

Worker Adjustment and Retraining Notification Act (WARN)

29 USC §2101 et seq.; [20 CFR 639](#)

Who is Covered

In general, employers are covered by Worker Adjustment and Retraining Notification Act (WARN or the Act) if they have 100 or more employees, not counting employees who have worked less than 6 months in the last 12 months and not counting employees who work an average of less than 20 hours a week. Regular federal, state and local government entities which provide public services are not covered. Employees entitled to notice under WARN include hourly and salaried workers, as well as managerial and supervisory employees.

Basic Provisions/Requirements

WARN provides protection to workers, their families and communities by requiring employers to provide notification 60 calendar days in advance of plant closings and mass layoffs. Advance notice provides workers and their families some transition time to adjust to the prospective loss of employment, to seek and obtain alternative jobs and, if necessary, to enter skill training or retraining that will allow these workers to successfully compete in the job market. WARN also provides for notice to State dislocated worker units so that dislocated worker assistance can be promptly provided.

A covered **plant closing** occurs when a facility or operating unit is shut down for more than 6 months, or when 50 or more employees lose their jobs during any 30-day period at the single site of employment. A covered **mass layoff** occurs when a layoff of 6 months or longer affects 500 or more workers, or 33 percent or more of the employer's workforce when the layoffs affect between 50 and 499 workers. The number of affected workers is the total number laid off during a 30-day, or in some cases a 90-day period.

WARN does not apply to the closing of temporary facilities, or the completion of an activity when the workers were hired only for the duration of that activity. WARN also provides for less than 60 days notice when the layoffs were the result of the closing of a faltering company, unforeseeable business circumstances, or a natural disaster.

Penalties

An employer who violates the WARN provisions is liable to each employee for an amount equal to back pay and benefits for the period of the violation, up to 60 days. This may be reduced by the period of any notice that was given, and any voluntary payments made by the employer to the employee.

An employer who fails to provide the required notice to the unit of local government is subject to a civil penalty not to exceed \$500 for each day of violation. This may be avoided if the employer

satisfies the liability to each employee within 3 weeks after the closing or layoff.

Enforcement of WARN requirements is through the United States district courts. Workers, or their representatives, and units of local government may bring individual or class action suits. The Court may allow reasonable attorney's fees as part of any final judgement.

Relation to State, Local and Other Federal Laws

WARN is in addition to, and does not preempt any other federal, state or local law, or any employer/employee agreement which requires other notification or benefit.

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