



UNITED STATES GOVERNMENT
ACCOUNTABILITY OFFICE

Report to Congressional Committees

Opportunities to Reduce Duplication, Overlap, and Fragmentation and Achieve an Additional One Hundred Billion Dollars or More in Future Financial Benefits

The cover graphic features a dark blue background with a network of glowing blue nodes and lines. Overlaid on this are images of a US flag, a US dollar bill, and several US coins (pennies, dimes, and quarters).

**ANNUAL
REPORT**

May 2026






A report to congressional committees

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What GAO Found

GAO identified 97 new matters for congressional consideration and recommendations to federal agencies to improve efficiency and effectiveness across the federal government. These matters and recommendations highlight various risks that are heightened when duplication, overlap, and fragmentation are not managed effectively. Risks include a lack of consistent information on program effectiveness, increased costs or inefficient use of resources, access barriers for users, and increased risks of fraud, waste, and abuse.

Examples of New Topic Areas

Topic Area and description	Linked report number
VA and DOD Health Care Sharing Agreements. The Department of Veterans Affairs (VA) and Department of Defense (DOD) should evaluate agreements to share health care resources and identify more opportunities for sharing, which could better manage fragmented services, improve access to care, and potentially save tens of millions of dollars annually .	Report: GAO-25-107497  
Government-wide Anti-Scam Strategy. The Federal Bureau of Investigation should collaborate with other agencies on a strategy to combat consumer scams, which could strengthen agencies' fraud prevention and detection capabilities and better manage fragmented and overlapping efforts.	Report: GAO-25-107088 
Employment Support for Older Workers. The Departments of Education and Labor should increase coordination on workforce development programs, which could help the departments better manage fragmentation in employment programs and improve mission delivery.	Report: GAO-26-107439 
Nuclear Waste Classification. The Department of Energy should evaluate opportunities to manage certain waste as non-high-level radioactive waste, which could help accelerate nuclear cleanup efforts, reduce environmental risks, and potentially save tens of billions of dollars .	Report: GAO-26-108018 

Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement

Source: GAO. | GAO-26-108505

As of March 2026, Congress and agencies had fully or partially addressed 1,662 (77 percent) of the 2,148 matters and recommendations GAO identified from 2011 to 2026. This has resulted in financial and other benefits such as improved interagency coordination and reduced mismanagement, fraud, waste, and abuse.

In particular, these efforts have cumulatively resulted in about \$774.3 billion in financial benefits, an increase of about \$49.3 billion from GAO's last report on this topic. These are rough estimates based on a variety of sources that considered different time periods and used different data sources, assumptions, and methodologies.

Why GAO Did This Study

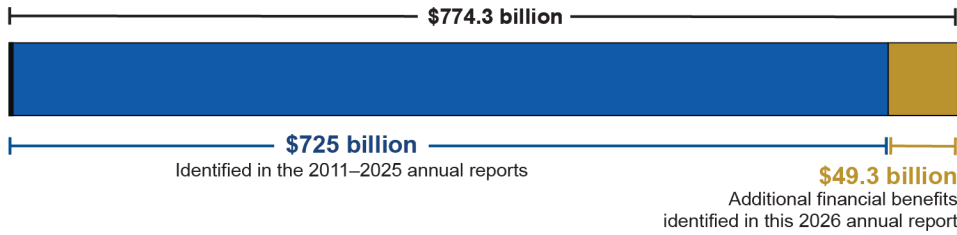
GAO is required to annually report on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have potentially duplicative goals or activities. As part of this work, GAO also identifies additional opportunities for greater efficiency and effectiveness that result in cost savings or enhanced revenue collection.

This report discusses new opportunities for achieving billions of dollars in potential financial benefits and improving the efficiency and effectiveness of a wide range of federal programs. It also evaluates the status of prior matters for congressional consideration and recommendations for federal agencies related to the Duplication and Cost Savings body of work.

In addition, this report provides examples of other, still open matters and recommendations where further implementation steps could yield significant financial and other benefits.

What GAO Found (continued)

Total Financial Benefits of \$774.3 Billion Identified in GAO's 2011-2026 Duplication and Cost Savings Annual Reports



Source: GAO. | GAO-26-108505

Further steps are needed to fully address the matters and recommendations GAO identified from 2011 to 2026. Of the 610 open matters and recommendations, 182 (about 30 percent) have the potential for financial benefits. Legislation was introduced in the 118th or 119th Congress to address 30 (about 37 percent) of the 82 open matters. As of February 2026, legislation had not been enacted to fully address these matters, and they remain open.

GAO estimates that fully addressing the remaining open matters and recommendations could yield financial benefits of one hundred billion dollars or more and improve governmental services, among other benefits.

Examples of Open Topic Areas with Potential Financial Benefits

Topic area and description (GAO report number linked)	Mission	Potential financial benefits ^a (Source of estimate)
Medicare Payments by Place of Service: Congress could realize additional financial benefits if it took steps to direct the Secretary of Health and Human Services to equalize payment rates between settings (e.g., physician offices and hospital outpatient departments) for all hospital outpatient departments, regardless of whether they are deemed on- or off-campus, for evaluation and management office visits and other services that the Secretary deems appropriate. (GAO-16-189)	Health	\$156.9 billion over 10 years (Congressional Budget Office)
Medicare Part B: Congress should consider eliminating the incentive to prescribe more drugs or more expensive drugs than necessary to treat Medicare Part B beneficiaries at hospitals that participate in the 340B Drug Pricing Program. (GAO-15-442)	Health	Tens of billions of dollars (Congressional Budget Office)
Public-Safety Broadband Network: Congress should consider reauthorizing FirstNet—including different options for its placement—and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. (GAO-22-104915)	Information Technology	\$15 billion over 15 years^b (GAO analysis of the FirstNet Contract)
Individual Retirement Accounts: Congress should consider revisiting the use of Individual Retirement Accounts (IRA) to accumulate large balances and consider ways to improve the equity and efficiency of the existing tax expenditure on IRAs. (GAO-15-16)	General Government	Ten billion dollars or more (Joint Committee on Taxation and the Department of the Treasury)
Navy Shipbuilding: The Navy could achieve cost savings by improving its acquisition practices and ensuring that ships can be efficiently sustained. (GAO-20-2)	Defense	Billions of dollars (GAO analysis of Department of Defense data)
Student Loan Income-Driven Repayment Plans: The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. (GAO-19-347)	Training, Employment, and Education	More than \$2 billion over 10 years (Congressional Budget Office)

