

The DOL Increases Civil Monetary Penalties for Certain ERISA Violations

March 3, 2021

The DOL recently issued a final rule that adjusts for inflation the amounts of civil monetary penalties assessed or enforced in its regulations, including for certain ERISA violations. The adjusted penalty amounts apply to penalties assessed after January 15, 2021 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 pension or welfare benefit plan's annual Form 5500 increased from \$2,233 per day to \$2,259 per day.
- The maximum penalty for failing to provide notices of blackout periods or of the right to divest employer securities increased from \$141 per day to \$143 per day (each statutory recipient is a separate violation).
- The maximum penalty for failing to provide employees the required Children's Health Insurance Program (CHIP) coverage notices increased from \$119 per day to \$120 per day (each employee is a separate violation).
- The maximum penalty for failing to provide group health plan summaries of benefits and coverage increased from \$1,176 per failure to \$1,190 per failure.
- The maximum penalty for failing to furnish automatic contribution arrangement notices increased from \$1,767 per day to \$1,788 per day (each statutory recipient is a separate violation).

Employers should ensure timely compliance with all of ERISA's reporting and disclosure requirements to avoid these costly penalties. A copy of the final rule is available [here](#).