

Work Sharing

Under the **Work Sharing** program (Short-Time Compensation), employers can decrease employee hours during a temporary, non-cyclical decline in business (due to decreased economic activity).

Participating employees are paid for hours worked and receive partial unemployment insurance (UI) benefits. Work Sharing may be used for up to 26 weeks in a year per unit.

REQUIREMENTS

Employers must:

- Have **at least two employees** per affected unit included in the Work Sharing plan.*
- **Reduce work hours** by at least **10%**, and no more than **60%** for participating employees.
- Each participating employee in a unit must have their hours reduced by the **same percentage**. However, the percentage may vary from unit to unit.*
- Be current with **UI tax contributions**.

* Requirement can be waived with good cause.

Employees must:

- Ordinarily work **20 to 40 hours** per week.
- Be employed **full-time, part-time, salaried, or hourly**. Seasonal and temporary workers are not eligible.
- Have **worked** for the employer for at **least three months**.

BENEFITS

Employers:

- **Retain** experienced **employees** and maintain productivity.
- Easily return to normal operations when economic conditions improve. **Save the expense and time of recruiting, hiring, and training** new employees.
- **Reopen** a business gradually by **rehiring former employees** at reduced hours.

Employees:

- Retain current job, earn **wages for hours worked, and receive partial UI benefits**.
- Maintain **health and retirement benefits** (unless reduced/eliminated for the entire workforce).
- Remain **exempt** from **some regular UI requirements**, such as searching for work or accepting suitable work (other than from the Work Sharing employer).

See the Work Sharing webpage (labor.maryland.gov/employment/worksharing) for more.