

WorkShare: Retaining workforce during temporary slowdowns

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Maine Department of Labor

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What is WorkShare?

- A layoff aversion program of the Maine Department of Labor's Bureau of Unemployment Compensation
- Helps businesses retain their workforce during a temporary slowdown in work
- Allows employers to voluntarily reduce the hours of staff in lieu of layoffs
- Allows employees to collect a partial unemployment benefit to help offset the loss of income
- Helps businesses keep trained workers during a temporary downturn and helps workers stay connected to jobs and maintain their skills

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How WorkShare Benefits Workers and Businesses

- In lieu of a layoff, employers can temporarily reduce their work hours in a particular unit, shift or company from 10% to 50%.
- To help offset the loss of paid hours, the affected workers can receive a modified weekly unemployment benefit.

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For A Business to be Eligible for WorkShare:

Reduction in hours must...

- Be temporary
- Not related to a seasonal, or intermittent down turn
- Ensure employees' hours are reduced by at least 10% but not more than 50%
- Avoid a layoff of at least 10% of the workers in the affected unit for 2-6 months
- Affect a unit of the business that normally works on a full-time basis (and includes part-time workers who work a set consistent schedule)
- Include two or more employees participating (no upper limit)

Employee Eligibility for Unemployment Benefits:

- Must be included in an affected unit of the business
- Must have earned enough wages in the last 18 months to meet the regular qualifications for state unemployment benefits
- Must be able and available to work their normally scheduled hours for their employer
- Benefits are paid on a percentage equal to the hours reduction. (*E.g., a person who has lost 25% of their hours would receive 25% of their normal weekly unemployment benefit.*)

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What Businesses are Using WorkShare?

Across many sectors:

Production

Optometrists

Veterinarians

Lumber companies

Retail

Restaurants

Hotels

....and more

Including many size businesses:

A few with 300-1000 employees

More with 20-80 employees

Many with 2-15 employees

Setting up a WorkShare Program

- To start, call WorkShare contact line: 623-6783. Leave name, business name, current phone number.
- WorkShare staff will call back within 1-3 days and have an initial discussion of your needs and plans: how many employees will be involved? what are proposed reduced work hours (what percent reduction)?
- If a WorkShare program is possible, staff will email an application to you.
- From start to finish, generally takes from 2 to 14 days.



WorkShare Weekly Process

EMPLOYERS

- Verify employee hours each week on spreadsheet maintained by WorkShare staff—shared by email.

EMPLOYEES

- First, file initial unemployment claim (through same process as regular non-WorkShare initial claim).
- Then file weekly WorkShare claims each week. Use guidance provided by staff to answer specific WorkShare questions on the weekly claims form.

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Common Questions & Answers

- **Under WorkShare, will my employees get the \$600 additional weekly payment through the Federal Pandemic Unemployment Compensation (FPUC) program in addition to the partial regular unemployment?**

ANSWER: Yes. These federal payments expire the week ending July 25th.

- **Once under WorkShare, may I change my employees' reduced working hours?**

ANSWER: In general, you can change the percent reduction in work hours up or down when transitions are needed but need to avoid week-to-week changes back and forth. A goal of the WorkShare program is devising a tailored program that can be consistent over time in employee hours, percent reduction in hours, number of people participating in a unit, and more.

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Common Questions, cont'd

- **How long can a WorkShare program last?**

ANSWER: In this time of COVID-19, the program strives for flexibility around timeframes. Two to six months is typical.

- **How many employers are currently using WorkShare?**

ANSWER: 168 employers since March 15th.

- **How many employees are participating?**

ANSWER: 2300 employees are currently filing claims for unemployment benefits under WorkShare plans.

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Common Questions, cont'd

- **What if I suddenly need to go back to business-as-usual and end my WorkShare program?**

ANSWER: There is no negative consequence for ending the program earlier than anticipated.

- **Are these employee unemployment benefits under WorkShare charged against the employer?**

ANSWER: No, these benefits are NOT charged against the employers experience rating as a result of the COVID-19 emergency legislation passed in mid-March (and in effect until one month after the end of the Governor's declared civil emergency).

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Next Steps & Resources

How do I sign up for WorkShare?....

- Applications for Workshare must be filed by the employer.
- For more information:
 - on WorkShare, call: (207) 623-6783, leave a message and WorkShare staff will call back.
- Maine WorkShare Law
- Maine Department of Labor:
Unemployment/Employer page