Source: GAO. | GAO-26-108505

^aThe potential financial benefits shown in this table represent estimates of amounts GAO or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates in this table should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

^bIf FirstNet sunsets in 2027, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

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May 12, 2026

Congressional Committees

Since 2011, we have issued 145 matters for Congress and 2,003 recommendations for federal agencies to eliminate, reduce, or better manage duplication, overlap, or fragmentation or realize financial benefits—cost savings or enhanced revenue collection.¹ Actions by Congress and federal agencies in these areas have resulted in about \$774.3 billion in financial benefits. We estimate an additional one hundred billion dollars or more could be saved by fully implementing our remaining open matters and recommendations.²

In some cases, it may be appropriate or beneficial for multiple agencies or entities to be involved in the same programmatic or policy area due to the complex nature or magnitude of the federal effort. However, if duplication, overlap, and fragmentation are not effectively managed, they can lead to additional burden or confusion for people trying to use government services or to unnecessary costs or other inefficiencies for government agencies.

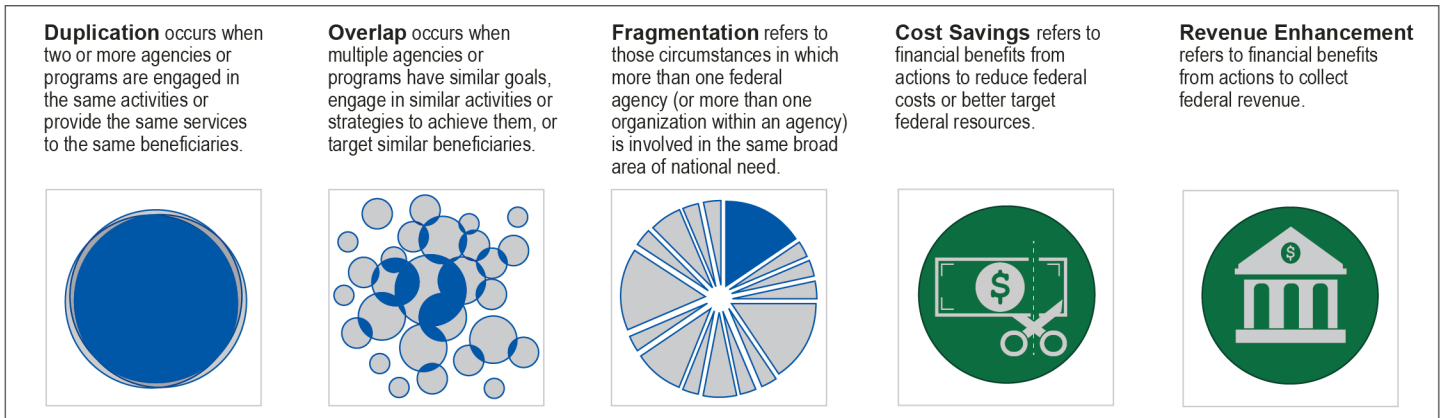
¹Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), *codified at* 31 U.S.C. § 712 note.

²In calculating our total estimated realized and potential financial benefits, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits. Realized benefits have been rounded to the nearest \$100 million. Estimated potential financial benefits are subject to increased uncertainty, depending on whether, how, and when they are addressed, and are presented using a notional statement of magnitude.

Congress and federal agencies can act to improve the efficiency and effectiveness of federal programs by maximizing services provided for a given level of resources. Opportunities exist across many areas of government activity to eliminate, reduce, or better manage duplication, overlap, or fragmentation, and achieve cost savings or revenue enhancements.

Figure 1 defines the terms we use in this work.

Figure 1: Definitions of Duplication, Overlap, and Fragmentation, Cost Savings, and Revenue Enhancement



Source: GAO information and illustrations. | GAO-26-108505



Tracking action on GAO matters and recommendations

GAO's [Duplication and Cost Savings website](#) is publicly accessible and allows Congress, agencies, and the public to track the federal government's progress in addressing the issues we have identified.

This website includes a downloadable spreadsheet containing all matters and recommendations related to the work on duplication, overlap, fragmentation, cost savings, or revenue enhancements.

The spreadsheet can be filtered by the GAO report number, mission, report name, implementation status, and implementing entities (Congress or federal agencies). The spreadsheet additionally notes which recommendations are also GAO priority recommendations—those recommendations GAO believes warrant priority attention from the heads of departments or agencies.

Additionally, GAO's Duplication and Cost Savings website provides real-time updates on the status of open matters and recommendations related to duplication, overlap, fragmentation, cost savings, and revenue enhancements.

Source: GAO. | GAO-26-108505

This report identifies 38 new topic areas where a broad range of federal agencies could achieve greater efficiency or effectiveness. For each area, we suggest matters for Congress, recommendations for federal agencies, or both to reduce, eliminate, or better manage duplication, overlap, or fragmentation or achieve other financial benefits.

