

General Assembly passes SharedWork Program offers employers alternative to layoffs

A new initiative, given final approval today by the Ohio House and Senate, will help workers and employers alike by preventing layoffs. It awaits the governor's signature.

SharedWork Ohio, Sub. House Bill 37, sponsored by Representatives Mike Duffey (R-Worthington) and Gary Scherer (R-Circleville), enables employers who need to make cuts to reduce the number of hours worked across a workforce rather than laying off a set number of employees.

Thousands of Ohio workers would have avoided layoffs in 2009 had a shared work program existed in Ohio. Had the program had as many participants as the average state, more than 23,000 Ohioans would have been able to participate, Policy Matters Ohio estimates.

"Shared work is a proven layoff-aversion tool," said Hannah Halbert, workforce researcher with Policy Matters Ohio. "It's a smart step that will benefit Ohio workers and employers."

SharedWork Ohio will give Ohio employers a new tool to keep their workforce intact during downturns. This new flexibility will help employers avoid costly rehiring and retraining when demand returns. At the same time, employees will be able to keep working and retain their health and retirement benefits. Half the states and the District of Columbia have enacted shared work policies.

"The SharedWork Ohio initiative is a win-win program for Ohio workers and employers alike, *especially* during economic downturns," said Halbert.

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*Policy Matters Ohio is a nonprofit, nonpartisan state policy research institute
with offices in Cleveland and Columbus.*

Key findings

- SharedWork Ohio offers employers an option to deal with challenging economic climates.
- HB 37 passed with broad bipartisan support in the Ohio House of Representatives and Senate.
- If Ohio had this program in 2009, we estimate that there would have been more than 23,000 Ohioans working a reduced schedule, avoiding layoffs for thousands.
- Ohio joins 25 states and the District of Columbia in adopting a work share policy.