

January 24, 2023

WARNing in New Jersey (2023 Update)

On January 10, 2023, Governor Phil Murphy signed a bill (sometimes referred to as “NJ WARN”) that significantly expands liability with respect to certain terminations of employment in the state of New Jersey, effective April 10, 2023. The NJ WARN law was previously adopted in 2020 but its effectiveness was delayed as a result of the COVID- 19 pandemic.

NJ WARN applies to employers that employ 100 or more employees, including part-time employees. If an employer terminates 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 April 10, 2023, will be the most restrictive in the nation and employers that are considering reductions in work 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. If you have questions, please contact any of the undersigned.

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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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