



# TRANSFORMING U.S. WORKFORCE DEVELOPMENT POLICIES FOR THE 21st CENTURY

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# **Transforming U.S. Workforce Development Policies for the 21st Century**

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## **Part 4**

# **Targeted Strategies**

## 27

# Selling Work Sharing in Virginia

## Lessons from the Campaign to Enact Short-Time Compensation, 2011–2014

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*Democratic laws generally tend to promote the welfare of the greatest possible number; for they emanate from the majority of the citizens, who are subject to error, but who cannot have an interest opposed to their own advantage.*

—Alexis de Tocqueville (1964, p. 78)

Work sharing is a layoff aversion strategy designed to help preserve jobs during weak economic periods. Probably no program under public administration in the United States is as important to the unemployed as unemployment insurance (UI), a federal-state cooperative program of temporary income support for workers who lose their jobs through no fault of their own. Under federal UI law, compensated work sharing (also known as shared work) is called the short-time compensation (STC) program. Unemployment insurance laws in over half the states provide employers with the opportunity to use STC, a type of partial unemployment benefits for workers who experience a reduction in hours on their existing jobs. States at federal option may enact STC laws.

Rather than terminate employees during production or sales slumps, employers that participate in a state STC program reduce work hours and pay employees prorated wages; employees also receive STC to help compensate for their reduced work hours. Implementation of STC requires a change in state UI law. Because states are not required to adopt STC, support for amending the UI law must be mobilized one state at a time. Although work-hour reductions rather than layoffs might

be assumed to generate widespread support, lawmaking can be one of the most arduous and intricate tasks in U.S. federalism. This case study focuses on efforts in the Commonwealth of Virginia to build support for an STC bill. The study first summarizes STC policy in the United States and then examines the legislative process both inside and outside the Virginia statehouse, highlighting seven lessons learned from the three-year campaign.

## **A LOOK AT SHORT-TIME COMPENSATION**

The practice of work sharing to avoid layoffs is not new. Before the advent of the UI program, Presidents Hoover and Roosevelt during the Great Depression tested work sharing, urging employers to reduce employees' hours instead of terminating them. During a brief period in 1933, over 2.4 million workers kept their jobs as a result of reduced weekly work hours. Bolder temporary and permanent actions by the federal government (including establishing the UI program in 1935) were required to avert an economic collapse and prevent future depressions. It was not until the recession cum inflation period of 1973–1975 that states considered adopting STC bills as a means to utilize partial unemployment benefits to offset part of the earnings lost by reduced work hours (Nemirow 1984, pp. 35, 39).

Short-time compensation was first adopted in California in 1978 to ease expected government layoffs that ultimately did not occur from tax reductions under Proposition 13 that limited state and local spending. A temporary federal law in effect for three years between 1982 and 1985 enabled states to enact STC laws, and a permanent federal law was adopted in 1992. Since the 1980s, states have enacted STC laws at a snail's pace, generally through bipartisan lawmaking during and after each recession; nonetheless, the allure to adopt STC as a means to cushion future economic downturns quickly dissipated soon after recoveries—until the Great Recession of 2007–2009.<sup>1</sup> For technical and ideological reasons between 1992 and 2012, the U.S. Department of Labor (USDOL) made little effort to advocate for STC, nor during this period did Congress promote or amend the federal law.<sup>2</sup> As a result, no state law was adopted between 1994 and 2010 (see Table 27.1).

