

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  
9 BENEFIT RECEIVED UNDER A PENSION PLAN OR DEFINED CONTRIBUTION PLAN,

1 A PAID VACATION DAY, A PAID HOLIDAY, SICK LEAVE, OR ANY OTHER  
2 SIMILAR EMPLOYEE BENEFIT PROVIDED BY AN EMPLOYER.

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

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

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

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

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

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

26 (A) THE EMPLOYER HAS FILED ALL QUARTERLY REPORTS AND OTHER  
27 REPORTS REQUIRED UNDER THIS ACT AND HAS PAID ALL OBLIGATION

1 ASSESSMENTS, CONTRIBUTIONS, REIMBURSEMENTS IN LIEU OF  
2 CONTRIBUTIONS, INTEREST, AND PENALTIES DUE THROUGH THE DATE OF THE  
3 EMPLOYER'S APPLICATION.

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

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

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

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

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

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

27 (D) THE EMPLOYER'S CERTIFICATION THAT IT HAS OBTAINED THE

1 APPROVAL OF ANY APPLICABLE COLLECTIVE BARGAINING UNIT  
2 REPRESENTATIVE AND HAS NOTIFIED ALL AFFECTED EMPLOYEES WHO ARE NOT  
3 IN A COLLECTIVE BARGAINING UNIT OF THE PROPOSED SHARED-WORK PLAN.

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

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

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

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

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

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

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

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

26 (B) ALL EMPLOYEES IN THE AFFECTED UNIT ARE PARTICIPATING  
27 EMPLOYEES, EXCEPT THAT THE FOLLOWING EMPLOYEES SHALL NOT BE

1 PARTICIPATING EMPLOYEES:

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

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

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

9 (D) THE PARTICIPATING EMPLOYEES ARE IDENTIFIED BY NAME AND  
10 SOCIAL SECURITY NUMBER.

11 (E) THE NUMBER OF HOURS A PARTICIPATING EMPLOYEE WILL WORK  
12 EACH WEEK DURING THE EFFECTIVE PERIOD OF THE SHARED-WORK PLAN IS  
13 THE NUMBER OF THE EMPLOYEE'S NORMAL WEEKLY HOURS OF WORK REDUCED BY  
14 THE REDUCTION PERCENTAGE.

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

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

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

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

25 (J) THE SPECIFIED EFFECTIVE PERIOD OF THE SHARED-WORK PLAN IS  
26 52 CONSECUTIVE WEEKS OR LESS AND THE BENEFITS PAYABLE UNDER THE  
27 SHARED-WORK PLAN WILL NOT EXCEED 20 TIMES THE WEEKLY BENEFIT AMOUNT

1 FOR EACH PARTICIPATING EMPLOYEE, CALCULATED WITHOUT REGARD TO ANY  
2 EXISTING BENEFIT YEAR.

3 (K) THE REDUCTION PERCENTAGE SATISFIES THE REQUIREMENTS OF  
4 SUBSECTION (2).

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

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

9 (B) THE REDUCTION PERCENTAGE SHALL BE THE SAME FOR ALL  
10 PARTICIPATING EMPLOYEES.

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

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

21 SEC. 28F. (1) A SHARED-WORK PLAN IS EFFECTIVE FOR THE NUMBER  
22 OF CONSECUTIVE WEEKS INDICATED IN THE EMPLOYER'S APPLICATION, OR A  
23 LESSER NUMBER OF WEEKS AS APPROVED BY THE UNEMPLOYMENT AGENCY,  
24 UNLESS SOONER TERMINATED IN ACCORDANCE WITH SECTION 28J.

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

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

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

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

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

22          (D) THE UNEMPLOYMENT AGENCY SHALL NOT DENY COMPENSATION TO A  
23       PARTICIPATING EMPLOYEE FOR ANY WEEK DURING THE EFFECTIVE PERIOD OF  
24       THE SHARED-WORK PLAN BY APPLYING ANY PROVISION OF THIS ACT RELATING  
25       TO ACTIVE SEARCH FOR WORK OR REFUSAL TO APPLY FOR OR ACCEPT WORK  
26       OTHER THAN WORK OFFERED BY THE PARTICIPATING EMPLOYER.

27          (E) A PARTICIPATING EMPLOYEE SATISFIES THE AVAILABILITY AND

1 SEEKING WORK REQUIREMENTS OF SECTION 28 IF THE EMPLOYEE IS  
2 AVAILABLE FOR WORK DURING THE EMPLOYEE'S NORMAL WORK WEEK WITH THE  
3 PARTICIPATING EMPLOYER.

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

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

18 (3) A PARTICIPATING EMPLOYEE'S ELIGIBILITY FOR COMPENSATION  
19 FOR A WEEK WITHIN THE EFFECTIVE PERIOD OF AN APPROVED SHARED-WORK  
20 PLAN SHALL BE DETERMINED WITHOUT REGARD TO SECTIONS 28B TO 28M IF  
21 THE EMPLOYEE RECEIVES REMUNERATION FOR THE WEEK FROM THE  
22 PARTICIPATING EMPLOYER THAT IS GREATER THAN OR LESS THAN THE AMOUNT  
23 DUE FOR THE NUMBER OF HOURS DETERMINED UNDER SECTION 28D(1)(E).

