COMPLIANCE BULLETIN



The Department of Labor (DOL) has <u>released</u> its 2025 inflation-adjusted civil monetary penalties that may be assessed on employers for violations of a wide range of federal laws, including:

- The Fair Labor Standards Act (FLSA);
- The Employee Retirement Income Security Act (ERISA);
- The Family and Medical Leave Act (FMLA); and
- The Occupational Safety and Health Act (OSH Act).

To maintain their deterrent effect, the DOL is required to adjust these penalties for inflation, no later than Jan. 15 of each year. Key penalty increases include the following:

- The maximum penalty for violations of federal **minimum wage or overtime requirements** increases from \$2,451 to \$2,515 per violation.
- The maximum penalty for failing to file a **Form 5500** for an employee benefit plan increases from \$2,670 to \$2,739 per day.
- The maximum penalty for violations of the **poster requirement under the FMLA** increases from \$211 to \$216 per offense.

Action Steps

Employers should become familiar with the new penalty amounts and review their pay practices, benefit plan administration and safety protocols to ensure compliance with federal requirements.

Highlights

Annual Updates

The DOL must adjust its civil penalty amounts for inflation each year.

Possible Penalties

The DOL may assess these penalties on employers that violate federal laws that the DOL enforces, such as the FLSA, ERISA, the FMLA and the OSH Act.

Compliance Review

To minimize potential liability, employers should review their compliance with laws enforced by the DOL.

Effective Date

Jan. 15, 2025

The increased amounts apply to civil penalties that are assessed after Jan. 15, 2025 (for violations occurring after Nov. 2, 2015).



Provided to you by National Insurance Services

COMPLIANCE BULLETIN

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REQUIREMENT	2024 PENALTY AMOUNT	2025 PENALTY AMOUNT
Wage and Hour		
Repeated or willful violations of minimum wage or overtime requirements (FLSA)	Up to \$2,451 for each violation	Up to \$2,515 for each violation
Violations of child labor laws	Up to \$15,629 for each employee subject to violation	Up to \$16,035 for each employee subject to violation
Violations of child labor laws that cause death or serious injury to an employee under age 18	Up to \$71,031 for each violation (doubled to \$142,602 if the violation is repeated or willful)	Up to \$72,876 for each violation (doubled to \$145,752 if the violation is repeated or willful)
Willful failure to post FMLA general notice	Up to \$211 for each separate offense	Up to \$216 for each separate offense
Violations of the Employee Polygraph Protection Act (EPPA)	Up to \$25,597 for each violation	Up to \$26,262 for each violation
Employee Benefits		
Failure to file an annual report (Form 5500) with the DOL (unless a filing exemption applies)	Up to \$2,670 per day	Up to \$2,739 per day
Failure of a multiple employer welfare arrangement (MEWA) to file an annual report (Form M-1) with the DOL	Up to \$1,942 per day	Up to \$1,992 per day
Failure to furnish plan-related information requested by the DOL *Under ERISA, administrators of employee benefit plans must furnish to the DOL, upon request, any documents relating to the employee benefit plan.	Up to \$190 per day, but not to exceed \$1,906 per request	Up to \$195 per day, but not to exceed \$1,956 per request

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REQUIREMENT	2024 PENALTY AMOUNT	2025 PENALTY AMOUNT	
Failure to provide the annual notice regarding CHIP coverage opportunities *This notice applies to employers with group health plans that cover residents of states that provide a premium assistance subsidy under a Medicaid or CHIP program.	Up to \$141 per day for each failure (each employee is a separate violation)	Up to \$145 per day for each failure (each employee is a separate violation)	
For 401(k) plans, failure to provide blackout notice or notice of right to divest employer securities	Up to \$169 per day	Up to \$173 per day	
Failure to provide summary of benefits and coverage (SBC)	Up to \$1,406 per failure	Up to \$1,443 per failure	
Employee Safety – OSH Act			
Violation of posting requirement	Up to \$16,131 for each violation	Up to \$16,550 for each violation	
Other-than-serious violation	Up to \$16,131 for each violation	Up to \$16,550 for each violation	
Serious violation	Up to \$16,131 for each violation	Up to \$16,550 for each violation	
Willful violation	Between \$11,524 and \$161,323 per violation	Between \$11,823 and \$165,514 per violation	
Uncorrected violation	Up to \$16,131 per day until the violation is corrected	Up to \$16,550 per day until the violation is corrected	

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