

DOL Increases Civil Monetary Penalties for Certain ERISA Violations - 2023

January 31, 2023

PRACTICES ERISA and Other Benefits Litigation, Employee Benefits and Executive Compensation

The DOL recently issued a final rule that adjusts for inflation the amounts of civil monetary penalties assessed for certain ERISA violations. The adjusted penalty amounts apply to penalties assessed after January 15, 2023, and for which the associated violations occurred after November 2, 2015. Some of the penalties that were increased include the following:

- The maximum penalty for failing to properly file a retirement or welfare benefit plan's annual Form 5500 increased from \$2,400 per day to \$2,586 per day.
- The maximum penalty for failing to provide notices of blackout periods or of the right to divest employer securities increased from \$152 per day to \$164 per day (the failure to provide the notice to each statutory recipient is considered a separate violation).
- The maximum penalty for failing to provide employees the required Children's Health Insurance Program (CHIP) coverage notices increased from \$127 per day to \$137 per day (the failure to provide the notice to each employee is considered a separate violation).
- The maximum penalty for failing to provide group health plan Summaries of Benefits and Coverage increased from \$1,264 per failure to \$1,362 per failure.
- The maximum penalty for failing to furnish automatic contribution arrangement notices increased from \$1,899 per day to \$2,046 per day (the failure to provide the notice to each statutory recipient is considered a separate violation).

Employers should ensure timely compliance with all of ERISA's reporting and disclosure requirements to avoid incurring costly penalties.

The DOL final rule is available [here](#).