



COMPLIANCE BULLETIN

DOL Increases ERISA Penalties for 2020

On January 15, 2020, consistent with its policy of annual adjustment, the DOL published its final rule adjusting ERISA’s civil monetary penalties for 2020. The adjustments are nondiscretionary (and therefore not subject to a notice and comment period) and based on the consumer price index from October of 2019. The following penalty increases are of particular importance to employers:

Penalty Category	2019 Amount	2020 Adjusted Amount
Maximum penalty for failure to timely file Form 5500	\$2,194	\$2,233
Maximum penalty for failure to furnish a summary of benefits and coverage (SBC)	\$1,156	\$1,176
Failure to comply with the Genetic Information Nondiscrimination Act (GINA) and failure to provide required Children’s Health Insurance Program (CHIP) notices	\$117	\$119
Failure to provide information to the DOL upon request	\$156	\$159
Failure to file form M-1 (for Multiple Employer Welfare Associations or MEWAs)	\$1,597	\$1,625

To avoid the imposition of penalties, employers should ensure ERISA compliance for all of their benefit plans and stay updated on ERISA’s requirements. For more information on all aspects of ERISA compliance, including the complete listing of changed penalties, please consult Innovative Benefit Planning.

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 This Compliance communication is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice.