

1944-S

Sponsor(s): House Committee on Commerce & Labor (originally sponsored by Representatives Hudgins, Campbell, Kenney, Conway, Wood, Upthegrove, Flannigan, McCoy, Cooper, Berkey, Simpson, Hunt, Romero, Veloria, Dunshee, Cody and Edwards)

Brief Description: Requiring notice of mass layoffs.

HB 1944-S - DIGEST

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides that an employer may not order a mass layoff, relocation, or termination at a covered establishment unless, sixty days before the order takes effect, the employer gives written notice of the order to the following: (1) The employees of the covered establishment affected by the order;

(2) The employment security department, the local workforce development council, and the chief elected official of each city and county government within which the termination, relocation, or mass layoff occurs; and

(3) The legislature through the offices of the chief clerk of the house of representatives and the secretary of the senate.

Provides that an employer is not required to comply with the notice requirement contained in this act if the department determines that all of the following conditions exist: (1) As of the time that notice would have been required, the employer was actively seeking capital or business;

(2) The capital or business sought, if obtained, would have enabled the employer to avoid or postpone the relocation or termination; and

(3) The employer reasonably and in good faith believed that giving the notice required by this act would have precluded the employer from obtaining the needed capital or business.

Provides that an employer who fails to give notice as required by this act before ordering a mass layoff, relocation, or termination is liable to each employee entitled to notice who lost his or her employment for: (1) The value of wages at the average regular rate of compensation received by the employee during the last three years of his or her employment, or the employee's final rate of compensation, whichever is higher; and

(2) The value of any benefits to which the employee would have been entitled had his or her employment not been lost, including, but not limited to: (a) The value of any pension, profit sharing, stock bonus, stock purchase, and stock option plans; and (b) the cost of any medical expenses incurred by the employee that would have been covered under an employee benefit plan.

Provides that an employer who fails to give notice as required by this act is subject to a civil penalty of not more than ten dollars per employee entitled to notice for each day of the employer's violation. The employer is not subject to a civil penalty under this section, however, if the employer pays to all applicable employees the amounts for which the employer is liable under this act within three weeks from the date the employer orders

the mass layoff, relocation, or termination.

Requires any civil penalties collected to be paid into the unemployment trust fund.