

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 13-0154.01 Kristen Forrestal x4217

SENATE BILL 13-157

SENATE SPONSORSHIP

Heath, Tochtrop

HOUSE SPONSORSHIP

Kraft-Tharp and Exum,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE "COLORADO WORK SHARE**
102 **PROGRAM".**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sunset Process - Senate Business, Labor, and Technology Committee. The "Colorado Work Share Program" (program) was created by the general assembly in 2010 to allow employees whose work hours have been reduced to collect prorated unemployment benefits as long as certain requirements are met by the employer and the employee.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

SENATE
2nd Reading Unamended
March 20, 2013

The bill makes changes to the program to bring it into compliance with federal law, including required features of a work share plan to make it eligible for approval by the director of the division of unemployment insurance. The bill extends the program indefinitely. The bill also allows eligible employees to participate in certain job training programs. The bill repeals a mechanism that triggers a repeal of the program.

Currently, the federal government will reimburse states for unemployment compensation benefits paid under the program. The bill clarifies that the employer's account will only be charged for the unemployment compensation benefits if the federal money is not available. The bill also increases the cap on the number of weeks that employees may be paid benefits under the program from 18 to 26 weeks.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 8-75-209 as
3 follows:

4 **8-75-209. Repeal of article.** ~~(1) This article is repealed, effective~~
5 ~~July 1, 2013. Prior to its repeal, the "Colorado Work Share Program" shall~~
6 ~~be reviewed as provided for in section 24-34-104, C.R.S.~~

7 ~~(2) If the director finds that the provisions of this part 2 cause the~~
8 ~~insolvency of the unemployment insurance cash fund to accelerate, the~~
9 ~~director shall notify the revisor of statutes in writing and this part 2 shall~~
10 ~~be repealed.~~

11 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, **repeal**
12 (44) (q) as follows:

13 **24-34-104. General assembly review of regulatory agencies**
14 **and functions for termination, continuation, or reestablishment.**

15 (44) The following agencies, functions, or both, shall terminate on July
16 1, 2013:

17 (q) ~~The "Colorado Work Share Program" created in part 2 of~~
18 ~~article 75 of title 8, C.R.S.~~

19 **SECTION 3.** In Colorado Revised Statutes, 8-75-203, **amend** (2)

1 introductory portion, (2) (d), (3) (c), and (3) (e); **repeal** (2) (e); and **add**
2 (2) (f), (2) (g), (2) (h), and (2) (i) as follows:

3 **8-75-203. Work share program - work share plan - eligibility**
4 **of employer - approval - denial - repeal.** (2) An employer ~~shall~~ MUST
5 submit a work share plan to the division on forms and following
6 procedures required by the director. The director may approve a work
7 share plan if:

8 (d) The plan applies to at least ~~ten percent~~ TWO of the employees
9 in the affected unit; ~~and~~

10 (e) ~~The plan includes a strategy that restores the total number of~~
11 ~~work hours to each participating employee to the amount of hours worked~~
12 ~~prior to participation in the program.~~

13 (f) THE PLAN INCLUDES A DESCRIPTION OF HOW THE PLAN
14 COMPLIES WITH THE "FEDERAL UNEMPLOYMENT TAX ACT", 26 U.S.C.
15 SEC. 3301 ET SEQ.;

16 (g) THE PLAN INCLUDES AN EXPLANATION OF HOW EMPLOYEES
17 WILL BE NOTIFIED OF THE PLAN IN ADVANCE, IF NOTIFICATION IS FEASIBLE,
18 OR AN EXPLANATION OF WHY IT IS NOT FEASIBLE TO NOTIFY THE
19 EMPLOYEES IN ADVANCE;

20 (h) THE PLAN INCLUDES AN ESTIMATE OF THE NUMBER OF
21 EMPLOYEES WHO WOULD BE LAID OFF IF THE EMPLOYER DID NOT
22 PARTICIPATE IN THE WORK SHARE PROGRAM; AND

23 (i) THE PLAN INCLUDES CERTIFICATION BY THE EMPLOYER THAT
24 THE TERMS OF THE WRITTEN PLAN AND IMPLEMENTATION OF THE PLAN ARE
25 CONSISTENT WITH EMPLOYER OBLIGATIONS PURSUANT TO FEDERAL AND
26 STATE LAW.

27 (3) The director shall not approve a work share plan unless the

1 employer:

2 (c) Certifies that the implementation of a shared work plan and the
3 resulting reduction in work hours is in lieu of ~~temporary~~ layoffs that
4 would affect at least ~~ten percent~~ TWO of the employees in the affected unit
5 and that would result in an equivalent reduction in work hours;

6 (e) Agrees that no employee participating in the work share
7 program shall receive, in the aggregate, more than ~~eighteen~~ TWENTY-SIX
8 weeks of benefits; and

9 **SECTION 4.** In Colorado Revised Statutes, 8-75-204, **add** (3) as
10 follows:

11 **8-75-204. Employee eligibility for unemployment benefits**
12 **under the work share plan - employee eligibility for job training.**

13 (3) AN ELIGIBLE EMPLOYEE MAY PARTICIPATE IN TRAINING, INCLUDING
14 EMPLOYER-SPONSORED TRAINING AND TRAINING FUNDED THROUGH THE
15 FEDERAL "WORKFORCE INVESTMENT ACT OF 1998", 29 U.S.C. SEC. 2801
16 ET SEQ., TO ENHANCE JOB SKILLS IF THE TRAINING PROGRAM HAS BEEN
17 APPROVED BY THE DEPARTMENT OF LABOR AND EMPLOYMENT.

18 **SECTION 5.** In Colorado Revised Statutes, **amend** 8-75-208 as
19 follows:

20 **8-75-208. Benefits payments charged to employer.** IF
21 REIMBURSEMENT TO THE STATE FOR UNEMPLOYMENT COMPENSATION IS
22 NOT AVAILABLE PURSUANT TO THE FEDERAL "LAYOFF PREVENTION ACT
23 OF 2012", SUBTITLE D OF TITLE II OF PUB.L. 112-96, UNEMPLOYMENT
24 COMPENSATION BENEFITS PAID TO AN EMPLOYEE PURSUANT TO THIS PART
25 2 SHALL BE CHARGED TO THE ACCOUNT OF THE EMPLOYER PARTICIPATING
26 IN THE WORK SHARE PLAN IN THE SAME MANNER AS REGULAR BENEFITS
27 PURSUANT TO SECTION 8-73-108 (3) (e) (I).

1 **SECTION 6. Effective date.** This act takes effect July 1, 2013.

2 **SECTION 7. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.