In addition to identifying new topic areas, we continue to monitor the progress Congress and agencies have made in addressing matters and recommendations we previously identified (see sidebar).

This report is based upon work we previously conducted in accordance with generally accepted government auditing standards. See appendix I for more information on our scope and methodology.

New Opportunities Exist to Improve Efficiency and Effectiveness across the Federal Government

This report presents 97 matters for Congress and recommendations for federal agencies in 38 new topic areas to improve efficiency and effectiveness across the federal government.³ See appendix II for the complete list of new topic areas.

Of the 38 new topic areas, 17 concern duplication, overlap, or fragmentation in government missions and functions. These topic areas highlight various risks that are heightened when duplication, overlap, and fragmentation are not managed effectively. These risks include a lack of consistent information on program effectiveness, increased costs or inefficient use of resources, access barriers for users, and increased fraud risks.

Lack of Consistent Information on Program Effectiveness. In some cases, we found that agencies could better manage duplicative, overlapping, or fragmented programs by consistently monitoring their programs' effectiveness. Without a clear understanding of what is working and what is not, federal agencies and Congress lack the information they need to make changes or improvements and efficiently target resources. For example:

- **Organ Transplantation System.** The Health Resources and Services Administration (HRSA) and the Centers for Medicare & Medicaid Services (CMS)—within the Department of Health and Human Services (HHS)—share responsibility for overseeing entities involved with organ transplantation, the leading form of treatment for patients with severe organ failure. In January 2026, we reported that HRSA and CMS's action plan to help guide coordinated efforts to improve the organ transplantation system is missing key elements for

³In addition to these 97 matters and recommendations, one recommendation in a new topic area was closed-implemented before this report was issued. More information on these 98 matters and recommendations is available in the downloadable spreadsheet on GAO's [Duplication and Cost Savings website](#) and explained in appendix I. Appendix III provides the highlights pages from GAO products that contributed to these new topic areas. Additionally, the potential financial benefits shown represent estimates of amounts we or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

measuring and realizing progress.⁴ These include specific, actionable steps with milestone completion dates and markers for measuring the success of actions taken.

By working together to update the action plan with these important elements, these agencies may better manage fragmentation and improve the performance of the organ transplantation system—the system that is responsible for providing organs to save the lives of critically ill patients.

- **VA and DOD Health Care Sharing Agreements.** The Department of Veterans Affairs (VA) and Department of Defense (DOD) have agreements to share health care resources, like surgery services, which help improve access to health care for over 18 million beneficiaries and may lower costs for the federal government. In June 2025, we reported that the departments do not evaluate the effectiveness of sharing agreements and largely rely on local officials to identify potential areas for new and expanded sharing, which may result in missed opportunities for sharing.⁵

By implementing a process to evaluate the effectiveness of sharing agreements and developing a process to identify new opportunities, as we recommended, VA and DOD could better manage fragmented services, improve patients' access to care, and potentially save **tens of millions of dollars annually**.

Increased Costs or the Inefficient Use of Resources. Duplication, overlap, or fragmentation that is not well managed can increase program costs or lead to agencies' inefficient use of resources. For example:

- **Federal Shared Services.** The federal government can increase efficiency and reduce duplicative efforts by consolidating mission-support services—such as payroll or travel—within a smaller number of providers so these services can be shared among agencies. In February 2026, we found that relevant federal agencies had not filled key leadership roles vital to making strategic decisions about the future growth of shared services.⁶ We also found that coordinating

⁴GAO, *Organ Transplantation: HHS Action Needed to Improve Lifesaving Program*, [GAO-26-107434](#) (Washington, D.C.: Jan. 22, 2026).

⁵GAO, *VA and DOD Health Care: Agreements to Share Services and Other Resources Should Be Evaluated*, [GAO-25-107497](#) (Washington, D.C.: Jun. 30, 2025).

⁶GAO, *Federal Shared Services: Adoption Challenges Underscore the Need for Consistent Leadership*, [GAO-26-108014](#) (Washington, D.C.: Feb. 3, 2026).

entities do not have comprehensive data on how well shared services are meeting agencies' needs, including intended cost avoidances.

By helping to fill key leadership positions and collecting data to inform strategic decision-making, as we recommended, the Office of Management and Budget and the General Services Administration, as the shared service oversight and coordinating entities, could ensure that agencies are not unnecessarily duplicating services and potentially save **tens of millions of dollars over 3 years**.

- **Ship Industrial Base.** The Navy relies on contracts with private companies—the “industrial base”—to build and, in many cases, repair ships, but they often struggle to complete this work on time. In February 2025, we found the Navy is investing billions of dollars into improving the industrial base for shipbuilding but is not fully coordinating on these investments, such as by centrally collecting or appropriately sharing some types of data, like data for submarine and surface ship investments.⁷ Additionally, we found that the Navy developed plans for investing in the ship repair industrial base without assessing infrastructure needs.

Improving coordination on ship industrial base investments, to include central collection of data, sharing of information between relevant offices, and analysis of potential infrastructure investments, as we recommended, could help the Navy better prevent inefficient duplication and overlap and could potentially save **tens of millions of dollars**.

Access Barriers for Users. Duplication, overlap, and fragmentation have the potential to increase the difficulty that Americans face in accessing federal programs. For example:

- **Employment Support for Older Workers.** Older workers face significant barriers to employment—such as demand for new skills and potential age discrimination. Employment support for these and other jobseekers is fragmented across dozens of federal programs, including workforce development programs administered by the Departments of Labor (DOL) and Education. In January 2026, we reported that individuals 55 and older who participated in these programs were less likely to find a job than younger participants.⁸ We

⁷GAO, *Shipbuilding and Repair: Navy Needs a Strategic Approach for Private Sector Industrial Base Investments*, [GAO-25-106286](#) (Washington, D.C.: Feb. 27, 2025).

