

Navigating Unemployment Insurance: Resources for Employers



Ohio

Department of
Job and Family Services

Presentation Overview



- SharedWork Ohio: Ohio's premier layoff aversion tool
- Update on Federal Emergency Programs and Benefits
- Unemployment Updates

SharedWork Ohio



PROGRAM HIGHLIGHTS



Department of
Job and Family Services

SharedWork Ohio Program



What is SharedWork Ohio?

SharedWork Ohio is a voluntary layoff aversion program, which allows workers to remain employed and employers to retain trained staff during times of reduced business activity.

Under a SharedWork Ohio plan, the participating employer reduces affected employees' hours 10-60%.

The participating employees work the reduced hours each week, and ODJFS provides eligible individuals a stipend called SharedWork Compensation. SharedWork compensation is a prorated portion of an individual's weekly unemployment benefit.

SharedWork Ohio Benefits to Employers



- Maintains staff for future business growth
- Reduces future hiring and retraining costs
- Maintains worker productivity
- Retains experienced employees
- Keeps worker morale high

The Scope of Each SharedWork Ohio Plan



- Employers designate the “affected unit” of employees
- Employers may place all employees in one plan, or they may create multiple SharedWork Ohio plans
- Employees are reduced by a percentage of the normal weekly hours of work, 10-60%
- Plans must include a minimum of 2 employees
- Benefits are available for up to 1 year
- Employers may modify or terminate plans

Participating Employee Information



- Employees do not search for work while under a SharedWork Ohio plan
- Instead, employees must be available for their normal weekly hours of work
- Outside employment could affect SharedWork employees' eligibility for benefits
- Employer-paid, approved leave (holiday, sick, vacation pay) counts toward the SharedWork Ohio hours in a week

Federal American Rescue Plan Act Impact on SharedWork Ohio



- Continuation of CARES Act 100% federal funding of SharedWork Ohio benefit charges through September 4, 2021
- Continuation of authority for additional weeks of benefits (Pandemic Emergency Unemployment Compensation program) through September 4, 2021

Update on Federal Emergency Programs and Benefits



- The CARES Act emergency, temporary federal programs and benefits end on September 4, 2021:
 - Pandemic Unemployment Assistance program
 - Pandemic Emergency Unemployment Compensation program
 - Full federal funding of state shared work program charges
 - 75% credit for traditional unemployment benefit charges to governmental and nonprofit employers
 - Interest waiver on federal Trust Fund borrowing

Update on Federal Emergency Programs and Benefits, Continued



- Individuals with pending applications and/or appeals will receive federal benefits through the program/benefit expiration week ending dates.
- Affected individuals have been notified.

Unemployment Updates



- **End of the Extra Weekly Funding (Federal Pandemic Unemployment Compensation and Mixed-Earner Unemployment Compensation or “MEUC” benefits) on June 26, 2021:**
 - Optional agreement between states and U.S. Department of Labor.
 - Ohio elected to end the federal extra weekly money (\$600/\$300 in FPUC; extra \$100 to eligible MEUC individuals) prior to expiration of the federal law.
 - When the benefits were put in place, they were a lifeline for many Americans at a time when the only weapon we had in fighting the virus was through social distancing, masking, and sanitization. This is no longer the case as we now have an abundant supply of vaccines.
 - Lieutenant Governor Husted said, “as companies around the globe begin to expand and make new investments coming out of the pandemic, the ability to provide a workforce is emerging as the primary factor in their decisions... States that can favorably respond are going to win the jobs that will employ people for years to come.”
 - Currently in litigation; trial court did not issue a Temporary Restraining Order/Preliminary Injunction in Ohio and the matter is in front of the Tenth District Court of Appeals.

Unemployment Updates, Continued



- **Replenishment of Trust Fund:**
 - On June 28, Governor DeWine signed HB 168. This allowed American Rescue Plan Act (ARPA) funds to pay off the federal loan that Ohio needed to pay the unprecedented amount of unemployment benefits resulting from the pandemic.
 - Without this action, Ohio employers faced both state tax assessments to repay interest charges on the loan balance, as well as several years of progressively increasing federal unemployment taxes.
 - This allows Ohio employers to focus on getting people back to work and building economic momentum for the future.

Unemployment Updates, Continued



- **Progress on the SOURCE:**
 - Ohio will soon have a new Unemployment Insurance System: The SOURCE (State of Ohio Unemployment Resource for Claimants and Employers). The SOURCE will provide a user-friendly, self-service experience, tailored to meet the needs of claimants and employers alike.
 - **How will The SOURCE be different than ERIC, the tax system employers use now?**

The SOURCE will allow employers and their agents to manage all their unemployment tax, benefits and appeals information in one place. It also will have:

- ✦ Multiple reporting and payment options
- ✦ Online tutorials
- ✦ Easier navigation
- ✦ An easier way to request information and upload documents
- ✦ Electronic notifications to keep users up to date

Questions?



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