**Table 27.1 Short-Time Compensation State Laws, 1978–2014**

State	Year enacted	State	Year enacted
Arizona	1981	Missouri	1987
Arkansas	1985	<i>Nebraska</i>	2014
California	1978	<i>New Hampshire</i>	2010
<i>Colorado</i> <sup>a</sup>	2010	<i>New Jersey</i>	2012
Connecticut	1991	New York	1985
<i>District of Columbia</i>	2010	<b>North Dakota</b>	2006
Florida	1983	<i>Ohio</i>	2013
<b>Illinois</b>	2014	<b>Oklahoma</b>	2010
Iowa	1991	Oregon	1982
Kansas	1988	<i>Pennsylvania</i>	2011
<b>Louisiana</b>	1985	Rhode Island	1991
<i>Maine</i>	2011	Texas	1985
Maryland	1984	Vermont	1985
Massachusetts	1988	<i>Virginia</i>	2014
<i>Michigan</i>	2012	Washington	1983
Minnesota	1994	Wisconsin	2013

<sup>a</sup> States in italics enacted laws after the Great Recession. States in bold abolished STC laws: Illinois (1983–1988), Louisiana (1985–August 1, 2014), North Dakota (2006–2007), and Oklahoma (2010–November 1, 2014).

SOURCE: Author's compilation, February 2015.

Short-time compensation is funded by the same state employer tax that supports regular unemployment benefits, and STC is paid out of the same state accounts in the Unemployment Trust Fund (UTF). Employers are charged for STC in the same manner as regular unemployment benefits. There has been no rigorous experiment conducted to evaluate STC; policymakers have relied on administrative studies. According to the most recent national study, STC appeared to be as well funded as regular unemployment benefits and did not threaten the solvency of state accounts in the UTF (Walsh et al. 1997). A later study of the Washington program found the same result (Rix 2010, p. 10). These studies also show that UI taxes for individual employers using STC increased somewhat, but it appears that these increases can be exceeded by savings through reduced hiring and training costs and other measures. Employers are not mandated to participate. They use the program willingly, and repeat use has been high. There has been no evidence

that STC has impeded the mobility of labor or that it disproportionately favors age, gender, or racial groups. Short-time compensation has been used as a temporary policy solution to mitigate job loss, but it is not suitable for all employers or circumstances. As in other states, a California study (MaCurdy, Pearce, and Kihlthau 2004, p. 5) found that manufacturing firms were more likely than other employers to use STC.

At the onset of the Great Recession, 17 states administered STC programs (see Table 27.1).<sup>3</sup> In those states during 2008 and 2009, employers increased STC claims activity tenfold. It is estimated that since 2008 STC has saved over half a million jobs nationally (National Employment Law Project 2014). Despite the program's improved use, STC beneficiaries constituted less than 3 percent of all regular beneficiaries (see Table 27.2). The program will likely always remain small compared to UI, but it can help relieve some disruptions for the businesses and workers who use it.

High unemployment rates during and after the Great Recession prompted reexamination of STC policy and its potential to reduce job loss on a wide scale. Numerous economists from across the political spectrum supported STC expansion. It was estimated that every dollar spent on STC resulted in a \$1.69 increase in the gross national product (Zandi 2010, pp. 5, 7). Bills were introduced in Congress starting in 2009 to spur STC use. Congress and the Obama Administration acted belatedly; the Middle Class Tax Relief and Job Creation Act of 2012 revised federal STC requirements and provided \$100 million for states to expand program use.<sup>4</sup> Each state could receive a one-time grant to implement or improve STC programs. Virginia's grant share was capped at \$2,739,420, provided it enacted an STC law consistent with federal requirements and applied for the grant before December 31, 2014. As

**Table 27.2 STC and UI Beneficiaries in States with Laws, 2008–2011**

Year	STC beneficiaries	Regular UI beneficiaries	STC beneficiaries as a percentage of regular UI beneficiaries (%)
2008	96,388	10,059,554	0.96
2009	288,618	14,172,822	2.04
2010	314,102	10,738,550	2.92
2011	236,379	9,474,445	2.49

SOURCE: Shelton (2012, p. 5).

a condition for receipt of one-time grants, states were also prohibited from including a sunset—i.e., repeal—provision in STC law.<sup>5</sup> An added incentive in the federal law enabled states to be reimbursed from federal funds for the costs of state STC benefits through August 22, 2015 (USDOL 2012).

