

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1094

A bill to amend 1936 (Ex Sess) PA 1, entitled
"Michigan employment security act,"
(MCL 421.1 to 421.75) by adding sections 28b, 28c, 28d, 28e, 28f,
28g, 28h, 28i, 28j, 28k, 28l, and 28m.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 28B. AS USED IN THIS SECTION AND SECTIONS 28C TO 28M:

2 (A) "AFFECTED UNIT" MEANS A DEPARTMENT, SHIFT, OR OTHER
3 ORGANIZATIONAL UNIT OF 2 OR MORE EMPLOYEES THAT IS DESIGNATED BY AN
4 EMPLOYER TO PARTICIPATE IN A SHARED-WORK PLAN.

5 (B) "APPROVED SHARED-WORK PLAN" MEANS AN EMPLOYER'S SHARED-
6 WORK PLAN THAT MEETS THE REQUIREMENTS OF SECTION 28D AND THAT THE
7 UNEMPLOYMENT AGENCY APPROVES IN WRITING.

8 (C) "FRINGE BENEFIT" MEANS HEALTH INSURANCE, A RETIREMENT

1 BENEFIT RECEIVED UNDER A PENSION PLAN OR DEFINED CONTRIBUTION PLAN,
2 A PAID VACATION DAY, A PAID HOLIDAY, SICK LEAVE, OR ANY OTHER
3 SIMILAR EMPLOYEE BENEFIT PROVIDED BY AN EMPLOYER.

4 (D) "NORMAL WEEKLY HOURS OF WORK" MEANS THE ESTABLISHED
5 STANDARD WORK TIMES AND NUMBER OF HOURS IN THE WORKWEEK FOR THE
6 POSITION OR, IF STANDARD WORK TIMES AND NUMBER OF HOURS HAVE NOT
7 BEEN ESTABLISHED FOR THE POSITION, THE WORK TIMES AND AVERAGE
8 NUMBER OF HOURS PER WEEK ACTUALLY WORKED BY THE EMPLOYEE IN THAT
9 POSITION OVER THE MOST RECENT 3 MONTHS BEFORE THE EMPLOYER FILES
10 THE APPLICATION FOR DESIGNATION AS A PARTICIPATING EMPLOYER.

11 (E) "PARTICIPATING EMPLOYEE" MEANS AN EMPLOYEE IN THE AFFECTED
12 UNIT WHOSE HOURS OF WORK ARE REDUCED BY THE REDUCTION PERCENTAGE
13 UNDER THE SHARED-WORK PLAN. PARTICIPATING EMPLOYEE DOES NOT INCLUDE
14 A SEASONAL WORKER AS DEFINED IN SECTION 27(O)(9)(E) OR A WORKER
15 EMPLOYED ON A TEMPORARY OR INTERMITTENT BASIS.

16 (F) "PARTICIPATING EMPLOYER" MEANS AN EMPLOYER THAT HAS A
17 SHARED-WORK PLAN IN EFFECT.

18 (G) "REDUCTION PERCENTAGE" MEANS THE PERCENTAGE BY WHICH EACH
19 PARTICIPATING EMPLOYEE'S NORMAL WEEKLY HOURS OF WORK ARE REDUCED
20 UNDER A SHARED-WORK PLAN IN ACCORDANCE WITH SECTION 28D(2).

21 (H) "SHARED-WORK PLAN" MEANS A PLAN FOR REDUCING UNEMPLOYMENT
22 UNDER WHICH EMPLOYEES OF AN AFFECTED UNIT SHARE A REDUCED WORKLOAD
23 THROUGH REDUCTION IN THEIR NORMAL WEEKLY HOURS OF WORK.

