
SUBSTITUTE HOUSE BILL 1313

State of Washington

69th Legislature

2025 Regular Session

By House Labor & Workplace Standards (originally sponsored by Representatives Scott, Farivar, Berry, Alvarado, Ryu, Goodman, Simmons, Thai, Reed, Ormsby, Macri, Ramel, Pollet, and Doglio)

READ FIRST TIME 02/20/25.

1 AN ACT Relating to addressing mass layoffs, relocations, and
2 terminations at covered establishments; amending RCW 49.44.211 and
3 49.62.020; adding a new section to chapter 50.04 RCW; adding a new
4 section to chapter 19.86 RCW; adding a new chapter to Title 49 RCW;
5 providing an effective date; and prescribing penalties.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** (1) Research shows mass layoffs can have a
8 detrimental effect on both employees and employers. Detrimental
9 effects can include loss of knowledge and institutional memory, low
10 morale and a decline in job satisfaction for the remaining employees,
11 weakened engagement, higher voluntary turnover, and lower innovation
12 for the business. The legislature recognizes that workers are often
13 very dependent on their employers for their livelihood and well-
14 being. The legislature seeks to encourage employers to provide
15 adequate notice and protections to workers. The legislature also
16 intends to encourage more transparency in the employer's process of
17 conducting mass layoffs, which can help reduce these detrimental
18 effects.

19 (2) The legislature also seeks to determine whether mass layoffs
20 result in a disproportionate dismissal of employees belonging to
21 protected classes and whether certain groups of employees are laid

1 off more than other groups. The legislature also seeks to reduce the
2 impact that mass layoffs have on terminated employees by increasing
3 the ways those employees receive information about benefits and
4 programs they may be entitled to or eligible for.

5 NEW SECTION. **Sec. 2.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires
7 otherwise.

8 (1) "Commissioner" means the commissioner of the employment
9 security department or the commissioner's designee.

10 (2) "Covered establishment" means any facility or part thereof
11 that employs 100 or more employees.

12 (3) "Department" means the employment security department.

13 (4) "Employee" means a person who, under the department's
14 policies and rules applicable in determining employment, has had the
15 status of an employee for at least six months of the 12 months
16 preceding the date on which notice under section 3 of this act is
17 required.

18 (5) "Employer" means any entity that directly or indirectly owns
19 and operates a covered establishment. A parent corporation is an
20 employer as to any covered establishment directly owned and operated
21 by its corporate subsidiary.

22 (6) "Layoff" means a separation from employment.

23 (7) "Mass layoff" means a layoff during any 30-day period of 50
24 or more employees at either a covered establishment or at one or more
25 parts of a covered establishment.

26 (8) "Rapid response" means rapid response activities as defined
27 in the workforce innovation and opportunity act (121 Stat. 1425; 29
28 U.S.C. Sec. 3102);

29 (9) "Relocation" means the removal of all or substantially all of
30 the operations in a covered establishment to a different location 100
31 miles or more away.

32 (10) "Termination" means the cessation or substantial cessation
33 of operations in a covered establishment.

34 NEW SECTION. **Sec. 3.** (1) An employer may not order a mass
35 layoff, relocation, or termination at a covered establishment unless,
36 60 days before the order goes into effect, the employer has given
37 written notice of the order in compliance with subsection (2) of this
38 section.

1 (2) (a) The employer must provide written notice to the following:
2 (i) The employees of the covered establishment affected by the
3 order;
4 (ii) The department;
5 (iii) The workforce development council for the area where the
6 termination, relocation, or mass layoff occurs;
7 (iv) The chief elected official of each city and county
8 government within which the termination, relocation, or mass layoff
9 occurs; and
10 (v) The exclusive bargaining representative, if the employees are
11 represented.
12 (b) An employer required to give notice of any mass layoff,
13 relocation, or termination under this section must include in its
14 notice the elements specified by the department in rule, which must
15 be consistent with the rules specifying the content of the notice
16 required under the federal worker adjustment and retraining act (29
17 U.S.C. Sec. 2101 et seq.). In addition, a written notice of a mass
18 layoff must include:
19 (i) (A) A statement declaring that the employer has considered
20 alternative measures to a mass layoff;
21 (B) Alternative measures may include, for example, transfers,
22 voluntary demotion, voluntary reduced work schedule, voluntary leave
23 without pay, voluntary separation, early retirement, and other
24 methods to minimize disruption to employees;
25 (ii) A statement that the mass layoff is necessary; and
26 (iii) (A) A detailed explanation describing reasons behind the
27 decision to conduct the mass layoff.
28 (B) Notice provided to the department and the chief local elected
29 official of each city and county government where the termination,
30 relocation, or mass layoff occurs, must include data to support the
31 reasoning behind the decision to conduct a mass layoff. Relevant data
32 includes, if applicable:
33 (I) Operational data, including production rates, efficiency
34 rates, or costs of goods or services;
35 (II) Market data, including market trends, customer demand, or
36 the competitive landscape;
37 (III) Workforce data, including workforce productivity,
38 absenteeism rates, employee turnover, or whether the work previously
39 done by the employees being laid off will continue using contracted
40 labor; or

