the implementation of a shared-work plan is in lieu of layoffs that would affect at least 10 percent of the employees and would result in an equivalent reduction in work hours.
- The employer's assurance that it will abide by all terms and conditions of the shared-work requirements in the PA UC law.
- The employer's attestation that its implementation of the shared-work plan is consistent with the employer's obligations under federal and state law.
- If the employer provides health and retirement benefits under a defined benefit plan or contributions under a defined contribution plan, to an employee in a plan, the employer must certify that these benefits will continue under the same terms and conditions as though the hours of work had not been reduced or to the same extent as other employees not participating in the plan.

The Approval Process

OUCBP will approve or disapprove the employer's proposed plan within 15 days of receipt of the application. The decision to approve or disapprove a shared-work plan is a matter within the department's discretion and is not appealable. However, if an application is disapproved the employer may submit a new application at any time.

A shared-work plan will begin the week after the plan is approved by OUCBP.

Changing or Ending a Shared-Work Plan

An employer may apply for OUCBP's approval to modify an approved shared-work plan, if the employer's circumstances change.

An employer may terminate an approved shared-work plan by written notice to OUCBP. The department may terminate an approved plan for good cause.

Questions?

www.dli.state.pa.us/sharedwork

All necessary forms can be obtained through the website.

To Contact the Shared-Work Unit:

Write:
Office of UC Benefits Policy
Attn: Shared-Work
651 Boas St., Rm. 610
Harrisburg, PA 17121

Call: 877-785-1531

*Auxiliary aids and services are available upon request to individuals with disabilities.
Equal Opportunity Employer/Program*

A Quick Reference Guide for the

Shared-Work Program



pennsylvania
DEPARTMENT OF LABOR & INDUSTRY

Shared-Work Program

An Alternative to Layoffs

A shared-work plan allows an employer to temporarily reduce the work hours of a group of employees as an alternative to a layoff. Employees covered by the plan receive a percentage of their Unemployment Compensation (UC) Weekly Benefit Amount (WBA), while they work the reduced schedule, if they are otherwise eligible for UC.

How Work Hours are Reduced

The percentage by which each employee's work hours are reduced is called the "reduction percentage." The employer determines the reduction percentage. It must be at least 20 percent and cannot exceed 40 percent. The reduction percentage must be the same for all employees participating in a shared-work plan. For example, if an employee normally works 40 hours per week, and the reduction percentage is 20 percent, then the employee's hours are reduced by 20 percent and he or she would work 80 percent of 40 hours, or 32 hours per week. If an employee in the same unit works 30 hours per week, then he or she would work 80 percent of 30 hours, or 24 hours per week.

How UC Benefits are Determined

For each week included in the plan, an employee receives a percentage of his or her UC 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 UC.

Scope of Shared-Work Plan

A shared-work plan must apply to one "affected unit." An affected unit is a department, shift or other organizational unit of the employer. An employer may have more than one shared-work plan.

All employees in the affected unit must participate; however an employee who has been employed in the affected unit for less than three months or an employee who would work 40 or more hours a week under the plan may not participate. There must be at least two participating employees, determined without regard to corporate officers.

Employers Who Can Participate

An employer may participate in the Shared-Work Program if the employer meets the following requirements:

- The employer has filed all reports and paid all amounts due under the UC law
- If the employer is contributory, the employer has a positive reserve account balance
- The employer has paid wages for the last 12 consecutive calendar quarters

Employer Responsibilities Under a Shared-Work Plan

The employer will obtain UC applications from participating employees and will submit biweekly UC claim forms for participating employees.

Which Employers Will Be Charged

Shared-Work UC will be charged in the same way that regular UC is charged, that is, to each participating employee's base year employer(s).

Application for Approval of a Shared-Work Plan

To obtain approval for a shared-work plan, an employer must submit an application to the Office of Unemployment Compensation Benefits Policy (OUCBP). An application can be obtained through our website at www.dli.state.pa.us/sharedwork. A completed application will provide the following information:

- Name of the affected unit
- The reduction percentage
- The length of the proposed shared-work plan. A shared-work plan may be in effect for a maximum of 52 weeks
- Any periods of time during the plan when the hours of work would be reduced by more than the reduction percentage due to holidays, designated vacation periods, equipment maintenance or other similar circumstance
- Identity of all participating employees, including their name, Social Security number, normal weekly hours and reduced hours
- The union's approval of the proposed plan, if participating employees are covered by a collective bargaining agreement