24 SEC. 28C. (1) AN EMPLOYER THAT MEETS ALL OF THE FOLLOWING
25 REQUIREMENTS MAY APPLY TO THE UNEMPLOYMENT AGENCY FOR APPROVAL OF A
26 SHARED-WORK PLAN:

27 (A) THE EMPLOYER HAS FILED ALL QUARTERLY REPORTS AND OTHER

1 REPORTS REQUIRED UNDER THIS ACT AND HAS PAID ALL OBLIGATION
2 ASSESSMENTS, CONTRIBUTIONS, REIMBURSEMENTS IN LIEU OF
3 CONTRIBUTIONS, INTEREST, AND PENALTIES DUE THROUGH THE DATE OF THE
4 EMPLOYER'S APPLICATION.

5 (B) IF THE EMPLOYER IS A CONTRIBUTING EMPLOYER, THE EMPLOYER'S
6 RESERVE IN THE EMPLOYER'S EXPERIENCE ACCOUNT AS OF THE MOST RECENT
7 COMPUTATION DATE PRECEDING THE DATE OF THE EMPLOYER'S APPLICATION
8 IS A POSITIVE NUMBER.

9 (C) THE EMPLOYER HAS PAID WAGES FOR THE 12 CONSECUTIVE
10 CALENDAR QUARTERS PRECEDING THE DATE OF THE EMPLOYER'S APPLICATION.

11 (2) AN APPLICATION UNDER THIS SECTION SHALL BE MADE IN THE
12 MANNER PRESCRIBED BY THE UNEMPLOYMENT AGENCY AND CONTAIN ALL OF THE
13 FOLLOWING:

14 (A) THE EMPLOYER'S ASSURANCE THAT IT WILL PROVIDE REPORTS TO
15 THE UNEMPLOYMENT AGENCY RELATING TO THE OPERATION OF ITS SHARED-
16 WORK PLAN AT THE TIMES AND IN THE MANNER PRESCRIBED BY THE
17 UNEMPLOYMENT AGENCY AND CONTAINING ALL INFORMATION REQUIRED BY THE
18 UNEMPLOYMENT AGENCY.

19 (B) THE EMPLOYER'S ASSURANCE THAT IT WILL NOT HIRE NEW
20 EMPLOYEES IN, OR TRANSFER EMPLOYEES TO, THE AFFECTED UNIT DURING
21 THE EFFECTIVE PERIOD OF THE SHARED-WORK PLAN.

22 (C) THE EMPLOYER'S ASSURANCE THAT IT WILL NOT LAY OFF
23 PARTICIPATING EMPLOYEES DURING THE EFFECTIVE PERIOD OF THE SHARED-
24 WORK PLAN, OR REDUCE PARTICIPATING EMPLOYEES' HOURS OF WORK BY MORE
25 THAN THE REDUCTION PERCENTAGE DURING THE EFFECTIVE PERIOD OF THE
26 SHARED-WORK PLAN, EXCEPT IN CASES OF HOLIDAYS, DESIGNATED VACATION
27 PERIODS, EQUIPMENT MAINTENANCE, OR SIMILAR CIRCUMSTANCES.

1 (D) THE EMPLOYER'S CERTIFICATION THAT IT HAS OBTAINED THE
2 APPROVAL OF ANY APPLICABLE COLLECTIVE BARGAINING UNIT
3 REPRESENTATIVE AND HAS NOTIFIED ALL AFFECTED EMPLOYEES WHO ARE NOT
4 IN A COLLECTIVE BARGAINING UNIT OF THE PROPOSED SHARED-WORK PLAN.

5 (E) A LIST OF THE WEEK OR WEEKS WITHIN THE REQUESTED EFFECTIVE
6 PERIOD OF THE PLAN DURING WHICH PARTICIPATING EMPLOYEES ARE
7 ANTICIPATED TO WORK FEWER HOURS THAN THE NUMBER OF HOURS DETERMINED
8 UNDER SECTION 28D(1)(E) DUE TO CIRCUMSTANCES LISTED IN SUBDIVISION
9 (C).

10 (F) THE EMPLOYER'S CERTIFICATION THAT THE IMPLEMENTATION OF A
11 SHARED-WORK PLAN IS IN LIEU OF TEMPORARY LAYOFFS THAT WOULD AFFECT
12 AT LEAST 15% OF THE EMPLOYEES IN THE AFFECTED UNIT AND WOULD RESULT
13 IN AN EQUIVALENT REDUCTION IN WORK HOURS.

