

118TH CONGRESS
2D SESSION

H. R. 9963

To amend the Worker Adjustment and Retraining Notification Act to require employers who are ordering a plant closing or mass layoff to cover the cost of an economic impact study in each impacted unit of local government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 11, 2024

Mr. DESAULNIER introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committees on Transportation and Infrastructure, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Worker Adjustment and Retraining Notification Act to require employers who are ordering a plant closing or mass layoff to cover the cost of an economic impact study in each impacted unit of local government, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Justice for Local Com-
5 munities and Workers Act”.

1 **SEC. 2. DEFINITIONS.**

2 Section 2(a) of the Worker Adjustment and Retraining
3 Notification Act (29 U.S.C. 2101(a)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (A), by inserting be-
6 fore the semicolon at the end the following: “,
7 without regard to the number of employees em-
8 ployed within a single site of employment”; and

9 (B) in subparagraph (B), by inserting be-
10 fore the semicolon at the end the following: “,
11 without regard to the number of employees em-
12 ployed within a single site of employment”;

13 (2) in paragraph (2)—

14 (A) by striking “means the permanent”
15 and inserting the following: “means—

16 “(A) the permanent”;

17 (B) in subparagraph (A), as so designated
18 by this paragraph, by striking “50 or more em-
19 ployees excluding any part-time employees” and
20 inserting “25 or more full-time employees or 75
21 or more full-time or part-time employees; or”;
22 and

23 (C) by adding at the end the following:

24 “(B) a permanent or temporary shutdown
25 of a single site of employment of multiple em-
26 ployers, if such employers contract with a com-

1 mon employer of the affected employees and if
 2 such shutdown results in a combined employ-
 3 ment loss during any 30-day period for 50 or
 4 more employees, excluding any part-time em-
 5 ployees.”; and

6 (3) in paragraph (3)(B), by striking clauses (i)
 7 and (ii) and inserting the following:

8 “(i) at least 33 percent of the employ-
 9 ees (excluding any part-time employees);
 10 and

11 “(ii) 25 or more full-time employees
 12 or 75 or more full-time or part-time em-
 13 ployees.”.

14 **SEC. 3. NOTIFICATION.**

15 Section 3(a) of the Worker Adjustment and Retraining
 16 Notification Act (29 U.S.C. 2102) is amended—

17 (1) in paragraph (1), by striking “and” at the
 18 end;

19 (2) in paragraph (2)—

20 (A) by inserting “the State representatives
 21 for such State,” before “and the chief”; and

22 (B) by striking the period at the end and
 23 inserting “; and”; and

24 (3) by adding at the end the following:

1 “(3) to each Member of Congress representing
2 such State or the Congressional district in which
3 such unit is located.”.

4 **SEC. 4. ECONOMIC IMPACT STUDY.**

5 Section 3 of the Worker Adjustment and Retraining
6 Notification Act (29 U.S.C. 2102) is amended by adding
7 at the end the following:

8 “(e) ECONOMIC IMPACT STUDY.—

9 “(1) IN GENERAL.—A notice served by an em-
10 ployer under subsection (a) before ordering a plant
11 closing or mass layoff shall not be considered valid
12 unless, not less than 30 days prior to serving such
13 notice, the employer covers the cost of, and ensures
14 that each unit of local government within which such
15 closing or layoff is to occur completes (directly or
16 through a contract), an economic impact study to
17 assess the economic impact of such order during the
18 1-year period beginning on the first day of such clo-
19 sure or layoff on such unit, which shall include—

20 “(A) a review of the finances of the em-
21 ployer to determine if the employer is finan-
22 cially viable (as such term is defined by the
23 Secretary of the Treasury) to make the pay-
24 ments described in paragraph (2), which deter-

1 mination shall include whether the employer is
2 experiencing economic hardship; and

3 “(B) in a case in which an employer is not
4 experiencing economic hardship, an assessment
5 of direct and indirect financial losses (including
6 impact on local businesses (such as downstream
7 job and supply chain loss and decreases in cus-
8 tomer base), and impact on tax revenue) that
9 will be experienced by such unit.

