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April 30, 2025

The Honorable Charles E. Grassley
Chairman
The Honorable Richard J. Durbin
Ranking Member
Committee on the Judiciary
United States Senate

The Honorable Jim Jordan
Chairman
The Honorable Jamie Raskin
Ranking Member
Committee on the Judiciary
House of Representatives

Civil Monetary Penalties: Federal Agencies' Compliance with the 2024 Annual Inflation Adjustment Requirements

Civil monetary penalties provide federal agencies with the ability to punish willful and egregious violators, deter future violations, and enforce regulatory policies government-wide. However, the penalties may lose their effectiveness, and the government may lose opportunities to collect significant receipts, if agencies do not periodically adjust them to account for inflation. Congress enacted the Federal Civil Penalties Inflation Adjustment Act of 1990 (IAA)¹ to allow agencies to adjust their covered civil monetary penalties for inflation, promote compliance, and improve penalty collection.² The act, as amended,³ includes a provision added in 2015 for GAO to

¹Pub. L. No. 101-410, 104 Stat. 890 (Oct. 5, 1990).

²The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act, Pub. L. No. 104-134, § 31001(s)(1), 110 Stat. 1321–373 (Apr. 26, 1996), and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Pub. L. No. 114-74, title VII, § 701, 129 Stat. 584, 599–601 (Nov. 2, 2015), is referred to as the Inflation Adjustment Act, or the IAA, and is codified, as amended, at 28 U.S.C. § 2461 note. The IAA defines a civil monetary penalty as any penalty, fine, or other sanction that is (1) for a specific monetary amount or has a maximum amount, provided for by federal law; (2) assessed or enforced by an agency pursuant to federal law; and (3) assessed or enforced by an agency in an administrative proceeding or a civil action in the federal courts.

³IAA amendments in 2015 made the penalties under the Occupational Safety and Health Act of 1970 and the Social Security Act subject to the inflation adjustment requirements, although those under the Internal Revenue Code of 1986 and the Tariff Act of 1930 remain excluded from coverage.

submit a report annually to Congress assessing agency compliance with the required civil monetary penalty adjustments.⁴

This ninth annual review responds to that statutory requirement. Our objective was to determine how many agencies subject to the IAA (1) published 2024 civil monetary penalty inflation adjustments in the *Federal Register* as of December 31, 2024, and (2) reported information about civil monetary penalties within each agency's jurisdiction in the 2024 agency financial report (AFR) submitted under Office of Management and Budget (OMB) Circular A-136.⁵ This circular provides guidance to agencies that produce either AFRs or performance and accountability reports, and to government corporations that produce annual management reports.⁶ For purposes of this report, AFR refers to all three types of reports.

To address our objective, we used the list of 49 agencies from our prior report representing the population of agencies that could be subject to the IAA's applicable provisions.⁷ To assess the list's completeness, we searched the *Federal Register* for civil monetary penalty inflation adjustments that agencies not on the list published in calendar year 2024.⁸ We determined that we should add no agencies and concluded that the list was complete for our purposes.

We reviewed agencies' inflation adjustments published in the *Federal Register* as of December 31, 2024, and related information reported in the 2024 AFRs. We determined whether the agencies reported information about civil monetary penalties within their jurisdictions, including the 2024 annual inflation adjustment of the civil monetary penalty amounts, pursuant to the IAA and OMB Circular A-136, as applicable.⁹ We verified neither the accuracy of agencies' inflation adjustments nor the accuracy of reported civil monetary penalty information.

We conducted this performance audit from December 2024 to April 2025 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings based on our audit objectives.

⁴We reported on the results of our review of agencies' compliance with the 2023 annual inflation adjustment of the civil monetary penalty amounts as the IAA requires in GAO, *Civil Monetary Penalties: Federal Agencies' Compliance with the 2023 Annual Inflation Adjustment Requirements*, [GAO-24-107193](#) (Washington, D.C.: Apr. 18, 2024).

⁵Office of Management and Budget, *Financial Reporting Requirements*, OMB Circular A-136 (Washington, D.C.: May 2024).

⁶Agencies and government corporations generally operate on a fiscal year that ends on September 30 and issue their annual reports in accordance with OMB Circular A-136 (generally mid-November of the same calendar year), although some operate on a different fiscal year basis and may issue their reports on a different date.

