

# GAO Highlights

Highlights of [GAO-19-221](#), a report to the Ranking Member of the Subcommittee on Government Operations, Committee on Oversight and Reform, House of Representatives

## Why GAO Did This Study

Congress has authorized federal agencies to collect hundreds of billions of dollars annually in fees, fines, and penalties. These collections can fund a variety of programs, including programs related to national security, and the protection of natural resources. Data on collections are important for congressional oversight and to provide transparency in agencies' use of federal resources.

GAO was asked to review the availability of government-wide data on fees, fines, and penalties. This report examines (1) the extent to which data on collections of fees, fines, and penalties are publicly available and useful for the purpose of congressional oversight; and (2) the benefits and challenges to government-wide reporting of fees, fines, and penalties. GAO assessed government-wide fee, fine, and penalty data against criteria for availability and usefulness based on multiple sources, including prior GAO work and input from staff of selected congressional committees. GAO interviewed OMB staff, Treasury officials, and representatives of organizations with expertise in federal budget issues and reviewed prior GAO work to identify benefits and challenges of reporting these data.

## What GAO Recommends

GAO is making four recommendations to enhance OMB reporting on fees, fines, and penalties, including making disaggregated data publicly available, updating instructions to federal agencies to review accounts designated as containing fees, and disclosing limitations in data reported. OMB did not provide comments.

View [GAO-19-221](#). For more information, contact Tranchau (Kris) T. Nguyen at (202) 512-6806 or [nguyentt@gao.gov](mailto:nguyentt@gao.gov).

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## FEES, FINES, AND PENALTIES

### Better Reporting of Government-wide Data Would Increase Transparency and Facilitate Oversight

#### What GAO Found

There are no comprehensive, government-wide data at the level of detail that identifies specific fees, fines, or penalties. The Office of Management and Budget (OMB) and the Department of the Treasury (Treasury) report data that include these collections at the budget account level, which generally covers a set of agency activities or programs. OMB and Treasury also report some summary data for budgeting and financial management purposes. In the *Budget of the U.S. Government*, for example, OMB data showed government-wide fees totaled just over \$335 billion in fiscal year 2017. These reports, however, are not designed to inventory or analyze fee, fine, or penalty collections and have significant limitations for that purpose.

- Although OMB collects more disaggregated data on fees, fines, and penalties, it does not make the data publicly available. OMB uses the disaggregated data in its OMB MAX database—such as the agency and account—to compile reported totals, such as the government-wide fees total in the *Budget of the U.S. Government*. Until OMB makes more disaggregated data publicly available, Congress has limited information on collections by agency to inform oversight and decision-making.
- OMB's government-wide total of fees includes collections that are not fees and excludes some fee collections. The total includes all collections for accounts in which fees make up at least half of the account's collections and excludes all others. OMB does not direct agencies to regularly review and update the accounts included in the total. Therefore, if accounts' makeups change such that fee collections drop below, or rise above, the 50 percent threshold, accounts may have incorrect fee designations and the total may be inaccurate.
- Further, OMB does not disclose the limitation that the total may exclude some fees and include other collections that are not fees. As a result, some users of the data are likely unaware of the potential for the total fees to be overestimated or underestimated.

Further, no source of government-wide data consistently reports data elements on fees, fines, and penalties that could help inform congressional oversight. Generally, congressional staff told us that additional data, such as amounts of specific penalties, would increase transparency and facilitate oversight. These data could help Congress identify trends in collections and significant changes that could be an indication of an agency's performance. While reporting government-wide fee, fine, and penalty data provides benefits, there are trade-offs in terms of the time and federal resources it would take to develop and implement a process for agencies to report these data. The level of federal investment would vary depending on factors, such as the number of data elements included and the level of detail reported. Developing a comprehensive and accessible data source would provide greater benefits, but would likely be resource intensive. Alternatively, incorporating a small number of data elements that Congress identifies as most useful for oversight into ongoing government-wide reporting efforts could incrementally improve transparency and information for oversight and decision-making, with fewer resources.