14 (G) THE EMPLOYER'S ASSURANCE THAT IT WILL ABIDE BY ALL TERMS
15 AND CONDITIONS OF SECTIONS 28B TO 28M.

16 (H) THE EMPLOYER'S CERTIFICATION THAT, TO THE BEST OF HIS OR
17 HER KNOWLEDGE, PARTICIPATION IN THE SHARED-WORK PLAN IS CONSISTENT
18 WITH THE EMPLOYER'S OBLIGATIONS UNDER FEDERAL LAW AND THE LAW OF
19 THIS STATE.

20 (I) ANY OTHER RELEVANT INFORMATION REQUIRED BY THE
21 UNEMPLOYMENT AGENCY.

22 (3) AN EMPLOYER MAY APPLY TO THE UNEMPLOYMENT AGENCY FOR
23 APPROVAL OF MORE THAN 1 SHARED-WORK PLAN.

24 (4) AN EMPLOYER SHALL NOT APPLY FOR AND THE UNEMPLOYMENT
25 AGENCY SHALL NOT APPROVE A SHARED-WORK PLAN THAT BEGINS MORE THAN 5
26 YEARS AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
27 THIS SECTION.

1 SEC. 28D. (1) THE UNEMPLOYMENT AGENCY SHALL APPROVE A SHARED-
2 WORK PLAN ONLY IF THE PLAN MEETS ALL OF THE FOLLOWING REQUIREMENTS:

3 (A) THE SHARED-WORK PLAN APPLIES TO 1 AFFECTED UNIT.

4 (B) ALL EMPLOYEES IN THE AFFECTED UNIT ARE PARTICIPATING
5 EMPLOYEES, EXCEPT THAT THE FOLLOWING EMPLOYEES SHALL NOT BE
6 PARTICIPATING EMPLOYEES:

7 (i) AN EMPLOYEE WHO HAS BEEN EMPLOYED IN THE AFFECTED UNIT FOR
8 LESS THAN 3 MONTHS BEFORE THE DATE THE EMPLOYER APPLIES FOR
9 APPROVAL OF THE SHARED-WORK PLAN.

10 (ii) AN EMPLOYEE WHOSE HOURS OF WORK PER WEEK DETERMINED UNDER
11 SUBDIVISION (E) ARE 40 OR MORE HOURS.

12 (C) THERE ARE NO FEWER THAN 2 PARTICIPATING EMPLOYEES,
13 DETERMINED WITHOUT REGARD TO CORPORATE OFFICERS.

14 (D) THE PARTICIPATING EMPLOYEES ARE IDENTIFIED BY NAME AND
15 SOCIAL SECURITY NUMBER.

16 (E) THE NUMBER OF HOURS A PARTICIPATING EMPLOYEE WILL WORK
17 EACH WEEK DURING THE EFFECTIVE PERIOD OF THE SHARED-WORK PLAN IS
18 THE NUMBER OF THE EMPLOYEE'S NORMAL WEEKLY HOURS OF WORK REDUCED BY
19 THE REDUCTION PERCENTAGE.

20 (F) THE PLAN INCLUDES AN ESTIMATE OF THE NUMBER OF EMPLOYEES
21 WHO WOULD HAVE BEEN LAID OFF IF THE PLAN WERE NOT IMPLEMENTED.

22 (G) THE PLAN INDICATES THE MANNER IN WHICH THE EMPLOYER WILL
23 GIVE ADVANCE NOTICE, IF FEASIBLE, TO AN EMPLOYEE WHOSE HOURS OF
24 WORK PER WEEK UNDER THE PLAN WILL BE REDUCED.

25 (H) AS A RESULT OF A DECREASE IN THE NUMBER OF HOURS WORKED BY
26 EACH PARTICIPATING EMPLOYEE, THERE IS A CORRESPONDING REDUCTION IN
27 WAGES.

