

# SENATE, No. 3170

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED NOVEMBER 26, 2018

**Sponsored by:**

**Senator JOSEPH P. CRYAN**

**District 20 (Union)**

**Senator NELLIE POU**

**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

**Senator Turner**

**SYNOPSIS**

Increases prenotification time and requires severance pay in certain plant closings, transfers, and mass layoffs.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 1/29/2019)**

1 AN ACT concerning certain plant closings, transfers, and mass  
2 layoffs and amending P.L.2007, c.212.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

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7 1. Section 2 of P.L.2007, c.212 (C.34:21-2) is amended to read  
8 as follows:

9 2. If an establishment is subject to a transfer of operations or a  
10 termination of operations which results, during any continuous  
11 period of not more than 30 days, in the termination of employment  
12 of 50 or more full-time employees, or if an employer conducts a  
13 mass layoff, the employer who operates the establishment or  
14 conducts the mass layoff shall:

15 a. Provide, in the case of an employer who employs 100 or  
16 more full-time employees, not less than **[60]** 90 days, or the period  
17 of time required pursuant to the federal "Worker Adjustment and  
18 Retraining Notification Act," 29 U.S.C. s.2101 et seq., or any  
19 amendments thereto, whichever is longer, before the first  
20 termination of employment occurs in connection with the  
21 termination or transfer of operations, or mass layoff, notification of  
22 the termination or transfer of operations or mass layoff to the  
23 Commissioner of Labor and Workforce Development, the chief  
24 elected official of the municipality where the establishment is  
25 located, each employee whose employment is to be terminated and  
26 any collective bargaining units of employees at the establishment;

27 b. Provide to each full-time employee whose employment is  
28 terminated **[**and to whom the employer provides less than the  
29 number of days of notification required pursuant to subsection a. of  
30 this section,**]** severance pay equal to one week of pay for each full  
31 year of employment. The rate of severance pay provided by the  
32 employer pursuant to this subsection b. shall be the average regular  
33 rate of compensation received during the employee's last three years  
34 of employment with the employer or the final regular rate of  
35 compensation paid to the employee, whichever rate is higher.  
36 Severance under this subsection shall be regarded as compensation  
37 due to an employee for back pay and losses associated with the  
38 termination of the employment relationship, and earned in full upon  
39 the termination of the employment relationship, notwithstanding the  
40 calculation of the amount of the payment with reference to the  
41 employee's length of service. The severance pay provided by the  
42 employer pursuant to this subsection b. shall be in addition to any  
43 severance pay provided by the employer pursuant to a collective  
44 bargaining agreement or for any other reason, except that any back  
45 pay provided by the employer to the employee pursuant to section 5

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 of the "Worker Adjustment and Retraining Notification Act,"  
2 Pub.L.100-379 (29 U.S.C. s.2104), because of a violation of section  
3 3 of that act (29 U.S.C. s. 2102) shall be credited toward meeting  
4 the severance pay requirements of this subsection b.; and

5 c. Provide the response team with the amount of on-site work-  
6 time access to the employees of the establishment that the response  
7 team determines is necessary for the response team to carry out its  
8 responsibilities pursuant to section 5 of P.L.2007, c.212 (C.34:21-  
9 5).

10 In determining whether a termination or transfer of operations or  
11 a mass layoff is subject to the notification requirements of this  
12 section, any terminations of employment for two or more groups at  
13 a single establishment occurring within any 90-day period, when  
14 each group has less than the number of terminations which would  
15 trigger the notification requirements of this section but the  
16 aggregate for all of the groups exceeds that number, shall be  
17 regarded as subject to the notification requirements unless the  
18 employer demonstrates that the cause of the terminations for each  
19 group is separate and distinct from the causes of the terminations  
20 for the other group or groups.

21 d. For purposes of this section, "employer" includes any  
22 individual, partnership, association, corporation, or any person or  
23 group of persons acting directly or indirectly in the interest of an  
24 employer in relation to an employee, and includes any person who,  
25 directly or indirectly, owns and operates the nominal employer, or  
26 owns a corporate subsidiary that, directly or indirectly, owns and  
27 operates the nominal employer.

28 (cf: P.L.2007, c.212, s.2)

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30 2. This act shall take effect immediately.

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#### STATEMENT

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35 This bill increases the minimum number of days that covered  
36 employers must give to employees of a covered plant closing,  
37 transfer, or mass layoff from 60 days to 90 days, and makes the  
38 law's requirement to provide severance pay apply whether or not  
39 the employer provides the required notice. The bill provides that  
40 the severance is regarded as compensation due to an employee for  
41 back pay, and earned in full upon the termination of the  
42 employment relationship.