

LEGAL UPDATE



SALUS GROUP

IMPORTANT DATES

Jan. 15, 2025

The increased amounts apply to civil penalties that are assessed after Jan. 15, 2025.

Nov. 2, 2015

The adjusted penalty amounts apply to violations occurring after this date.

DOL Releases Benefit-related Penalty Amounts for 2025

The U.S. Department of Labor (DOL) has [released](#) the 2025 inflation-adjusted civil monetary penalties that may be assessed for a wide range of employee benefit-related violations.

Background

To advance the effectiveness of civil money penalties and strengthen their deterrent effect, federal law requires agencies across the federal government to adjust their penalties for inflation no later than Jan. 15 of each year. Last year, the DOL's final rule on 2024 inflation-adjusted amounts was [published](#) on Jan. 11, 2024.

Penalty Amounts

Violations concerning the following have penalty increases that may affect employers and employee benefit plan administrators:

- **Summary of Benefits and Coverage (SBC):** Failure to provide group health plan participants and beneficiaries with an SBC may now result in a penalty of up to **\$1,443** per participant or beneficiary. This increased from \$1,406 for 2024 violations.
- **Form 5500 filings:** Failure to file an annual Form 5500 with the DOL can now result in a penalty of up to **\$2,739** per day, an increase from \$2,670 per day for 2024 violations.
- **Multiple Employer Welfare Arrangement (MEWA) filings:** Failure of a MEWA to file an annual report (Form M-1) with the DOL can now result in a penalty of up to **\$1,992** per day. This increased from \$1,942 per day for 2024 violations.
- **Children's Health Insurance Program (CHIP) notice:** Failure to provide the annual notice regarding CHIP coverage opportunities may now result in a penalty of up to **\$145** per day (each employee is a separate violation). This increased from \$141 per day for 2024 violations.
- **401(k) disclosures:** Failure to provide blackout notices and notice of the right to divest employer securities may now result in penalties of up to **\$173** per day. This increased from \$169 per day for 2024 violations.
- **Failure to furnish DOL-requested plan information:** Failure to provide plan-related information requested by the DOL can now result in penalties of up to **\$195** per day but not to exceed **\$1,956** per request. Compared to the 2024 penalty, this increased from \$190 per day but not to exceed \$1,906 per request.

Action Steps

Employers should become familiar with the new penalty amounts and review their benefit plan administration protocols to ensure full compliance.