

FIRST REGULAR SESSION

HOUSE BILL NO. 403

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE CLEMENS.

1424H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 290, RSMo, by adding thereto one new section relating to responsibilities of employers.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 290, RSMo, is amended by adding thereto one new section, to be
2 known as section 290.116, to read as follows:

290.116. 1. As used in this section, the following terms mean:

2 (1) "Director", the director of the department of labor and industrial relations
3 or his or her authorized representative;

4 (2) "Employee", the same meaning given to such term under section 290.500;

5 (3) "Employer", an individual or private business entity that employs a
6 workforce at an establishment. For purposes of this section, "employer" also includes
7 any individual, partnership, association, corporation, or any person or group of persons
8 acting directly or indirectly in the interest of an employer in relation to an employee and
9 includes any person who, directly or indirectly, owns and operates a nominal employer
10 or who owns a corporate subsidiary that, directly or indirectly, owns and operates a
11 nominal employer or makes the decision responsible for the employment action that
12 gives rise to a mass layoff subject to notification;

13 (4) "Establishment", a place of employment that has been operated by an
14 employer for a period longer than three years, provided that "establishment" shall not
15 include a temporary construction site. The term "establishment" may include a single
16 location or a group of locations, including any building located in this state;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

17 **(5) "Mass layoff", a reduction in the size of a workforce that is not the result of a**
18 **transfer or termination of operations and that results in the termination of employment**
19 **at an establishment during any thirty-day period for fifty or more employees at or**
20 **reporting to the establishment;**

21 **(6) "Operating unit", an organizationally distinct product, operation, or specific**
22 **work function within or across facilities at a single establishment;**

23 **(7) "Termination of employment", the layoff of an employee without a**
24 **commitment to reinstate the employee to his or her previous employment within six**
25 **months of the layoff, except that "termination of employment" shall not mean a**
26 **voluntary departure or retirement of an employee, a discharge or suspension of an**
27 **employee for misconduct of the employee connected with the employment, or any layoff**
28 **of a seasonal employee. "Termination of employment" shall not refer to any situation in**
29 **which an employer offers to an employee, at a location in this state and no more than**
30 **fifty miles from the previous place of employment, the same employment or a position**
31 **with equivalent status, benefits, pay, and other terms and conditions of employment. A**
32 **layoff of more than six months that, at its outset, was announced to be a layoff of six**
33 **months or less, shall not be considered a "termination of employment" if the extension**
34 **beyond six months is caused by business circumstances not reasonably foreseeable at the**
35 **time of the initial layoff and notice is given at the time it becomes reasonably foreseeable**
36 **that the extension beyond six months will be required;**

37 **(8) "Termination of operations", the permanent or temporary shutdown of a**
38 **single establishment or of one or more facilities or operating units within a single**
39 **establishment, except that "termination of operations" shall not include a termination**
40 **of operations made necessary because of a fire, flood, natural disaster, national**
41 **emergency, act of war, civil disorder, industrial sabotage, decertification from**
42 **participation in the Medicare and Medicaid programs as described under 42 U.S.C.**
43 **Section 1395 et seq., or any license revocation under the laws of this state;**

44 **(9) "Transfer of operations", the permanent or temporary transfer of a single**
45 **establishment, or one or more facilities or operating units within a single establishment,**
46 **to another location, inside or outside of this state.**

47 **2. If an establishment is subject to a transfer of operations or a termination of**
48 **operations that results, during any continuous period of no more than thirty days, in the**
49 **termination of employment of fifty or more employees, or if an employer conducts a**
50 **mass layoff, the employer who operates the establishment or conducts the mass layoff**
51 **shall:**

52 **(1) Provide, in the case of an employer who employs one hundred or more**
53 **employees, no less than ninety days or the period of time required under the federal**

54 **Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. Section**
55 **2101 et seq., whichever is longer, before the first termination of employment occurs in**
56 **connection with the termination or transfer of operations or mass layoff, notification of**
57 **the termination or transfer of operations or mass layoff to the director, the chief elected**
58 **official of any municipality in which the establishment is located, each employee whose**
59 **employment is to be terminated, and any collective bargaining units of employees at the**
60 **establishment;**

61 **(2) Provide, to each employee whose employment is terminated, severance pay**
62 **equal to one week of pay for each full year of employment. If the employer provides any**
63 **employee with less than the number of days of notification required under subdivision**
64 **(1) of this subsection, the employer shall provide that employee with an additional four**
65 **weeks of pay. The rate of severance pay provided by the employer under this**
66 **subdivision shall be the average regular rate of compensation received during the**
67 **employee's last three years of employment with the employer or the final regular rate of**
68 **compensation paid to the employee, whichever rate is higher. Severance under this**
69 **subsection shall be regarded as compensation due to an employee for back pay and**
70 **losses associated with the termination of the employment relationship and earned in full**
71 **upon the termination of the employment relationship, notwithstanding the calculation of**
72 **the amount of the payment with reference to the employee's length of service. An**
73 **employer shall provide an employee the greater of:**

74 **(a) The severance pay required under this subdivision; or**

75 **(b) Any severance pay provided by the employer pursuant to a collective**
76 **bargaining agreement or for any other reason.**

77

78 **Any back pay provided by the employer to the employee under the Worker Adjustment**
79 **and Retraining Notification Act, 29 U.S.C. Section 2101 et seq., because of a violation of**
80 **that act, shall be credited toward meeting the severance pay requirements of this**
81 **subdivision.**

82 **3. No waiver of the right to severance provided under this section shall be**
83 **effective without approval of the waiver by the director or by a court of competent**
84 **jurisdiction.**

85 **4. The department of labor and industrial relations may promulgate all**
86 **necessary rules and regulations for the administration of this section. Any rule or**
87 **portion of a rule, as that term is defined in section 536.010, that is created under the**
88 **authority delegated in this section shall become effective only if it complies with and is**
89 **subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This**
90 **section and chapter 536 are nonseverable and if any of the powers vested with the**

91 **general assembly pursuant to chapter 536 to review, to delay the effective date, or to**
92 **disapprove and annul a rule are subsequently held unconstitutional, then the grant of**
93 **rulemaking authority and any rule proposed or adopted after August 28, 2025, shall be**
94 **invalid and void.**

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