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## What is Shared Work?

Shared Work is a voluntary program that helps employers during business downturns by providing an **alternative to layoffs**. Shared Work preserves jobs and the skilled workforce during a disruption in regular business. Employers are able to reduce work hours for an entire group of affected employees rather than laying off some while others continue to work full time. The program provides a weekly unemployment compensation payment to the employees whose work weeks have been reduced. It also ensures that these workers will be available for regular hours when business upturns. If business downturns are forcing you to look at reducing your workforce by 10 – 60%, Shared Work program can help. Instead of laying off your permanent part or full-time employees, you cut hours, and we pay partial unemployment benefits for the hours your employees have lost.

Shared Work plans run for a maximum of 26 weeks or six months. In the year prior to the pandemic – from March 2019 through March 2020 – the program served 288 companies and just under 2,900 workers. Over the past year (March 2020-March 2021), the program has grown to over 1,400 companies with more than 32,000 workers participating. An early-pandemic U.S. Department of Labor decision has renewed interest in Shared Work – the federal government will reimburse the Trust Fund for unemployment costs normally charged to the employers.

**How does Shared Work...work?**

Say an employee’s hours are temporarily reduced by 50%; in addition to a partial paycheck, the employee will get 50% of his/her regular weekly unemployment benefit. The employee will continue working while collecting unemployment benefits to supplement the wages. Please see the example below:

**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 to 20 hours or a 50% reduction.**

100% Layoff Unemployment Compensation	50% Work Reduction Shared Work Compensation
\$20 x 40 hours per week = \$800	20 hours regular pay <b>\$400</b> + Weekly <b>Shared Work</b> payment <b>\$200</b>
<b>Total weekly UC payment \$400</b>	<hr style="width: 50%; margin: auto;"/> <b>Total weekly income: \$600</b>

*A difference of **\$200** a week with the SW program from a full layoff!*

**Can an employer apply for Shared Work if the employees are represented by a collective bargaining agent or union?**

Yes, only if the Shared Work plan is approved, in writing, by the participating employee’s collective bargaining representative. In the absence of any bargaining representative, the plan must contain a certification by the employer that such employer has made the proposed plan, or a summary thereof, available to each employee in the affected group for inspection and comment for at least seven days.

**If I work for another Company will that affect my Shared Work benefits?**

No. An employee who is eligible for Shared Work benefits shall be exempt from the work search requirements. Wages from another company will not affect the calculation of the Shared Work payment.

**What will my weekly amount be?**

Shared Work benefit amount will be based off of the employee’s regular weekly benefit amount, including any dependency allowances (up to five dependents) multiplied by the percentage reduction provided by the participating employer.

**To calculate a Weekly Benefit Rate:**

<b>1<sup>st</sup> Qtr 2020</b>	<b>2<sup>nd</sup> Qtr 2020</b>	<b>3<sup>rd</sup> Qtr 2020</b>	<b>4<sup>th</sup> Qtr 2020</b>	<b>1<sup>st</sup> Qtr 2021</b>	<b>New Claim Initiated in Apr - Jun 2021</b>
Jan - Mar	Apr - Jun	Jul - Sep	Oct - Dec	Jan - Mar	

1. Determine the two highest quarters in the base period. \*
2. Add them together

3. Divide the sum by two to get the average
4. Divide the average by 26
5. Drop the cents (round to the next lower dollar) to get the Weekly Benefit Rate, which cannot exceed the maximum rate that is currently \$667.

\* The Base Period is the **first four** of the *last five* completed calendar quarters prior to the quarter in which the claim is initiated. If there is only one quarter of wages, those wages will be averaged with the second highest quarter, which will be **ZERO**.

### **Do I need to file each week?**

No. The employer will submit a weekly certification report on the employee's behalf. The employee should not file for regular unemployment. If an employee files for regular unemployment when they should be receiving payments through Shared Work, it can cause a delay in payments. Since employers are responsible for filing Weekly Certifications, there is no action required by the employee. Please direct Shared Work questions to the employer.

### **How long can an employee receive Shared Work benefits?**

The employee can potentially receive a maximum of 52 weeks of partial unemployment payments during a single benefit year.

### **Who should I contact if I have a question about a missing payment or a payment that has already been processed?**

The employee should reach out to their employer to validate there is an error. If there is an issue, the employer should then directly provide the information to Shared Work by emailing us at [DOL.sharedwork@ct.gov](mailto:DOL.sharedwork@ct.gov).

### **What happens if I use my Personal, Vacation, or Sick time?**

In order for an employee to qualify for a Shared Work payment when using vacation, personal or sick time, he or she **must** work at least one (1) day during a Shared Work week. During a calendar week, if an employee chooses to take five days of vacation, personal or sick time, that employee **cannot** use Shared Work to cover one or more of the days missed. An employee will **not** be eligible for Shared Work unless the one-day criterion is met.

### **How do I get my payments?**

- There are two payment methods to choose from:
  1. **Direct Deposit** – the employee should enter their banking account information and will receive payment in as quickly as two business days after the payment is released.
  2. **Debit card** – if no action is taken, a debit card will automatically be mailed to the employee. The debit card will be mailed to the employee by Key Bank and arrive in 8 -10 business days after the first payment is released.

*If an employee previously had a debit card and no longer has this card, or it has expired, they should contact Key Bank at 1-866-295-2955 to request a new card.*

- If an employee wishes to change their method of payment, they will need to go online to our website **FILECTUI.com**, click on the **green button** "current claims", log in with their ID & password or create an account if they haven't already, then click "Select/Modify Payment Option".

