

Payroll BRIEFS

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Checklist, April 2017

- ✓ **April 25:** *Michigan Employer's Quarterly Contributions Report and Employer's Quarterly Wage Detail* (MESC 1017 and 1020) are due.
- ✓ **April 30:** *Employer's Quarterly Federal Tax Return* (Form 941) due.
- ✓ **April 30:** Employer's Federal Unemployment Tax Deposit due.

DMPS Has the Facts on Recent Changes in Employment Law

At Data Management Payroll Services, we keep you updated on recent changes in labor and employment law that affect your bottom line. We've got the facts to keep you on-track and free from compliance violations and penalties.

Check out the recent violation penalties and their increases, a link to the updated *Form I-9*, and links to more information.

VIOLATIONS & PENALTIES

The Department of Labor (DOL) has recently increased penalties for many Fair Labor Standards Act (FLSA) violations, and will impact any violations occurring on Nov. 22, 2015, or after.

FLSA Minimum Wage & OT

Civil violations of the DOL's Wage and Hour Division (WHD) include minimum wage and overtime violations, and they carry a civil money penalty "to strengthen their deterrent effect."

Repeated or willful violations of the minimum wage and OT laws under the FLSA can carry a maximum civil monetary penalty of \$1,925 per offense.

FMLA Posting

If there is willful violation of the FMLA posting requirement law, under the Family Medical Leave Act (FMLA), the maximum penalty for violation is \$166.

Child Labor Laws

The monetary penalties for violations of the child labor standards, under the FLSA, start at \$12,278. And



the penalties for violations, and willful and repeated violations, that "caused serious injury or death of a minor" range from \$58,808 to \$111,616.

DOL penalties for many Fair Labor Standards Act (FLSA) violations increased on Jan. 13, 2017. Click <https://www.dol.gov/whd/resources/cmp.htm> for more details.

USCIS FORM I-9

It's HR's job to make sure every new hire is authorized to work in the United States, and that's done by completing *Form I-9* **AND** inspecting each employee's required documents **no later than their date of hire**.

The employee is required to complete and sign Section 1 "no later than the first day of employment, but not before accepting a job offer" in order to verify their identity and employment authorization.

The U.S. Citizenship and Immigration Services (USCIS) recently released an updated *Form I-9 Employment Eligibility Verification*, and the penalties for

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Employment Law...

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violations have also increased.

Minor changes to the Form I-9 include a space at the top of page two to include the employee's first and last name and citizenship status.

First, second and third tier civil fines for merely failing to comply with the form's verification requirements range from \$216 to \$2,156 per form; committing document fraud ranges from \$445 to \$8,098 per form.

First offense fees start at \$539 per unauthorized alien – with a max of \$21,563 – for knowingly hiring, recruiting or referring for a fee, or continuing to employ unauthorized aliens.

It is also a criminal violation for “engaging in a pattern or practice of hiring, recruiting or referring for a fee unauthorized aliens” punishable by up to six months in prison and \$3000 per illegal alien.

The **NEW Form I-9** is effective now, and for all new hires starting Jan. 22, 2017; and it doesn't expire until Aug. 31, 2019. Click <https://www.uscis.gov/i-9> for the electronic “fill & print” version, or a blank pdf.

Click here for more details about *Form I-9* and the related penalties at the USCIS link, official website of the Department of Homeland Security. <https://www.uscis.gov/i-9-central/penalties>.

OVERTIME RULE LITIGATION

The U.S. DOL Wage and Hour Division (WHD) web page on the Overtime Final Rule now has a link to “Important information regarding recent overtime litigation.”


The key provisions of the Overtime Final Rule, initially set for a Dec. 1, 2016 effective date, set the standard salary level at \$913 per week, or \$47,476 annual compensation, to be exempt from overtime pay, sending employers scrambling to make payroll changes.

On Nov. 22, 2016, Judge Amos Mazzant of the U.S. District Court for the Eastern District of Texas was granted an Emergency Motion for Preliminary Injunction, enjoining the DOL from implementing and enforcing the new OT rule on Dec 1st.

On behalf of the DOL, the Department of Justice (DOJ) filed a notice on Dec.1, 2016, to appeal the preliminary injunction.

On Feb 22, 2017, the U.S. Court of Appeals for the Fifth Circuit granted the DOJ's request for an additional sixty days, “until May 1, 2017, in which to file its reply briefs ... to allow incoming leadership personnel adequate time to consider the issues.”

Data Management Payroll Services always keeps you updated on changes to employment laws that affect your business and your bottom line. We've got the facts about labor and employment laws.

Watch for future updates on the overtime litigation and all the latest in payroll news. Jump into spring and check out our complete list of services – call us today! 

Sources: <https://www.dol.gov/wbd/resources/cmp.htm>,
<https://www.dol.gov/wbd/overtime/final2016>,
<https://www.dol.gov/wbd/overtime/final2016/litigation.htm>, <https://www.uscis.gov/i-9-central/penalties>, and <https://www.uscis.gov/i-9>.

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Questions? Contact Us.



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Don't Forget...

*Daily payroll
cut-off time is
3:00 pm EST.*

Through Payroll Briefs, Data Management Payroll Services provides its clients with general information on legal developments related to payroll administration. If such developments appear relevant to your specific situation, you should discuss them with your professional advisor before taking any action.

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