⁸GAO, *Older Workers: Department of Labor Should Help State and Local Partners Share Promising Practices*, [GAO-26-107439](#) (Washington, D.C.: Jan. 29, 2026).

also reported that DOL had not focused on issues specific to older workers in its coordination with Education.

Increasing coordination, as we recommended, could help the departments better manage fragmentation in employment programs and improve the employment rates and earnings of older workers.

- **Public Health Emergency Preparedness.** HHS leads the federal public health and medical preparedness for public health emergencies. In February 2026, we reported that HHS does not have a formal mechanism—such as written agreements, working groups, or joint exercises—to coordinate two key programs: (1) the Public Health Emergency Preparedness program, which supports state and local government health departments, and (2) the Hospital Preparedness Program, which supports communities’ health care systems.⁹ Prior to 2020, these types of mechanisms existed to aid coordination between the two programs.

Developing such coordination mechanisms, as we recommended, would better manage fragmentation and improve federal support to health departments and health care systems as they prepare to respond to public health threats and emergencies.

Increased Fraud Risks. Fraud is a long-standing, significant issue facing federal programs.¹⁰ All federal programs and operations are at risk for fraud. Our work has also shown that the risk of fraud is heightened in complex environments, including with duplicative, overlapping, or fragmented federal efforts. Just as federal programs are targeted by fraudsters, so too are everyday Americans. For example:

- **Government-wide Anti-Scam Strategy.** Scams are a type of fraud that involve the use of deception or manipulation intended to achieve financial gain. They often cause individual victims to lose large sums of money—in some cases, their entire life savings. In April 2025, we reported that 13 agencies, including the Federal Bureau of Investigation (FBI), the Federal Trade Commission (FTC), and the Consumer Financial Protection Bureau (CFPB), engage in overlapping efforts to combat scams.¹¹ However, we found there is no

⁹GAO, *Public Health Preparedness: Improved Coordination Needed for HHS’s Emergency Preparedness Programs*, [GAO-26-107507](#) (Washington, D.C.: Feb. 23, 2026).

¹⁰Fraud involves obtaining a thing of value through willful misrepresentation.

¹¹GAO, *Consumer Protection: Actions Needed to Improve Complaint Reporting, Consumer Education, and Federal Coordination to Counter Scams*, [GAO-25-107088](#) (Washington, D.C.: Apr. 8, 2025).

government-wide, national strategy for combating scams, and these agencies do not collaborate with each other on collecting and reporting data on the prevalence of scams.

We recommended that the FBI lead the development of a government-wide strategy to organize and prioritize combating scam efforts and work with FTC and CFPB to improve data collection, and develop a single estimate of those affected by scams. Doing so could help position agencies to better manage fragmentation and help reduce consumer harm by strengthening prevention, detection, and public awareness efforts across agencies.

We also present 21 new topic areas where Congress or federal agencies could take action to reduce the cost of government operations or enhance federal revenue collections. For example:

- **Nuclear Waste Classification.** The Department of Energy's Office of Environmental Management (EM) is responsible for cleaning up radioactive waste from nuclear weapons production and energy research. In March 2026, we reported that the ambiguous statutory definition of high-level radioactive waste (HLW) affects EM's ability to classify certain waste with relatively lower levels of radioactivity as waste types other than HLW.¹² These other waste types can generally be safely treated and disposed of more quickly and at much lower costs than HLW.

By convening a multidisciplinary panel to recommend statutory revisions to the HLW definition, Congress could receive expert input on an issue that has impeded EM's cleanup mission for decades and exposes EM to litigation that would further delay progress. Evaluating opportunities to manage certain waste as non-HLW and communicating to Congress its plans to pursue them, as we recommended, would position EM to reduce environmental risks, accelerate cleanup, and potentially save **tens of billions of dollars**.

- **Puerto Rico Tax Incentives.** The Internal Revenue Service (IRS) is responsible for ensuring that taxpayers moving to Puerto Rico who take advantage of tax incentives are still meeting their federal tax obligations. In December 2025, we reported that the average federal taxes paid by resident investor incentive recipients decreased

¹²GAO, *Nuclear Waste Cleanup: Clarifying Definition of High-Level Radioactive Waste Could Help DOE Save Tens of Billions of Dollars*, [GAO-26-108018](#) (Washington, D.C.: Mar. 25, 2026).