1 (I) THE SHARED-WORK PLAN DOES NOT AFFECT THE FRINGE BENEFITS
2 OF ANY PARTICIPATING EMPLOYEE.

3 (J) THE SPECIFIED EFFECTIVE PERIOD OF THE SHARED-WORK PLAN IS
4 52 CONSECUTIVE WEEKS OR LESS AND THE BENEFITS PAYABLE UNDER THE
5 SHARED-WORK PLAN WILL NOT EXCEED 20 TIMES THE WEEKLY BENEFIT AMOUNT
6 FOR EACH PARTICIPATING EMPLOYEE, CALCULATED WITHOUT REGARD TO ANY
7 EXISTING BENEFIT YEAR.

8 (K) THE REDUCTION PERCENTAGE SATISFIES THE REQUIREMENTS OF
9 SUBSECTION (2).

10 (2) THE REDUCTION PERCENTAGE UNDER AN APPROVED SHARED-WORK
11 PLAN SHALL MEET ALL OF THE FOLLOWING REQUIREMENTS:

12 (A) THE REDUCTION PERCENTAGE SHALL BE NO LESS THAN 15% AND NO
13 MORE THAN 45%.

14 (B) THE REDUCTION PERCENTAGE SHALL BE THE SAME FOR ALL
15 PARTICIPATING EMPLOYEES.

16 (C) THE REDUCTION PERCENTAGE SHALL NOT CHANGE DURING THE
17 PERIOD OF THE SHARED-WORK PLAN UNLESS THE PLAN IS MODIFIED IN
18 ACCORDANCE WITH SECTION 28I.

19 SEC. 28E. THE UNEMPLOYMENT AGENCY SHALL APPROVE OR DISAPPROVE
20 A SHARED-WORK PLAN NO LATER THAN 15 DAYS AFTER THE DATE THE
21 UNEMPLOYMENT AGENCY RECEIVES AN EMPLOYER'S SHARED-WORK PLAN
22 APPLICATION THAT MEETS THE REQUIREMENTS OF SECTIONS 28C AND 28D.
23 THE UNEMPLOYMENT AGENCY'S DECISION SHALL BE EXPRESSED IN WRITING
24 AND, IF THE SHARED-WORK PLAN IS DISAPPROVED, SHALL INCLUDE THE
25 REASONS FOR THE DISAPPROVAL.

26 SEC. 28F. (1) A SHARED-WORK PLAN IS EFFECTIVE FOR THE NUMBER
27 OF CONSECUTIVE WEEKS INDICATED IN THE EMPLOYER'S APPLICATION, OR A

1 LESSER NUMBER OF WEEKS AS APPROVED BY THE UNEMPLOYMENT AGENCY,
2 UNLESS SOONER TERMINATED IN ACCORDANCE WITH SECTION 28J.

3 (2) THE EFFECTIVE PERIOD OF THE SHARED-WORK PLAN SHALL BEGIN
4 WITH THE FIRST CALENDAR WEEK FOLLOWING THE DATE ON WHICH THE
5 UNEMPLOYMENT AGENCY APPROVES THE PLAN.

6 SEC. 28G. (1) COMPENSATION SHALL BE PAYABLE TO A PARTICIPATING
7 EMPLOYEE FOR A WEEK WITHIN THE EFFECTIVE PERIOD OF AN APPROVED
8 SHARED-WORK PLAN DURING WHICH THE EMPLOYEE WORKS THE NUMBER OF
9 HOURS DETERMINED UNDER SECTION 28D(1)(E) FOR THE PARTICIPATING
10 EMPLOYER ON THE SAME TERMS, IN THE SAME AMOUNT, AND SUBJECT TO THE
11 SAME CONDITIONS THAT WOULD APPLY TO THE PARTICIPATING EMPLOYEE
12 WITHOUT REGARD TO SECTIONS 28B TO 28M, EXCEPT AS FOLLOWS:

13 (A) A PARTICIPATING EMPLOYEE SHALL NOT BE REQUIRED TO BE
14 UNEMPLOYED WITHIN THE MEANING OF SECTION 48 OR FILE CLAIMS FOR
15 COMPENSATION UNDER SECTION 32.