Campaigns to enact the program in some states became a probusiness and proworker undertaking that at times broke the political gridlock that stalled other UI reforms. Throughout the lawmaking debate in Virginia, its principal backer, Democrat Senator George Barker, often said STC “is not a red state or blue state issue” (Ross 2013). Senator Barker’s political shorthand was correct. During the postrecession period 2010–2013, nine states and the District of Columbia enacted STC laws, and six of those states were led by Republican governors.<sup>6</sup> Virginia became the first state in the Old South since the 1980s to enact an STC law in 2014 (see Table 27.1). The study now examines the lessons learned during the Virginia lawmaking campaign.

### **Lessons Learned: 1) Respect the state’s heritage and ideology**

**Lawmaking in Virginia.** Since colonial times, Virginia has maintained a citizen legislature.<sup>7</sup> Legislative sessions are short (alternating 45-day and 60-day assemblies), and legislators commonly have jobs besides their legislative duties. The Virginia General Assembly is made up of two chambers, the House of Delegates and the Senate. Republicans controlled the Senate and House during the sessions of 2012 and 2013. Democrats regained narrow control of the Senate in January 2014 through special elections, but Republicans retained control of the House of Delegates. A legislator who introduces a bill in Virginia is called the bill’s patron. A bill must pass with the same wording in the House of Delegates and the Senate before it can go to the governor. Under constitutional authority, the governor may send a bill back to the assembly with amendments, which must be approved by a majority vote in both houses. Veto of a bill by the governor may be overridden by two-thirds vote in both houses.

**Virginia advocacy groups.** Advocacy groups are indispensable to the functioning of the U.S. political system. They provide a means for individuals to share their views with lawmakers and other public of-

ficials. Citizen groups concerned with social justice and poverty in Virginia sometimes operate as a political counterbalance to other more organized segments.<sup>8</sup> Throughout the legislative campaign, Social Action Linking Together (SALT), Virginia Interfaith Center for Public Policy, Virginia Poverty Law Center, Commonwealth Institute for Fiscal Analysis, and Legal Aid Justice Center collaborated irregularly to push for the adoption of STC. The primary advocate was SALT. Boasting 1,200 members, SALT is an unaffiliated faith-based group concerned with social justice and economic security. SALT's credibility within the advocacy community and among legislators, promotional machinery including door-to-door marketing in the statehouse and among other groups, electronic mail alerts, and statements at public forums were crucial to the STC bill's enactment.

## **2) Find committed and knowledgeable advocates and sponsors**

**Campaign origins.** At a social justice conference at Catholic University in May 2011, I met John Horejsi, coordinator for SALT. I told Horejsi about STC and that the Virginia law did not authorize the program. Horejsi said STC sounded like a program SALT might support and asked to be sent material. After reviewing it, Horejsi sought and received approval from the SALT executive board to seek patrons to introduce an STC bill in the Virginia legislature.

Armed with a one-page explanation of how STC worked and a copy of an STC bill, the SALT team members, Horejsi, and I met with several Virginia Democrats—Delegate Patrick Hope and Senators Charles Colgan, Barbara Favola, and Barker—to explain STC and to ask if they would “carry the bill.”<sup>9</sup> The advocacy campaign received a psychological lift in September when an editorial endorsing STC was published by the influential *Richmond Times-Dispatch* (2011)<sup>10</sup>: “It is time for Gov. Bob McDonnell and the General Assembly to modernize the commonwealth’s unemployment insurance program by adding shared work as a job-saving business option. Work sharing is a way to keep more Virginians working, supporting their families, paying taxes and preserving their dignities and sense of contribution.”

Delegate Hope was first to agree to patron a House bill. Senator Barker reviewed STC material and in late December met for two hours with the SALT team.<sup>11</sup> Barker asked about the pros and cons of the STC

program, business and labor groups' support in other states, particularly New Jersey (whose legislature had sent a bill to Republican governor Chris Christie for signature), and tax implications for employers. He appeared to like what he heard and pledged to check with the business community and the Virginia Employment Commission, the agency responsible for UI program administration, among others. Before year's end Barker informed SALT that he and Republican Senator William Stanley would introduce a bipartisan Senate bill. Like Barker, Stanley was eager to alleviate joblessness in his district and throughout the commonwealth.