1 (IV) Other external factors, such as economic indicators,
2 industry trends, or regulatory changes.

3 (3) The department must publish on the department's website the
4 notices the department receives pursuant to this section.

5 NEW SECTION. **Sec. 4.** (1) An employer is not required to comply
6 with the notice requirement in section 3 of this act if the
7 department determines that all of the following conditions are met:

8 (a) As of the time that notice would have been required, the
9 employer was actively seeking capital or business;

10 (b) The capital or business sought, if obtained, would have
11 enabled the employer to avoid or postpone the mass layoff,
12 relocation, or termination; and

13 (c) The employer reasonably and in good faith believed that
14 giving the notices required by section 3 of this act would have
15 precluded the employer from obtaining the needed capital or business.

16 (2) The department may not determine that the employer was
17 actively seeking capital or business under subsection (1) of this
18 section unless the employer provides the department with both of the
19 following:

20 (a) A written record consisting of all documents relevant to the
21 determination of whether the employer was actively seeking capital or
22 business, as specified by the department; and

23 (b) An affidavit verifying the contents of the documents
24 contained in the record.

25 (3) The affidavit provided to the department pursuant to
26 subsection (2) of this section must contain a declaration signed
27 under penalty of perjury stating that the affidavit and the contents
28 of the documents contained in the record submitted pursuant to
29 subsection (2) of this section are true and correct.

30 (4) An employer is not required to comply with the notice
31 requirements in section 3 of this act if a mass layoff, relocation,
32 or termination is necessitated by a physical calamity or act of war.

33 (5)(a) An employer is not required to comply with the notice
34 requirements in section 3 of this act if: (i) A mass layoff,
35 relocation, or termination is the result of the completion of a
36 particular project or undertaking; and (ii) the affected employees
37 were hired with the understanding that their employment was limited
38 to the duration of the particular project or undertaking.

1 (b) A multiemployer construction project is not required to
2 comply with the notice requirements in section 3 of this act if a
3 mass layoff, relocation, or termination only affects employees who
4 are subject to a full union referral or dispatch system.

5 NEW SECTION. **Sec. 5.** (1) An employer who fails to give notice
6 as required by section 3 of this act before ordering a mass layoff,
7 relocation, or termination, is liable to each employee entitled to
8 notice who lost his or her employment for:

9 (a) The value of wages at the average regular rate of
10 compensation received by the employee during the last three years of
11 his or her employment, or the employee's final rate of compensation,
12 whichever is higher; and

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

19 (2) Liability under this section is calculated for the period of
20 the employer's violation, up to a maximum of 60 days.

21 (3) The amount of an employer's liability under this section is
22 reduced by the following:

23 (a) Any wages, except vacation moneys accrued prior to the period
24 of the employer's violation, paid by the employer to the employee
25 during the period of the employer's violation;

26 (b) Any voluntary and unconditional payments made by the employer
27 to the employee that were not required to satisfy any legal
28 obligation; and

29 (c) Any payments by the employer to a third party or trustee,
30 such as premiums for health benefits or payments to a defined
31 contribution pension plan, on behalf of and attributable to the
32 employee for the period of the violation.

33 NEW SECTION. **Sec. 6.** (1) An employer who fails to give notice
34 as required by section 3 of this act is subject to a penalty of not
35 more than \$500 for each day of the employer's violation. However, the
36 employer is not subject to a penalty under this section if the
37 employer pays to all applicable employees the amounts for which the
38 employer is liable under section 5 of this act within three weeks

1 from the date the employer orders the mass layoff, relocation, or
2 termination.

3 (2) Any penalties collected under this section must be paid into
4 the general fund.