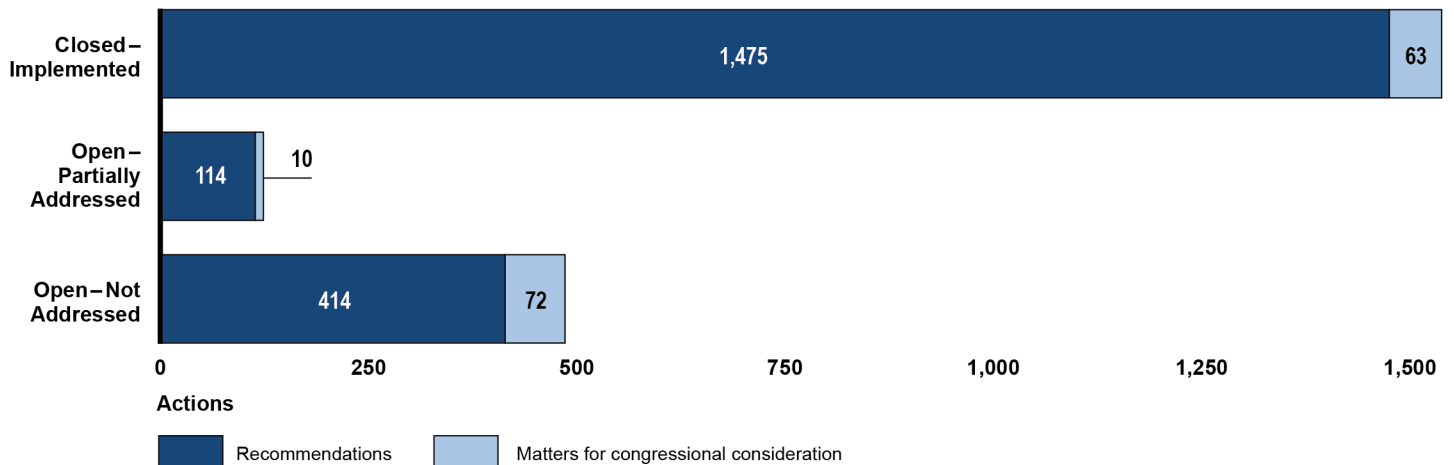
significantly after they moved to Puerto Rico.¹³ We identified gaps in IRS oversight in this area and recommended that IRS take actions to regularly obtain relevant data from Puerto Rico and improve compliance among this taxpayer population.

Implementing these recommendations would strengthen compliance and potentially generate **millions of dollars** in additional federal tax revenue.

Congress and Federal Agencies Continue to Address Matters and Recommendations Identified over the Last 16 Years, Resulting in Significant Benefits

Congress and federal agencies have addressed many of the matters and recommendations we have identified, as shown in figure 2 and table 1. As of March 2026, Congress and agencies had fully or partially addressed 1,662 (77 percent) of the 2,148 matters and recommendations. Of these, they had fully addressed 1,538 and partially addressed 124.

Figure 2: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2026



Source: GAO. | GAO-26-108505

¹³GAO, *Puerto Rico: IRS Should Improve Oversight of Taxpayers Claiming Exemption from Federal Taxes*, [GAO-26-107225](#) (Washington, D.C.: Dec. 8, 2025).

Note: These data include matters for congressional consideration and recommendations related to our prior annual reports, from prior GAO reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report. There are an additional 165 matters and recommendations that we closed as no longer valid due to changing circumstances. Thus, the overall total of matters and recommendations related to this work is 2,313.

Table 1: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2026

Status	Number of matters (percentage)	Number of recommendations (percentage)	Total (percentage)
Closed – implemented	63 (43%)	1,475 (74%)	1,538 (72%)
Open – partially addressed	10 (7%)	114 (6%)	124 (6%)
Open – not addressed	72 (50%)	414 (21%)	486 (23%)
Total	145 (100%)	2,003 (100%)	2,148 (100%)

Source: GAO. | GAO-26-108505

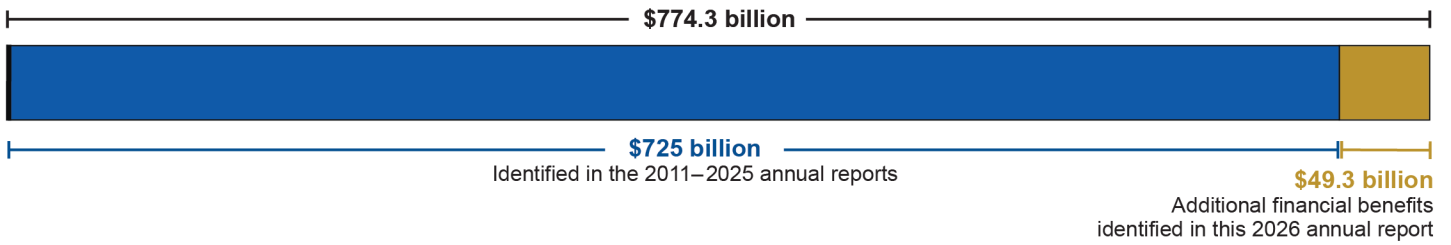
Note: Due to rounding, the total percentages may not add up to exactly 100 percent. These data include matters for congressional consideration and recommendations related to our prior annual reports, from prior GAO reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report. There are an additional 165 matters and recommendations that we closed as no longer valid due to changing circumstances. Thus, the overall total of matters and recommendations related to this work is 2,313.

Actions Taken by Congress and Federal Agencies Led to Hundreds of Billions in Financial Benefits

As a result of steps Congress and agencies have taken in response to our work, we have identified approximately \$774.3 billion in total financial benefits, including \$49.3 billion identified in this 2026 annual report.¹⁴ About \$725 billion of the total benefits were identified in our 2011 – 2025 annual reports, as shown in figure 3.

¹⁴In calculating our total estimated realized and potential financial benefits, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits. Realized benefits have been rounded to the nearest \$100 million.

Figure 3: Total Financial Benefits of \$774.3 Billion Identified in Our 2011-2026 Duplication and Cost Savings Annual Reports