⁷This list of agencies includes some government corporations; therefore, in this report, "agency" includes government corporations that prepare financial statements under standards promulgated by the Federal Accounting Standards Advisory Board. See [GAO-24-107193](#).

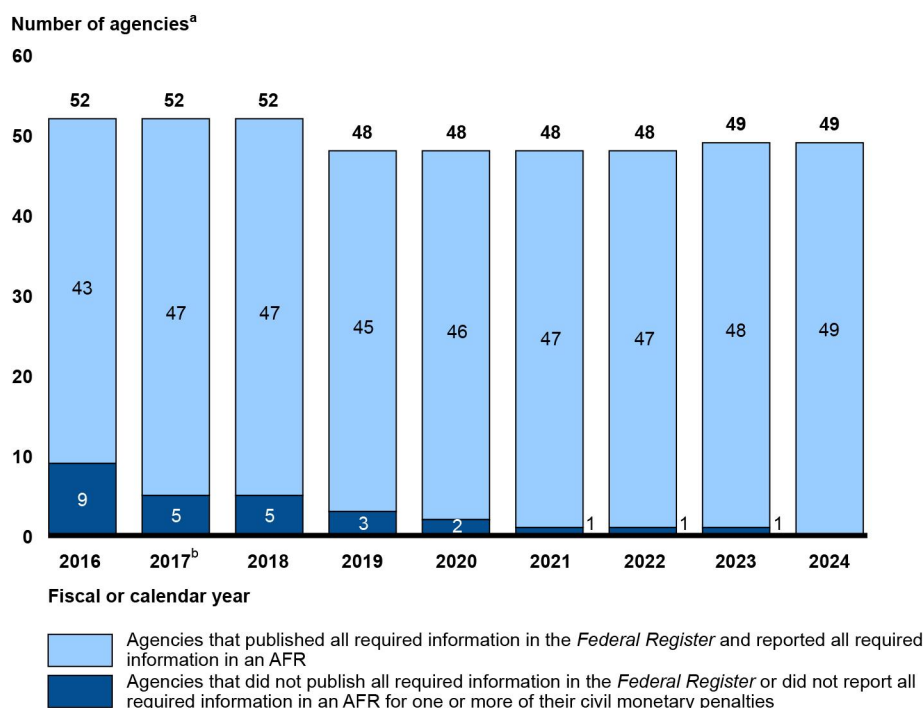
⁸OMB guidance states that agencies are responsible for identifying the civil monetary penalties that fall under the statutes and regulations within their jurisdiction. Because there is no current, comprehensive database that identifies each agency with civil monetary penalty authority subject to the IAA's applicable provisions, we cannot be sure that we have identified all the agencies or penalties the act covers.

⁹Two agencies reported information about their civil monetary penalties, including the 2024 annual inflation adjustment, in their calendar year 2023 AFRs. For these two agencies, we reviewed the 2023 AFRs.

In summary, all 49 agencies we reviewed for 2024 that could be subject to certain requirements of the IAA have complied with the applicable provisions. These agencies published the 2024 annual inflation adjustment of the civil monetary penalty amounts within their jurisdictions in the *Federal Register* as of December 31, 2024, and reported related information about civil monetary penalties in their 2024 or 2023 AFRs, as the IAA and OMB Circular A-136 require. For details on each agency's reporting status for 2024, see enclosure I.

Figure 1 summarizes the status of the required reporting since we issued our first report in August 2017.¹⁰ As shown in the figure, most of the agencies subject to the IAA adjustment provisions that identified civil monetary penalties have published the inflation adjustment information and reported all required information in their AFRs.

Figure 1: Federal Agencies Reporting Civil Monetary Penalty Information, Including the Annual Inflation Adjustments, in the *Federal Register* as of December 31 and in Agency Financial Reports (AFR), 2016–2024



Source: GAO analysis of civil monetary penalty adjustment reporting. | GAO-25-107966

Accessible Text for Figure 1: Federal Agencies Reporting Civil Monetary Penalty Information, Including the Annual Inflation Adjustments, in the *Federal Register* as of December 31 and in Agency Financial Reports (AFR), 2016–2024

Fiscal year	Agencies that published all information in the FR and reported information to an AFR	Agencies that did not publish all information in the FR or did not report information to an AFR	Total
2016	43	9	52
2017	47	5	52

¹⁰GAO, *Civil Penalties: Certain Federal Agencies Need to Improve Efforts to Comply with Inflation Adjustment Requirements*, [GAO-17-634](#) (Washington, D.C.: Aug. 31, 2017).

