



COLORADO

**Department of
Labor and Employment**

Division of Unemployment Insurance

Work-Share Information

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The Work-Share Program is in the Colorado Employment Security Act 8-75-201 through 8-75-208.

GENERAL INFORMATION

The Work-Share Program gives you an alternative to laying off your employees. It allows you to let your employees keep working, but with fewer hours. While they are working fewer hours, we pay them part of their regular unemployment benefits.

You figure out how many hours you can continue to pay. Your employees share those hours as part of the work-share plan.

All your employees can be in the Work-Share Program, or employees from a certain unit can be in the Program. It depends on your needs for your employees.

ADVANTAGES AND DISADVANTAGES OF THE WORK-SHARE PROGRAM

The advantages of using the Work-Share Program include:

- The ability to continue production and maintain quality levels.
- Retention of experienced staff.
- Ease of returning to full production when economic conditions are better.
- Lower costs for hiring and training new employees.
- Protection of your affirmative-action gains.
- An atmosphere of higher employee morale.
- The opportunity for employees to keep their skills and chances to move up in your business.
- Spending less money on public assistance and unemployment benefits because your employees are still working.

Some disadvantages to using a Work-Share Program might be the following:

- Your employees may lose their chance to find full-time jobs with another company.
- It might be harder to schedule your employees' work hours.
- Your senior employees have fewer hours and less income.

WHAT WE CAN PAY

We can pay your employees part of the unemployment benefits they could get for a given week in which their work hours were reduced. We look at the percentage of how much you reduced their hours, and we pay them the percentage of unemployment benefits to which they are entitled depending on their hours worked and other eligibility factors.

Example: Say you plan to lay off your employee. He may have earned enough for us to be able to pay him \$250 a week. Instead of laying him off, you reduce his hours and his pay by 10%. We pay 10% of his unemployment benefits, in this case \$25, for each week he works the reduced schedule. He gets his pay from you and his work-share benefits from us.

We can pay your employee up to 26 weeks of work-share benefits. We are not looking at hours and earnings from other employers.



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ABOUT YOU

You have to have a positive percent of excess in order to sign up for the Work-Share Program. That means that you must have paid as much in premiums as we paid your former employees in benefits. Your percent of excess is on the rate notice we mailed you last November.

We will charge you for any unemployment benefits we pay. We will pay less in benefits than we would pay if you completely laid off your employees. **Therefore, we will charge you less than we would if we were paying full benefits.**

ABOUT THE PLAN

Your work-share plan is effective on the date we approve it. It runs for 12 months, or 52 weeks, from that date.

We can end your plan early if you stop meeting the requirements of the Work-Share Program. If that happens, we will send you a letter that states the day we ended the plan.

REQUIREMENTS

These are the requirements for the Work-Share Program. Please be aware that if you do not meet **any** of these requirements, we can end your plan early.

- You are applying to be in the Program instead of laying off your employees.
- You are reducing the hours of at least 2 employees in a certain unit. You would have laid off at least that many employees.
- You are reducing the work hours of that group by at least 10 percent but by no more than 40 percent.
- You will not hire or have other employees work in that group.
- Your employees' collective-bargaining agent (union), if any, must agree to the plan.
- You cannot get rid of or reduce employees' benefits that you currently provide. These include health insurance, retirement/pension benefits, vacation pay and holidays, sick leave, and any other similar benefits you normally provide.

You will have to certify that you understand all of these requirements on the Request For Approval of Work-Share Plan application.

HOW TO APPLY FOR THE WORK-SHARE PROGRAM

Fill out the Request For Approval of Work-Share Plan application via the Apply for Work-Share button located on the main web page. Submit your completed form by email to cdle_employer_services@state.co.us or send it to us at the address on the bottom of the application. We will review the application and mail you a letter to tell you whether your plan is approved.