

ATTORNEYS AT LAW

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# The Basics

**Notice Requirement** 

A covered employer must provide 60-days' advance notice of a "planned" plant closing or mass layoff

Covered employer?

# **Definitions**

- Plant Closing
  - Permanent or temporary shutdown of single site of employment (SSE) or facility/operating unit
  - 50 or more employees experience employment loss
- Mass Layoff
  - Not a plant closing
  - 500 or more affected employees at SSE or
  - 50 499 affected employees which account for at least 33% of active employees at SSE

# **Employment Loss**

- Terminations (excluding terminations for cause, resignations and retirements)
- Layoffs exceeding 6 months
- A reduction in hours of work of individual EEs more than 50% during each month for six months.

### Who must receive notice?

- Representative(s) of affected employees (chief elected official and local union official)
- Unrepresented affected employees
- State dislocated worker unit
- Chief elected official of the unit of local government.

## Exceptions

#### **Natural Disaster**

- \* Floods, earthquakes, storms and similar effects of nature
- \* Must be direct cause of planned action
- \* Unlikely

#### Unforeseeable Business Circumstances

- \*Sudden, dramatic and unexpected action or condition outside of employer's control
- \*Government ordered closing of an employment site
- Notice still required
- Notice must provide factual basis for reason why less notice is being provided

## COVID-19

- Layoffs, furloughs, etc.
- Hard to predict how long this pandemic will last
- The Problem

### **COVID-19 OPTIONS**

- <u>Initial Layoff</u>. Provide notices as soon as practicable and consistent with the UBC exception even if layoffs have already been made
- Extended Layoff. If prior layoffs were identified as a short-term layoff (6 months or less) to employees and/or union representatives, provide notices with respect to a decision to extend the layoffs due to business circumstances unforeseeable as of the time of the initial layoffs when it becomes reasonably foreseeable that the extension is required (e.g., issuance of an amended stay-at-home or shelter-in-place order)
- <u>Separate Event.</u> Provide prompt notices for a <u>second</u> planned action (closing or layoff) <u>and</u> <u>argue</u> that the <u>second</u> planned action is necessary due to a separate and distinct cause.



## **Mini-WARN Acts**