



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

**2013 Senate Bill 26**

**Senate Amendment 2**

*Memo published:* April 4, 2013

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**2013 Senate Bill 26** allows an employer to create a work-share program, under certain conditions, for eligible employees that are in a “work unit” of the employer. The bill defines “work unit” as an operational unit of employees designated by an employer for purposes of a work-share program, which may include more than one work site.

Under such a program, the hours of the full-time employees that are included in the program may be reduced, in an equitable manner, in lieu of a total layoff of one or more of the employees. A person who is included in a work-share program may generally receive partial unemployment insurance (UI) benefits reflecting the reduction in the person’s normal working hours. A person who is included in a work-share program generally need not meet UI requirements related to availability and registration for work and the requirement to conduct a search for work.

Prior to implementing a work-share program, the employer must submit a work-share plan to the Department of Workforce Development (DWD) for approval. The employer must certify that the plan is in compliance with all employer obligations under applicable federal and state laws and must certify that other specified requirements are met. A work-share program may not be in effect for longer than six months within a five-year period and must include at least 10% of the employees in the work unit and at least 20 employees in the work unit. The bill directs DWD to seek federal funding for the costs of UI benefits for participating employees and administration of work-share programs.

The bill becomes effective on June 30, 2013, but the bill provides that DWD may, subject to oversight by the Joint Committee on Finance, delay the implementation of the bill until no later than December 31, 2013.

***Senate Amendment 2*** to the bill does all of the following:

- Redefines a “work-share program” as a program under which the hours of work of employees in a work unit are reduced in lieu of a layoff of “two or more” employees in the work unit, instead of one or more employees.
- Clarifies that the hours of employees may be reduced during more than one time period, as long as the total time that reductions are in effect does not exceed six months in any five-year period.
- Allows an employer to include regular part-time employees in a work-share program.
- Clarifies the employer’s obligation to provide information about each employee’s normal hours worked and the expected reduction in hours for each employee, including the specific percentage of reduction in hours to be worked by an affected employee.
- Requires a work-share plan to indicate whether it includes employer-sponsored training to enhance job skills, and to acknowledge training opportunities under federal law.
- Allows an employer to modify a plan subject to DWD approval.
- Specifies that a person is not eligible for UI benefits under a work-share program if the person is engaged in work, for all of the person’s employers, that exceeds 90% of the employee’s average hours of work for the employer that created the work-share program.
- Specifies that an employee in a work-share program must be available for training.
- Allows the DWD Secretary to waive compliance with any requirement under the bill if the Secretary determines the waiver is necessary to permit continued certification of the state’s work-share system to maximize federal funding.

**Legislative History**

Senator Farrow introduced Senate Amendment 2 on March 5, 2013. On April 3, 2013, the Senate Committee on Workforce Development, Forestry, Mining, and Revenue recommended adoption of the amendment on a vote of Ayes, 5; Noes, 0; and recommended passage of the bill, as amended, on a vote of Ayes, 3; Noes, 2.

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