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Ken Rosenthal and Dennis Lin

## **Four of five California MLB teams take procedural step toward possible job cuts**

With baseball shut down as a result of the coronavirus pandemic, four of the five California-based major-league teams have sent official notices to their employees in advance of possible job cuts, sources told The Athletic.

The development appears to be more of a formality than a sign that mass layoffs are imminent. According to people familiar with the situation, none of the organizations involved currently plans to pursue layoffs or furloughs. Acting now, however, gives those franchises a measure of legal protection in the event they reverse course — and empowers them to do so immediately.

Officials with the Angels, Dodgers, Giants and Padres confirmed that, in response to an executive order issued by California Gov. Gavin Newsom, they have provided advance notice of potential workforce reductions. According to sources, San Francisco was the lone club to notify only its game-day workers, as the Giants did not feel it was presently appropriate to deliver such a message to full-time workers. The other teams informed all of their full-time and part-time employees. As of Wednesday evening, the A's were the only California team not to send similar messaging to any of their employees.

For those in the other organizations, the notices arrived amid monumental uncertainty throughout the sport. With the regular season indefinitely postponed, clubs have pledged to continue paying employees through April 30, but plans beyond that date are unclear. All 30 franchises have committed at least \$1 million to assist stadium workers, and the Giants on Wednesday announced they had raised an additional \$700,000 as part of that effort. But with no games expected in the immediate future, officials around the league cannot rule out the possibility of furloughs and layoffs.

Under the California equivalent of the Federal Worker Adjustment and Retraining Notification (WARN) Act, businesses with at least 75 employees are required to provide 60 days' notice before laying off 50 or more workers over a 30-day period. On March 17, Newsom issued an executive order regarding COVID-19 and the suspension of certain conditions of the California WARN Act, including the 60-day notice requirement. On March 23, the California Labor and Workforce Development Agency followed with more specific guidelines.

Under the updated requirements, mass layoffs, relocations or terminations must be caused by COVID-19-related "business circumstances that were not reasonably foreseeable at the time that notice would have been required." Additionally, employers still must provide written notices to affected employees and their representatives as soon as is reasonably possible.

Those guidelines did not include a specific timeline. Thus, teams that have given advance notice to their employees could enact immediate layoffs while remaining in compliance with the California WARN Act. On Wednesday, executives from all of the clubs that sent notice said they had no such plans.

Within a \$10.7 billion industry, the effects of a pandemic have been glaringly obvious. Last week, MLB and the players association agreed to a \$170 million advance the players will keep if

the 2020 season is wiped out entirely — a doomsday scenario neither party could dismiss. Among the thousands of non-uniformed personnel who generally receive less lucrative salaries, the future appears no less uncertain.