10 “(2) PAYMENT BY EMPLOYER.—

11 “(A) IN GENERAL.—In the case of an em-
12 ployer that is not experiencing an economic
13 hardship and that orders a plant closing or
14 mass layoff, the employer not later than 30
15 days prior to such closure or mass layoff,
16 shall—

17 “(i) pay to the Impacted Workers
18 Fund established under section 505 of the
19 Public Works and Economic Development
20 Act of 1965 (if such a Fund has been es-
21 tablished) of the State in which each coun-
22 ty is located that, in accordance with para-
23 graph (1)(B), will experience financial
24 losses as a result of such order, an amount

1 equal to such financial losses to be dis-
2 persed in accordance with such section; or

3 “(ii) in a case in which the Fund de-
4 scribed in clause (i) has not been estab-
5 lished, pay to the workforce development
6 system (as defined in section 3 of the
7 Workforce Innovation and Opportunity Act
8 (29 U.S.C. 3102)) of the State in which
9 each county is located that, in accordance
10 with paragraph (1)(B), will experience fi-
11 nancial losses as a result of such order, an
12 amount equal to such financial losses to be
13 dispersed in accordance with such section.

14 “(B) PRIVATE RIGHT OF ACTION.—A unit
15 of local government aggrieved by an employer
16 that violates subparagraph (A), may sue in any
17 district court of the United States for any dis-
18 trict in which the violation is alleged to have oc-
19 curred, or in which the employer transacts busi-
20 ness.

21 “(3) GUIDANCE BY THE SECRETARY.—Not
22 later than 6 months after the date of enactment of
23 the Justice for Local Communities and Workers Act,
24 the Secretary of Labor shall issue guidance on con-
25 ducting the economic impact studies.

1 “(4) GRANTS TO COVER THE COST OF ECO-
2 NOMIC IMPACT STUDIES.—

3 “(A) IN GENERAL.—The Secretary of
4 Labor shall award grants to employers subject
5 to the requirements of paragraph (1) the cost
6 an economic impact study required under such
7 paragraph.

8 “(B) APPLICATION.—To receive a grant
9 under this paragraph, an employer shall submit
10 to the Secretary of Labor an application at
11 such time, in such manner, and containing such
12 information as the Secretary may require.”.

13 **SEC. 5. ADMINISTRATION AND ENFORCEMENT OF RE-**
14 **QUIREMENTS.**

15 Section 5 of the Worker Adjustment and Retraining
16 Notification Act (29 U.S.C. 2104) is amended—

17 (1) in subsection (a)(1)(A)(i), by inserting
18 “twice” before “the average regular”; and

19 (2) in subsection (b), by striking “The rem-
20 edies” and inserting “Except as otherwise provided
21 in section 3(e)(2)(B), the remedies”.

1 **SEC. 6. COOPERATIVE AGREEMENTS TO ESTABLISH IM-**
 2 **PACTED WORKERS FUNDS.**

3 (a) IN GENERAL.—The Public Works and Economic
 4 Development Act of 1965 (42 U.S.C. 3121 et seq.) is
 5 amended by inserting after section 504 the following:

6 **“SEC. 505. COOPERATIVE AGREEMENTS TO ESTABLISH IM-**
 7 **PACTED WORKERS FUNDS.**

8 “(a) IN GENERAL.—To be eligible to receive funds
 9 described in section 3(e)(2) of the Worker Adjustment and
 10 Retraining Notification Act (29 U.S.C. 2102(e)(2)) a
 11 State shall enter into a cooperative agreement with the
 12 Secretary under this section.

13 “(b) COOPERATIVE AGREEMENT CONTENTS.—A co-
 14 operative agreement entered into under subsection (a)
 15 shall require a participating State to—

16 “(1) establish and administer an Impacted
 17 Workers Fund (in this Act referred to as a ‘Fund’)
 18 to receive amounts pursuant to section 3(e)(2) of the
 19 Worker Adjustment and Retraining Notification Act
 20 (29 U.S.C. 2102(e)(2)); and

21 “(2) ensure that amounts deposited into the
 22 fund are used to support only the jurisdiction of the
 23 unit of local government for which such amounts are
 24 deposited (as determined by an economic impact
 25 study under section 3(e) of the Worker Adjustment
 26 and Retraining Notification Act (29 U.S.C.

1 2102(e))), including for workforce training, income
2 assistance, and wage insurance.”.

3 (b) CONFORMING AMENDMENT.—The table of con-
4 tents in section 1(b) of the Public Works and Economic
5 Development Act of 1965 (42 U.S.C. 3121 note) is
6 amended by inserting after the item related to section 504
7 the following:

“Sec. 505. Cooperative agreements to establish Impacted Workers Funds.”.

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