

Engage PEO Client Alert

New Jersey WARN Amendments Go into Effect April 10, 2023

WHAT'S NEW: In January 2020, New Jersey adopted certain amendments to its Worker Adjustment and Retraining Notification Act (“WARN Act”). The NJ WARN Act offers protections to employees in the event of a covered mass layoff or a covered plant closing by requiring that employers provide notice in advance of such events. The effective date of the amendments to the NJ WARN Act was delayed by the COVID-19 pandemic, but the amendments are now scheduled to take effect on April 10, 2023.

The amendments are as follows:

- NJ WARN will now apply to employers with at least 100 employees anywhere in the United States (regardless of their length of service or hours of work) so long as the employer has maintained operations in New Jersey for more than three years.
- The rule that a mass layoff is triggered only if at least 33% of the workforce is affected has been eliminated.
- Employers must provide 90 days’ notice if 50 or more employees who are located anywhere in the state of New Jersey will be terminated within a 30-day period (or sometimes a 90-day period) regardless of their length of service or hours of work (i.e., this applies to both full-time and part-time employees).
- Employers must provide severance pay to employees in the amount of one week of pay for each year of service. If an employer fails to provide 90 days’ notice of the anticipated termination, then the employer must pay an additional four weeks of severance pay.

WHAT IT MEANS: The new amendments require that employees be provided with a longer notice period than was required previously (90 days instead of 60 days) in the event that 50 or more employees are terminated by an employer that employs at least 100 individuals. Further, employees will now receive guaranteed severance pay even though the employer provides them with the required amount of notice of an anticipated mass layoff or plant closing.

WHAT EMPLOYERS SHOULD DO: If an employer who has been operating in New Jersey for more than three years and employs at least 100 people anticipates having to close a plant or conduct a mass layoff that will result in 50 or more employees being separated from their employment, then the employer should consult with qualified employment counsel as to its obligations under the amended NJ WARN Act.

Please reach out to your Engage Human Resources Consultant if you have any questions about this alert or other HR-related matters.