

DOL Increases Civil Penalties for Various ERISA Violations

August 5, 2016

On July 1, 2016, the DOL issued an interim final rule that adjusts the amounts of civil penalties assessed or enforced in its regulations, including for violations of ERISA. The penalties that were increased include the following, among many others: (1) the penalty for a failure to properly file a pension or welfare plan's Form 5500 increased from up to \$1,100 per day to up to \$2,063 per day; (2) the penalty for a failure to notify participants of certain benefit restrictions under Code Section 436 or to furnish automatic contribution arrangement notices increased from up to \$1,000 per day to up to \$1,632 per day; (3) the penalty for a failure to provide notices of blackout periods, or notice of the right to divest employer securities, increased from up to \$100 per day to up to \$131 per day; and (4) the penalty for a failure to provide employees the required Children's Health Insurance Program, or CHIP, notice increased from up to \$100 per day to up to \$110 per day. The increased penalties became effective on August 1, 2016. Employers should ensure timely compliance with all of ERISA's reporting and disclosure requirements because significant penalties can be assessed for non-compliance. A fact sheet explaining the increased penalties under ERISA is available [here](#).