### **How does Shared Work differ from regular unemployment?**

Shared Work is an employer program within unemployment insurance for employees working reduced hours and is optional for employees to participate. Please note employees cannot collect Shared Work benefits and

regular unemployment for the same weeks. Both Shared Work and standard unemployment calculate the same Weekly Benefit Rate, but Shared Work calculates a straight percentage off the Weekly Benefit Rate based on the percentage reduction, while standard partial unemployment deducts 2/3 of an employee's gross earnings for the week claimed from the Weekly Benefit Rate. Please see the example below:

**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 to 20 hours or a 50% reduction.**

100% Layoff Unemployment Compensation	50% Work Reduction Regular Partial Unemployment Compensation	50% Work Reduction Shared Work Compensation
\$20 x 40 hours per week = \$800	20 hours regular pay <b>\$400</b> + Weekly Reg Partial Unemployment <b>\$133</b>	20 hours regular pay <b>\$400</b> + Weekly <b>Shared Work</b> payment <b>\$200</b>
<b>Total weekly UC payment \$400</b>	<b>Total weekly income: \$533</b>	<b>Total weekly income: \$600</b>

***A difference of \$200 a week with the SW program from a full layoff and \$67 from regular partial unemployment!***

**\*\*Employees can file a claim for regular Unemployment online at [www.FILECTUI.com](http://www.FILECTUI.com), by clicking the blue button to file or reopen a claim, and submit a claim for regular unemployment. Then they will receive an email advising them of their next steps. We do not process any payments for regular unemployment here in the Shared Work Unit. \*\***

**Does FILECTUI.com also apply for Shared Work benefits?**

Yes, an employee can check their payment history, including Shared Work benefits, on **FILECTUI.com**. From there, the employee should click on the **green button** "current claims", log in with their ID & password or create an account if they haven't already. Below are additional actions an employee can take online through **FILECTUI.com**:

On the **FILECTUI.com** landing page, an employee can

- Change their Address
- Change their tax withholding
- Request Dependency Allowance
- Submit Overpayment Claim

Once an employee logs in using the **green button** "current claims"

- LWA certification (**Certify for Lost Wages Assistance**)
- Check their payment history, including Shared Work payments (**Perform a Claim Inquiry**)
- Check and update their method of payment (**Select/Modify Payment Option**)
- Apply for Extensions (**File for Extended Benefits**) – If an employee receives a letter that funds are running out, file for extended benefits

**\*\*Please remember if an employee files for regular unemployment when they should be receiving payments through Shared Work, it can cause a delay in payments. \*\***

### **What happens if I forgot my account password and/or User ID?**

If an employee is having trouble logging in with their account password for the Connecticut Department of Labor Tax and Benefits System, visit the Tax and Benefits System login page and select "Forgot Password" at the bottom in the claimant account options section. The employee will have to provide the user ID on the next page. It will then prompt the employee to answer a number of security questions. Once the security questions are answered correctly, the employee's password will be sent to their email address.

If an employee is having trouble logging in with their User ID for the Connecticut Department of Labor Tax and Benefits System, visit the Tax and Benefits System login page and select "Forgot User ID" at the bottom in the claimant account options section. The employee will have to provide their social security number on the next page. They will then be prompted to answer a number of security questions. Once the security questions are answered correctly, the employee's User ID will be sent to their email address.

If an employee enters an invalid password three times, they will be locked out of the system for up to three minutes.

### **Will my unemployment benefits be taxed?**

As a claimant, all unemployment benefits received are fully taxable by the Internal Revenue Service (IRS) and the State of Connecticut, provided the employee is required to file a tax return. Employees may voluntarily have taxes withheld for federal and Connecticut income taxes. This choice may be made at the time an employee files their new claim, or during their benefit year, to become effective with the first payment after their request is processed. If an employee elects to have their taxes withheld, CT DOL will deduct 13% for income tax from the employee's benefit payment. To elect for tax withholding, please submit a [Change Tax Withholding Request](#).

### **Who should I contact if I am switching to full unemployment benefits either due to a layoff or furlough?**

If an employee becomes unemployed after participating in the Shared Work program, they may be eligible to receive benefits through regular unemployment insurance (UI). To file for regular unemployment insurance online, an employee can access the link below and select the blue button "New Claim" to file or reopen their unemployment claim. Once filed, the employee will receive an email with further instructions. For additional information on regular unemployment, please visit the CT Unemployment Benefits Center website.

As a reminder, an employee should not file for regular unemployment if they are currently participating in Shared Work.

### **Am I eligible to participate in my employer's Shared Work Plan after collecting regular unemployment benefits from a layoff or furlough?**

Yes, employees are eligible to participate in their employer's Shared Work Plan once they are back to the eligible reduced hours. As a reminder, employees should not file for regular unemployment if they are currently participating in Shared Work.

### **What is a dependency allowance?**

An employee may be eligible for a dependency allowance of \$15 weekly for each dependent that the employee is the whole or main support of, up to a maximum of five dependents.

To add a dependent to an employee's claim, the employee must complete a "[Request Dependency Allowance](#)" form.

### **What are 'fringe benefits?'**

Fringe benefits include, but are not limited to, health insurance, retirement benefits, paid vacation and holidays, sick leave, seniority accrual and similar advantages of employment.