



**Michigan Department of Energy, Labor & Economic Growth**  
611 West Ottawa Street, 4<sup>th</sup> Floor, Lansing, Michigan 48909

## **Worker Adjustment and Retraining Notification (WARN) Act**

The federal WARN Act was enacted August 12, 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's dislocated worker unit (Rapid Response Section) and to the chief 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 during the last 12 months or 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 that provide public services and Indian tribal governments are not covered under the Act.

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

*continued*

An employer must also give notice if the number of employment losses which occur during a 30 day period fails to meet the threshold requirement of a plant closing or mass layoff but the number of employment losses of 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 a business

closing or 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.

### **WARN Notices**

WARN notices must include, at a minimum:

1. The name and address of the employment site where the closing or mass layoff will occur;
2. The name and telephone number of a company official to contact for further information;
3. The expected date of the first separation;
4. The number of affected workers.

The following information must either be included in the WARN notice **or** maintained on site and readily accessible to the State Dislocated Worker Unit (Rapid Response Section):

1. A list of the job titles of positions to be affected and the number of affected employees in each job classification;
2. An indication as to whether bumping rights exist;
3. The name of each union representing affected employees and the name and address of the chief elected officer of each union.

Written WARN notifications should be addressed to:

Chong-Anna Canfora, Director  
Rapid Response Section  
Michigan Department of Labor & Economic Growth  
611 West Ottawa Street, 4<sup>th</sup> Floor  
Lansing, Michigan 48933

Additional details regarding these requirements may be obtained by contacting the Rapid Response Section at (517) 373-6234 (voice) or (517) 373-4648 (fax).

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