16 (B) THE BENEFIT RATE OTHERWISE PAYABLE AS PRESCRIBED IN
17 SECTION 27 SHALL BE MODIFIED SO THAT A PARTICIPATING EMPLOYEE SHALL
18 BE PAID COMPENSATION IN AN AMOUNT EQUAL TO THE PRODUCT OF HIS OR
19 HER WEEKLY BENEFIT RATE AND THE REDUCTION PERCENTAGE, ROUNDED TO
20 THE NEXT LOWER WHOLE DOLLAR AMOUNT.

21 (C) WEEKS THAT A PARTICIPATING EMPLOYEE PARTICIPATES IN A
22 SHARED-WORK PLAN ARE NOT WEEKS OF UNEMPLOYMENT FOR PURPOSES OF
23 ESTABLISHING LIMITS ON THE DURATION OF RECEIPT OF UNEMPLOYMENT
24 BENEFITS UNDER THIS ACT, BUT THE DOLLAR AMOUNT OF BENEFITS RECEIVED
25 UNDER THE SHARED-WORK PLAN APPLIES TOWARD THE MAXIMUM AMOUNT OF
26 BENEFITS PAYABLE.

27 (D) THE UNEMPLOYMENT AGENCY SHALL NOT DENY COMPENSATION TO A

1 PARTICIPATING EMPLOYEE FOR ANY WEEK DURING THE EFFECTIVE PERIOD OF
2 THE SHARED-WORK PLAN BY APPLYING ANY PROVISION OF THIS ACT RELATING
3 TO ACTIVE SEARCH FOR WORK OR REFUSAL TO APPLY FOR OR ACCEPT WORK
4 OTHER THAN WORK OFFERED BY THE PARTICIPATING EMPLOYER.

5 (E) A PARTICIPATING EMPLOYEE SATISFIES THE AVAILABILITY AND
6 SEEKING WORK REQUIREMENTS OF SECTION 28 IF THE EMPLOYEE IS
7 AVAILABLE FOR WORK DURING THE EMPLOYEE'S NORMAL WORK WEEK WITH THE
8 PARTICIPATING EMPLOYER.

9 (F) A PARTICIPATING EMPLOYEE MAY PARTICIPATE IN A TRAINING
10 PROGRAM TO ENHANCE THE EMPLOYEE'S JOB SKILLS WITHOUT BECOMING
11 INELIGIBLE FOR BENEFITS UNDER THE APPROVED SHARED-WORK PLAN, IF THE
12 TRAINING IS SPONSORED BY THE EMPLOYER OR PROVIDED UNDER THE
13 WORKFORCE INVESTMENT ACT OF 1998 AND THE EMPLOYEE'S PARTICIPATION
14 IS APPROVED BY THE UNEMPLOYMENT AGENCY.

15 (2) FOR PURPOSES OF SUBSECTION (1), IF A PARTICIPATING
16 EMPLOYEE WORKS FEWER HOURS THAN THE NUMBER OF HOURS DETERMINED
17 UNDER SECTION 28D(1)(E) FOR THE PARTICIPATING EMPLOYER DURING A
18 WEEK WITHIN THE EFFECTIVE PERIOD OF THE APPROVED SHARED-WORK PLAN,
19 BUT RECEIVES REMUNERATION AS IF THE EMPLOYEE HAD WORKED THE NUMBER
20 OF HOURS DETERMINED UNDER SECTION 28D(1)(E), THE EMPLOYEE IS
21 CONSIDERED TO HAVE WORKED THE NUMBER OF HOURS DETERMINED UNDER
22 SECTION 28D(1)(E) DURING THAT WEEK.

