Proposal to Strengthen H.R. 5761

Additional Worker Protections for the Fair Warning Act of 2025

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This is an independent civilian policy proposal. It is not part of H.R. 5761 or formal legislative language, and no endorsement by the bill's sponsors is claimed.

The Gap H.R. 5761 Still Leaves Open

H.R. 5761, the Fair Warning Act of 2025, would make major improvements to the federal WARN Act. It would expand employer coverage, require 90 days of notice for covered site closings and mass layoffs, better account for remote workers, require more useful information in notices, and strengthen enforcement.

Those are worthwhile changes, but notice alone does not pay the mortgage or keep a family insured. Federal law still generally does not require severance pay, and COBRA can leave a laid-off worker responsible for the full cost of continued health coverage. Smaller layoffs can also escape federal protection when employers spread job cuts across dates, departments, locations, or related companies.

Congress should preserve H.R. 5761's stronger notice rules and add a separate transition-protection standard for smaller and staggered layoffs.

Recommended Protections

1. **Broader company-wide coverage.** Apply these added protections to employers covered by H.R. 5761 when five or more related employment losses occur across the employer's U.S. workforce during any rolling 12-month period. The losses should be presumed related unless the employer can show that particular losses resulted from genuinely separate causes. This trigger would operate alongside, not replace, H.R. 5761's separate notice thresholds.
2. **Mandatory severance.** Require one week of regular weekly pay for each year of service, prorated by completed months, with a minimum payment of four weeks. This severance must be unconditional. An employer could offer additional severance in exchange for a release, but the federal minimum could not depend on signing away legal rights. Final wages, earned commissions, payable leave, or other money already owed would not count toward it.
3. **Six months of continued health-related coverage.** Require the employer to continue its previous contribution toward medical, prescription, dental, and vision coverage for the worker and any enrolled spouse or dependents through the sixth full calendar month after the employment loss. If the group plan cannot continue, the employer should fund comparable continuation coverage rather than simply handing the entire premium to the worker.
4. **Meaningful written explanations.** Require a plain-language explanation of the operational or financial reason for the job losses, the general types of work affected, and whether that work is being eliminated, automated, relocated, outsourced, offshored, or reassigned. "Reorganization," "realignment," and "simplification" are labels, not explanations.
5. **Disclosure of replacement hiring and transferred work.** For 12 months after the employment loss, require disclosure to affected former workers and the U.S. Department of Labor when the employer advertises or fills substantially similar positions, shifts the work to another location or related company, or uses contractors, staffing agencies, outsourcing, or offshoring to perform it. The actual duties should matter more than the replacement job title.
6. **No unemployment penalty.** Mandatory severance under this proposal should not delay, reduce, or disqualify a worker from receiving unemployment compensation. Congress should use the federal provisions necessary to produce consistent treatment across state unemployment systems.

Enforcement and Protection Against Evasion

A right that depends entirely on a laid-off worker having the money and stamina to sue is not much of a right. The Department of Labor should be authorized to receive complaints, investigate suspected violations, obtain relevant records, recover unpaid severance and benefit costs, and pursue meaningful civil penalties. Workers should also retain the private enforcement rights strengthened by H.R. 5761, including the ability to pursue claims together and recover reasonable attorney's fees when successful.

The law should prohibit employers from avoiding coverage by splitting layoffs among locations, departments, dates, subsidiaries, affiliates, or contractors; changing job titles or classifications; misclassifying workers; disguising job eliminations as performance terminations, furloughs, hour reductions, or forced resignations; or moving substantially similar work elsewhere. Responsibility should extend to related entities that substantially controlled the employment relationship or layoff decision.

Ordinary financial trouble should not erase these obligations. Employers should be expected to plan for the cost of workforce reductions as part of ordinary business-risk management. Bankruptcy or complete business failure should not automatically cancel the debt, and Congress should give unpaid severance and benefit-continuation obligations strong priority under federal bankruptcy law.

Requested Congressional Action

Congress should incorporate these protections into H.R. 5761 or related federal legislation. H.R. 5761 would give more workers advance warning. These additions would help make that warning survivable by providing temporary income, continued insurance, useful information, and an enforceable path forward.

Official References

1. H.R. 5761, Fair Warning Act of 2025, introduced text, U.S. Government Publishing Office: View official source

2. U.S. Department of Labor, Plant Closings and Layoffs under the current WARN Act: View official source

3. U.S. Department of Labor, Severance Pay: View official source

4. U.S. Department of Labor, A Worker's Guide to Health Benefits Under COBRA: View official source