5 NEW SECTION. **Sec. 7.** (1) When a mass layoff, relocation, or
6 termination occurs, the employer must pay in full for the
7 continuation of existing group health insurance, no matter where the
8 group policy was written, issued, or delivered, for each employee
9 experiencing employment loss as a result of the mass layoff,
10 relocation, or termination and the employee's dependents, if covered
11 under the group policy, from the date of the mass layoff, relocation,
12 or termination for a period of 120 days or until the employee becomes
13 eligible for other group coverage, whichever is less.

14 (2) The department may investigate alleged violations of this
15 section and may, upon a finding that an employer has violated this
16 section, issue a notice of violation and order a payment to the
17 employee equal to the value of the cost of any benefits to which the
18 employee would have been entitled, including the cost of any medical
19 expenses incurred by the employee that would have been covered under
20 an employee benefit plan. However, the department may not investigate
21 an alleged violation occurring more than three years prior.

22 (3) (a) An employer may appeal a notice of violation or order of
23 payment issued by the department by filing a notice of appeal with
24 the commissioner within 30 days of the department's issuance of the
25 notice of violation. A notice of violation or order of payment not
26 appealed within 30 days is final and binding, and not subject to
27 further appeal.

28 (b) A notice of appeal filed with the commissioner under this
29 section stays the effectiveness of the notice of violation or order
30 of payment pending final review of the appeal by the commissioner as
31 provided for in chapter 34.05 RCW.

32 (c) Upon receipt of a notice of appeal, the commissioner shall
33 assign the hearing to an administrative law judge of the office of
34 administrative hearings to conduct the hearing and issue an initial
35 order. The hearing and review procedures must be conducted in
36 accordance with chapter 34.05 RCW, and the standard for review by the
37 administrative law judge must be de novo. Any party who seeks to
38 challenge an initial order shall file a petition for administrative
39 review with the commissioner within 30 days after service of the

1 initial order. The commissioner shall conduct an administrative
2 review in accordance with chapter 34.05 RCW.

3 (d) The commissioner shall issue all final orders after appeal of
4 the initial order. The final order of the commissioner is subject to
5 judicial review in accordance with chapter 34.05 RCW.

6 (e) Orders that are not appealed within the time period specified
7 in this section and chapter 34.05 RCW are final and binding, and not
8 subject to further appeal.

9 NEW SECTION. **Sec. 8.** (1) By October 1, 2026, the department
10 shall develop an online mass layoff survey and data collection system
11 that employers are required to distribute in accordance with this
12 section.

13 (2) When the department receives a notice under section 3 of this
14 act from an employer, the department shall inform the employer of the
15 employer's responsibility to provide survey information to affected
16 employees.

17 (3) At a minimum, the online survey must:

18 (a) Contain a brief explanation of the purpose of the survey;

19 (b) Clearly indicate that completing the survey is voluntary;

20 (c) Clearly indicate that completing or not completing the survey
21 does not impact any unemployment benefits or other rights or programs
22 the employee may be entitled to or eligible for; and

23 (d) Be designed to collect demographic data, such as age, gender,
24 race, ethnicity, and other relevant data, anonymously without
25 collecting identifying information of the employee, for the purpose
26 of understanding how individuals from protected classes are impacted.

27 (4) (a) When an employer provides employees with a notice under
28 section 3 of this act, the employer must also provide to each
29 employee being terminated information about how to access the online
30 survey created pursuant to this section, as determined by the
31 department.

32 (b) Employees must be provided at least 30 days to complete and
33 submit the survey.

34 (5) The department shall compile the data received under this
35 section and include demographic data of an employer's mass layoff on
36 the department's website.

37 NEW SECTION. **Sec. 9.** (1) (a) An employer must provide a rapid
38 response partner reasonable access to employees who receive a notice

1 as required under section 3 of this act. The purpose of providing
2 access is to provide a presentation, preferably in person, to
3 employees to assist them in quickly maximizing public and private
4 resources to minimize the disruptions associated with job losses.
5 Resources include transitional services to employees affected by the
6 mass layoff, unemployment insurance information, dislocated worker
7 program services, job seeker services available at the local work
8 source, and other benefits and programs the employee may be entitled
9 to or eligible for.

10 (b) An employer must notify affected employees about the time and
11 location of rapid response presentations.

12 (c) A rapid response partner must be a designee of a local
13 workforce development board established under P.L. 113-128, the
14 workforce innovation and opportunity act.