### **3) STC is harder to explain than to fund, the opposite of most workforce development programs**

**Explaining the program and financing.** Unemployment insurance is a complicated program with wide-ranging benefit payment and tax consequences. As reporter Victoria Ross (2013) phrased it, STC is “unemployment insurance in reverse . . . (keeping employees) in their jobs instead of supporting them after they are laid off.” How STC worked and the nature of its relationship with UI were sometimes harder to explain than figuring out how to pay for the mostly self-financing STC program.

Discussions at committee and floor meetings were time-constrained but, as might be expected, concerns about the program's effect on employer taxes arose routinely. Fiscal impact statements on the anticipated costs of the program were required. With each legislative session, a new forecast was prepared estimating the additional taxes STC employers would pay per employee. Forecasts in 2012 indicated that the UI tax per employee was likely to increase by an average of \$1.18 over eight years (Virginia Legislative Information Service 2012), but as a result of better data by 2014, the probable estimated tax increase declined to an average of \$0.19 over eight years (Virginia Legislative Information Service 2014).

The costs of STC would be borne mostly by the employers who choose to participate. When these costs were raised in debates, it was stressed that STC was a voluntary program, and individual employers would make participation decisions based on their business self-interest and circumstances. The prospect of STC potentially increasing Virginia

employer UI taxes in 2014 prompted House Tea Party Republicans to instigate an eleventh-hour revision. The final bill included a provision eliminating any potential costs to non-STC employers.<sup>12</sup>

**4) Use the same example over and over, and recognize that when STC is challenged, it is not necessarily opposition**

**Packaging the program.** To surmount the challenge of explaining how STC would operate within UI requirements, Barker and an expanding SALT team consistently used a straightforward example, similar to this one:

An employer with five employees facing a 20 percent reduction in production normally would lay off 20 percent of his workforce—one employee. Instead, under STC the employer places all five employees on a four-day workweek and everyone keeps working. A reduction from 40 hours to 32 hours cuts production by the same 20 percent. Employees receive 80 percent of their wages and 20 percent of their weekly unemployment benefits. They also retain their health care and retirement if those benefits are currently provided by the employer. Thus, STC reduces work hours rather than employees, and combines a paycheck with unemployment benefits. Employers with STC plans can resume full production rapidly once demand increases and save on the costly hiring and training of new workers.

Other times the SALT team would refer to states that had adopted STC, particularly Washington, a state similar to Virginia in population, number of employers, and UI benefit-ratio tax structure. By happenstance in 2010, Washington had approved a hefty 2,539 STC employer plans (McDonald 2011).<sup>13</sup> The SALT team would often follow up with an employer testimonial endorsing the program.<sup>14</sup>

Early on, Senator Favola sharpened SALT's presentations by challenging the need for a law "when employers could reduce hours without legislation." The SALT team agreed but said the employees of those employers could not receive unemployment benefits under current law for their reduced hours of work. After more discussion, Favola agreed to co-patron the bill in 2012, and continued to back succeeding bills (Balducchi 2011).

### **Meetings of the Commission on Unemployment Compensation.**

While many states have UI advisory councils administered by the executive branch, a decade ago Virginia instead established a Commission on Unemployment Compensation (CUC) in the legislative branch. The purpose of the CUC is to assess and recommend action on proposed UI bills and monitor trust fund solvency; the assembly has generally concurred with CUC recommendations. Membership of the CUC in 2012–2013 consisted of eight Senate and House members, five Republicans, and three Democrats (Virginia General Assembly 2014).