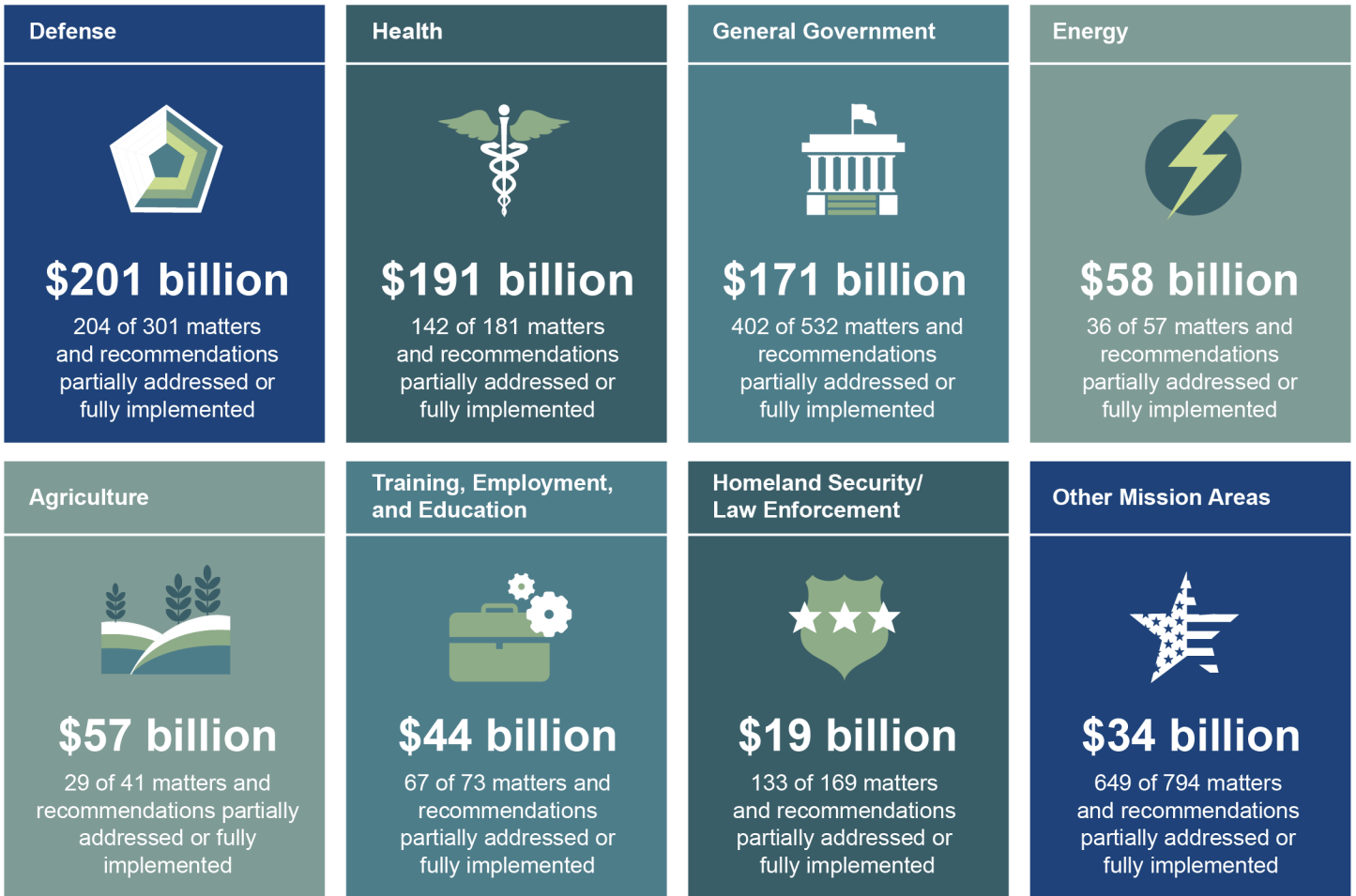


Source: GAO. | GAO-26-108505

Note: In calculating these totals, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits and have been rounded to the nearest \$100 million.

These benefits have contributed to missions across the federal government, as shown in figure 4.

Figure 4: Summary of 16 Years of Benefits Achieved by Mission, as of March 2026



Source: GAO information and illustrations. | GAO-26-108505

Notes: These totals rely on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies, and represent a rough estimate of financial benefits that have been rounded to the nearest \$1 billion. Other Mission Areas include Economic Development, Information Technology, Income Security, International Affairs, Science and the Environment, and Social Services. There are an additional 165 matters and recommendations that we closed as no longer valid due to changing circumstances. Thus, the overall total of matters and recommendations related to this work is 2,313.

Table 2 highlights examples of results achieved over the past 16 years.

Table 2: Examples of Financial Benefits Resulting from Actions Taken by Congress and Federal Agencies, as of March 2026

Topic area (GAO report number linked)	Actions taken	Financial benefit
Medicaid Demonstration Waivers (GAO-02-817, GAO-08-87, and GAO-13-384)	The Centers for Medicare & Medicaid Services (CMS) implemented a policy change in May 2016 that will help ensure that Medicaid demonstrations are budget neutral to the federal government. Additionally, when setting demonstration spending limits moving forward, the agency is requiring that states' base data reflect recent costs.	Cost savings of approximately \$169.8 billion in fiscal years 2016 through 2024, and billions of additional savings are possible, according to GAO analysis of CMS data.
Federal Buying Power (GAO-17-164 and GAO-21-40)	The Office of Management and Budget's (OMB) Category Management initiative directed agencies across the federal government to buy more like a single enterprise, setting agency targets for using category management contracts including those it designated as Best-In-Class, beginning in fiscal year 2017, and reporting on agency performance against those targets beginning in fiscal year 2018.	Cost savings of approximately \$48.8 billion from fiscal years 2017 through 2021, and billions of additional savings are possible, according to OMB reporting.
Economic Injury Disaster Loan Program (GAO-21-265 and GAO-21-387)	The Small Business Administration (SBA) implemented actions to improve its oversight and reduce fraud risk for the Economic Injury Disaster Loan Program, including incorporating tax information as part of its validation process for loan applications to confirm that businesses existed on or before January 31, 2020, a requirement for program eligibility, and to verify business revenue. As a result, SBA flagged 3 million loan applications for manual review and referred 2.46 million loan applications to SBA's Office of Inspector General for further investigation due to likely fraud.	Cost savings of \$16.6 billion , according to GAO analysis of SBA data.
Paycheck Protection Program (GAO-20-625)	The SBA implemented an oversight plan for its Paycheck Protection Program, including an automated screening system to identify potentially ineligible or fraudulent applicants and recipients. SBA applied similar oversight controls to identify potentially ineligible or fraudulent applicants in its other pandemic relief programs, including the Restaurant Revitalization Fund.	Cost savings of approximately \$15 billion from fiscal years 2020 through 2023, according to GAO analysis of SBA data.
Crop Insurance (GAO-07-819T, GAO-07-944T, GAO-09-445, GAO-17-501, GAO-23-106228, and GAO-24-106086)	The Department of Agriculture (USDA) annually enters into a reinsurance agreement with crop insurance companies that establishes the financial terms by which insurance companies are compensated. USDA renegotiated an agreement with new terms that reduced the compensation to the companies, to be consistent with market conditions.	Cost savings of approximately \$11.5 billion in fiscal years 2016 through 2024, and billions of additional savings are possible, according to GAO analysis of USDA data.

