



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5343

by Rep. Marcus C. Evans, Jr.

SYNOPSIS AS INTRODUCED:

820 ILCS 65/12 new

Amends the Illinois Worker Adjustment and Retraining Act. Provides that employers employing 100 or more full-time employees shall provide severance pay to employees. Provides that employers that employ 100 or more full-time workers must provide notice 90 days, rather than 60 days, before a layoff order takes effect. Effective immediately.

LRB101 18777 JLS 68232 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Worker Adjustment and Retraining
5 Notification Act is amended by adding Section 12 as follows:

6 (820 ILCS 65/12 new)

7 Sec. 12. Mass layoff; severance pay.

8 (a) If an employer that employees more than 100 full-time
9 employees conducts a mass layoff, the employer shall:

10 (1) provide not less than 90 days, or the period of
11 time required pursuant to the federal Worker Adjustment and
12 Retraining Notification Act, 29 U.S.C. 2101 et seq.,
13 whichever is longer, before the first termination of
14 employment occurs in connection with the termination or
15 transfer of operations or mass layoff, notification of the
16 termination or transfer of operations or mass layoff to the
17 Department of Commerce and Economic Opportunity, the chief
18 elected officials of the municipality and county
19 governments within which the establishment is located,
20 each employee whose employment is to be terminated, and any
21 collective bargaining units of employees at the
22 establishment; and

23 (2) provide to each full-time employee whose

1 employment is terminated and to whom the employer provides
2 less than the number of days of notification required under
3 item (1) severance pay equal to one week of pay for each
4 full year of employment. The rate of severance pay provided
5 by the employer under this Section shall be the average
6 regular rate of compensation received during the
7 employee's last 3 years of employment with the employer or
8 the final regular rate of compensation paid to the
9 employee, whichever rate is higher. Severance under this
10 Section shall be regarded as compensation due to an
11 employee for back pay and losses associated with the
12 termination of the employment relationship, and earned in
13 full upon the termination of the employment relationship,
14 notwithstanding the calculation of the amount of the
15 payment with reference to the employee's length of service.
16 The severance pay provided by the employer pursuant to this
17 Section shall be in addition to any severance pay provided
18 by the employer pursuant to a collective bargaining
19 agreement or for any other reason, except that any back pay
20 provided by the employer to the employee pursuant to
21 Section 5 of the federal Worker Adjustment and Retraining
22 Notification Act, 29 U.S.C. 2104, because of a violation of
23 Section 3 of that Act shall be credited toward meeting the
24 severance pay requirements of this Section.

25 (b) In determining whether a termination or transfer of
26 operations or a mass layoff is subject to the notification

1 requirements of this Section, any terminations of employment
2 for 2 or more groups at a single establishment occurring within
3 any 90-day period, when each group has less than the number of
4 terminations which would trigger the notification requirements
5 of this Section, but the aggregate for all of the groups
6 exceeds that number, shall be regarded as subject to the
7 notification requirements unless the employer demonstrates
8 that the cause of the terminations for each group is separate
9 and distinct from the causes of the terminations for the other
10 group or groups.

11 (c) As used in this Section, "employer" includes any
12 individual, partnership, association, corporation, or any
13 person or group of persons acting directly or indirectly in the
14 interest of an employer in relation to an employee, and
15 includes any person who, directly or indirectly, owns and
16 operates the nominal employer, or owns a corporate subsidiary
17 that, directly or indirectly, owns and operates the nominal
18 employer.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.