The powerful CUC met three times prior to General Assembly sessions to discuss the STC bills, twice in 2012 and once in 2013. Republican Senator John Watkins, a moderate with a textbook knowledge of UI, chaired the CUC (and the Senate Commerce and Labor Committee); throughout the campaign Watkins ensured that STC received fair consideration. When told of the opportunity for federal incentives, the CUC members expressed no reaction, possibly in deference to a states-rights tradition that eschews federal involvement. However, Republican Delegate Kathy Byron, a staunch conservative, voiced reservations about STC, indicating the program sounded too good to be true; she appealed to members for additional time to study the bill. Apparently sensing a split among Republican members, Watkins deferred voting on whether to endorse STC at the August and December 2012 meetings; instead he requested that the VEC provide additional information (Balducchi 2012a). After the House referred the STC bill back to committee in 2013 because the CUC had not considered the program, Watkins took up STC a third time at the CUC meeting in December. With Tea Party Republicans absent from the meeting, Watkins probably felt he could gain approval and did so by a vote of 4-0-1; the STC bill was recommended to the General Assembly (Virginia CUC 2013).

### **5) Success requires groundwork, strategic adjustment, and compromise**

**Two-chamber strategy—2012.** Throughout the campaign, the SALT team prepared STC briefing papers and responses to questions from inside and outside the statehouse. Opponents in the House tagged Delegate Hope's House bill (HB 837), a liberal program with no chance of passage; the likelihood for STC to gain any traction was in the Senate

(SB 376), where the program might draw support from Democrats and moderate Republicans.

Statehouse canvassing by the SALT team began first with members of the Senate and House Commerce and Labor committees, explaining to each what STC was and why it was needed.<sup>15</sup> Delegate Hope and the SALT team met with John Broadway, Commissioner of the Virginia Employment Commission, and others to seek advice and support. The administration of Republican Governor Bob McDonnell did not take a position on the bill. Virginia is a right-to-work state, and throughout the campaign, organized labor offered tacit support but did not testify on behalf of the program. Initially, the Virginia AFL-CIO expressed reservations about several provisions that were resolved without difficulty; one was an antiquated provision from the 1980s adopted in a few states that required employers to develop reemployment assistance plans for employees.

The Senate and House Commerce and Labor committees in February 2012 voted to continue the STC bills to the next session, pending a review by the CUC. The federal policy ground shifted when, on February 22, President Obama signed the Middle Class Tax Relief and Job Creation Act, which included revisions to federal STC requirements. The federal law set in motion additional consultation with the VEC as patrons drafted bill language to comply with new federal requirements.

**6) “Legislative branch tilts rightward structurally, no matter who holds power; measures can be foiled even with bipartisan support” (Dionne 2014)**

**One-chamber first strategy—2013.** Between sessions, Senator Barker conceived and, with Senator Stanley, initiated a new legislative strategy where a single bipartisan Senate bill might be approved and then sent to the House. If the bill enjoyed broad Senate support, the patrons speculated it would be docketed on the House uncontested calendar and approved along with other bipartisan measures. Delegate Hope agreed with the approach and remarked that “he would do whatever it took to get STC enacted, including not reintroducing a House bill” (Balducchi 2013b). The Senate in 2013 passed the STC bill (SB 1230) unanimously. Residue, however, from the unresolved CUC meetings led to a Republican split in the House Commerce and Labor Com-

mittee; yet the bill was approved. On the House floor, Delegate Byron asserted that the CUC had failed to take up the question of whether to endorse STC; the full House agreed to her fatal motion to refer the bill back to the House committee.

**One-chamber first strategy with low visibility of liberal groups—2014.** Mounting evidence of business backing of STC in New Jersey, Michigan, and Wisconsin aided receptivity by the Virginia Associated Builders and Contractors and the Chamber of Commerce, and perhaps avoided opposition by the Federation of Independent Businesses. There were three phases of business support during the legislative struggle: business did not contest STC in 2012; some business groups backed STC but did not testify in 2013; and a key business group, the Chamber of Commerce, testified in behalf of the bill in 2014.

