Employment Laws: Small Business Compliance Thresholds

Federal regulations can be terribly confusing, particularly because they often have different definitions for the size of a “small” business that is exempt from the law. If you operate a small business, use the following list to make sure you’re not spending time and money complying with laws that only apply to larger businesses.

Note: Many states have set lower thresholds. Always check with your state labor agency. (See list below.)

**FEDERAL TRADE COMMISSION ACT (FTCA):** prohibits “unfair methods of competition” and “unfair or deceptive” business practices.
- **Who is covered:** Almost all businesses.

**FAIR LABOR STANDARDS ACT (FLSA):** establishes minimum wage, overtime pay, record keeping and child labor standards.
- **Who is covered:** All employers.
- **Agency to contact:** Department of Labor, (202) 693-0067 or (202) 693-0051, www.dol.gov.

**OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA):** requires employers to run a business free from recognized hazards and keep records on injuries, illnesses.
- **Who is covered:** Almost all businesses. Employers are exempt from programmed inspections if they have 10 or fewer employees.
- **Agency to contact:** Occupational Safety and Health Administration, (202) 693-1999, www.osha.gov.

**NATIONAL LABOR RELATIONS ACT (NLRA):** prevents discrimination against workers who participate in union activity or band together to protect work conditions.
- **Who is covered:** Almost all employers and unions.

**EQUAL PAY ACT (EPA):** requires employers to pay equal wages to men and women in most conditions.
- **Who is covered:** Employers with at least one worker.
- **Agency to contact:** EEOC, (202) 663-4900, www.eeoc.gov.

**IMMIGRATION REFORM AND CONTROL ACT (IRCA):** requires you to review applicant’s work eligibility documents.
- **Who is covered:** Employer with at least one worker.
- **Agency to contact:** Bureau of Citizenship and Immigration Services, (800) 357-2099, www.bcis.gov

**PREGNANCY DISCRIMINATION ACT (PDA):** prohibits discrimination on the basis of pregnancy, childbirth or any other related medical issues.
- **Who is covered:** Employers with 15 or more workers.
- **Agency to contact:** EEOC, (202) 663-4900, www.eeoc.gov.

**AMERICANS WITH DISABILITIES ACT (ADA):** prohibits job discrimination of individuals with disabilities (Title I) and requires public facilities to be accessible to the disabled (Title III).
- **Who is covered:** Employers with 15 or more workers (Title I) and any business that provides facilities open to the public. (Title III).

**CIVIL RIGHTS ACT OF 1964 (TITLE VII):** prohibits hiring, discharge or wage discrimination based on race, religion, sex or national origin.
- **Who is covered:** Employers with 15 or more workers.
- **Agency to contact:** EEOC, (202) 663-4900, www.eeoc.gov.

**AGE DISCRIMINATION IN EMPLOYMENT ACT (ADEA):** prohibits employers from discriminating against workers over age 40 in hiring, discharge, wages or benefits.
- **Who is covered:** Employers with 20 or more workers.

**CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT (COBRA):** requires employers to offer continuing health care coverage to terminated employees and certain spouses and dependents for a specified period.
- **Who is covered:** Employers of 20 or more workers that offer health coverage.
- **Agency to contact:** Department of Labor, (202) 693-0051 or www.dol.gov; or IRS, (800) 829-1040 or www.irs.gov.
FAMILY AND MEDICAL LEAVE ACT (FMLA): allows workers to take up to 12 weeks per year of job-protected time off for the birth of a child or to care for certain self or family member with "serious" illness.

Who is covered: Employers with 50 or more workers.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT (WARN): requires companies to give at least 60 days notice of closings and mass layoffs.

Who is covered: Most employers with more than 100 workers.

EMPLOYEE POLYGRAPH PROTECTION ACT (EPPA): restricts occasions when private employers can use lie detectors in hiring or investigations.

Who is covered: All private employers.

STATE LABOR AUTHORITIES

ALABAMA: 334-242-3460, www.dir.state.al.us
ALASKA: 907-465-2700, www.labor.state.ak.us
ARIZONA: 602-542-4411, www.ica.state.az.us
ARKANSAS: 501-682-4500, www.state.ar.us/labor
CALIFORNIA: 415-703-5050, www.dir.ca.gov
CONNECTICUT: 860-263-6505, www.ctdol.state.ct.us
DISTRICT OF COLUMBIA: 202-671-1900 www.does.ci.washington.dc.us
GEORGIA: 404-656-3011, www.dol.state.ga.us
HAWAII: 808-586-8865, www.dlir.state.hi.us
IDAHO: 208-334-6112, www.labor.state.id.us
ILLINOIS: 312-793-1808, www.state.il.us/agency/idol
INDIANA: 317-232-2378, www.state.in.us/labor
KANSAS: 785-296-7474, www2.hr.state.ks.us
LOUISIANA: 225-342-3011, www.Idol.state.la.us
MAINE: 207-624-6400, www.state.me.us/labor
MARYLAND: 410-767-2999, wwwdllr.state.md.us
MINNESOTA: 651-284-5010, www.doli.state.mn.us
MISSISSIPPI: 601-961-7400, www.mesc.state.ms.us
MISSOURI: 573-751-2461, www.dolr.state.mo.us
NEBRASKA: 402-471-3405, www.dol.state.ne.us
NEW HAMPSHIRE: 603-271-3171, www.labor.state.nh.us
NEW JERSEY: 609-292-2323, www.state.nj.us/labor/index.html
NEW MEXICO: 505-841-8409, www.dol.state.nm.us
NEW YORK: 518-457-2741, www.labor.state.ny.us
NORTH DAKOTA: 701-328-2660, www.state.nd.us/labor
OHIO: 614-644-7053, www.state.oh.us/ohio/agency.htm
OKLAHOMA: 405-528-1500, ext. 200, www.state.ok.us/okdol
OREGON: 503-731-4070, www.boli.state.or.us
PENNSYLVANIA: 717-787-3756, www.dli.state.pa.us
RHODE ISLAND: 401-462-8870, www.det.state.ri.us
SOUTH CAROLINA: 803-896-4300, www.llr.state.sc.us
TENNESSEE: 615-741-6642, www.state.tn.us/labor-wfd
TEXAS: 512-463-0735, www.twc.state.tx.us
UTAH: 801-530-6880, www.labor.state.ut.us
VERMONT: 802-828-2288, www.state.vt.us/labind
VIRGINIA: 804-786-2377, www.dli.state.va.us
WEST VIRGINIA: 304-558-7890, www.labor.state.wv.us
WISCONSIN: 608-266-7552, www.dwd.state.wi.us