24 SEC. 28H. (1) THE UNEMPLOYMENT AGENCY SHALL ESTABLISH A  
25 SCHEDULE OF CONSECUTIVE 2-WEEK PERIODS WITHIN THE EFFECTIVE PERIOD  
26 OF THE SHARED-WORK PLAN. THE UNEMPLOYMENT AGENCY MAY, AS NECESSARY,  
27 INCLUDE 1-WEEK PERIODS IN THE SCHEDULE AND REVISE THE SCHEDULE. AT



1 THE END OF EACH SCHEDULED PERIOD, THE PARTICIPATING EMPLOYER SHALL  
2 FILE CLAIMS FOR COMPENSATION FOR THE WEEK OR WEEKS WITHIN THE  
3 PERIOD ON BEHALF OF THE PARTICIPATING EMPLOYEES. THE CLAIMS SHALL  
4 BE FILED NO LATER THAN THE LAST DAY OF THE WEEK IMMEDIATELY  
5 FOLLOWING THE PERIOD, UNLESS AN EXTENSION OF TIME IS GRANTED BY THE  
6 UNEMPLOYMENT AGENCY FOR GOOD CAUSE. THE CLAIMS SHALL BE FILED IN  
7 THE MANNER PRESCRIBED BY THE UNEMPLOYMENT AGENCY AND SHALL CONTAIN  
8 ALL INFORMATION REQUIRED BY THE UNEMPLOYMENT AGENCY TO DETERMINE  
9 THE ELIGIBILITY OF THE PARTICIPATING EMPLOYEES FOR COMPENSATION.

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

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

25 (B) IF FEDERAL FUNDING IS AVAILABLE TO THIS STATE FOR THE  
26 PURPOSE OF PARTIAL REIMBURSEMENT FOR THE COST OF FUNDING BENEFITS  
27 PAID BY THE UNEMPLOYMENT AGENCY PURSUANT TO AN AGREEMENT ENTERED

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

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

23 SEC. 28I. AN EMPLOYER MAY APPLY TO THE UNEMPLOYMENT AGENCY FOR  
24 APPROVAL TO MODIFY A SHARED-WORK PLAN TO MEET CHANGED CONDITIONS.  
25 THE UNEMPLOYMENT AGENCY SHALL REEVALUATE THE PLAN AND MAY APPROVE  
26 THE MODIFIED PLAN IF IT MEETS THE REQUIREMENTS FOR APPROVAL UNDER  
27 SECTION 28E. IF THE MODIFICATIONS CAUSE THE SHARED-WORK PLAN TO

1 FAIL TO MEET THE REQUIREMENTS FOR APPROVAL, THE UNEMPLOYMENT AGENCY  
2 SHALL DISAPPROVE THE PROPOSED MODIFICATIONS.

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

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

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

9 (B) THE PARTICIPATING EMPLOYER FAILS TO COMPLY WITH THE  
10 ASSURANCES GIVEN IN THE PLAN.

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

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

15 SEC. 28K. THE DECISION TO APPROVE OR DISAPPROVE A SHARED-WORK  
16 PLAN, TO APPROVE OR DISAPPROVE A MODIFICATION OF A SHARED-WORK  
17 PLAN, OR TO TERMINATE A SHARED-WORK PLAN IS AT THE UNEMPLOYMENT  
18 AGENCY'S DISCRETION. THOSE DECISIONS ARE NOT SUBJECT TO THE APPEAL  
19 PROVISIONS OF THIS ACT.

20 SEC. 28L. IN ADDITION TO OTHER REPORTS REQUIRED BY LAW, THE  
21 UNEMPLOYMENT AGENCY SHALL SUBMIT TO THE GOVERNOR, THE SECRETARY OF  
22 THE SENATE, AND THE CLERK OF THE HOUSE OF REPRESENTATIVES FOR  
23 REFERRAL TO THE CHAIR AND MINORITY VICE-CHAIR OF THE APPROPRIATE  
24 COMMITTEES AN ANNUAL REPORT REGARDING SHARED-WORK PLANS UNDER  
25 SECTIONS 28B TO 28M. THE REPORT SHALL INCLUDE THE NUMBER OF  
26 APPROVED SHARED-WORK PLANS, THE NUMBER OF PARTICIPATING EMPLOYERS,  
27 THE NUMBER OF PARTICIPATING EMPLOYEES, THE AMOUNT OF COMPENSATION

1 AND AID TO PARTICIPATING EMPLOYEES, AND ANY OTHER INFORMATION THAT  
2 THE UNEMPLOYMENT AGENCY DETERMINES IS RELEVANT TO ASSESS THE IMPACT  
3 OF SHARED-WORK PLANS ON THE UNEMPLOYMENT COMPENSATION FUND. THE  
4 FIRST REPORT SHALL BE SUBMITTED ON OR BEFORE THE FIRST DAY OF MARCH  
5 FOLLOWING THE FIRST COMPLETE CALENDAR YEAR DURING WHICH SECTIONS  
6 28B TO 28M ARE IN EFFECT, AND SUBSEQUENT REPORTS SHALL BE SUBMITTED  
7 ON OR BEFORE THE FIRST DAY OF MARCH OF EACH SUBSEQUENT YEAR.

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

15 (2) WHEN THE PROVISIONS OF THIS SECTION OR SECTIONS 28B TO 28/  
16 ARE APPROVED OR DISAPPROVED BY THE UNITED STATES DEPARTMENT OF  
17 LABOR, THE UNEMPLOYMENT AGENCY SHALL TRANSMIT TO THE SECRETARY OF  
18 THE SENATE AND THE CLERK OF THE HOUSE OF REPRESENTATIVES NOTICE OF  
19 THE APPROVAL OR DISAPPROVAL.

20 Enacting section 1. This amendatory act takes effect January  
21 1, 2013.