One national policy issue, health care, crept into the legislative debate with the likely intent of derailing the bill. On various occasions legislators asked what effect the STC program would have on the Patient Protection and Affordable Care Act of 2010. Some legislators appeared worried that STC might somehow result in the conversion of full-time employees to permanent part-time, resulting in the loss of employer-provided health insurance. In each instance, proponents held that the Patient Protection and Affordable Care Act had nothing to do with the STC program, and conversion to permanent part-time status of employees was not part of federal or state STC laws. The bill's proponents emphasized that the purpose of STC is to avert layoffs. Moreover, federal UI law requires employers who participate in STC to continue health insurance (if currently provided) to employees who are part of the program (Balducci 2013a, 2014).

In previous sessions, Senator Barker played the lead role in championing the bills. In 2014 the patrons engineered a switch in control of the bill to Senator Stanley to boost Republican support. Republican Stanley made entreaties on behalf of STC to business groups and opponents. Stanley's name appeared alone for the first time on the CUC meeting agenda held in December 2013, first on the new bipartisan bill, SB 110, introduced on January 8, and first on committee dockets. Stanley and Barker took active roles in testifying before committees. After Senate approval (36-2), Stanley conducted a radio interview telling listeners that STC allowed employers time "to get back on their feet" (Stanley 2014).

The Chamber of Commerce testified on behalf of the bill at committee meetings and took other actions (Virginia Chamber of Commerce 2014). As the presence of business interests increased, Senator Barker sought and received assurances from liberal advocacy groups, including SALT, to lower their visibility. This tactic, new to some groups, was designed to diminish the capacity of opponents to label STC as a liberal initiative. Liberal advocacy would make it easier for Tea Party Republicans to unravel the proponents' coalition of Democrats and moderate Republicans. A legislative aide plainly explained the new tactic, saying, "[P]olicy advocacy is over, it is now politics" (Balducchi 2014). The SALT team did not testify on the bill's behalf in 2014 except to provide technical advice, and it counseled other liberal advocates to do the same. State and national liberal groups muted their public advocacy.

### **7) Don't let the perfect be the enemy of the good**

House Republicans in 2014 outnumbered Democrats as Democrat Governor Terry McAuliffe took control of state government. In the House Commerce and Labor committee, STC was contested. To safeguard the support of moderate Republicans, a hasty motion was offered to sunset the STC program in five years; by a voice vote, the motion carried. The committee then approved the bill by a vote of 15-5, with Tea Party Republicans still in opposition. The impulse to find a compromise prevailed, but with an unintended casualty, the loss of a one-time federal grant. Under the federal law, to qualify for a grant, a state's STC law could not be subject to discontinuation. It is probable that had committee Democrats insisted on a "no sunset" provision the bill would have been shelved, resulting in another dead end.

In a well-timed editorial, the *Roanoke Times* (2014) urged the House to "at least let the state give (STC) a try." Two days later on the House floor, conservative Republicans offered a substitute bill.<sup>16</sup> The substitute, among other things, precluded increasing taxes as a result of the STC program for non-STC employers, barred STC employees from receiving job training, required employees to search for new work even though they were employed, and retained the five-year sunset provision adding a new twist: if a federal grant for implementation and promotion was not received by July 1, 2016, the STC program would expire. Some provisions conflicted with federal STC requirements, and the sunset provision separately challenged federal authority because the USDOL

was prohibited by federal law from approving a grant under such condition.<sup>17</sup> To avoid defeat, the Democrats acceded to the substitute, thus for the first time the House with its Tea Party wing approved an STC bill. Days before adjournment, the Senate approved the House substitute to SB 110 rather than force a conference committee. The fate of the engrossed STC bill was in uncharted territory, requiring gubernatorial action to avert a potential federal clash over the bill's language. The governor on April 8 submitted to the assembly six corrective amendments. In a reconvened session on April 23, both chambers agreed to all but one of the amendments: the House failed to strike the sunset provision. The reengrossed bill was sent forward, and the governor signed it on May 23, 2014.