15 (2) Reasonable access to employees means:

16 (a) The access occurs during the employees' regular working hours
17 at the employees' regular worksite or the employees' customary work
18 location, or at a location mutually agreed to by the employer, the
19 employees' exclusive bargaining representative, if applicable, and
20 the rapid response partner;

21 (b) The time for the presentation is for no less than 90 minutes.

22 (3) No employee may be mandated to attend the rapid response
23 presentation.

24 (4) An employer may agree to longer or more frequent access, but
25 in no case may an employer agree to less access than required by this
26 section.

27 NEW SECTION. **Sec. 10.** (1) The department shall administer and
28 investigate violations of section 3 of this act. In any investigation
29 or proceeding under this chapter, the commissioner of the department
30 has, in addition to all other powers granted by law, the authority to
31 examine the books and records of an employer.

32 (2) The department shall adopt rules necessary to carry out this
33 act.

34 NEW SECTION. **Sec. 11.** (1) A person, including a local
35 government or an employee representative, seeking to establish
36 liability against an employer may bring a civil action on behalf of
37 the person, other persons similarly situated, or both, in any court
38 of competent jurisdiction.

1 (2) If the court determines that an employer conducted a
2 reasonable investigation in good faith, and had reasonable grounds to
3 believe that its conduct was not a violation of section 3 of this
4 act, the court may reduce the amount of any penalty imposed against
5 the employer under this act.

6 (3) The court may award reasonable attorneys' fees as part of
7 costs to any plaintiff who prevails in a civil action brought under
8 this act.

9 NEW SECTION. **Sec. 12.** The rights and remedies provided to
10 employees by this chapter are in addition to, and not in lieu of, any
11 other contractual or statutory rights and remedies of the employees,
12 and are not intended to alter or affect such rights and remedies,
13 except that the period of notification required by this chapter shall
14 run concurrently with any period of notification required by contract
15 or by any other statute. Collective bargaining agreements and other
16 contracts may be used to clarify or amplify the terms and conditions
17 of this chapter, but may not reduce any rights or remedies provided
18 under this chapter.

19 NEW SECTION. **Sec. 13.** This chapter may be known and cited as
20 the Washington worker adjustment and retraining notification act or
21 the Washington WARN act.

22 NEW SECTION. **Sec. 14.** Sections 1 through 13 of this act
23 constitute a new chapter in Title 49 RCW.

24 NEW SECTION. **Sec. 15.** A new section is added to chapter 50.04
25 RCW to read as follows:

26 Payments to a person under section 5 of this act may not be
27 construed as wages or used to deny or reduce benefits under this
28 title.

29 NEW SECTION. **Sec. 16.** A new section is added to chapter 19.86
30 RCW to read as follows:

31 (1) It is unlawful for any employer to cooperate or coordinate
32 with one or more competing employers regarding mass layoffs of
33 employees, including timing of mass layoffs, severance pay, or other
34 terms and conditions of mass layoffs.

1 (2) Any violation of this section constitutes an unfair method of
2 competition and unfair or deceptive act in trade or commerce and
3 constitutes a violation under RCW 19.86.020.

4 (3) For the purposes of this section, "employer" and "mass
5 layoff" have the same meanings as defined in section 2 of this act.

6 **Sec. 17.** RCW 49.44.211 and 2022 c 133 s 2 are each amended to
7 read as follows:

8 (1)(a) A provision in an agreement by an employer and an employee
9 not to disclose or discuss conduct, or the existence of a settlement
10 involving conduct, that the employee reasonably believed under
11 Washington state, federal, or common law to be illegal
12 discrimination, illegal harassment, illegal retaliation, a wage and
13 hour violation, or sexual assault, or that is recognized as against a
14 clear mandate of public policy, is void and unenforceable. Prohibited
15 nondisclosure and nondisparagement provisions in agreements concern
16 conduct that occurs at the workplace, at work-related events
17 coordinated by or through the employer, between employees, or between
18 an employer and an employee, whether on or off the employment
19 premises. Prohibited nondisclosure and nondisparagement provisions
20 include those contained in employment agreements, independent
21 contractor agreements, agreements to pay compensation in exchange for
22 the release of a legal claim, or any other agreement between an
23 employer and an employee.

24 (b) In addition to (a) of this subsection, a provision in an
25 agreement by an employer and an employee is void and unenforceable if
26 the provision prohibits the employee from disclosing or discussing
27 the employer's conduct regarding a mass layoff as a condition of the
28 employee receiving severance pay or compensation under section 5 of
29 this act. It is a violation of this section for an employer to
30 discriminate against or otherwise retaliate against an employee for
31 disclosing or discussing conduct regarding a mass layoff that the
32 employee is not prohibited from discussing or disclosing under this
33 subsection. For purposes of this subsection, "mass layoff" has the
34 same meaning as defined in section 2 of this act. This subsection
35 (1)(b) applies to agreements entered into on or after the effective
36 date of this section.

