



March 23, 2020

Dear California Client,

In response to the widespread economic impact of the COVID-19 pandemic, California Governor Gavin Newsom issued an executive order regarding employer closures and mass layoffs resulting from the coronavirus.

[Executive Order N-31-20](#) suspends some of the employer requirements and liabilities outlined in the California Worker Adjustment and Retraining Notification (WARN) Act. While California’s Labor and Workforce Development Agency (LWDA) will [provide specific guidance here](#), we want to share key takeaways for our clients facing difficult decisions right now.

TEMPORARY CHANGES TO MASS LAYOFF NOTICE RULES AND LIABILITY	
N-31-20 suspends the California WARN Act’s sixty (60) day mass layoff notice requirement and liability for damages and civil penalties IF an employer meets ALL of the outlined requirements.	
Does CAL-WARN apply to you?	California Labor Code sections 1400-1408 applies to employers with 75+ employees now or anytime within the last 12 months. Click here for the full text of the California Warn Act , also referred to as CAL-WARN.
What requirements must be met to qualify for the exemption?	The employer must meet all of the following to be exempt from the 60-day notice and related liabilities: <ol style="list-style-type: none"> Orders the layoff because of COVID-19-related business circumstances that could not be predicted 60 days prior to the layoff; AND Gives the written notices specified in CA Labor Code section 1401 (a)-(b); AND Gives employees as much advance notice as possible, and explains in writing why the notification period was shortened, and provides all other information required by the WARN Act for notices; AND Includes the following wording in the notice: “If you have lost your job or been laid off temporarily, you may be eligible for Unemployment Insurance (UI). More information on UI and other resources available for workers is available at labor.ca.gov/coronavirus2019.”
What does it mean for you?	<ul style="list-style-type: none"> You may be exempt from the 60-day layoff notice requirement and liability in the event of mass layoffs, relocations, or terminations resulting from COVID-19’s impact on your business Employers must still notify all parties listed in CAL-WARN about related layoffs, terminations, or relocations in writing as quickly as possible The suspension is retroactive to March 4, 2020 All other California and Federal WARN Act requirements still apply <ul style="list-style-type: none"> Federal Warn Act requires different information than the state Act Learn about federal WARN Act Compliance at the U.S. Department of Labor site
How can PEOPLELEASE help you?	We have provided a detailed Executive Order N-31-20 CAL-WARN Summary with specific information about CAL-WARN compliance during the pandemic
What are your next steps?	<ul style="list-style-type: none"> Consult your corporate attorney to ensure compliance with CAL-WARN Review the information outlined in the Executive Order Summary

We understand this is an incredibly challenging situation for all and want to do all we can do to support you during this time. We continuously monitor this rapidly changing situation and frequently update the [PEOPLEASE COVID-19 Resource Center](#) with the most recent and relevant information.

As always, PEOPLEASE is here for you. Please let me know what we can do to support you, your loved ones, business, or employees.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerry White", with a stylized, cursive script.

Jerry White
President and CEO

DISCLAIMER: THIS COMMUNICATION IS NOT INTENDED TO CONVEY LEGAL ADVICE IN ANY MANNER OR TO BE AN ALL-ENCOMPASSING REVIEW OF THE REQUIREMENTS REFERENCED IN THIS COMMUNICATION. IT IS INTENDED TO BE ADVISORY ONLY. BOTH THE FEDERAL AND STATE "WARN ACTS" ARE COMPLICATED, AND LEGAL ADVICE FROM AN ATTORNEY IS NECESSARY TO ENSURE COMPLIANCE WITH ALL REGULATIONS AND LAWS.