

NH Becomes 17th State To Enact Plant Closings Law

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CONCORD, N.H. (AP) —New Hampshire became at least the 17th state to enact a law requiring large companies to inform workers and the state before mass layoffs or plant closings.

Gov. John Lynch signed the New Hampshire Worker Adjustment and Retraining Notification Act into law Monday. It requires that companies give at least 60 days' notice before shutting down a plant or laying off one-third or more of its workforce at one time.

The law is designed to prevent large companies from closing abruptly, leaving workers without pay and benefits due to them. Workers struggled to get help under the 20-year-old federal law on plant closings.

Martin Jenkins with New Hampshire's Labor Department said the law gives the state the power to intervene on a worker's behalf. He said it closes a loophole in federal law, which leaves it to a worker to sue in federal court to pursue a claim, which can take years.

California and Illinois have similar laws that set the threshold at 75 or more employees and require 60 days' notice, according to the state Labor Department. New York sets a lower threshold of 50 employees and requires 90 days' notice. Hawaii and Wisconsin also set the threshold at 50 employees but require 60 days' notice.

Nationwide, 4 million workers lost their jobs through mass layoffs between December 2007, the start of the recession, and June 2009, according to the U.S. Department of Labor's Bureau of Labor Statistics. In June alone, more than 279,000 workers lost their jobs in 2,763 mass layoffs, the bureau reports.

Under the new law, New Hampshire can hold parent companies financially liable when subsidiaries fail to give workers notice. The provision applies to any entity that operates a business in New Hampshire with 75 or more full-time employees. The law takes effect Jan. 1.

State business groups oppose the law.

Adrienne Rupp, speaking for the Business and Industry Association of New Hampshire, said Monday that the law will put businesses at a competitive disadvantage. She said the federal law should have been fixed instead.

The Business and Industry Association objected to the state law containing harsher

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penalties than the federal law.

The federal penalty is \$500 per day, while the state law contains a civil penalty of up to \$2,500 plus \$100 per employee per day. The federal law also requires notice for companies with 100 or more workers.

New Hampshire has about 1,000 employers with more than 75 employees, according to the state Labor Department. The state law will cover 282 companies with 75 or more workers not included in the federal notification requirement.

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