Topic area (GAO report number linked)	Actions taken	Financial benefit
Improper Payments (GAO-07-92, GAO-11-318SP, GAO-13-227, GAO-22-105715, and GAO-23-106556)	<p>In carrying out the Improper Payments Information Act of 2002 and its subsequent amendments, and the Payment Integrity Information Act of 2019, the Social Security Administration and the Department of Veterans Affairs, among others, reduced improper overpayments.^a</p> <p>Additionally, in implementing statutory requirements for government-wide financial statement audits, the Department of Defense took steps to identify and stop improper payments before they are paid.^b</p> <p>Agencies could realize additional benefits as they annually identify and review programs and activities that may be susceptible to significant improper payments and take corrective actions to reduce overpayments.</p>	Cost savings of approximately \$7.9 billion from fiscal years 2020 through 2024, according to GAO and agency data, and billions of additional savings are possible, according to GAO.
DOE’s Treatment of Hanford’s Low-Activity Waste (GAO-22-104365)	<p>The Department of Energy (DOE) finalized an agreement in January 2025 with the Environmental Protection Agency and Washington State that includes plans for DOE to treat a portion of Hanford’s low-activity nuclear and hazardous waste using a safe, more cost-effective process.</p>	Cost savings of approximately \$7.5 billion , and tens of billions of additional savings are possible, according to GAO analysis of data from DOE and independent organizations.
DOE’s Acceleration of Radioactivity Removal (GAO-19-339)	<p>From February 2022 through March 2025, DOE accelerated the removal of more radioactivity from waste storage tanks at the Savannah River Site in South Carolina over a 3-year period than what was completed over the previous 8-year period.</p>	Cost savings of approximately \$5 billion from fiscal year 2022 through 2025, and hundreds of millions of additional savings are possible if DOE takes a risk-informed approach to other aspects of its nuclear cleanup mission, according to GAO analysis of data from DOE.
Missile Defense (GAO-22-105075)	<p>The Missile Defense Agency (MDA) signed a memorandum of agreement with the Space Development Agency (SDA) in August 2022. The agreement assigned responsibility for development of operational satellite constellations to SDA, avoiding the risk of inefficient duplication and overlap arising from two agencies developing similar capabilities. They will now work together through a combined program office, with MDA providing requirements and SDA delivering the capability.</p>	Cost savings of approximately \$3.8 billion from fiscal years 2023 through 2029, according to GAO analysis of agency data.
Medicare Advantage (GAO-12-51)	<p>Congress took steps to increase the minimum adjustment made for differences in diagnostic coding patterns between Medicare Advantage plans and traditional Medicare providers, which reduced excess payments by CMS to Medicare Advantage plans for beneficiaries’ care.^c</p> <p>CMS could realize additional financial benefits by modifying the methodology for calculating the adjustment made for differences in diagnostic coding patterns between Medicare Advantage plans and traditional Medicare providers. For example, CMS could incorporate more recent data, account for all relevant years of coding differences and incorporate the effect of coding difference trends to better ensure an accurate adjustment in future years that may be above the minimum adjustment.</p>	Cost savings of approximately \$2.5 billion from fiscal years 2013 through 2022, according to CBO, and tens of billions of dollars of additional savings are possible, according to the Medicare Payment Advisory Commission.

Source: GAO. | GAO-26-108505

Note: These estimates are from a range of sources, consider different time periods, including CBO and executive branch agencies, and use different data sources, assumptions, and methodologies.

^a31 U.S.C. §§ 3351—3357.

^b31 U.S.C. § 3515.

^cThe Health Care and Education Reconciliation Act of 2010 required minimum increases in the annual adjustment for coding differences starting in 2014 and required CMS to continue making adjustments in subsequent years until the agency implements risk adjustment based on diagnostic, cost, and use data from Medicare Advantage plan. Pub. L. No. 111-152, § 1102(e), 124 Stat. 1029, 1046. The American Taxpayer Relief Act of 2012 subsequently increased the statutory minimum for the annual adjustment. Pub. L. No. 112-240, § 639, 126 Stat. 2313, 2357 (2013), *codified* at 42 U.S.C. § 1395w-23(a)(1)(C)(ii)(III).

Other Benefits Resulting from Actions Taken by Congress and Federal Agencies

Implementing our matters and recommendations often results in other benefits, such as more effective government through improved interagency coordination; improvements in major government programs or agencies; reduced mismanagement, fraud, waste, and abuse; and increased assurance that programs comply with internal guidance. The following examples illustrate some of these types of benefits.

