



201 N. Washington Square, Victor Office Center, Lansing, MI 48913 • www.michigan.gov/mdcd

Worker Adjustment and Retraining Notification (WARN) Act

The WARN Act was enacted on August 2, 1988, and became effective February 4, 1989.

General Provisions:

The WARN Act offers protection to workers, their families, and communities by requiring employers to provide notice at least 60 days in advance of covered business closings and covered mass layoffs. This notice must be provided to either each individual worker who will be affected or to the labor representative (e.g., a labor union) where applicable. Written notice must also be provided to the State of Michigan Workforce Transition Unit and to the local elected government official.

Scope of Coverage:

In general, employers are covered by the WARN Act if they have 100 or more employees, excluding employees who have worked less than six months in the last 12 months, and who work an average of less than 20 hours per week. Private, for-profit employers and private, nonprofit employers are covered, as are public and quasi-public entities which operate in a commercial context and are separately organized from the regular government. Federal, state, and local government entities which provide public services are not covered.

What Triggers a Notice?

Business Closing: A covered employer must give notice if an employment site (or one or more facilities or operating units within an employment site) will be shut down, and the shutdown will result in an employment loss* for 50 or more employees during any 30-day period.

Mass Layoff: A covered employer must give notice if there is to be a mass layoff which does not result from a business closing, but which will result in an employment loss* at the employment site during any 30-day period for 500 or more employees, or for 50-499 employees if they make up at least 33% of the employer's active workforce.

** An "employment loss" is defined as:*

- (1) an employment termination, other than a discharge for cause, voluntary departure, or retirement, or*
- (2) a layoff exceeding 6 months, or*
- (3) a reduction in an employee's hours of work of more than 50% in each month of any six-month period.*

An employer must also give notice if the number of employment losses which occur during a 30-day period fails to meet the threshold requirements of a plant closing or mass layoff, but the number of employment losses for two or more groups of workers, each of which is less than the minimum number needed to trigger notice, reaches the threshold level during any 90-day period of either a business closing or a mass layoff. Job losses within any 90-day period will count toward WARN threshold levels unless the employer demonstrates that the employment losses during the 90-day period are the result of separate and distinct actions and causes.

continued

WARN Notices:

Written WARN notification should be addressed to:

Deborah Hennessey
Workforce Transition Unit
Michigan Department of Career Development
Workforce Programs
Victor Office Center - 5th Floor
201 North Washington Square
Lansing, Michigan 48913

WARN notices should include:

1. The name and address of the employment site where the business closing or mass layoff will occur.
2. The date(s) of the proposed closing/mass layoffs.
3. The number of affected workers.
4. The name and address of the employees' collective bargaining representative and chief elected officer, if applicable.
5. The name, address, and telephone number of the employer's representative to contact regarding the closing or mass layoff.

Additional details regarding these requirements may be obtained by contacting the Workforce Transition Unit at (517) 373-6234 (voice); 1-888-605-6722 (TTY); or (517) 373-4648 (fax).

It is recommended that employers review the Act and seek counsel to discuss its provisions, including scope of coverage, penalties, exceptions, and enforcement.