
HOUSE BILL 1313

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By Representatives Scott, Farivar, Berry, Alvarado, Ryu, Goodman, Simmons, Thai, Reed, Ormsby, Macri, Ramel, Pollet, and Doglio

Read first time 01/15/25. Referred to Committee on Labor & Workplace Standards.

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) "Covered establishment" means any industrial or commercial
9 facility or part thereof that employs, or has employed within the
10 preceding 12 months, 100 or more employees.

11 (2) "Department" means the employment security department.

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

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

21 (5) "Layoff" means a separation from employment.

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

25 (7) "Relocation" means the removal of all or substantially all of
26 the industrial or commercial operations in a covered establishment to
27 a different location 100 miles or more away.

28 (8) "Termination" means the cessation or substantial cessation of
29 industrial or commercial operations in a covered establishment.

30 NEW SECTION. **Sec. 3.** (1) An employer may not order a mass
31 layoff, relocation, or termination at a covered establishment unless,
32 60 days before the order goes into effect, the employer has given
33 written notice of the order in compliance with subsection (2) of this
34 section.

35 (2) (a) The employer must provide written notice to the following:

36 (i) The employees of the covered establishment affected by the
37 order; and

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

4 (b) An employer required to give notice of any mass layoff,
5 relocation, or termination under this section must include in its
6 notice the elements specified by the department in rule, which must
7 be consistent with the rules specifying the content of the notice
8 required under the federal worker adjustment and retraining act, 29
9 U.S.C. 2101 et seq. In addition, a written notice of a mass layoff
10 must include a statement declaring that the employer has considered
11 alternative measures to a mass layoff, a statement that the mass
12 layoff is necessary, and a detailed explanation with data describing
13 reasons behind the decision to conduct the mass layoff. Alternative
14 measures may include, for example, transfers, voluntary demotion,
15 voluntary reduced work schedule, voluntary leave without pay,
16 voluntary separation, early retirement, and other methods to minimize
17 disruption to employees.

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

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

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

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

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

31 (2) The department may not determine that the employer was
32 actively seeking capital or business under subsection (1) of this
33 section unless the employer provides the department with both of the
34 following:

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

38 (b) An affidavit verifying the contents of the documents
39 contained in the record.

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

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

9 (5) An employer is not required to comply with the notice
10 requirements in section 3 of this act if a mass layoff, relocation,
11 or termination is the result of the completion of a construction
12 project, and the affected employees were hired with the understanding
13 that their employment was limited to the duration of the construction
14 project.

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

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

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

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

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

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

36 (b) Any voluntary and unconditional payments made by the employer
37 to the employee that were not required to satisfy any legal
38 obligation; and

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

5 NEW SECTION. **Sec. 6.** (1) An employer who fails to give notice
6 as required by section 3 of this act is subject to a civil penalty of
7 not more than \$500 for each day of the employer's violation.
8 However, the employer is not subject to a civil penalty under this
9 section if the employer pays to all applicable employees the amounts
10 for which the employer is liable under section 5 of this act within
11 three weeks from the date the employer orders the mass layoff,
12 relocation, or termination.

13 (2) Any civil penalties collected under this section must be paid
14 into the unemployment trust fund.

15 NEW SECTION. **Sec. 7.** (1) By October 1, 2026, the department
16 shall develop a mass layoff survey and data collection system that
17 employers are required to distribute in accordance with this section.

18 (2) When the department receives a notice under section 3 of this
19 act from an employer, the department shall inform the employer of the
20 employer's responsibility to provide the survey to affected
21 employees.

22 (3) At a minimum, the survey must:

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

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

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

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

32 (4) (a) When an employer provides employees with a notice under
33 section 3 of this act, the employer must also provide to each
34 employee being terminated the survey created under this section. The
35 employer must provide the survey at no cost to the employee.

36 (b) Employees must be provided at least 30 days to complete and
37 submit the survey. Within 45 days after the employer has provided
38 surveys to affected employees, the employer must also submit to the

1 department general demographic data, as determined by the department,
2 that the employer has of its entire workforce at the site of the
3 layoff, including employees who are not being terminated.

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

7 NEW SECTION. **Sec. 8.** (1)(a) An employer must provide a rapid
8 response partner reasonable access to employees who receive a notice
9 as required under section 3 of this act. The purpose of providing
10 access is to provide a presentation, preferably in person, to
11 employees to assist them in quickly maximizing public and private
12 resources to minimize the disruptions associated with job losses.
13 Resources include transitional services to employees affected by the
14 mass layoff, unemployment insurance information, dislocated worker
15 program services, job seeker services available at the local work
16 source, and other benefits and programs the employee may be entitled
17 to or eligible for.

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

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

23 (2) Reasonable access to employees means:

24 (a) The access occurs during the employees' regular working hours
25 at the employees' regular worksite or the employees' customary work
26 location, or at a location mutually agreed to by the employer, the
27 employees' exclusive bargaining representative, if applicable, and
28 the rapid response partner;

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

30 (3) No employee may be mandated to attend the rapid response
31 presentation.

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

35 NEW SECTION. **Sec. 9.** (1) The department shall administer and
36 investigate violations of section 3 of this act. In any investigation
37 or proceeding under this chapter, the commissioner of the department

1 has, in addition to all other powers granted by law, the authority to
2 examine the books and records of an employer.

3 (2) The department shall adopt rules necessary to carry out this
4 act.

5 NEW SECTION. **Sec. 10.** (1) A person, including a local
6 government or an employee representative, seeking to establish
7 liability against an employer may bring a civil action on behalf of
8 the person, other persons similarly situated, or both, in any court
9 of competent jurisdiction.

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

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

18 NEW SECTION. **Sec. 11.** The rights and remedies provided to
19 employees by this chapter are in addition to, and not in lieu of, any
20 other contractual or statutory rights and remedies of the employees,
21 and are not intended to alter or affect such rights and remedies,
22 except that the period of notification required by this chapter shall
23 run concurrently with any period of notification required by contract
24 or by any other statute. Collective bargaining agreements and other
25 contracts may be used to clarify or amplify the terms and conditions
26 of this chapter, but may not reduce any rights or remedies provided
27 under this chapter.

28 NEW SECTION. **Sec. 12.** This chapter may be known and cited as
29 the Washington worker adjustment and retraining notification act or
30 the Washington WARN act.

31 NEW SECTION. **Sec. 13.** Sections 1 through 12 of this act
32 constitute a new chapter in Title 49 RCW.

33 NEW SECTION. **Sec. 14.** A new section is added to chapter 50.04
34 RCW to read as follows:

1 Payments to a person under section 5 of this act may not be
2 construed as wages or used to deny or reduce benefits under this
3 title.

4 **Sec. 15.** RCW 49.44.211 and 2022 c 133 s 2 are each amended to
5 read as follows:

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

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

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

38 (3) It is a violation of this section for an employer to
39 discharge or otherwise discriminate or retaliate against an employee

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

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

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

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

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

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

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

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

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

1 **Sec. 16.** RCW 49.62.020 and 2024 c 36 s 3 are each amended to
2 read as follows:

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

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

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

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

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

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

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

32 NEW SECTION. **Sec. 17.** A new section is added to chapter 19.86
33 RCW to read as follows:

34 (1) It is unlawful for any employer to cooperate or coordinate
35 with one or more competing employers regarding mass layoffs of
36 employees, including timing of mass layoffs, severance pay, or other
37 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, the terms "employer" and
5 "mass layoff" have the same meanings as defined in section 2 of this
6 act.

7 NEW SECTION. **Sec. 18.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 19.** This act takes effect July 1, 2026.

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