23 (3) A PARTICIPATING EMPLOYEE'S ELIGIBILITY FOR COMPENSATION
24 FOR A WEEK WITHIN THE EFFECTIVE PERIOD OF AN APPROVED SHARED-WORK
25 PLAN SHALL BE DETERMINED WITHOUT REGARD TO SECTIONS 28B TO 28M IF
26 THE EMPLOYEE RECEIVES REMUNERATION FOR THE WEEK FROM THE
27 PARTICIPATING EMPLOYER THAT IS GREATER THAN OR LESS THAN THE AMOUNT

1 DUE FOR THE NUMBER OF HOURS DETERMINED UNDER SECTION 28D(1) (E) .

2 SEC. 28H. (1) THE UNEMPLOYMENT AGENCY SHALL ESTABLISH A
3 SCHEDULE OF CONSECUTIVE 2-WEEK PERIODS WITHIN THE EFFECTIVE PERIOD
4 OF THE SHARED-WORK PLAN. THE UNEMPLOYMENT AGENCY MAY, AS NECESSARY,
5 INCLUDE 1-WEEK PERIODS IN THE SCHEDULE AND REVISE THE SCHEDULE. AT
6 THE END OF EACH SCHEDULED PERIOD, THE PARTICIPATING EMPLOYER SHALL
7 FILE CLAIMS FOR COMPENSATION FOR THE WEEK OR WEEKS WITHIN THE
8 PERIOD ON BEHALF OF THE PARTICIPATING EMPLOYEES. THE CLAIMS SHALL
9 BE FILED NO LATER THAN THE LAST DAY OF THE WEEK IMMEDIATELY
10 FOLLOWING THE PERIOD, UNLESS AN EXTENSION OF TIME IS GRANTED BY THE
11 UNEMPLOYMENT AGENCY FOR GOOD CAUSE. THE CLAIMS SHALL BE FILED IN
12 THE MANNER PRESCRIBED BY THE UNEMPLOYMENT AGENCY AND SHALL CONTAIN
13 ALL INFORMATION REQUIRED BY THE UNEMPLOYMENT AGENCY TO DETERMINE
14 THE ELIGIBILITY OF THE PARTICIPATING EMPLOYEES FOR COMPENSATION.

15 (2) THE BENEFITS UNDER A SHARED WORK PLAN SHALL BE FUNDED AS
16 FOLLOWS:

17 (A) IF FEDERAL FUNDING IS AVAILABLE TO THIS STATE FOR THE
18 PURPOSE OF FULL REIMBURSEMENT FOR THE COST OF FUNDING BENEFITS PAID
19 BY THE UNEMPLOYMENT AGENCY PURSUANT TO SECTION 2162 OF THE LAYOFF
20 PREVENTION ACT OF 2012 AND AN APPROVED SHARED WORK PLAN UNDER THIS
21 ACT, THOSE BENEFITS SHALL NOT BE CHARGED OR EXPENSED TO A
22 PARTICIPATING EMPLOYER. HOWEVER, THE UNEMPLOYMENT AGENCY SHALL NOT
23 USE THAT FEDERAL FUNDING AS A REIMBURSEMENT FOR COMPENSATION PAID
24 TO A CLAIMANT UNDER A SHARED-WORK PLAN IF THE CLAIMANT IS EMPLOYED
25 BY THE PARTICIPATING EMPLOYER ON A SEASONAL, TEMPORARY, OR
26 INTERMITTENT BASIS. IN THAT CASE, BENEFITS SHALL BE CHARGED TO THE
27 PARTICIPATING CONTRIBUTING EMPLOYER'S CHARGEABLE BENEFITS ACCOUNT

