

# PRESS RELEASE

---

Colorado Department of Labor and Employment • 633 Seventeenth Street, Suite 1200 • Denver, CO 80202 •  
(303) 318-8004 • Fax: (303) 318-8070

## **For Immediate Release**

Date: June 9, 2010  
Contact: Bill Thoennes  
Office of Government, Policy and Public Relations  
Phone: (303) 318-8004  
Web: [www.colorado.gov/cdle](http://www.colorado.gov/cdle)

## **Governor Signs Work Share Legislation Into Law**

*Employers offered a more equitable and practical alternative to layoffs*

(DENVER) – Today, at a statewide workforce development conference in Vail, Governor Bill Ritter, Jr. signed Senate Bill 10-28 into law. The legislation, which is based on Work Share Programs that have been in place in other states for, in some cases, more than thirty years, provides a “work sharing” option to businesses that are struggling and facing a slowdown.

Instead of placing the burden of “downsizing” on a targeted group of employees who lose their jobs, the work-sharing approach makes a slight reduction in the workweek of *some or all* employees. With a reduction in hours, employees can avoid the hardship of a layoff and still be eligible to receive a percentage of their weekly unemployment insurance benefits. Eligible employees whose work hours have been reduced at least 10 percent, but no more than 40 percent, can receive a percentage of regular unemployment benefits to make up for reduced hours and wages.

Prior to signing Work Share into law in Colorado, Governor Ritter cited its many advantages to employees and employers alike. “By creating this voluntary program, Work Share will allow employers to reduce hours rather than laying off employees – assisting them in maintaining their production levels and valued employees while helping the employees keep their jobs and their benefits.”

Work Share sustains employee morale in tough times and reduces the administrative costs associated with first downsizing and then staffing up. When business improves, these employers can move quickly in gearing up their operations, avoiding the time and expense involved in recruiting, hiring and training staff. If the slowdown turns into something more permanent, the flexibility of the Work Share Program allows employers to use it as a phased-in transition to layoffs, giving affected staff an opportunity to work reduced hours while finding other employment before the expected layoff.

Work Share will also benefit Colorado's embattled UI Trust Fund says Department of Labor and Employment Executive Director Donald J. Mares. "Employees who see their work hours reduced through Work Share will have their unemployment benefits limited to eighteen weeks instead of the standard twenty six," he explains. "This will be the lowest in the nation and during years of an economic slowdown, will save the UI Trust Fund more than \$2 million."

Work Share's benefits to the state's economy are also notable. Work Share preserves employment and consumer spending during economic downturns. The U.S. Department of Labor has estimated that in states where Work Share is an option to employers, more than 224,000 jobs were saved in the last two years.

In putting his pen to the new legislation, Governor Ritter called Work Share an important addition to the state's arsenal of resources in driving growth and economic development. "The Colorado Work Share Program will give us another tool in the toolbox as we work to retain and create jobs all across Colorado."

Employers must apply and be accepted to participate in the Work Share Program. More information, including a Work Share Web page for employers and workers, will be added to the CDLE public Web site soon.