



Penalties and Legal Implications Employers Face with I-9 Non-Compliance



I-9 Non-Compliance

- ▶ Employers must comply with Form I-9 regulations to verify the identity and employment eligibility of their workforce. Non-compliance can lead to significant fines, legal issues, and reputational harm.

Recent Increase in I-9 Penalties

Substantive/Technical Violations	Knowingly Hiring or Retaining Unauthorized Workers
Minimum fine: \$281 per violation	1st offense: \$698–\$5,579 per worker
Maximum fine: \$2,789 per violation	2nd offense: \$5,579–\$13,946 per worker
	3rd or subsequent offense: \$8,369–\$27,894 per worker



▶ Legal and Operational Risks of Non-Compliance

- **Business Disruption:** I-9 audits can lead to operational delays.
- **Reputational Harm:** Publicized non-compliance can damage employer credibility.
- **Criminal Penalties:** Intentional violations may lead to imprisonment and higher fines.

▶ Inspection and I-9 Audit Process

During an audit initiated by Immigration and Customs Enforcement (ICE)

- Employers must produce I-9 forms and related documentation within three business days.
- Substantive violations (e.g., missing information) result in immediate fines, while technical errors must be corrected within 10 business days or are escalated to substantive violations.
- A Notice of Intent to Fine (NIF) outlines the charges and applicable penalties for unresolved violations.

The severity of penalties depends on

1. The number of violations.
2. Whether the employer knowingly employed unauthorized workers.
3. Previous compliance history.

▶ Key I-9 Compliance Issues That May Lead to Penalties

- Incomplete or incorrect Form I-9 information.
- Failure to verify employee documentation properly.
- Retaining I-9 forms for less than the required duration.
- Missing the mandated time frame for form completion.
- Inefficient systems for managing and storing I-9 forms.

▶ Tips to Ensure Compliance

- Use the latest I-9 form.
- Conduct regular internal audits to identify errors.
- Train HR staff thoroughly on I-9 compliance.
- Store documents securely (3 years from hire or 1 year post-termination).



► How Imagility Helps

Imagility I-9 & Compliance simplifies I-9 management by

Imagility I-9 & Compliance streamlines employment eligibility management:



Automated I-9 Management:

Simplifies completion, verification, and E-Verify integration.



Remote I-9 Services

Supports identity checks with live video verification.



Secure Cloud Storage

Centralized storage for I-9 forms and Public Access Files (PAFs).



Audit Readiness

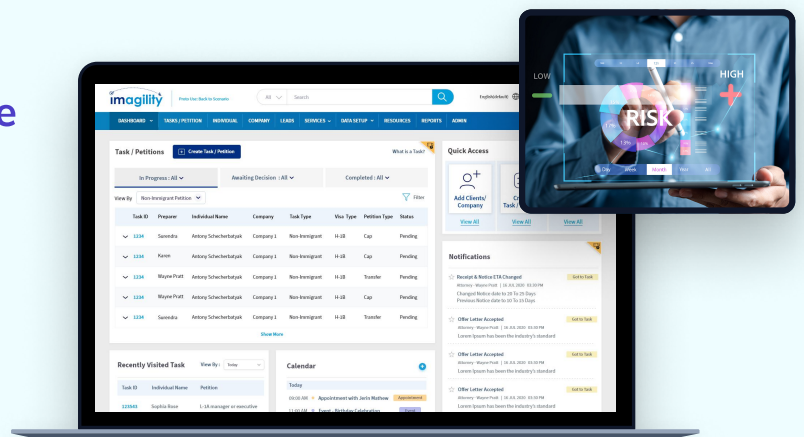
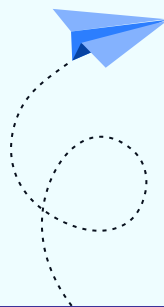
Tools to identify errors and ensure compliance.



I-9 Migration

Seamless transition from paper or legacy systems.

Stay compliant and reduce risks with Imagility.



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