



Worker Adjustment and Retraining Notification (WARN) Act

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 Workforce Development Agency, State of Michigan (WDASOM) Workforce Innovation and Opportunity Act (WIOA) Title I 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 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 percent of the employer's active workforce.

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 business 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.

*This guide constitutes a general overview of the law and does not replace the advice of counsel.*__

*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.

Notices to employees or their representatives: WARN requires employers to notify either the individual employees affected by a plant closing or mass layoff or their representatives at least 60 calendar days prior to the action taken. If employees are terminated on different dates, the date of the first individual termination within the statutory 30-day or 90-day period triggers the 60-day notice requirement.

Notices to representatives: These notices must contain the following:

- The name and address of the employment site affected, and the name and telephone number of a company official to contact for further information
- A statement about whether the planned action is expected to be permanent or temporary and, if the entire plant is to be closed, a statement to that effect
- The expected date of the first separation and the anticipated layoff schedule
- The job titles of positions to be affected and the names of the workers currently holding affected jobs

Notices to individual employees:

- A statement about whether the planned action is expected to be permanent or temporary and, if the entire plant is to be closed, a statement to that effect
- The expected date when the plant closing or mass layoff will begin, and the expected date when the individual employee will be separated
- An indication whether or not bumping rights exist
- The name and telephone number of a company official to contact for further information

Notices to Workforce Development Agency, State of Michigan and the chief elected officials of local governments. WARN requires employers to separately provide notices to the state and to the chief elected official of the unit of local government in which the affected plant is located. The notice should contain:

- The name and address of the employment site affected, and the name and telephone number of a company official to contact for further information
- A statement as to whether the planned action is expected to be permanent or temporary and, if the entire plant is to be closed, a statement to that effect
- The expected date of the first separation, and the anticipated lay off
- The job titles of positions to be affected, and the number of affected employees in each job classification
- An indication as to whether or not bumping rights exist
- 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:

Workforce Development Agency, State of Michigan
WIOA Title I Section
Krista Johnson, Manager
201 N. Washington Sq., 5th Floor
Lansing, Michigan 48913

Additional details regarding these requirements may be obtained by contacting the WIOA Title I Section by telephone at (517) 335-5858 or by fax at (517) 373-7794.