1 OR REIMBURSING PAYMENTS IN LIEU OF CONTRIBUTIONS SHALL BE REQUIRED
2 FROM THE PARTICIPATING REIMBURSING EMPLOYER.

3 (B) IF FEDERAL FUNDING IS AVAILABLE TO THIS STATE FOR THE
4 PURPOSE OF PARTIAL REIMBURSEMENT FOR THE COST OF FUNDING BENEFITS
5 PAID BY THE UNEMPLOYMENT AGENCY PURSUANT TO AN AGREEMENT ENTERED
6 INTO BETWEEN THIS STATE AND THE UNITED STATES DEPARTMENT OF LABOR
7 PURSUANT TO SECTION 2163 OF THE LAYOFF PREVENTION ACT OF 2012, ANY
8 APPROVED SHARED-WORK PLAN SHALL PROVIDE THAT THE EMPLOYER SHALL
9 MAKE A REIMBURSING PAYMENT IN LIEU OF CONTRIBUTIONS TO THIS STATE
10 EQUAL TO 1/2 OF THE BENEFITS PAID UNDER THE EMPLOYER'S APPROVED
11 SHARED-WORK PLAN. THAT PAYMENT SHALL BE DEPOSITED INTO THIS STATE'S
12 UNEMPLOYMENT COMPENSATION FUND. BENEFIT PAYMENTS OR DEPOSITS MADE
13 UNDER THIS SUBDIVISION SHALL NOT BE USED FOR PURPOSES OF
14 CALCULATING AN EMPLOYER'S CONTRIBUTION RATE UNDER SECTION 19. THE
15 UNEMPLOYMENT AGENCY SHALL NOT USE FEDERAL FUNDING UNDER THIS
16 SUBSECTION AS A REIMBURSEMENT FOR COMPENSATION PAID TO A CLAIMANT
17 UNDER A SHARED WORK PLAN IF THE CLAIMANT IS EMPLOYED BY THE
18 PARTICIPATING EMPLOYER ON A SEASONAL, TEMPORARY, OR INTERMITTENT
19 BASIS. IN THAT CASE, BENEFIT PAYMENTS SHALL BE FUNDED BY THE
20 EMPLOYER AS REIMBURSING PAYMENTS IN LIEU OF CONTRIBUTION.

21 (C) IF FULL OR PARTIAL FEDERAL FUNDING IS NOT AVAILABLE AS
22 PROVIDED IN SUBDIVISION (A) OR (B), THE BENEFITS PAID BY THE
23 UNEMPLOYMENT AGENCY PURSUANT TO AN APPROVED SHARED WORK PLAN UNDER
24 THIS ACT SHALL BE CHARGED TO THE PARTICIPATING CONTRIBUTING
25 EMPLOYER'S CHARGEABLE BENEFITS ACCOUNT OR REIMBURSING PAYMENTS IN
26 LIEU OF CONTRIBUTIONS SHALL BE REQUIRED FROM THE PARTICIPATING
27 REIMBURSING EMPLOYER.

1 SEC. 28I. AN EMPLOYER MAY APPLY TO THE UNEMPLOYMENT AGENCY FOR
2 APPROVAL TO MODIFY A SHARED-WORK PLAN TO MEET CHANGED CONDITIONS.
3 THE UNEMPLOYMENT AGENCY SHALL REEVALUATE THE PLAN AND MAY APPROVE
4 THE MODIFIED PLAN IF IT MEETS THE REQUIREMENTS FOR APPROVAL UNDER
5 SECTION 28E. IF THE MODIFICATIONS CAUSE THE SHARED-WORK PLAN TO
6 FAIL TO MEET THE REQUIREMENTS FOR APPROVAL, THE UNEMPLOYMENT AGENCY
7 SHALL DISAPPROVE THE PROPOSED MODIFICATIONS.

8 SEC. 28J. (1) THE UNEMPLOYMENT AGENCY MAY TERMINATE A SHARED-
9 WORK PLAN FOR GOOD CAUSE.

10 (2) FOR PURPOSES OF SUBSECTION (1), GOOD CAUSE INCLUDES ANY OF
11 THE FOLLOWING:

12 (A) THE PLAN IS NOT BEING EXECUTED ACCORDING TO ITS APPROVED
13 TERMS AND CONDITIONS.

14 (B) THE PARTICIPATING EMPLOYER FAILS TO COMPLY WITH THE
15 ASSURANCES GIVEN IN THE PLAN.

