

Publications

2024 Adjusted Penalties for ERISA Violations

ATTORNEYS & PROFESSIONALS

Eboni Onuoha

eonuoha@groom.com

202-861-6333

Malcolm Slee

mslee@groom.com

202-861-6337

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On January 11, 2024, the Department of Labor (“DOL”) released a [final rule](#) that provides new figures reflecting the adjusted civil penalty amounts for 2024, pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (“Inflation Adjustment Act”). The Inflation Adjustment Act requires the DOL to modify civil penalty amounts each year by January 15th to reflect the effect of inflation. The chart below shows the increased penalties for ERISA violations; however, please note that penalties under other federal laws are affected as well. The adjustments are effective January 15, 2024.

If you have any questions, please don’t hesitate to reach out to a Groom attorney or any of the authors.

Violation	Previous Penalty ^[1]	2024 Adjusted Penalty
ERISA § 209(b) Penalty, per participant, for the failure to furnish or maintain records.	\$36	\$37
ERISA § 502(c)(2) Failure to file the Form 5500.	\$2,586	\$2,670
ERISA § 502(c)(4) Daily penalties for the failure to: Notify participants of benefit restrictions listed in the Internal Revenue Code § 436; Furnish multiemployer financial and actuarial reports when requested; Provide an estimate of withdrawal liability as required under	\$2,046	\$2,112

Violation	Previous Penalty ^[1]	2024 Adjusted Penalty
ERISA § 101(l); and Provide an automatic contribution arrangement notice as required by ERISA § 514(e)(3).		
ERISA § 502(c)(5) Failure of a multiple employer welfare arrangement (“MEWA”) to file required reports.	\$1,881	\$1,942
ERISA § 502(c)(6) Failure to provide materials requested by the Secretary of Labor.	\$184 per day but not to exceed \$1,846 per request.	\$190 per day but not to exceed \$1,906 per request.
ERISA § 502(c)(7) Failure to provide either a blackout notice or notice of right to divest employer securities to a participant or beneficiary.	\$164	\$169
ERISA § 502(c)(8) Daily penalty for the failure of a multiemployer retirement plan: If a plan in endangered status does not adopt a funding improvement or rehabilitation plan; or If a plan not in seriously endangered status fails to meet applicable benchmarks by the end of the funding improvement period.	\$1,624	\$1,677
ERISA § 502(c)(9)(A) Daily penalty, per employee, for employer’s failure to inform employees of Children’s Health Insurance Program (“CHIP”) coverage.	\$137	\$141
ERISA § 502(c)(9)(B) Daily penalty, per employee, for the plan administrator’s failure to provide information about coverage coordination to a State in a timely fashion.	\$137	\$141
ERISA § 502(c)(10)(B)(I) Daily penalty, per participant, for the failure of a plan sponsor or issuer providing insurance in connection with the plan for non-compliance with ERISA provisions relating to the use of genetic information.	\$137	\$141
ERISA § 502(c)(10)(C)(I) Minimum penalty for certain failures of a plan sponsor or issuer relating to genetic information that are de minimis and are not corrected before notice from the Secretary of Labor.	\$3,439	\$3,550
ERISA § 502(c)(10)(C)(ii) Minimum penalty for certain failures of a plan sponsor or issuer relating to genetic information that are not de minimis and are not corrected before notice from the Secretary of Labor.	\$20,641	\$21,310

Violation	Previous Penalty ^[1]	2024 Adjusted Penalty
<p>ERISA § 502(c)(10)(D)(iii)(II) Cap on penalties for a plan sponsor or issuer’s unintentional failures relating to genetic information.</p>	\$688,012	\$710,310
<p>ERISA § 502(c)(12) Daily penalty for the failure of a Cooperative and Small Employer Charity (CSEC) plan sponsor to maintain a funding restoration plan.</p>	\$126	\$130
<p>ERISA § 502(m) Per distribution penalty for a fiduciary’s improper distribution.</p>	\$19,933	\$20,579
<p>ERISA § 715 Penalty for an entity’s failure to provide a Summary of Benefits Coverage.</p>	\$1,362	\$1,406