

LABOR CODE

TITLE 4. EMPLOYMENT SERVICES AND UNEMPLOYMENT

SUBTITLE A. TEXAS UNEMPLOYMENT COMPENSATION ACT

CHAPTER 215. SHARED WORK UNEMPLOYMENT COMPENSATION PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 215.001. DEFINITIONS. In this chapter:

(1) "Affected unit" means a unit of two or more employees, including a department or shift, designated by an employer to participate in a shared work plan.

(2) "Fringe benefit" means health insurance, a retirement benefit received under a defined benefit plan, as defined by 26 U.S.C. Section 414(j), or under a defined contribution plan, as defined by 26 U.S.C. Section 414(i), a paid vacation day, a paid holiday, sick leave, or any other similar employee benefit provided by an employer.

(3) "Normal weekly hours of work" means the number of hours in a week that an employee ordinarily works for a participating employer or an average of 40 hours per week over a two-week pay period, whichever is less.

(4) "Participating employee" means an employee who works a reduced number of hours under an approved shared work plan.

(5) "Participating employer" means an employer who has a shared work plan in effect.

(6) "Shared work benefit" means an unemployment compensation benefit that is payable to a participating employee.

(7) "Shared work plan" means a plan for reducing unemployment under which employees who are members of an affected unit share the work remaining after a reduction in their normal weekly hours of work.

(8) "Shared work program" means the shared work unemployment compensation program.

(9) "Training" means commission-approved voluntary training sponsored by an employer or funded under the Workforce Investment Act of 1998 (29 U.S.C. Section 2801 et seq.) that is designed to enhance a participant's job skills.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 42 (H.B. 1637), Sec. 1, eff. May 19, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 13 (H.B. 2035), Sec. 2, eff. September 1, 2013.

Sec. 215.002. SHARED WORK UNEMPLOYMENT COMPENSATION PROGRAM. (a) The commission, under a voluntary shared work unemployment compensation program designed to reduce unemployment and stabilize the work force, shall allow participating employees shared work benefits.

(b) The commission may adopt rules and establish procedures necessary to administer the shared work program.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

SUBCHAPTER B. SHARED WORK PLAN

Sec. 215.021. APPROVAL REQUIRED FOR EMPLOYER PLAN. (a) Before an employer may participate in the shared work program, the commission must approve the employer's shared work plan. The plan must be submitted in writing to the commission.

(b) If an employee who participates in a shared work plan is covered by a collective bargaining agreement, the collective bargaining agent must approve the plan in writing.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.022. REQUIREMENTS OF SHARED WORK PLAN. (a) The commission may approve a shared work plan if:

(1) the plan:

(A) applies to and identifies a specific affected unit;

(B) identifies the employees in the affected unit by name and social security number and describes how the employees will be notified in advance of the plan, if feasible;

(C) provides an estimate of the number of employees who would be laid off if the employer does not participate

in the shared work plan;

(D) reduces the normal weekly hours of work for an employee in the affected unit by at least 10 percent but not more than 40 percent;

(E) applies to at least 10 percent of the employees in the affected unit; and

(F) permits eligible employees to participate in training;

(2) the employer certifies that the implementation of a shared work plan and the resulting reduction in work hours is in lieu of layoffs that would:

(A) affect at least 10 percent of the employees in the affected unit; and

(B) result in an equivalent reduction in work hours;

(3) the employer certifies that:

(A) if the employer currently provides fringe benefits, the fringe benefits continue for employees in the affected unit unless those benefits are not continued for employees not participating in the shared work plan; and

(B) participation in the shared work plan is consistent with the employer's obligations under state and federal law; and

(4) the employer agrees to furnish the commission reports relating to the operation of the plan as requested by the commission and any other information the United States secretary of labor determines is appropriate.

(b) A shared work plan may not be implemented to subsidize a seasonal employer during the off-season.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 13 (H.B. 2035), Sec. 3, eff. September 1, 2013.

