

SHARED-WORK FACT SHEET: *Employer FAQ*



An Innovative Alternative
to Employee Layoffs

What is Shared-Work?

- Shared-Work is a voluntary program that provides employers facing a decline in business with an alternative to layoffs.

If I choose Shared-Work, must I use it for my entire business?

- No, an employer may limit a Shared-Work plan to a specific department, shift or other organizational unit of at least two participating employees who are legally authorized to work in the state of Pennsylvania. You may have more than one Shared-Work plan.
- Employees who have not been employed in the affected unit for at least three months prior to the Shared-Work plans start date, employees who work 40 hours or more per week while the plan is in effect, and corporate officers are not eligible to participate in Shared-Work.

Must the employees' hours of work be reduced by the same percentage if they are in the same affected unit?

- Yes. Each employee in an affected unit must have the same reduction percentage. An employer may have multiple Shared-Work plans with different reduction percentages.
- Modifications of the reduction percentage must be submitted in writing and approved prior to the change.

How long can a Shared-Work plan last?

- A Shared-Work plan can last up to 52 consecutive weeks.
- An employee may receive Shared-Work benefits until the Shared Work plan ends or until the employee's regular UC entitlement ends, whichever occurs first.

Can I terminate a Shared-Work plan?

- Yes. An employer may terminate a Shared-Work plan at any time by providing written notice to the department.
- The department may also terminate a plan for good cause.

Can I lay off some of the workers, hire new workers or move workers from one plan to another while participating in a Shared-Work plan?

- No. You may not lay off any employees in a Shared-Work plan during the duration of the plan.
- You may not hire new employees into or transfer employees to any affected unit during the period of the Shared-Work plan.

What other responsibilities do I have after a plan is approved?

- You will be responsible for informing your employees to file their initial UC claim through our [Pennsylvania Unemployment Compensation System](#) in order to participate in the Shared-Work program.
- In addition, you will be required to submit claims on behalf of your employees on a weekly basis through our [Pennsylvania Unemployment Compensation System](#).

What happens if an employee receives holiday, sick or vacation pay?

- Any Holiday, Sick or Vacation pay received in addition to the regular weekly Shared-Work schedule for participating employees will be added to the total work hours counted for that week. This may disqualify those employees from receiving Shared-Work benefits for that week.
- If this pay is received as part of the regular weekly Shared-Work Schedule, participating employees may still be qualified to receive Shared-Work benefits.

How are employee health and retirement benefits affected by my participation in the Shared-Work program?

- If the employer provides health and retirement benefits under a defined benefit plan or contributions under a defined contribution plan, the employer must continue to provide those benefits to the participating employees to the same extent as other employees not participating in the Shared-Work plan.

Can a Shared-Work plan have an “affected unit” of both union and nonunion employees?

- Yes, a Shared-Work plan can have both union and non-union employees.

How are Shared-Work benefits charged?

- Shared-Work benefits are charged in the same manner as regular UC benefits.

How do I begin the Shared-Work program?

- The easiest and most efficient way to complete an application online is through our Pennsylvania’s Unemployment Compensation System at <https://benefits.uc.pa.gov/vosnet/Default.aspx>.
- Employers are notified in writing when a plan is approved or disapproved. If approved, the plan will be effective the Sunday after the week the plan is approved.
- For information on the Shared-Work Program, please visit www.uc.pa.gov/sharedwork.
- If you have questions about the Shared-Work plan, please contact the Office of UC Benefits by email at SharedWork@pa.gov. The Shared-Work staff will be happy to answer your questions and assist with your application.