

Client Alert: Workshare Program
June 9, 2020

Some of you may have used furloughs and layoffs to weather the pandemic. As employers consider bringing employees back to work or work with reduced hours, one option you might consider is the Maine Dept. of Labor's WorkShare program. Instead of laying off or furloughing employees, the WorkShare program enables employers to reduce employees' weekly hours while employees collect unemployment benefits to supplement their wages, including FPUC benefits (the additional \$600 weekly payment, which expires July 25, 2020).

Here are the basic eligibility requirements:

- The business must be facing a layoff of at least 10% of their workforce for 2-6 months in the affected unit. The unit facing layoffs must normally work on a full-time basis.
- Employees must have their work hours reduced by at least 10%, and not more than 50%.
- Reductions in hours must affect employees equally across the affected unit. In other words, businesses cannot reduce one employee's hours by 40% and another employee's hours by 15%.
- Reductions in hours must be temporary, and not related to a seasonal or intermittent down turn
- Employers must continue providing health care benefits and retirement benefits to affected employees
- To be eligible for unemployment benefits, the employee must: 1) be in the affected unit of the business, 2) have earned enough wages over the previous 18 months to qualify for unemployment, and 3) be able and available to work their normally scheduled hours for their employer.

Employers may temporarily reduce employee hours in a particular business unit or shift, or across the entire company. Employees will receive unemployment benefits proportional to their lost wages. For example, an employee who experiences a 30% loss in their hours will receive 30% of their normal weekly pay in unemployment benefits.

Applications for WorkShare must be filed by the employer and approved by the MDOL. Businesses interested in the program may want to attend the Maine State Chamber of Commerce webinar on Tuesday, June 16, where MDOL Commissioner Laura Fortman and Deputy Commissioner Kim Smith will discuss the program and how it might work for your business. Registration information is available [here](#). We have worked with clients to advise regarding the

WorkShare program, so please don't hesitate to contact Peter Lowe at plowe@brannlaw.com or 207-754-5672 if you have any questions.