## CONCLUSION

No matter how worthy advocates or legislators may think the policy is, enactment of a bill often requires education and compromise (or the perception of compromise). Such was the case in Virginia, where the lawmaking process moved at lightning speed in short legislative sessions, with little time for deliberations. The merits of STC motivated legislators, and the prospect of federal incentives was rarely emphasized. Enactment in 2014 resulted from advocacy groundwork and a legislative strategy of adjustment and compromise to gain support across the political spectrum. The legislative process allowed conservatives, moderates, and liberals to talk across the political divide. The one-chamber first strategy with muting of liberal advocacy groups prevented House opposition to use a liberal club to beat the bill. Business support and adaptive leadership were crucial to the three-year lawmaking campaign. Senator Barker (2014) said that four traits were essential to achieve legislative success: “[P]atience, persistence, compromise, and creativity.” These traits made the difference in bridging opposing viewpoints, and they likely would in other states as well. What’s more, the lessons learned in Virginia might help states that have not enacted STC or other UI improvements better understand the mechanics of mobilizing legislative support. However, the federal law prohibiting states from enacting sunset provisions in STC laws as a condition for

one-time federal grants may have curbed the ability of some non-STC states to seek legislative compromises.

The Virginia STC law requires that the Virginia Employment Commission make periodic performance reports to the General Assembly, but the fate of STC beyond July 2016 is unknown. Implementation of the program in Virginia may give some employers an extra means to withstand future economic shocks, strengthen their ability to compete for skilled workers, and help working families. If STC is still in place in Virginia during a next recession, the program should help preserve the jobs of some workers.

## Notes

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1. The exception was the 2001 recession, when no state enacted an STC law. North Dakota enacted a one-year STC demonstration in 2006 but did not implement it.
2. For analysis of the stalemate in federal STC policy during this period, see Balducchi and Wandner (2008).
3. Louisiana had an STC law but suspended operations.
4. Specifically, Subtitle D of Title II, known as the Layoff Prevention Act.
5. Failure to conform to federal UI law could result in the state's loss of the administrative grant under the Social Security Act and employer UI tax off-set credit under the Federal Unemployment Tax Act. These uber-penalties in the federal-state UI program commonly tilt the balance of power to national authority.
6. States that enacted STC under Republican governors were Maine, Michigan, New Jersey, Ohio, Pennsylvania, and Wisconsin. Colorado, New Hampshire, and Oklahoma enacted STC under Democratic governors.
7. Data were drawn from the Virginia General Assembly Web site (<http://viriniageneralassembly.gov/>). Unless otherwise noted, assembly composition and committee and floor votes may be found at this reference.
8. As Virginian James Madison foresaw, factions in a democratic republic were "sown in the nature of man," (Madison 1787) and government acts to sort out the policy differences between them.
9. Retiring Senator Mary Margaret Whipple in 2011 introduced an STC bill (SB 1474), and it received no consideration. In 2012, the House and Senate bills were based on the Whipple bill, which was modeled on language drafted by USDOL in 1983 and the Maryland STC law.

10. Written mostly by the SALT team, the editorial was attributed to the paper's staff, thereby enabling it to be cited as opinion of one of Virginia's leading newspapers.
11. Advocacy often requires adaptability to accommodate lawmakers' schedules. For example, the SALT team met with Barker and aide Carter Batey at the Corner Bakery in Arlington.
12. To avoid some cost sharing by all employers, the bill excluded participation in STC of maximum-rated employers, those with ineffectively charged rates.
13. E-mail to David Balducchi from Bill McDonald, Washington Employment Security Department, September 23.
14. For example, this testimonial used at a CUC meeting: "Vermeer (Manufacturing of Pella, Iowa) Vice President Vince Newendorp says that work sharing enables the company to keep its skilled workforce in place so that when orders start up it can take advantage of the rebound and beat the competition" (Balducchi 2012b).
15. The SALT team attempted to drum up support for STC in each session and in 2014 met with a record 11 legislators in one day (Ross 2014).
16. They likely were aided by the Virginia Manufacturers Association.
17. Barring employees from job training and requiring them to search for work while employed with the STC employer raised conformity issues with federal UI law. The sunset provision was a matter of federal compliance related solely to the one-time grant for implementation and promotion.

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