SENATE THIRD READING SB 617 (Arreguín) As Amended August 27, 2025 Majority vote

SUMMARY

Expands the information required to be included by employers in a California Worker Adjustment and Retraining Act (Cal/WARN) notice and requires employers that choose to coordinate services through a local workforce development board (LWDB) or other entity to do so within 30 days of the notice.

Major Provisions

- 1) Requires an employer that must give notice under Cal/WARN of any mass layoff, relocation, or termination as provided, to include in the notice:
 - a) Whether the employer plans to coordinate services, such as a rapid response orientation, through the LWDB, through a different entity, or the employer does not plan to coordinate services with any entity.
 - b) A description, as specified, of the rapid response activities offered by the LWDB in accordance with federal law, and a functioning email and telephone number of the LWDB.
 - c) A description of CalFresh, the CalFresh benefits helpline, and a link to the CalFresh website.
 - d) A functioning email and telephone number of the employer for contact purposes.
- 2) Requires, if an employer chooses to coordinate services with the LWDB or another entity, the employer to arrange services within 30 days from the date of the notice.

COMMENTS

The Cal/WARN Act requires employers to provide a 60-day advance notice to affected employees and both state and local representatives before initiating a mass layoff, relocation or termination. Advance notice provides employees time to transition and adjust to the potential loss of employment, seek alternative jobs and, if necessary, obtain skills training or retraining to successfully compete in the job market.

Role of LWDBs and the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Program:

In California, LWDBs play an important role in connecting individuals with job search assistance, career counseling, and training opportunities. Among other mandates, LWDBs administer the Dislocated Worker Program, which is part of the federal WIOA and is designed to help displaced workers get back to work as quickly as possible and overcome barriers to employment.

A key part of the Dislocated Worker Program is rapid response services, which are designed to respond to layoffs and plant closings by quickly coordinating tailored services and providing immediate, on-site aid to companies and their affected workers. These services are carried out by state and local workforce development agencies in partnership with the America's Job Centers of California network and include:

- 1) Career counseling and job search assistance.
- 2) Résumé preparation and interviewing skills workshops.
- 3) Unemployment Insurance.
- 4) Information about education and training opportunities.¹

Employers are not required to provide any services to employees experiencing a mass layoff. The employer can choose to coordinate rapid response services with a LWDB and/or with a third-party service, or not at all.

According to the Author

"As our economy continues to face growing uncertainty, SB 617 will ensure workers that are impacted due to layoffs or termination have the tools they need to bounce back. In California alone, nearly 70 companies have given notices of layoffs expected to happen this year across various industries. SB 617 would have employers include in their WARN Act notices whether they plan to coordinate potential services that can be offered to impacted employees through the local workforce development board – whether its job training, food assistance, or other resources that will assist them in re-establishing their stability and continue to support their families."

The author adds that the measure supports equity in that "SB 617 significantly improves the access and awareness of existing support structures for workers facing unemployment due to a mass layoff. By making this information readily available at a critical time (60 days prior to the mass layoff taking effect), it aims to ensure that dislocated workers are not left behind and have the opportunity to leverage the resources needed for a smoother transition to new employment."

Arguments in Support

The County of Alameda, sponsor of this bill, writes in support that "The Alameda County Board of Supervisors adopted a strategic plan for the next decade known as Vision 2036. The goal is to ensure Alameda County continues to enrich the lives of our residents through visionary policies, and accessible, responsive, and effective services, by anticipating the County's greatest challenges in the decade ahead. Vision 2036 has four shared visions including, "Thriving & Resilient Population" and "Prosperous & Vibrant Economy." SB 617 (Arreguin) directly supports these goals by promoting better coordination between employers and local workforce development boards, effectively bridging the gap between dislocated workers and the free resources designed to aid their career transitions."

¹ Fact Sheet: Rapid Response Services for Businesses. Employment Development Department. https://edd.ca.gov/siteassets/files/pdf_pub_ctr/de8714rrb.pdf

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee:

- 1) Minor and absorbable costs to the Department of Industrial Relations and Employment Development Department (EDD) to administer new notice requirements.
- 2) Cost pressures of an unknown, but likely minor amount, to the courts in additional workload by expanding notice requirements under the WARN Act, as a person, including a local government or employee representative, may bring a civil action to establish liability against an employer that fails to give the required notice.

VOTES

SENATE FLOOR: 36-0-4

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Choi, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener ABS, ABST OR NV: Cervantes, Dahle, Grove, Reyes

ASM LABOR AND EMPLOYMENT: 7-0-0

YES: Ortega, Flora, Chen, Elhawary, Kalra, Lee, Ward

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Jeff Gonzalez, Solache, Ta, Tangipa

UPDATED

VERSION: August 27, 2025

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