

**MICHIGAN EMPLOYMENT SECURITY ACT (EXCERPT)**  
**Act 1 of 1936 (Ex. Sess.)**

\*\*\*\*\* 421.28d.added THIS ADDED SECTION IS EFFECTIVE JANUARY 1, 2013 \*\*\*\*\*

**421.28d.added Shared-work plan; approval by unemployment agency; requirements; reduction percentage.**

Sec. 28d. (1) The unemployment agency shall approve a shared-work plan only if the plan meets all of the following requirements:

- (a) The shared-work plan applies to 1 affected unit.
- (b) All employees in the affected unit are participating employees, except that the following employees shall not be participating employees:
  - (i) An employee who has been employed in the affected unit for less than 3 months before the date the employer applies for approval of the shared-work plan.
  - (ii) An employee whose hours of work per week determined under subdivision (e) are 40 or more hours.
- (c) There are no fewer than 2 participating employees, determined without regard to corporate officers.
- (d) The participating employees are identified by name and social security number.
- (e) The number of hours a participating employee will work each week during the effective period of the shared-work plan is the number of the employee's normal weekly hours of work reduced by the reduction percentage.
- (f) The plan includes an estimate of the number of employees who would have been laid off if the plan were not implemented.
- (g) The plan indicates the manner in which the employer will give advance notice, if feasible, to an employee whose hours of work per week under the plan will be reduced.
- (h) As a result of a decrease in the number of hours worked by each participating employee, there is a corresponding reduction in wages.
- (i) The shared-work plan does not affect the fringe benefits of any participating employee.
- (j) The specified effective period of the shared-work plan is 52 consecutive weeks or less and the benefits payable under the shared-work plan will not exceed 20 times the weekly benefit amount for each participating employee, calculated without regard to any existing benefit year.
- (k) The reduction percentage satisfies the requirements of subsection (2).
- (2) The reduction percentage under an approved shared-work plan shall meet all of the following requirements:
  - (a) The reduction percentage shall be no less than 15% and no more than 45%.
  - (b) The reduction percentage shall be the same for all participating employees.
  - (c) The reduction percentage shall not change during the period of the shared-work plan unless the plan is modified in accordance with section 28i.

**History:** Add. 2012, Act 216, Eff. Jan. 1, 2013.