

## SharedWork Program

The SharedWork Program was created by the state legislature in 1983 to prevent layoffs. The program provides businesses flexibility to retain employees at reduced hours rather than completely laying them off. An employer can temporarily reduce employees' hours 10 to 50 percent and qualified workers receive partial unemployment benefits to replace a portion of their lost wages.

The program is offered statewide by the Employment Security Department. Interested employers can learn more about the program online at [www.SharedWorkWA.com](http://www.SharedWorkWA.com), by calling 800-752-2500 or by emailing [sharedworkplansect@esd.wa.gov](mailto:sharedworkplansect@esd.wa.gov).

### Eligibility

#### ***Employers***

Public and private sector employers are eligible to participate, from large corporations to those with only two employees. A SharedWork plan can involve as few as two employees or up to all eligible employees at a company.

**Employees receive a paycheck and collect unemployment benefits to partially make up for reduced hours - and retain fringe benefits**

### FACT SHEET

To be eligible for a SharedWork benefit, a participating employee's hours can be reduced by no more than 50 percent. Fringe benefits (health, retirement, paid vacation, holiday pay and sick leave), if offered before a SharedWork plan is established, must be maintained and may be reduced only if the same reductions exist for other employees who are not participating in SharedWork.

A SharedWork plan can last up to 12 months. If a plan expires, the company can reapply for another year.

An industry or business that usually lays off workers during specific times of the year (seasonal) may not use SharedWork during those months, but may use the program during its normal operating season.

#### ***Employees***

Only permanent full- and part-time workers who are eligible to receive regular unemployment benefits in Washington state are eligible for SharedWork. The program is not intended for employees paid on any basis other than hourly. Most workers can receive SharedWork benefits for an entire benefit year.





## How the program works

Employees work a reduced work week, and if eligible, receive a portion of their unemployment benefit. For example, if employees working 40 hours a week are reduced by 20 percent (or eight hours), they could receive 20 percent of their unemployment weekly benefit entitlement, in addition to the 32 hours of regular hourly earnings.

## Advantages

Employers save money by lowering their payroll costs while retaining a skilled work force. By valuing employees' contributions, the employer builds trust and good will.

Employees are spared the hardships of full unemployment, realizing more net income than they would if they were fully laid off.

Employer and workers alike have praised the program. In a series of annual surveys, more than two-thirds of participating employers said the program either had or "probably had" helped their businesses survive. And more than 99 percent said they would recommend the program to other businesses.

## Participation in SharedWork

Washington has one of the most successful SharedWork programs in the country. In 2017, the Employment Security Department approved 596 plans for 554 employers and 8,824 workers. The plans prevented nearly 8.8 million in benefit payouts, allowed workers to remain employed and helped employers keep their skilled workers.

