



## MASSACHUSETTS

# Workforce Investment Act

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**WIA Communication No. 01-54**

Policy  Information

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**To:** Chief Elected Officials  
Workforce Investment Board Chairs  
Workforce Investment Board Directors  
Title I Administrators  
Career Center Directors  
Title I Fiscal Officers  
DET Regional Directors  
DET Area Directors

**cc:** WIA State Partners

**From:** John A. King, Director  
Division of Employment and Training

**Date:** November 15, 2001

**Subject:** Massachusetts WorkSharing Program

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**Background:** Employers in need of a temporary reduction in costs often resort to layoffs to accomplish their goal. The Division of Employment and Training offers a program that many employers may find a useful alternative. The Massachusetts WorkSharing Program allows an employer's workers to *share* reduced work hours while also receiving unemployment insurance benefits to supplement their reduced wages. Workers receive a percentage amount of their unemployment benefits that is equal to the percentage reduction in their wages and hours. By participating in the WorkSharing program, employers:

- maintain the continuity of their workforce by keeping skilled, trained workers,
- are better prepared to react to an upswing in the marketplace by avoiding the time and expense of training new workers, and
- avoid organizational disruption and preserve productivity.

All Massachusetts employers, and any workers who would be eligible to receive regular unemployment insurance benefits, are eligible to participate in the WorkSharing program.

Massachusetts Worksharing Program

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**NOTE: Seasonal layoffs *are not* covered.**

Specific eligibility criteria include:

- Employers must identify the affected business unit or units. An affected unit consists of two or more employees in a clearly defined group such as a plant, department, shift, job function, etc.
- Employers must identify the employees in the affected unit by name, social security number, the normal weekly hours of work and the proposed wage and hourly reduction.
- Employers must reduce the normal weekly hours of work by 10-60 percent, spread equally among all employees in the affected unit (supervisory, management, or salaried workers may be excluded).
- Employers must provide retirement benefits under a benefit pension plan (as defined in §3 (35) of the Employee Retirement Income Act of 1974) to the employees of the affected unit reduced no less than an amount prorated to match the percentage of work reduction in the affected unit.
- Employers must provide health insurance benefits to employees of the affected unit as though their normal weekly hours of work had not been reduced; and also specify the effect of the work reduction on other fringe benefits.
- Employers must certify that the reduction in normal weekly hours of work is in lieu of layoffs and state the reason for the expected duration of the work reduction.
- The Application must include a written approval by the collective bargaining unit for each collective bargaining agreement for the affected unit(s).
- Employers must specify the beginning and ending dates of the plan (not to exceed 26 weeks).
- Employers must agree to furnish all reports information necessary for the administration of the plan and to permit access by DET to all records necessary to verify and evaluate the plan.
- Employers must allow participation to employees regardless of any definition of attachment, such as length of employment or eligibility for unemployment benefits.
- Employers must apply the plan to only full-time or permanent part-time employees (seasonal employees may not participate).
- Employers must certify that all UI contributions, payments in lieu of contributions, interest or penalty charges due the Division of Employment and Training have been paid.

Interested employers may obtain an **"APPLICATION FOR APPROVAL OF WORKSHARING PLAN"** by downloading it from the DET website at [www.detma.org](http://www.detma.org) or by contacting the DET WorkSharing Dept. at 617-626-5510. The WorkSharing Dept. will approve or deny an employer's WorkSharing plan in writing within fifteen (15) working days after receipt.

Once approved, the employer must notify the WorkSharing Dept. of any changes to the plan no later than two working days prior to the proposed change. This notification must be followed by the formal submission of a modified **"APPLICATION FOR APPROVAL OF WORKSHARING PLAN"** within seven days

WorkSharing benefits paid to workers under an approved WorkSharing Plan are charged in the same manner as regular unemployment benefits if the employer's account reserve is positive. If negative, the employer will be charged dollar for dollar for the benefits paid including dependency allowance. Employers will be liable for repayment of any WorkSharing benefits improperly paid as a result of the submission of misleading or misrepresented information.

**Action**

**Required:** Please ensure that all career center staff, particularly those who have direct contact with business customers, are knowledgeable about the WorkSharing program.

**Inquiries:** Any questions related to the Massachusetts Worksharing Program should be directed to Jeff Costura at 617-626-6409 or [jcostura@detma.org](mailto:jcostura@detma.org).

**Filing:** Please file in your notebook of previously issued WIA Communication Series Issuances as #01-54.

**Attachments:** List of WorkSharing contacts.

## WORKSHARING COORDINATORS

Worksharing Unit-Dir	Jeff Costura	(617) 626-6409
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