

Colorado COVID-19 PRIMER



Updated 03/30/2020



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STATE ASSISTANCE: COLORADO

In addition to federal aid, many states, cities, and towns are providing financial assistance to small businesses. The following are some of the opportunities available to business owners in Colorado.

1. DENVER SMALL BUSINESS EMERGENCY RELIEF FUND

The City of Denver announced a \$4,000,000 fund to distribute grants and micro loans to Denver-based small businesses. These grants or micro loans will be capped at \$7,500. Industries most severely impacted by the pandemic — such as the food industry — will be prioritized. [Apply here.](#)

What are the eligibility requirements?

- Your business must be in Denver.
- Your business must have been negatively impacted by COVID-19.

What information do I need to supply?

- The application asks for your annual gross revenue and number of employees prior to COVID-19.
- If applicable, the percentage decline in revenue this month as compared to the same month in 2019.

2. FORT COLLINS RELIEF AND RECOVERY LOAN FUND

Fort Collins approved an assistance fund for its small businesses. The size of the fund and eligibility requirements are still being determined. You can find more information and updates as they become available [at this link.](#)

3. 1ST SOUTHWEST COVID-19 EMERGENCY GRANT PROGRAM

1st Southwest is providing micro grants up to \$4,000 to help small businesses avoid meet their payroll. The application is open to all for profit and nonprofit businesses with less than 10 employees located in the following Colorado towns / counties: Alamosa, Conejos, Costilla, East Dolores, West Montrose, Mineral, Ouray, Saguache, San Miguel, and Rio Grande. [Apply here.](#)

4. EL POMAR ASSISTANCE FUND (NONPROFITS ONLY)¹

El Pomar announced a \$1,000,000 assistance fund for nonprofits affected by the pandemic. The fund will be available to 501(c)(3) nonprofit organizations and government entities that provide support to communities seeking healthcare and basic human needs.

El Pomar has not yet announced eligibility requirements or application materials.

¹ https://www.elpomar.org/media/filer_public/29/6d/296d2605-f81e-4992-9a82-f155501bf526/el_pomar_announces_colorado_assistance_fund.pdf



EMPLOYMENT ISSUES

When do I need to pay final wages to terminated employees?

- When an employee is terminated in Colorado, all unpaid wages and any accrued but unpaid vacation time generally must be paid immediately. If you use an off-site accounting service, final payment may be delayed up to 24 hours after the start of such accounting services next regular workday.²

What can I tell my employees about health insurance continuation?

- If you had 20 or more employees on more than 50% of the typical business days last year, the Consolidated Omnibus Budget Reconciliation Act, better known as COBRA, will apply. COBRA provides employees the right to temporarily continue group health coverage on termination.
- As an employer, you must notify your group health plan administrator of the termination within 30 days. The plan administrator must then notify the employee of their COBRA continuation rights. The employee must then choose whether to elect COBRA coverage within 60 days and make their first premium payment within 45 days. Employees electing COBRA coverage are responsible for 100% of the premium payments.

Colorado Continuation Coverage³

- Employer Applicability. If you had fewer than 20 employees last year and COBRA does not apply to you, Colorado passed its own rules, known as Colorado Continuation Coverage, to fill in the gaps left by COBRA. Colorado Continuation Coverage applies to employees of any Colorado employer where COBRA does not apply but only for fully insured plans or HMOs and not to self-funded plans, federal plans or other plans not under the jurisdiction of Colorado laws.
- Employee Applicability. Colorado Continuation Coverage is available to employees who have been continuously covered under the employer's plan for six consecutive months.
- Notification Requirements. Employers must notify employees of their right to continuation within 10 days of termination. The notice must inform the employee of the amount the employee must pay monthly to the employer to retain coverage; how, where, and when payment is to be made; and the fact that loss of coverage will result if timely payment is not made to the employer. Employees must then notify their former employer, in writing, of their intent to continue coverage and submit premium payments to the employer within 30 days of termination. If the employer fails to notify the employee of the right to continue, the employee has the option of retaining coverage by making proper payment to the employer within 60 days of the date of termination.

What is Colorado's Work-Share Program?

- As an alternative to laying off employees, Colorado offers the Work-Share Program to keep your employees working, but with fewer hours. While your employees are working fewer hours, Colorado will pay them part of their unemployment benefits for up to 26 weeks.⁴

² Colorado Final Wage Law: C.R.S. 8-4-109

³ Colorado Continuation Coverage: C.R.S. 10-16-108

⁴ Colorado Employment Security Act: C.R.S. 8-75-201



- This is a great option for retaining experienced staff and continuing production until the economic situation gets better. There are disadvantages for employees, however, as they cannot take on another full-time job and remain eligible under the program. This means they will generally have fewer hours and less income.
- To be eligible, an employer must:
 - have paid as much in unemployment premiums as has been paid out to its former employees in benefits to date. You can check whether you meet this requirement on your rate notice that was provided to you by the Colorado Department of Labor and Employment last November.
 - be applying to the program and reducing hours rather than laying off the affected employees.
 - be reducing the hours of at least 2 employees in a certain unit by at least 10% but not more than 40%.
 - not hire or have other employees work in that group.
 - not reduce employee benefits that you currently provide.
- You can apply for the Work-Share Program [here](#).