

The Illinois WARN Act

On August 15, 2004, Governor Blagojevich approved passage of the Illinois Worker Adjustment and Retraining Notification Act ("Illinois Act"), which became effective on January 1, 2005. As with the Federal WARN Act ("Federal Act"), the Illinois WARN Act requires employers to give 60 days notice of plant closings or mass layoffs to employees and unions as well as the applicable state agencies (in this case, the Illinois Department of Commerce and Equal Opportunity's Bureau of Workforce Development and the Illinois Department of Labor).

However, the circumstances under which notice must be provided is broader under the Illinois Act than under the Federal Act. Under the Illinois Act, notice of a "mass layoff" is required if 25 or more full-time employees are laid off if they constitute one-third or more of the full-time employees, or if 250 or more full-time employees are laid off. Under the Federal Act, notice is required if 50 or more full-time employees are laid off if they constitute one-third or more of the full-time employees, or if 500 or more full-time employees are laid off. The Illinois Act applies to employers with 75 or more full-time employees, while the Federal Act applies to employers with 100 or more full-time employees.

Thus, the Illinois Act applies to smaller businesses and smaller sized layoffs than the Federal Act. Accordingly, employers should be mindful of both the Illinois Act and the Federal Act.

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