

▼ Fiscal

WorkSource Information Notice (WIN)

Workforce & Career Development Division

Other

Number: WIN - 0043

Date: June 20, 2013

Expiration Date: N/A

TO: Workforce Development System Partners

Performance

FROM: Amy L. Smith, Director of Policy, Program Administration & Technical Assistance

TQ&A

SUBJECT: Benefits of the Shared-Work Program for Workforce Development Councils

Purpose:

Policy-related

To provide Workforce Development Councils (WDCs) with information on Washington's Shared-Work Program in an effort to help WDCs maintain their current workforce in light of funding reductions due to sequestration.

Action Required:

WDCs should evaluate whether or not it is advantageous for their local areas to submit anapplication for the Shared-Work program based on the guidance and instructions contained in this document.

Content:

a. How the program may benefit WDCs

The Shared-Work program is a voluntary program that offers Washington employers, including WDCs, an alternative to laying off skilled employees during periods of general economic downturn (<u>Chapter 192-250 WAC</u>). In light of sequestration reductions, the Shared-Work program maybe beneficial to WDCs.

The program allows organizations to reduce the work hours of permanent, non-seasonal employees by 10 to 50 percent. The workers collect partial unemployment benefits to replace a portion of their lost wages. This translates into immediate payroll savings and prevents the loss of skilled employees.

Shared-Work benefits normally affect an employer's costs the same as other unemployment benefits. But between July 2012 and June 2015, the federal government will partially pay for Shared-Work benefits, potentially reducing costs and/or tax rates for all employers using SharedWork.

A 2012 Shared-Work program <u>survey</u> shows extensive positive feedback fromparticipating employers with 99.2% indicating they would recommend the program to other employers.

The WorkSource System is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge.

b. Guidelines for the program

<u>Participation</u>

Any organization/business can participate as long as they are registered as an employer with employment security and have a unified business identifier (UBI) number in Washington for at least six months prior to applying for the program. The employer must also have a satisfactory standingon any unemployment insurance taxes due, and employers in Tax Rate Class 40 are not eligible for Shared Work.

Participating WDCs must:

- Continue to provide benefits at the existing levels;
- Delegate a liaison to work with Shared-Work staff; and
- Consult Shared-Work staff as appropriate, including any potential modifications to Shared-Work plans.

To qualify, participating employees must:

- Be permanent and paid an hourly pay rate;
- Be otherwise eligible for regular unemployment benefits; and
- Be able and available to work all hours offered by the Shared-Workemployer.

NOTE: The Shared-Work program is not intended to support seasonal businesses during theoff season for slowdowns that are an expected part of an industry or business.

Length of the plan

A Shared-Work plan can last up to one year. If the request is for less than a year, it still counts as the one plan for the year. In most instances, it is best to open a plan for the full year so it will be available if needed. Employees can receive Shared-Work benefits any time during the one-year plan as long as there is a balance of benefits available. The weeks do not need to be consecutive.

c. Instructions for applying for Shared Work

- 1. Save the <u>Shared-Work application packet</u> (Excel version). Include the organization/company name in the file name when saving. NOTE: A PDF version is also available.
- 2. After completing the forms, please sign and date them. A signature for the collective bargaining agent is necessary, if applicable.
- 3. Scan or copy the original with signatures before selecting upload Shared-Work form.
- 4. Select the "Browse" button to choose the completed document files to upload.
- 5. When the correct document for uploading purposes appears in the text box, select the "Upload" button to send the document to the Shared-Work Unit.

NOTE: If the above process is not convenient, the completed forms (with signatures) can be faxed to the Shared-Work Unit at 800-701-7754.

References:

- Chapter 192-250 WAC, Shared Work Program
- Chapter 50.60 RCW, Shared Work Compensation Plan Benefits
- ESD's Shared-Work Program Webpage
- WIN 0037, Revised Local WIA Allotments Estimates Based on Preliminary Sequestration Information
- 2012 Shared-Work Program Employer Survey
- Engrossed House Bill 1396

Website:

http://wpc.wa.gov/adm/policy

Direct Inquiries To:

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