

Update to the California WARN Act

Applies to: Employers with 75 or more CA Employees
Effective: March 17, 2020

Normally, employers with 75 or more employees are subject to the California WARN Act (federal WARN Act applies to employers with 100 or more employees). If employers are conducting a furlough, reduction in force, layoff, or relocation of 50 or more employees, they must give at least 60 days' advance notice. The California law has an exception to the notice timing requirement in the instance of a "physical calamity," which is not defined. The federal WARN Act has a "natural disaster" exception, and an unforeseeable business circumstances exception that may be applicable to current circumstances. In all instances, employers must provide as much advance notice as possible, and must comply with both federal and state requirements.

However, a recent [executive order](#) in California allows employers to waive the 60-day notice requirement if the employer:

- Orders a mass layoff because of COVID-19-related business circumstances that were not reasonably foreseeable as of the time that 60-day notice would have been required;
- Gives as much notice as practicable of the layoffs, providing a brief statement of the basis for reducing the notification period along with the information required by the federal WARN Act for notices; and
- Includes the following statement in its notice: "If you have lost your job or been laid off temporarily, you may be eligible for Unemployment Insurance (UI). More information on UI and other resources available for workers is available at labor.ca.gov/coronavirus2019."

Action Items

1. Coordinate furloughs, layoffs, and reductions in force with legal counsel to ensure compliance.
2. Subscribers can call our HR On-Call Hotline at (888) 378-2456 for further assistance.