BUSINESS CLOSING/MASS LAYOFF NOTIFICATION

Employee Rights under Wisconsin's Business Closing/Mass Layoff Notification Law

Under Wisconsin law, employees have certain rights and employers have certain obligations to give proper notice to their employees and others before taking certain actions.

What is a "business closing" or "mass layoff?"

A "business closing" requires notice if there is a permanent or temporary shutdown of an employment site or of one or more facilities or operating units at an employment site or within a single municipality that affects 25 or more employees (not including "new" or "low-hour" employees). **A "mass layoff"** requires notice if there is a reduction in the workforce that is not a "business closing" and which affects the following number of employees (excluding new or low hour employees) at an employment site or within a single municipality:

1. **At least 25% of the employer's workforce or 25 employees, whichever is greater or**
2. **At least 500 employees.**

Employees are counted if their employment is terminated (not including discharges for cause, voluntary departures, or retirements), if they are laid off for more than 6 months, or if their hours are reduced more than 50 percent during each month of any 6-month period, as the result of a business closing or mass layoff. New or low-hour employees - who have been employed for fewer than 6 of the 12 months preceding the date on which a notice is required or who average fewer than 20 hours of work per week - are **not** counted.

Who must provide notice and when?

With certain exceptions, businesses employing 50 or more persons in the State of Wisconsin must provide written notice 60 days before implementing a "business closing" or "mass layoff" in this state. The federal or state government (and their political subdivisions), charitable or tax exempt institutions and organizations, and independent contractors are not covered under this law and do not have to provide notice. Additional exceptions exist in various situations involving strikes or lockouts, sales, relocations, temporary or seasonal employment, unforeseeable circumstances, natural or man-made disasters, temporary cessation in operations, or businesses in financial trouble.

What employees are entitled to receive notice? Employees are entitled to receive notice if they are counted as part of "business closing" or "mass layoff." New or low-hour employees may also be entitled to receive notice in situations where there is a "business closing" or "mass layoff."

What can employees recover if notice is required and not given? If an employer implements a "business closing" or "mass layoff" without providing required notice, an affected employee may recover back pay and benefits for each day that required notice was not provided (up to a maximum of 60 days). An affected employee may also recover attorney fees and costs in a lawsuit.

If you have questions regarding this law or wish to file a complaint, call or write us at:

STATE OF WISCONSIN
DEPARTMENT OF WORKFORCE DEVELOPMENT
EQUAL RIGHTS DIVISION

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