



## DOL Recovers More Than \$295 Million in Back Wages in FY 2025

The U.S. Department of Labor (DOL) recently [announced](#) that it recovered more than \$295 million in back wages for nearly 177,000 employees in fiscal year (FY) 2025. The wage recoveries averaged \$1,465 per worker. This is the highest recovery of back wages since 2019.

### Background

The DOL's Wage and Hour Division (WHD) enforces federal minimum wage, overtime pay, recordkeeping and child labor requirements of the Fair Labor Standards Act (FLSA). The WHD also enforces the Family and Medical Leave Act (FMLA) and a number of other employment standards and worker protections.

Under the FLSA, nonexempt employees must be paid minimum wage and 1.5 times their regular rate of pay for hours worked in excess of 40 hours in a workweek. Employees may pursue unpaid wages by filing a lawsuit or bringing an administrative wage claim before the DOL. Under the FLSA, employees who were not paid minimum wage or overtime compensation, or both, may be awarded their unpaid wages plus an additional equal amount as liquidated damages.

### Key Highlights

The DOL recovered more than \$295 million in back wages in FY 2025, up from \$202 million in FY 2024, according to [agency data](#). The increase in recovered back wages comes despite the department conducting fewer compliance actions in FY 2025 than it did in FY 2024—17,000 compliance actions were concluded in FY 2025 compared to 17,300 in 2024. Additionally, the DOL assessed \$58.7 million in penalties in FY 2025, compared to \$35.9 million in FY 2024. According to agency data, a large portion of the cases resolved in FY 2025 originated from previous years, with many of the high-value cases involving violations that occurred between 2016 and 2024.

In addition to recovering back wages, the DOL enhanced its compliance assistance efforts by providing new guidance and tools aimed at helping employers stay informed about their compliance obligations. For example, the department created an improved [compliance assistance hub](#), updated [compliance videos](#) on the FLSA and created a [YouTube series](#) on the FMLA. The DOL also relaunched the [opinion letter program](#) and [Payroll Audit Independent Determination program](#), which offers employers an opportunity to self-report and resolve potential minimum wage and overtime violations under the FLSA, as well as certain potential FMLA violations.

### Employer Takeaway

The increase in monetary recovery in FY 2025 has come as the DOL has undergone significant changes, including reductions in the department's workforce and funding and a shift from traditional enforcement actions toward employer compliance assistance and self-reporting. In light of the increased DOL recoveries in FY 2025, employers should prioritize wage and hour compliance to limit their exposures and reduce the risk of investigations.

### HIGHLIGHTS

- The DOL recently announced that it recovered more than \$295 million in back wages for nearly 177,000 workers in FY 2025.
- This is the highest recovery of back wages since 2019.
- The wage recoveries averaged \$1,465 per worker.