16 (C) THE PARTICIPATING EMPLOYER OR A PARTICIPATING EMPLOYEE
17 VIOLATES ANY CRITERIA ON WHICH APPROVAL OF THE PLAN WAS BASED.

18 (3) THE EMPLOYER MAY TERMINATE A SHARED-WORK PLAN BY WRITTEN
19 NOTICE TO THE UNEMPLOYMENT AGENCY.

20 SEC. 28K. THE DECISION TO APPROVE OR DISAPPROVE A SHARED-WORK
21 PLAN, TO APPROVE OR DISAPPROVE A MODIFICATION OF A SHARED-WORK
22 PLAN, OR TO TERMINATE A SHARED-WORK PLAN IS AT THE UNEMPLOYMENT
23 AGENCY'S DISCRETION. THOSE DECISIONS ARE NOT SUBJECT TO THE APPEAL
24 PROVISIONS OF THIS ACT.

25 SEC. 28L. IN ADDITION TO OTHER REPORTS REQUIRED BY LAW, THE
26 UNEMPLOYMENT AGENCY SHALL SUBMIT TO THE GOVERNOR, THE SECRETARY OF
27 THE SENATE, AND THE CLERK OF THE HOUSE OF REPRESENTATIVES FOR

1 REFERRAL TO THE CHAIR AND MINORITY VICE-CHAIR OF THE APPROPRIATE
2 COMMITTEES AN ANNUAL REPORT REGARDING SHARED-WORK PLANS UNDER
3 SECTIONS 28B TO 28M. THE REPORT SHALL INCLUDE THE NUMBER OF
4 APPROVED SHARED-WORK PLANS, THE NUMBER OF PARTICIPATING EMPLOYERS,
5 THE NUMBER OF PARTICIPATING EMPLOYEES, THE AMOUNT OF COMPENSATION
6 AND AID TO PARTICIPATING EMPLOYEES, AND ANY OTHER INFORMATION THAT
7 THE UNEMPLOYMENT AGENCY DETERMINES IS RELEVANT TO ASSESS THE IMPACT
8 OF SHARED-WORK PLANS ON THE UNEMPLOYMENT COMPENSATION FUND. THE
9 FIRST REPORT SHALL BE SUBMITTED ON OR BEFORE THE FIRST DAY OF MARCH
10 FOLLOWING THE FIRST COMPLETE CALENDAR YEAR DURING WHICH SECTIONS
11 28B TO 28M ARE IN EFFECT, AND SUBSEQUENT REPORTS SHALL BE SUBMITTED
12 ON OR BEFORE THE FIRST DAY OF MARCH OF EACH SUBSEQUENT YEAR.

13 SEC. 28M. (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT,
14 IF ANY PROVISION OF SECTIONS 28B TO 28I WOULD OTHERWISE CAUSE THE
15 UNITED STATES DEPARTMENT OF LABOR TO WITHHOLD THE APPROVAL REQUIRED
16 TO IMPLEMENT A SHARED-WORK PROGRAM UNDER SECTION 3304(A)(4)(E) OF
17 THE FEDERAL UNEMPLOYMENT TAX ACT, 26 USC 3304, AND SECTION
18 303(A)(5) OF THE SOCIAL SECURITY ACT, 42 USC 503, THAT PROVISION
19 DOES NOT APPLY.

20 (2) WHEN THE PROVISIONS OF THIS SECTION OR SECTIONS 28B TO 28I
21 ARE APPROVED OR DISAPPROVED BY THE UNITED STATES DEPARTMENT OF
22 LABOR, THE UNEMPLOYMENT AGENCY SHALL TRANSMIT TO THE SECRETARY OF
23 THE SENATE AND THE CLERK OF THE HOUSE OF REPRESENTATIVES NOTICE OF
24 THE APPROVAL OR DISAPPROVAL.

25 Enacting section 1. This amendatory act takes effect January
26 1, 2013.