Fiscal year	Agencies that published all information in the FR and reported information to an AFR	Agencies that did not publish all information in the FR or did not report information to an AFR	Total
2018	47	5	52
2019	45	3	48
2020	46	2	48
2021	47	1	48
2022	47	1	48
2023	48	1	49
2024	49	0	49

Source: GAO analysis of civil monetary penalty adjustment reporting. | GAO-25-107966

^aFor years 2016 through 2018, our review included 52 agencies that could be subject to applicable provisions of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended (IAA). In our 2019 review, we removed four agencies—the Department of Homeland Security/Department of Labor (DHS/DOL) joint rulemaking, International Trade Commission (ITC), Postal Regulatory Commission (PRC), and Tennessee Valley Authority (TVA). We determined that (1) the DHS/DOL joint rulemaking was not applicable to the 2019 annual inflation adjustment, and both departments reported the required information separately; (2) ITC and TVA had determined that they were not subject to the IAA’s applicable provisions; and (3) PRC was not considered an agency under the definition applicable to the act. Therefore, our review for years 2019 through 2022 included a total of 48 agencies. During our review for fiscal year 2023, we identified one additional agency, the National Endowment for the Humanities, that was not previously included on our list but published an inflation adjustment for calendar year 2023. Therefore, our review for fiscal years 2023 and 2024 included a total of 49 agencies.

^bResults reported for 2017 only include our assessment of whether agencies reported all required information in an AFR. We limited our review to agencies’ 2017 AFRs, and not the *Federal Register* publications, for purposes of their 2017 annual inflation adjustment reporting.

Agency Comments

We provided a draft of this report to OMB for review. OMB did not provide comments on our draft report.

We are sending copies of this report to the appropriate congressional committees, the Director of the Office of Management and Budget, and other interested parties. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions concerning this report, please contact me at rasconap@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. In addition, Stephanie Chen (Assistant Director), Vincent Gomes (Auditor in Charge), Melissa Bentley, Lauren (Alex) Dunn, and Diana Lee made key contributions to this report.

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Paula M. Rascona
Director
Financial Management and Assurance

Enclosure

Enclosure I: Federal Agencies' Reporting of Required Civil Monetary Penalty Information, Including the 2024 Annual Inflation Adjustment

Table 1 summarizes federal agencies' civil monetary penalty 2024 annual inflation adjustments published in the *Federal Register* as of December 31, 2024, and reported in their 2024 agency financial reports (AFR), pursuant to Office of Management and Budget (OMB) Circular A-136¹ and as the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended (IAA), requires. This circular provides guidance to agencies that produce either AFRs or performance and accountability reports and to government corporations that produce annual management reports.² For purposes of this report, AFR refers to all three types of reports. The agencies are those included in the list of the 49 agencies that could be subject to the IAA's applicable provisions for 2024.

Table 1: Federal Agencies' Reporting of Civil Monetary Penalty Information, Including the 2024 Annual Inflation Adjustment in the *Federal Register* as of December 31, 2024, and in 2024 Agency Financial Reports (AFR)

Agency	Reported civil monetary penalty information: <i>Federal Register</i>	Reported civil monetary penalty information: AFR	Remarks
1. Commodity Futures Trading Commission	yes	yes	N/A
2. Consumer Financial Protection Bureau	yes	yes	N/A
3. Corporation for National and Community Service	yes	yes	N/A
4. Department of Agriculture	yes	yes	N/A
5. Department of Commerce	yes	yes	N/A
6. Department of Defense	yes	yes	N/A
7. Department of Education	yes	yes	N/A
8. Department of Energy	yes	yes	N/A
9. Department of Health and Human Services	yes	yes	N/A
10. Department of Homeland Security	yes	yes	N/A
11. Department of Housing and Urban Development	yes	yes	N/A
12. Department of Justice	yes	yes	N/A
13. Department of Labor	yes	yes	N/A
14. Department of State	yes	yes	N/A
15. Department of the Interior (DOI) ^a	yes	yes	N/A
16. Department of the Treasury	yes	yes	N/A
17. Department of Transportation	yes	yes	N/A

¹Office of Management and Budget, *Financial Reporting Requirements*, OMB Circular A-136 (Washington, D.C.: May 2024).

