# LEGAL UPDATE WASHINGTON

# **Washington Enacts Mini-WARN Act**

On **May 13, 2025**, Washington enacted the <u>Securing Timely Notification and</u> <u>Benefits for Laid-Off Employees Act</u> (Act), which requires covered employers to give 60 days' advance notice prior to a mass layoff or business closing. The Act takes effect on **July 27, 2025**.

## **Overview of the Act**

Employers with **50 or more full-time employees** (i.e., employees employed for an average of 20 or more hours per week and for six or more of the preceding 12 months) in the state must provide at least **60 days' advance notice** to affected employees, union representatives and the Washington Employment Security Department (WESD) prior to:

- **Business closings**—A permanent or temporary shutdown of a single employment site or one or more facilities or operating units that will result in an employment loss for 50 or more full-time employees; and
- Mass layoffs—A reduction in force not due to a business closing that results in an employment loss of 50 or more full-time employees in a 30-day period.

"Employment loss" means termination (other than for cause, voluntary separation or retirement), a layoff exceeding six months, or a reduction in hours of more than 50% in each month of a six-month period.

Unless notification is excused, employers may **not** include any employee taking leave under the Washington Paid Family and Medical Leave Law in a mass layoff.

#### **Notice Contents**

Notice must be in written form and must contain:

- The name and address of the affected site and contact information of a company official;
- A statement as to whether the action is temporary or permanent (and, if temporary, whether it will last more or less than three months);
- The expected date of the first employment loss and schedule of losses;
- Affected job titles and employee names (and, for notices to the WESD, employee addresses); and
- Whether the action is the result of or will result in the relocation or contracting out of employer operations or employee positions.

Provided to you by Employco USA, Inc.

# Highlights

#### May 13, 2025

Washington enacts the Act to require employers to provide advance notice of certain mass layoffs and business closings.

#### July 27, 2025

The Act takes effect.

Effective July 27, 2025, Washington employers will need to give advance notice for certain layoffs and closings.

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Employers must provide additional notice if the closing or layoff extends beyond the date of any period announced in the original notice.

#### Exceptions

Employers are not required to provide notice if:

- The employer was actively seeking capital or business that would have avoided the layoff or closing and reasonably and in good faith believed providing notice would have precluded them from obtaining the capital or business;
- The layoff or closing is due to an unforeseeable business circumstance or natural disaster; or
- The layoff or closing occurs at a construction project where the affected employees were hired for a limited duration or at a multiemployer construction project, and the affected employees are subject to a full union referral or dispatch system.

#### Penalties

Aggrieved individuals may file a lawsuit within three years of an alleged violation of the Act to recover up to 60 days of back pay and the value of any lost benefits and attorney fees and costs. Employers who fail to provide the required notice to the WESD may also be required to pay a civil penalty of up to \$500 for each day of the violation.

## **Next Steps for Employers**

While the Act is similar to the federal Worker Adjustment and Retraining Notification (WARN) Act (which also imposes notice requirements in the event of mass layoffs and business closings), it applies to more employers and imposes some different requirements. Therefore, Washington employers who are not subject to federal WARN requirements may be subject to notice requirements under the Act, and employers covered under both the federal WARN Act and the Act may be subject to new requirements under the Act. Washington employers should carefully consider their state and federal legal obligations prior to conducting any mass layoffs or business closings after the effective date.