

WE ARE YOUR DOL



Department
of Labor

SHARED WORK PROGRAM

A Tool for Businesses

HOW CAN SHARED WORK HELP MY BUSINESS?

The Shared Work Program helps you retain valued employees during temporary downturns, which is more important than ever in today's economy. It can also be used as part of your seasonal reopening strategy. With Shared Work, you can keep your valued employees and avoid layoffs by reducing work schedules. While on a reduced schedule, employees receive reduced pay from your business and a percentage of their unemployment benefit rate.

For example: Plant XYZ files a Shared Work Plan with the State Labor Department and receives approval to reduce the hours of its sewing department by 20% for 10 weeks. These employees can file for unemployment insurance. They can collect 20% of their weekly benefit.

An employee who earns \$400 per week might receive \$200 in unemployment insurance benefits if totally unemployed. Under the Shared Work Program, they would receive \$320 per week in wages from their employer (20% of \$400 is an \$80 reduction), plus \$40 in Shared Work benefits (20% of the \$200 unemployment insurance benefit). This totals \$360 in wages and Shared Work benefits for each week of the plan after an unpaid waiting week.

Retaining your employees means you can gear up quickly when business conditions improve. You also save the expenses of recruiting, hiring and training new employees. Plus, you spare your employees the hardships of full unemployment. Shared Work tells employees you value them as team members. When you avoid layoffs, you tell your employees that you appreciate their work and want to keep them on, despite tough times.

WHAT DOES A SHARED WORK PLAN REQUIRE?

- It must apply to employees who normally work no more than 40 hours per week
- It must reduce work hours and corresponding wages between 20% and 60%
- Fringe benefits must remain whole, unless they are reduced or eliminated for the entire workforce
- Plans are approved for a 53-week period
- It is very flexible. It covers all employees in an affected unit and reduces their hours by the same percentage. You may reduce different units by different percentages
- You cannot hire additional employees for the work group covered by the plan while the plan is in effect. If there is a collective bargaining agreement in effect, the collective bargaining unit must agree to take part in the Shared Work Program.

EMPLOYEE BENEFITS AND ELIGIBILITY

Employees may participate in Shared Work if they are eligible to receive regular unemployment insurance benefits in New York State. The Shared Work weekly amount is the person's weekly benefit rate multiplied by the percentage their hours and wages are reduced under the Shared Work Plan. Workers participating in Shared Work:

- May receive a maximum of 26 times their weekly benefit rate during a benefit year
- May not receive more in a benefit year from Shared Work benefits combined with regular unemployment insurance benefits than they would receive under the regular unemployment insurance program alone (26 times the regular benefit rate)
- Must be fully available to work for the Shared Work employer, but are not required to look for other work

- Are not eligible for Shared Work benefits in any week in which they receive Supplemental Unemployment Compensation benefits (SUB pay)
- Will have their Shared Work benefits reduced if they work for a different employer or work at self-employment

HOW DO I APPLY?

You must employ at least two full-time employees working in New York State, and for four consecutive calendar quarters, you or your predecessor must have:

- Paid into the Unemployment Insurance Trust Fund
- OR**
- In lieu of contributions, elected to reimburse benefits paid to your former employees

To file an application, visit our UI online services page: on.ny.gov/UIServices. Sign in with your NY.gov ID, or follow the directions to create an NY.gov ID. After signing in, select “View My UI Information” on the “Perform Work for my Company” page. Click on the “Shared Work” button on the bottom left.

BENEFITS OF THE SHARED WORK PROGRAM

WHEN WILL MY SHARED WORK PLAN BEGIN?

Plans begin on the date specified on your application form or the first Monday following our approval of the plan, whichever date is later. Submit your application less than one month before the proposed start date. A Shared Work Plan cannot be retroactive.

FLEXIBILITY

You may change the percentage that your units are reduced. You may also return units to a full schedule for a week or more and then resume using the plan. You may remove people from the affected work unit or hire replacement workers. However, if you want to add additional work units to your plan, you must submit a modified application for approval.

WILL CHANGES IN BUSINESS CONDITIONS IMPACT MY PLAN?

Shared Work’s flexibility enables businesses to adjust to economic conditions on a weekly basis. You may increase or decrease the percentage a unit works based on operational needs.

BUSINESSES DEVELOP SHARED WORK PLANS BASED ON OPERATIONAL NEEDS

You can use Shared Work in one or more departments, shifts or units. The plan lets you choose the areas involved. You must apply reductions in hours and wages equally to all of the employees in a participating unit or department. You may reduce the hours and wages of employees of different departments or units by different percentages, if you specify that in the plan.

YOU SPECIFY WHICH EMPLOYEES TO INCLUDE IN THE SHARED WORK PROGRAM

Your plan must include the names and Social Security numbers of all participating employees, their normal weekly work hours and whether or not they are seasonal, temporary or intermittent employees.

EVERYTHING IS DONE ELECTRONICALLY

You and your participating employees must certify online each reduced week. This ensures that each employee is paid the proper Shared Work benefit amount in a timely manner.

WHAT EFFECT DO SHARED WORK BENEFITS HAVE ON MY UNEMPLOYMENT INSURANCE RATE?

Shared Work benefits are charged against your experience rating account. This means that benefits paid under a Shared Work plan will be charged to your unemployment insurance account. This may have an effect on your unemployment insurance contribution rate depending on your specific situation. If you have questions about the impact of Shared Work on your unemployment insurance rate, call our Liability and Determination Section at

518-457-2635.

WHO CAN I CONTACT IF I HAVE QUESTIONS ABOUT SHARED WORK OR THE APPLICATION PROCESS?

Our Shared Work Unit can answer questions about Shared Work and help you fill out the plan application., Call **518-457-2635** and select option 3 to speak with a member of our team.

FREQUENTLY ASKED QUESTIONS

For a complete list of Shared Work FAQs, visit: on.ny.gov/swfaq

The Shared Work Program is flexible. You can customize it to cover many work situations. It saves money and it saves jobs. Consider Shared Work before you consider layoffs!