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March 25, 2025

The Honorable Glenn Grothman
United States House of Representatives
1211 Longworth House Office Building
Washington, D.C. 20515

Dear Representative Grothman,

On behalf of NFIB, the nation's leading small business advocacy organization, I write in support of H.R. 2299 the *Ensuring Workers Get PAID Act of 2025*. This legislation would reinstate and codify the Department of Labor's (DOL) Payroll Audit Independent Determination (PAID) program, which provided small businesses flexibility to self-report and correct minor wage and hour violations before incurring a penalty.

Under the first Trump Administration, the Department of Labor launched the PAID program as a six-month pilot program on April 3, 2018. The program was aimed at resolving wage and hour claims more expeditiously and without litigation, which would improve employer's compliance with the *Fair Labor Standards Act* (FLSA) and ensure that more workers received legally owed back wages faster. Under the PAID program, employers conducted self-audits of their payroll, and if they discovered an overtime or minimum wage violation, they would self-report those violations to the Wage and Hour Division (WHD), who would work with employers to correct any violations and quickly provide back wages to affected workers.

Small businesses overwhelmingly supported the PAID program. In fact, according to a recent NFIB Member Ballot, 88% of NFIB members believe the Department of Labor should allow employers to self-report and correct minor overtime and minimum wage violations before incurring a penalty.¹ Unfortunately, the Biden Administration ended the program on January 29, 2021.

Unlike larger businesses, many small businesses do not have dedicated compliance officers or human resources departments, leaving the business owner responsible for handling payroll in-

¹ NFIB Member Ballot, Mandate, vol. 580, March 2022, *Should the Department of Labor allow employers to self-report and correct minor overtime and minimum wage violations before incurring a penalty?* (Yes: 88% No: 5% Undecided: 7%).

house. This can lead to unintentional errors. The PAID program was successful in helping small business owners correct unintended errors before incurring costly fines and/or litigation.

As Congress looks to capitalize on increased small business optimism and deliver pro-growth economic and regulatory policies, reinstating the PAID program would help honest small business owners comply with the law before being assessed penalties under the strict liability standard wage and hour laws operate under.

NFIB supports the Ensuring Workers Get PAID Act and urges Congress to promptly enact this legislation. Small businesses appreciate your leadership to reduce compliance burdens.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dylan Rosnick", is written over a light gray rectangular background.

Dylan Rosnick
Principal, Federal Government Relations
NFIB