

Budzinski, IDOL Call For Investigation Into U.S. Steel Layoffs

by Dan Brannan, Content Director November 30 2023 1:16 PM



WASHINGTON, D.C. — On Thursday, Nov. 30, 2023, Congresswoman Nikki Budzinski (IL-13) sent a letter to the Illinois Department of Labor urging Director Jane Flanagan to open an investigation into possible Worker Adjustment and Retraining Notification (WARN) Act violations involved in U.S. Steel's recently announced layoffs at their Granite City Works facility. The Illinois Department of Labor (IDOL) has issued a subpoena to the United States Steel Corporation (U.S. Steel) to investigate its compliance with the Illinois WARN Act.

Rep. Budzinkski issued this statement about the situation: "In September of 2023, U.S. Steel initiated 400 layoffs without WARN notification, claiming that their action would be temporary in nature. The company cited fears of reduced steel demand related to the United Auto Workers (UAW) strike as the reason for this decision.

"On November 28, 2023, despite positive market changes and a resolution to the UAW strike, the company has now sent these workers and 600 additional employees notice of permanent layoffs. The actions taken by the company this week call into question the integrity of their statements and the legality of their actions."

She added: "I ask that the Illinois Department of Labor investigate U.S. Steel to determine whether workers' rights to advance notice were protected under the law. The lack of WARN notice in September left 400 employees, their families and the Granite City community without the dignity, respect and time to prepare that they deserve."

The Illinois Department of Labor made this comment about the U.S. Steel layoff move: "The Illinois WARN Act requires employers with 75 or more full-time employees to give workers and state and local government officials 60 days advance notice of a plant closing or mass layoff.

"IDOL was informed Tuesday, November 28, 2023, of a mass, impending layoff at Granite City Works in Granite City. This follows layoffs that were announced in September, although US Steel characterized those as temporary at the time. More than 1,000 workers will have lost their jobs at the conclusion of the layoffs."

"Mass layoffs impact entire communities," said IDOL Director Jane Flanagan. "At the Department of Labor, we want to ensure that workers are given the required notice under law before they are laid off. It is also our intention to make certain United States Steel Corporation has acted in compliance with the WARN Act.

"An employer that fails to provide notice as required by the Act is liable to each affected employee for back pay and benefits for the period of the violation, up to a maximum of 60 days. The employer may also be subject to a civil penalty of up to \$500 for each day of the notice violation."

The full text of the Budzinski letter is available below: