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Title 22@ Social Security

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Division 1@ Employment Development Department

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Subdivision 1@ Director of Employment Development

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Division 1@ Unemployment and Disability Compensation

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Part 1@ Unemployment Compensation

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Chapter 5@ UNEMPLOYMENT COMPENSATION BENEFITS

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Article 2.4@ WORK SHARING UNEMPLOYMENT INSURANCE BENEFITS

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Section 1279.5-8@ Calculation of Hour Reduction

1279.5-8 Calculation of Hour Reduction

To calculate the percentage by which an employee's normal weekly hours of work were reduced as a result of a work sharing plan, the work sharing employer shall:

(1) Subtract the actual (reduced) hours worked during the work sharing week (hours worked are described below in subsection (b) of these regulations) from the normal weekly hours of work (hours the employee would have worked) before the implementation of the work sharing plan), and (2) Divide the difference (obtained in above subsection (a)(1) of these regulations) by the normal weekly hours of work. Example: The claimant's normal weekly hours of work are 40. However, due to work sharing, the claimant's hours were reduced to 32. The claimant's hours have been reduced by 8 hours ($40 - 32 = 8$). To determine the percentage of hour reduction, divide the amount the hours have been reduced by the normal weekly hours worked, this figure is the percentage by which the normal weekly hours were reduced ($8 / 40 = .20$, or a 20% reduction in the normal weekly hours of work).

(1)

Subtract the actual (reduced) hours worked during the work sharing week (hours worked are described below in subsection (b) of these regulations) from the normal weekly hours of work (hours the employee would have worked) before the implementation of the work sharing plan), and

(2)

Divide the difference (obtained in above subsection (a)(1) of these regulations) by the normal weekly hours of work. Example: The claimant's normal weekly hours of work are 40. However, due to work sharing, the claimant's hours were reduced to 32. The claimant's hours have been reduced by 8 hours ($40 - 32 = 8$). To determine the percentage of hour reduction, divide the amount the hours have been reduced by the normal weekly hours worked, this figure is the percentage by which the normal weekly hours were reduced ($8 / 40 = .20$, or a 20% reduction in the normal weekly hours of work).

(b)

Hours worked during the work sharing week shall include: (1) Hours an employee is paid for performing services for the work sharing employer. (2) Hours an employee is paid for time off due to vacation, holiday, sick leave, and other types of paid leave. The hours are allocable to the week the vacation, holiday, sick leave, or other paid leave was taken. (3) Volunteer (unpaid) hours worked performing services during the week to which the certifications applies for the work sharing employer.

(1)

Hours an employee is paid for performing services for the work sharing employer.

(2)

Hours an employee is paid for time off due to vacation, holiday, sick leave, and other types of paid leave. The hours are allocable to the week the vacation, holiday, sick leave, or other paid leave was taken.

(3)

Volunteer (unpaid) hours worked performing services during the week to which the certifications applies for the work sharing employer.

(c)

Holidays. An employee is not entitled to work sharing benefits for holidays on which no services are performed by the employee and for which no wages are paid unless that holiday was considered part of the employee's normal weekly hours of work during the twelve months prior to the effective date of the work sharing plan. To be considered part of the employee's normal weekly hours of work during that period, an employee in that same position or job classification must have been scheduled to perform compensated services for the work sharing employer on that holiday. The claimant in example 1 is entitled to work sharing benefits for the holiday: Example 1: Claimant A, a security guard, worked and was paid for the July 4th holiday last year. The holiday was considered part of the security guard's normal days of work during the week. The employer is now participating in the work sharing program and decides that, for the upcoming July 4th holiday, security guards in the claimant's work unit will not work and will not be paid. This is the only unpaid day off during that week. For work sharing purposes, the claimant is considered to have suffered a corresponding reduction in the normal weekly hours of work and wages (20%) and would, therefore, be entitled to work sharing benefits. The employees in example 2 are not entitled to work sharing benefits for the holiday: Example 2: The employees of ABC Company, a work sharing employer, will not work and will not be paid for the Veterans Day holiday. They will be working the other four workdays that week. Last year, when the work sharing employer was not in the work sharing program, Veterans Day was a paid day off for all employees. Although there will be a reduction in wages, claimants will not be entitled to work sharing benefits for the week of the holiday since there will be no corresponding reduction in hours from the normal weekly hours of work.