

## **Layoffs/furloughs and the “WARN Act”.**

*Employers may be subject to special notice requirements or risk penalties.*

### **The Federal WARN Act**

*(Worker Adjustment and Retraining Notification)*

The Federal WARN Act refers to a written 60-day notice being required to employees in the event of a “**mass layoff**” or “**plant closing**”. The WARN Act affects businesses with 100 or more employees. However, employees who have worked less than 6 months in the last year or work fewer than 20 hours a week do not apply to the WARN Act.

***Mass Layoff*** – when 50 or more employees are terminated, furloughed for 6 months or longer, or having to lessen hours an individual’s hours by half or more in 90 days at a location, which makes up at least 1/3 of those working at the location.

***Plant Closing*** – when 50 or more employees are terminated, furloughed for 6 months or longer, or having to lessen hours an individual’s hours by half or more in 90 days at a location, which leads to said location no longer being able to function.

**MORE INFORMATION FROM THE DOL:** <https://www.dol.gov/agencies/eta/layoffs/warn>

### **Some states have their own version of a WARN Act as well!**

#### ***New York State Example:***

The New York WARN Act is activated in a similar fashion, this is when the number of employees for a plant closing or mass layoff goes down to 25 who make up 1/3 of the employees or when 250 employees are terminated, furloughed for 6 months or longer. When the New York Warn Act goes into effect, the written statement regarding employment must be made with 90 days notice.

*New York State also requires employers to give employees a notice of reduction in pay.*

**MORE INFORMATION FROM THE NEW YORK DOL:**

<https://labor.ny.gov/workforcenypartners/warn/warnportal.shtm>