

341.4161 Shared work compensation plan -- Plan requirements -- Application.

- (1) An employer wishing to participate in a shared work program shall submit a signed, written shared work compensation plan to the secretary for approval.
- (2) The secretary shall approve a shared work unemployment compensation plan if:
 - (a) The plan:
 1. Applies to and identifies the specified affected group; and
 2. Includes an estimate of the number of layoffs that might occur absent participation in the shared work program;
 - (b) The employees in the affected group or groups are identified by name, Social Security number, and by any other information required by the secretary;
 - (c) The normal weekly hours of work for employees in the affected group or groups are reduced by not less than ten percent (10%) and not more than forty percent (40%);
 - (d) Health benefits, retirement benefits, and other fringe benefits will continue to be provided to employees in the affected group or groups as though their work weeks had not been reduced. However, if the employer reduces the level of benefits for its employees who are not in the shared work group, the level of benefits may be reduced by a like amount for the employer's shared work employees;
 - (e) The plan certifies that the aggregate reduction in work hours is in lieu of all layoffs that would have affected at least ten percent (10%) of the employees in the affected group or groups to which the plan applies and that would have resulted in an equivalent reduction in work hours;
 - (f) During the previous four (4) months, the workforce in the affected group has not been reduced by temporary layoffs of more than ten percent (10%) of the workers;
 - (g)
 1. The plan applies to at least ten percent (10%) of the employees in the affected group;
 2. If the plan applies to all employees in the affected group, the plan provides equal treatment to all employees of the group; and
 3. If the affected group is divided into subgroups, the plan provides equal treatment to employees within each subgroup;
 - (h)
 1. The plan contains a certification by the employer that the employer has made the proposed plan available for inspection to each employee in the affected group; and
 2. The plan includes:
 - a. A description of how the plan was made available; and
 - b. If advance notice of the plan was not feasible, an explanation of why advance notice was not feasible;
 - (i) The plan includes a certified statement by the employer that the terms and implementation of the shared work plan are consistent with any obligations the employer has under applicable state and federal law;

- (j) An employee who joins an affected group after the approval of the shared work plan is automatically covered under the previously approved plan, effective the week that the secretary receives written notice from the shared work employer that the employee has joined;
- (k) The plan shall not serve as a subsidy to seasonal employers during the off season nor as a subsidy to employers who traditionally use part-time employees; and
- (l) The employer agrees to:
 - 1. Furnish reports, if requested by the secretary, relating to the proper conduct of the plan;
 - 2. Provide the secretary or his or her authorized representatives all records necessary to evaluate the plan for approval; and
 - 3. Allow the secretary or his or her authorized representatives to evaluate application of the plan after approval.
- (3) The secretary shall create an application through which employers shall submit shared work plans for approval.

Effective: January 1, 2023

History: Created 2022 Ky. Acts ch. 21, sec. 12, effective January 1, 2023.

Legislative Research Commission Note (1/1/2023). 2022 Ky. Acts ch. 21, sec. 26, provides that the Act, which created this statute, may be cited as the Unemployment Insurance Sustainability Act of 2022.