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Washington Lawmakers Pass ‘Mini-WARN Act’ to Require Notice of Site Closings and Mass Reductions in Force

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Washington is close to being the latest state to enact a “mini-WARN Act” that would require employers with fifty or more full-time employees to provide at least sixty days’ notice to the state, any union, and/or employees affected by a business site closing or mass reduction in force.

Quick Hits

- Washington State is on track to enact a “mini-WARN Act” requiring employers with fifty or more employees to provide at least sixty days’ notice before business closures or mass reductions in force.
- The Washington bill’s notice requirements would go beyond the federal WARN Act.
- The legislation includes protections for employees on paid family or medical leave, preventing them from being included in mass reductions, except in limited situations.
- Employers that fail to comply with the notice requirement could face significant financial penalties, including back pay plus the cost of benefits for affected employees and civil penalties for violations.

On April 27, 2025, the Washington State Legislature delivered Senate Bill (SB) 5525 to Governor Bob Ferguson’s desk for signature. The bill, titled the “Securing Timely Notification and Benefits for Laid-Off Employees Act,” would provide employee protections in the context of business closings and mass reductions in force (RIF) similar to the federal Worker Adjustment and Retraining Notification (WARN) Act.

The legislation would require most covered employers to provide notice and information beyond what is required by the WARN Act before closing a business location or undertaking a “mass layoff” and protect employees from being included in a reduction while they are taking Washington’s paid family or medical leave. The bill would also grant the Washington State Employment Security Department (ESD), aggrieved employees, or the employees’ union bargaining representative a private right of action to enforce.

‘WARN-Plus’ Notice

SB 5525 tracks the federal WARN Act and would prohibit employers with fifty or more full-time employees from ordering the closing of a business location or “mass layoff” without after a sixty-day period following written notice of such action to the ESD and the affected employees or the employees’ union.

The bill also would require employers to provide a notice, which would contain what the federal WARN Act notice requires, plus:

- the name/address of the impacted site and the company contact person;
- whether the action is permanent or temporary (and, if temporary, whether it lasts longer or less than three months);
- the anticipated date of first employment loss and schedule of losses;
- the impacted job titles and names of employees in jobs (the ESD notice must also include the employees’ addresses); and
- whether the action “is the result of, or will result in, the relocation or contracting out of the employers’ operations or employees’ positions.”

Employers would be required to provide additional notice if the closure or RIF goes beyond the scheduled dates in the original notice.

Exceptions

The bill would excuse notice in certain circumstances:

- the employer is “actively seeking capital or business” at the time the notice is required that could enable the employer to avoid a business closing or mass reduction, and the employer “reasonably and in good faith believe[s]” that providing notice would prevent it from obtaining the capital or business;
- the business closing or reduction in force is based on reasons “not reasonably foreseeable at the time the notice would have been required”;
- the business closing or reduction in force is due to “a natural disaster,” such as a flood, earthquake, or tornado; and
- the mass reduction in force is at certain construction projects in which the employer informed the affected employees that their job was limited to the duration of a particular portion of the project or all affected employees are on a union referral or dispatch system on a “multiemployer construction project.”

Paid Family and Medical Leave Protection

Unless notification is excused, employers would not be permitted to include in a mass reduction in force any employee currently taking paid family or medical leave under the Washington Paid Family and Medical Leave law. Lawmakers passed SB 5525 after considering a similar bill, HB 1313, that did not contain the paid family or medical leave protection.

Separately passed legislation, House Bill (HB) 1213, also on the governor’s desk, would expand the job restoration rights and insurance protection under Washington’s Paid Family and Medical Leave Act (WPFML), adding to the protections provided by SB 5525.

Damages, Penalties, and Right of Action

Under SB 5525, employers that fail to provide the required notice to each aggrieved employee would be liable for various damage including back pay (calculated as the higher of the final rate of compensation or the average regular rate over their last three years, whichever is higher) to each aggrieved employee for each day of violation up to sixty days.

In addition, damages would also include “[t]he value of the cost of any benefits to which the employee would have been entitled had their employment not been lost, including the cost of any medical expenses incurred by the employee that would have been covered under an employee benefit plan.”

However, employers would get credit for payments during the violation period to the employee for wages, voluntary and unconditional payments, and the WARN Act and payments to third parties, such as health insurance premiums or contributions to a defined contribution pension plan.

Employers that fail to provide requisite notice to ESD would also face civil penalties of not more than $500 for each day of the violation.

Also, SB 5525 would allow ESD, aggrieved employees, or the aggrieved employees’ bargaining representative to file a civil lawsuit on behalf of the aggrieved employees, “other persons similarly situated, or both,” within three years of alleged violations. Courts would be able to award reasonable attorneys’ fees and costs to prevailing parties. Courts would also be able to reduce a civil penalty, if they find the employer “conducted a reasonable investigation in good faith and had reasonable grounds to believe its conduct was not a violation.”

Next Steps

Unless Governor Ferguson vetoes SB 5525 before May 17, it will go into effect on July 26, 2025, or ninety days after the close of the legislative session.

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