The Connecticut Department of Labor's



Helping companies save money and retain skilled employees during a business slow down.

What is the Shared Work Program?

Program Overview

Shared Work is a program that helps employers during business downturns by providing an <u>alternative to layoffs.</u>

How Does it Work?

Instead of laying off permanent part- or full-time employees, employers **cut hours** and CT DOL pays **partial unemployment benefits** for the hours the employees have lost. Note: this is different from regular partial unemployment.

Shared Work cushions the adverse effect of the reduction in business activity and helps maintain business continuity. Companies are able to preserve jobs and their skilled workforce during a disruption in regular business activity.



Employer Participation During COVID

CTDOL processes 230+ Shared Work applications annually. In the last 8 months, the agency received over five (5) times that amount.

Between 3/13/2020 - 10/29/2020

1,247

Shared Work Applications Received

~15

Average Days to Complete Applications

~25,193

Employees Supported by Shared Work

\$113M

Provided to Shared Work Employees, including federal 'plus-ups'



How Does the Shared Work Program Compare to a Layoff?

John works 40-hours per week and earns \$20 an hour in regular pay. Under the Shared Work program, John's hours are reduced by 20 hours per week, from 40 hours to 20 hours or a 50% reduction.

100% Layoff Unemployment Compensation 50% Work Reduction with Shared Work Compensation

 $20 \times 40 \text{ hours per week} = 800$

Total weekly UC payment \$400

20 hours regular pay \$400

+ Weekly **Shared Work** payment **\$200**

Total weekly income: \$600

A difference of \$200 per week with the Shared Work program

*** All payments reflect the gross amount ***



What are the Program Benefits?

For Employers



Employers can reduce hours and salaries during a difficult economy and retain their employees



Avoid laying off skilled personnel & avoid the expense of recruiting, hiring and training new employees



Employers can reduce employees' work weeks from 10% – 60% of regular hours



Since COVID-19, eligible employers are not charged (both Contributory & Reimbursable Employers for employees in the programs) for any weeks paid April 4, 2020 – Feb 9, 2021*



What are the Program Benefits?

For Employees



Provides income security for employees and boosts morale by showing the employees that the company cares



Employees avoid the hardships of full unemployment during poor business climate



Employees maintain their Fringe Benefits such as health, retirement benefits & union seniority (if applicable)



Employees can work part or full-time with another employer without affecting their payments from Shared Work



COVID-19 Shared Work Exceptions

The State of Connecticut has **expanded the Shared Work program** to help more businesses prevent layoffs during the pandemic and enabled exceptions to make it easier on businesses to apply and extend.

| Standard Shared Work | COVID-19 Exceptions |
|---|---|
| Shared Work Plan is approved for six months , and all plans are only good for one year inclusive of the extension. | Currently allowing up to three extensions per plan, for a total of 2 years under Shared Work. |
| Employers paid employer unemployment tax , but had less impact than full layoff as employees typically collect less unemployment | Federal reimbursement to the state for all weeks of unemployment paid under the Shared Work Program from weeks April 4, 2020 – February 9, 2021 |
| Employers had to inform employees and provide 7 days to respond before application submission. | Employers may inform employees within 7 days and attach a written communication (or example letter as shown on SharedWorkCT.com) |



Who is Eligible for Shared Work?

Eligibility Requirements for the Program



All Connecticut employers whose taxes/ reimbursement payments are currently up-to-date.



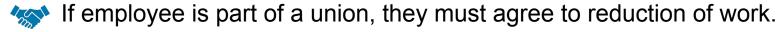
Any size employer that has at least 2 permanent employees.

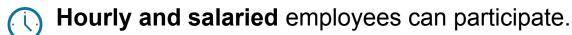


Only applicable for **permanent employees (part or full-time)** and cannot be used to subsidize seasonal workers during the off-season.



An employee's hours and wages cannot be reduced by **less than 10%** or more than 60% and employers cannot eliminate or reduce the worker's **fringe benefits**.

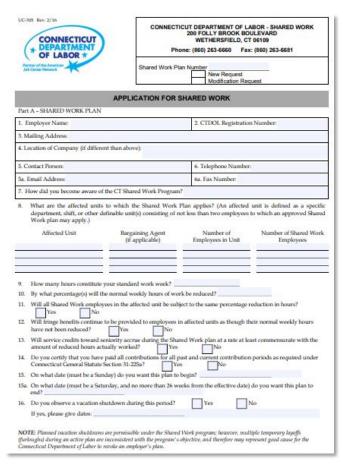






How to Apply to Shared Work

Steps for Employers to Apply



- L. Visit our website at SharedWorkCT.com to download our <u>Shared Work Application Document</u>.
- Fill out the 3-page document and submit it to CTDOL Shared Work (Questions and Participants List).
- 3. The quickest methods of submission is to email the application to **DOL.SharedWork@ct.gov** or fax it to **860.263.6681**.
 - If you opt to submit your application via U.S.
 Postal Service (or another carrier), please send the completed application to:

Connecticut Department of Labor Attn: Shared Work Unit 200 Folly Brook Boulevard Wethersfield, CT 06109

1. Employers should expect to be notified **within 30 days** of the status of their application via mail or email.



Resources on SharedWorkCT.com



New to Shared Work?

- Employer Fact Sheet (PDF, 173KB)
- Employer Frequently Asked Questions (PDF)
- Employee Fact Sheet
- Employee Frequently Asked Questions
- Shared Work Brochure (PDF, 628KB)
- Shared Work Application (PDF, 583KB)
- Shared Work Proposed Plan Summary-Example (PDF)
- Shared Work Regulations (PDF 598KB)
- Key Bank fees English (PDF) | Spanish (PDF)



Already a Shared Work employer?

- Amended/Corrected Certification Report (PDF, 235KB)
- · Adding Employee Request Form (PDF)
- Extension Request (PDF, 226KB)
- Retirement Income Information (PDF, 139KB)
- Key Bank fees English (PDF) | Spanish (PDF)

- Employer Fact Sheet & FAQ
- Employee Fact Sheet & FAQ
- Shared Work Application
- Extension Request



Contact Us









