# Employer **NEVSLETTER** Colorado Department of Labor and Employment



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# 2017 - 2018 Excess Wages and Rates

Each year, we determine premium rates for employers based on a number of factors, including the amount of money already paid and unemployment benefit payments made to former employees. Employers must pay annual premiums for each employee's chargeable wages. The chargeable wage limits are:

- \$12,600 for 2018
- \$12,500 for 2017

New employers begin at a standard rate depending on the type of business activity. For rate year 2018 the rate consists of only the base rate. There are no surcharges in effect for 2018. For the years 2013 through 2017, the standard rate consisted of two components: a base rate and a bond principal rate.

More information at colorado.gov/cdle/beginning-rates

# **Standard Rates for 2018**

| Business                               | Base Rate | Bond<br>Principal<br>Rate | Combined<br>Rate |
|--|-----------|---------------------------|------------------|
| Non-<br>construction                   | 0.0170    | 0                         | 0.0170           |
| General<br>Construction                | 0.0247    | 0                         | 0.0247           |
| Heavy<br>Construction                  | 0.0772    | 0                         | 0.0772           |
| Trades                                 | 0.0247    | 0                         | 0.0247           |
| Political<br>Subdivision<br>Group Rate | 0.0030    | 0                         | 0.0030           |

## **SUTA Dumping**



Did you know that when an employer acquires all or substantially all of the assets and/or employees of another employer, the new employer also inherits the former employer's experience rate? We call this a predecessor/successor relationship and it helps to ensure that all employers contribute their fair share of unemployment insurance (UI) premiums. The inherited rate may be higher or lower depending on the previous employer's payroll, benefits, and premiums history. While it may seem like a good business decision to acquire another business because that business has a lower premium rate, this practice is considered "SUTA

"SUTA (state unemployment tax act) dumping" is prohibited by the Colorado Employment Security Act.

(state unemployment tax act) dumping" and is prohibited by the Colorado Employment Security Act (CESA). If the Division of Unemployment Insurance determines that the acquisition or transfer was carried out solely to result in a lower premium rate, the employer can be assigned the highest possible premium rate for that year and for three consecutive years. Violations can also result in further prosecution and fines. If you have questions about how UI premium rates are calculated and assigned, please call Employer Services at **1-800-480-8299**.

#### **Electronic Filing of Wage Reports**



If your business currently submits wage reports by paper, we would like to help you get set up to submit these reports electronically. Using our convenient, easy and secure online filing system can save you paperwork, stamps, and time!

To sign up, simply register at **coloradoui.gov/myUIEmployer** and follow the instructions.

We are here to help you succeed. If you have questions or need assistance registering online, our Employer Services staff is available during normal business hours at **303-318-9100** or **1-800-480-8299**.

Colorado Department of Labor and Employment

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# **Working Toward Disability Inclusion**



The Division of Vocational Rehabilitation (DVR) is dedicated to helping people with disabilities achieve the best possible employment outcomes. The driving force of this mission is Colorado's business community, employers who are willing to give workers with disabilities a chance to show what they can do.

Business owners are a critical resource. Connecting with business owners and nurturing that resource is the work of a team within the Division of Vocational Rehabilitation. The Business Outreach Specialist (BOS) team develops solid working relationships with business owners, HR professionals and recruiters which last year resulted in the team placing approximately 200 individuals into great jobs. Connecting with more than 100 employers statewide also led to DVR clients being placed in internships and other work-based learning opportunities.

In addition to one-on-one conversations with business owners, the BOS team also offers disability awareness trainings across the state. In 2017 almost 100 workshops were held to discuss disability issues, answer questions and address myths. These same DVR 101 training sessions are taking place this winter in Alamosa, Montrose and Pueblo. The Business Outreach Specialists are motivated to make a difference in the lives of people with disabilities. Any time a person with a disability is encouraged, enlightened or empowered, each of us everywhere is enriched.

It's quick and easy to learn more. Go to **colorado.gov/dvr/employers-vr** and select contact us for a list of DVR Business Outreach Contacts in offices across Colorado.

#### Department Stepping Up to Help Businesses Recruiting for Virtual and Remote Jobs

The working world has evolved dramatically in recent years, so much so that anyone who has done a recent online job search may become confused by all the new buzzwords and terms such as virtual, remote, at-home, distributed workforce and telecommuting. The words all describe jobs done outside of a traditional setting. The work is usually done from home but also in shared workspaces that are popping up in cities all over the country. Chambers of commerce and economic development organizations are seeing the change, particularly in rural Colorado. They are partnering with Workforce Centers to respond to the steadily growing trend of employees working primarily away from the office on any given workday. And, as virtual or remote work continues to grow in popularity, the demand has also prompted some changes in how these jobs are listed. The Governor's Office of Information Technology is currently exploring ways to identify and post virtual jobs in ConnnectingColorado.com, the state's largest jobs database. In 2018, with the continued evolution of work, Connecting Colorado will be prepared to meet the recruitment demands and continue to bring job seekers and employers together.

## **Understanding Unemployment Insurance - Employer Workshops**

CDLE's Division of Unemployment Insurance is holding a series of free presentations across Colorado to help employers better understand the state's unemployment insurance laws. One of these educational presentations is coming to CDLE's offices at 633 17th Street (Conference Room 12A) in Denver on

**Tuesday, March 27, 2018** from 9:30 AM to 11:30 AM or on **Wednesday, April 25, 2018** from 9:30 AM to 11:30 AM.

The presentation helps employers learn how to properly report wages, identify pitfalls and common mistakes, and develop processes to ensure they are fully compliant with unemployment insurance laws. Among the topics to be covered during the event:

- Correct wage reporting
- How premiums and benefits are calculated
- Accurate premium payments
- Using online tools to manage unemployment insurance premium accounts
- Proper classification of workers as employees or independent contractors
- Understanding the unemployment insurance appeals process

The free workshop is for employers only and provides an opportunity to build knowledge, improve practices, and make sense of it all. Employers will learn their rights and responsibilities and be able to implement a penalty-proof program.

Because seating is limited, reservations are required. Contact us to learn more about this event:

- cdle\_ui\_employer\_outreach@state.co.us
- 303-318-9100, option 4

### New Colorado Minimum Wage For 2018



The Division of Labor Standards and Statistics promulgated rules to reflect the 2018 minimum wage rate in Colorado which took effect on January 1, 2018. The 2018 minimum wage is \$10.20 per hour, and \$7.18 for tipped employees (\$10.20 - \$3.02 which is determined by a formula in the Colorado Constitution). These rates represent increases from the previous rates of \$9.30 and \$6.28 respectively.

The new minimum wage is the result of the passage of Amendment 70 by Colorado voters in the November 2016 election. Amendment 70 requires the minimum wage to increase by 90 cents each January 1st until the rate reaches \$12.00 on January 1, 2020. Starting on January 1, 2021, the minimum wage will adjust annually for cost-of-living increases as measured by the Consumer Price Index for the Denver-Boulder-Greeley metropolitan area.

Information about the new minimum wage is posted on the Division's website, **coloradolaborlaw.gov**.