Sec. 215.023. APPROVAL OR DENIAL OF SHARED WORK PLAN; NOTICE. (a) The commission shall approve or deny a shared work plan in writing not later than the 30th day after the date the

commission receives the plan.

(b) If the commission denies the plan, the commission shall give the employer the reasons for denial.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.024. EFFECTIVE DATE OF SHARED WORK PLAN; EXPIRATION OR TERMINATION. (a) A shared work plan takes effect on the date the commission approves the plan.

(b) A shared work plan expires on the last day of the 12th calendar month beginning after the effective date of the plan.

(c) The commission may terminate a shared work plan for good cause if the plan is not being executed according to the terms and intent of the shared work program.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.025. MODIFICATION OF SHARED WORK PLAN. (a) An employer may modify a shared work plan to meet changed conditions if the modification conforms to the basic provisions of the plan as approved by the commission.

(b) Before implementing a proposed change, the employer must report the change in writing to the commission.

(c) The commission shall reevaluate a plan that is proposed to be substantially modified.

(d) If a proposed plan modification is substantial, the commission may approve the modified plan according to the requirements of Sections [215.022\(a\)\(1\)](#) and (2) or shall deny the modification subject to Section [215.023](#).

(e) Approval of a modified plan does not affect the plan's original expiration date.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.026. PARTICIPATING EMPLOYER'S REPORT ON PLAN OPERATION. A participating employer shall:

(1) monitor and evaluate the operation of its established shared work plan as requested by the commission; and

(2) report the findings to the commission.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

SUBCHAPTER C. SHARED WORK BENEFITS

Sec. 215.041. EMPLOYEE'S ELIGIBILITY FOR SHARED WORK BENEFITS. (a) Notwithstanding any other provision of this subtitle, an individual is unemployed for the purposes of this subtitle in a week in which the individual works under an approved shared work plan in effect for that week for less than the individual's normal weekly hours of work.

(b) An individual is eligible to receive shared work benefits for a week in which:

(1) the individual is employed as a member of an affected unit subject to a shared work plan that was approved before that week and is in effect for that week;

(2) the individual is able to work and is available for additional hours of work or for full-time work with the participating employer; and

(3) the individual's normal weekly hours of work have been reduced by at least 10 percent but not more than 40 percent, with a corresponding reduction in wages.

(c) The commission may not deny shared work benefits for a week to an otherwise eligible individual because of a provision of this subtitle that relates to:

(1) availability for work;

(2) active search for work; or

(3) refusal to apply for or to accept work with an employer other than the participating employer.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.042. SHARED WORK BENEFITS FORMULA. (a) The commission shall pay an individual who is eligible for shared work benefits a weekly shared work benefit in an amount equal to the individual's regular weekly benefit amount for a period of total unemployment multiplied by the nearest full percentage of reduction of the individual's wages under the employer's shared work plan.

(b) The commission shall round to the next highest dollar a shared work benefit that is not a multiple of one dollar.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.043. LIMITATIONS ON BENEFITS. (a) An individual is not entitled to receive shared work benefits and regular unemployment compensation benefits that exceed the maximum total benefits payable to the individual in a benefit year as provided by Section 207.005.

(b) An individual who receives shared work benefits is not entitled to receive benefits for partial unemployment under Section 207.003 for any week in which the individual works as a participating employee.

(c) The commission may not pay an individual shared work benefits for a week in which the individual performs paid work for the participating employer that exceeds the reduced hours established under a shared work plan.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.

Sec. 215.044. EXTENDED BENEFITS. An individual who has received all of the shared work benefits and regular unemployment compensation benefits available in a benefit year is an individual who has exhausted regular benefits under Section 209.042 and is entitled to receive extended benefits under Chapter 209 if the individual is otherwise eligible under that chapter.

Acts 1993, 73rd Leg., ch. 269, Sec. 1, eff. Sept. 1, 1993.