²Agencies and government corporations generally operate on a fiscal year that ends on September 30 and issue their annual reports in accordance with OMB Circular A-136 (generally mid-November of the same calendar year), although some operate on a different fiscal year basis and may issue their reports on a different date.

Agency	Reported civil monetary penalty information: Federal Register	Reported civil monetary penalty information: AFR	Remarks
18. Department of Veterans Affairs	yes	yes	N/A
19. Environmental Protection Agency	yes	yes	N/A
20. Equal Employment Opportunity Commission	yes	yes	N/A
21. Farm Credit Administration	yes	yes	N/A
22. Farm Credit System Insurance Corporation (FCSIC)b	yes	yes	N/A
23. Federal Communications Commission	yes	yes	N/A
24. Federal Deposit Insurance Corporation (FDIC)c	yes	N/A	N/A
25. Federal Election Commission	yes	yes	N/A
26. Federal Energy Regulatory Commission	yes	yes	N/A
27. Federal Housing Finance Agency	yes	yes	N/A
28. Federal Maritime Commission	yes	yes	N/A
29. Federal Reserve Board of Governors (FRB)d	yes	N/A	N/A
30. Federal Trade Commission	yes	yes	N/A
31. General Services Administration	yes	yes	N/A
32. Merit Systems Protection Board	yes	yes	N/A
33. National Aeronautics and Space Administration	yes	yes	N/A
34. National Credit Union Administration (NCUA)b	yes	yes	N/A
35. National Endowment for the Arts	yes	yes	N/A
36. National Endowment for the Humanities	yes	yes	N/A
37. National Indian Gaming Commission (NIGC)a	yes	N/A	N/A
38. National Science Foundation	yes	yes	N/A
39. National Transportation Safety Board	yes	yes	N/A
40. Nuclear Regulatory Commission	yes	yes	N/A
41. Office of Government Ethics	yes	yes	N/A
42. Office of Personnel Management	yes	yes	N/A
43. Pension Benefit Guaranty Corporation (PBGC)c	yes	N/A	N/A
44. Railroad Retirement Board	yes	yes	N/A
45. Securities and Exchange Commission	yes	yes	N/A
46. Small Business Administration	yes	yes	N/A
47. Social Security Administration	yes	yes	N/A
48. Surface Transportation Board	yes	yes	N/A
49. United States Postal Service (USPS)e	yes	N/A	N/A

Total number of agencies that published all required information in the Federal Register and reported all required information in an AFR: 49

✓ = Yes X = No N/A = Not applicable: The agency was not subject to reporting civil monetary penalty information or there are no remarks.

Source: GAO's analysis of civil monetary penalty adjustment reporting. | GAO-25-107966

^aNIGC officials previously stated that NIGC is an independent federal regulatory agency within DOI and that NIGC's financial information is consolidated and reported in DOI's AFR.

^bFCSIC and NCUA reported information about their civil monetary penalties, including the 2024 annual inflation adjustment, in their calendar year 2023 annual reports, issued in May 2024 and March 2024, respectively.

^cFDIC and PBGC are government corporations under 31 U.S.C. § 9101. Office of Management and Budget (OMB) Circular A-136 does not require government corporations that report under standards promulgated by an entity other than the Federal Accounting Standards Advisory Board to report civil monetary penalty information in an AFR.

^dFRB officials previously stated that the Federal Reserve Act (12 U.S.C. § 248b) requires FRB to prepare financial statements, and as such, the OMB Circular A-136 requirement to submit an AFR does not apply.

^eUSPS officials previously stated that pursuant to its enabling statute in Title 39 of the U.S. Code, USPS does not submit an AFR under OMB Circular A-136 and therefore is not required to report civil monetary penalties information in an AFR.