
February 11, 2020

WARNING in New Jersey

New Jersey recently passed a new law (sometimes referred to as “NJ WARN”) which significantly expands liability with respect to certain terminations of employment in the state of New Jersey, effective July 19, 2020.

If there is a termination of employment by an employer of 50 or more employees (including part-time employees) throughout the state of New Jersey (generally over a 90 day period), then NJ WARN is applicable and an employer must provide 90 days’ advance written notice of such termination. In addition, if NJ WARN is applicable, then NJ WARN requires mandatory severance of one week of pay per year of service, and this severance may not be waived without approval from a court or the Commissioner of the NJ Labor and Workforce Department.

If the 90 days’ advance notice is not provided, then in addition to the requirements described above (including to pay the employees for the 90 days), severance of four weeks’ pay per affected employee is required.

The NJ WARN law once effective on July 19, 2020 will be the most restrictive in the nation and employers that are considering reductions in force in New Jersey should be aware of the new law and the potential liability, whether in connection with ongoing operations, mergers and acquisitions, restructurings and bankruptcy or otherwise. We will continue to monitor this law. If you have questions, please contact any of the undersigned.

This memorandum is not intended to provide legal advice, and no legal or business decision should be based on its content. Questions concerning issues addressed in this memorandum should be directed to:

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