

House Passes WARN Notice to Employees

In an effort to give middle class families more stability, the Iowa House approved a bill that will give workers more notice before layoffs occur.

Similar to federal law, House File 681 requires employers of 25 or more full-time people to notify employees, or their representatives, and the department of workforce development of business closings that result in a layoff of 25 or more full-time employees in a 30-day period.

The bill applies to public and private employers. The federal law right now only applies to private employers. Among the exemptions in House File 681 are faltering companies or unforeseeable business circumstances, a natural disaster, or the layoff of strike replacement workers.

There are several employers in Iowa that have been able to circumvent federal law by running out the clock and laying off people over an extended period of time.

According to Iowa Workforce Development, the sooner an employee receives unemployment services, the more likely he or she is able to find new employment. There are cases where the department's rapid response program has found that if they can get to a business before the layoff happens, the person ends up not even filing for unemployment, and goes directly to the new job after the current job is finished. They cannot do that without sufficient notice of the layoff.

If there is a short notice of a large layoff, say in a newspaper, the department has a difficult time finding these people later. Before the layoff happens, they know where they are and can give all employees information at the same time.

The bill now goes to the Senate for consideration.