37 (2) This section does not prohibit the enforcement of a provision
38 in any agreement that prohibits the disclosure of the amount paid in
39 settlement of a claim.

1 (3) It is a violation of this section for an employer to
2 discharge or otherwise discriminate or retaliate against an employee
3 for disclosing or discussing conduct that the employee reasonably
4 believed to be illegal harassment, illegal discrimination, illegal
5 retaliation, wage and hour violations, or sexual assault, that is
6 recognized as illegal under state, federal, or common law, or that is
7 recognized as against a clear mandate of public policy, occurring in
8 the workplace, at work-related events coordinated by or through the
9 employer, between employees, or between an employer and an employee,
10 whether on or off the employment premises.

11 (4) It is a violation of this section for an employer to request
12 or require that an employee enter into any agreement provision that
13 is prohibited by this section.

14 (5) It is a violation of this section for an employer to attempt
15 to enforce a provision of an agreement prohibited by this section,
16 whether through a lawsuit, a threat to enforce, or any other attempt
17 to influence a party to comply with a provision in any agreement that
18 is prohibited by this section.

19 (6) This section does not prohibit an employer and an employee
20 from protecting trade secrets, proprietary information, or
21 confidential information that does not involve illegal acts.

22 (7) An employer who violates this section after June 9, 2022, is
23 liable in a civil cause of action for actual or statutory damages of
24 \$10,000, whichever is more, as well as reasonable attorneys' fees and
25 costs.

26 (8) For the purposes of this section, "employee" means a current,
27 former, or prospective employee or independent contractor.

28 (9) A nondisclosure or nondisparagement provision in any
29 agreement signed by an employee who is a Washington resident is
30 governed by Washington law.

31 (10) The provisions of this section are to be liberally construed
32 to fulfill its remedial purpose.

33 (11) As an exercise of the state's police powers and for remedial
34 purposes, this section is retroactive from June 9, 2022, only to
35 invalidate nondisclosure or nondisparagement provisions in agreements
36 created before June 9, 2022, and which were agreed to at the outset
37 of employment or during the course of employment. This subsection
38 allows the recovery of damages only to prevent the enforcement of
39 those provisions. This subsection does not apply to a nondisclosure

1 or nondisparagement provision contained in an agreement to settle a
2 legal claim.

3 **Sec. 18.** RCW 49.62.020 and 2024 c 36 s 3 are each amended to
4 read as follows:

5 (1) A noncompetition covenant is void and unenforceable:

6 (a)(i) Unless the employer discloses the terms of the covenant in
7 writing to the prospective employee no later than the time of the
8 initial oral or written acceptance of the offer of employment and, if
9 the agreement becomes enforceable only at a later date due to changes
10 in the employee's compensation, the employer specifically discloses
11 that the agreement may be enforceable against the employee in the
12 future; or

13 (ii) If the covenant is entered into after the commencement of
14 employment, unless the employer provides independent consideration
15 for the covenant;

16 (b) Unless the employee's earnings from the party seeking
17 enforcement, when annualized, exceed one hundred thousand dollars per
18 year. This dollar amount must be adjusted annually in accordance with
19 RCW 49.62.040;

20 (c) If the employee is terminated as the result of a layoff,
21 unless enforcement of the noncompetition covenant includes
22 compensation equivalent to the employee's base salary at the time of
23 termination for the period of enforcement minus compensation earned
24 through subsequent employment during the period of enforcement;

25 (d) If the employee is terminated as the result of a mass layoff,
26 as defined in section 2 of this act, and the employer failed to
27 comply with the notice requirement in section 3 of this act.

28 (2) A court or arbitrator must presume that any noncompetition
29 covenant with a duration exceeding eighteen months after termination
30 of employment is unreasonable and unenforceable. A party seeking
31 enforcement may rebut the presumption by proving by clear and
32 convincing evidence that a duration longer than eighteen months is
33 necessary to protect the party's business or goodwill.

34 NEW SECTION. **Sec. 19.** If any provision of this act or its
35 application to any person or circumstance is held invalid, the
36 remainder of the act or the application of the provision to other
37 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 20.** This act takes effect July 1, 2026.

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