- **Transition Assistance for At-Risk Service Members.** In 2024, we recommended that DOD should, in coordination with interagency partners, such as DOL and VA, develop a plan to assess the helpfulness of warm handovers as a part of its overall assessment of the Transition Assistance Program.¹⁵ A warm handover occurs when DOD connects a service member to a person in one of these agencies for additional assistance.

As of September 2025, DOD implemented this recommendation by developing a plan to survey participants in its Transition Assistance Program who received warm handovers about its helpfulness and to compare outcomes—such as income levels and employment—between service members who did and did not receive warm handovers. This plan allows DOD and its interagency partners to better manage fragmented efforts to improve assistance to service members who may be at risk for a difficult transition to civilian life.

- **Maternal Health Programs.** In March 2024, we recommended that the Health Resources and Services Administration (HRSA) implement a documented process for program officials to coordinate the selection of performance measures across three programs aimed at addressing maternal and infant death rates in the United States.¹⁶

¹⁵GAO, *Service Members Transitioning to Civilian Life: Agencies Can Improve Warm Handovers for Additional Assistance*, [GAO-24-106248](#) (Washington, D.C.: Mar. 21, 2024).

¹⁶GAO, *Maternal and Infant Health: HHS Should Strengthen Processes for Measuring Program Performance*, [GAO-24-106605](#) (Washington, D.C.: Mar. 27, 2024).

In response, as of February 2026, HRSA had developed a process to improve the alignment of performance measures across the three programs and to ensure that programs are coordinating on a biannual basis. This coordination helps the agency use the most appropriate evidence-based performance measures while also helping HRSA gather the strongest evidence across the programs to better manage fragmentation and understand their impact on reducing rates of maternal and infant death.

Action on Open Matters and Recommendations Could Yield Additional Benefits

Congress and federal agencies have implemented many of the 2,148 matters and recommendations we have identified since 2011. However, further steps are needed to fully address the 610 matters and recommendations that remain open. We estimate that one hundred billion or more dollars in additional financial benefits could be realized should Congress and agencies fully address these.¹⁷ In addition, other improvements can be achieved.

Effective collaboration across federal agencies could help address many issues identified in this report. We have made recommendations to Congress and OMB that could strengthen interagency collaboration and help identify and reduce or better manage duplication, overlap, and fragmentation in federal programs.

- **Interagency working groups.** Interagency groups can be a tool for forging successful partnerships. However, a lack of, or ineffective collaboration can hinder progress. As shown in figure 5 below, we have developed eight leading practices for agencies to effectively work together on shared goals.¹⁸ In February 2025, we recommended that Congress consider requiring that interagency groups formed to address high-risk and other key challenges develop and implement a

¹⁷In calculating this estimate, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. This amount represents a rough estimate of potential financial benefits reflecting uncertainty associated with the estimates, and actual financial benefits will depend on whether, how, and when they are addressed.

¹⁸GAO, *Government Performance Management: Leading Practices to Enhance Interagency Collaboration and Address Crosscutting Challenges*, [GAO-23-105520](#) (Washington, D.C., May 24, 2023).

collaboration plan incorporating GAO’s leading interagency collaboration practices.¹⁹

Figure 5: GAO’s Leading Interagency Collaboration Practices

 Define Common Outcomes	 Clarify Roles and Responsibilities
 Ensure Accountability	 Include Relevant Participants
 Bridge Organizational Cultures	 Leverage Resources and Information
 Identify and Sustain Leadership	 Develop and Update Written Guidance and Agreements

Source: GAO information and illustrations. | GAO-26-108505

- Federal program inventory.** A comprehensive inventory of programs—with related funding and performance information—would be a critical tool to help decision-makers better identify and manage duplication, overlap, and fragmentation across the federal government. Moreover, it could facilitate efforts to streamline and consolidate service delivery.

In recent years, OMB has made some progress toward developing a complete inventory, which has been required since 2011.²⁰ For example, in January 2025, it updated and expanded the program inventory website to include spending and other information for over 2,600 programs.²¹ However, in March 2026, we found that the inventory does not fully address 13 out of the 20 statutory requirements. For example, it does not yet include all programs, such as acquisitions, defense, or foreign assistance programs.²² It also

¹⁹GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, [GAO-25-107743](#) (Washington, D.C., Feb. 25, 2025).

²⁰GPRA Modernization Act of 2010, Pub. L. No. 111-352, § 7, 124 Stat. 3866, 3876–3878 (2011), *codified, as amended*, at 31 U.S.C. § 1122(a).

²¹See <https://fpi.omb.gov>.

²²See [GAO-25-107604](#) and GAO, *Federal Programs: OMB Needs to Continue Developing a Complete and Useful Inventory*, [GAO-26-107551](#) (Washington, D.C.: Mar. 5, 2026).

does not provide all required information, such as each program's contributions to its agency's mission and goals.

Moreover, we identified opportunities for OMB to improve the transparency and usefulness of the inventory.²³ These include disclosing known data quality issues and limitations, such as inactive programs being included in the inventory and missing spending data. In total, we made 17 recommendations to OMB related to implementing a complete inventory and enhancing its usefulness. OMB did not provide comments.

Without a complete and useful inventory, it is difficult to answer basic questions, such as how many programs support a given goal, which agencies administer them, what each program costs, and whether multiple programs are delivering similar services to the same communities.²⁴

Open Duplication and Cost Savings Matters to Congress and Recommendations to Agencies

We identified 145 matters directed to Congress that have the opportunity to address duplication, overlap, and fragmentation, or achieve financial benefits.²⁵ Of these, 82 (57 percent) remained open as of March 2026. Legislation was introduced in the 118th or 119th Congress to address 30 (about 37 percent) of the open matters. However, as of February 2026, legislation had not been enacted to fully address these matters, and they remain open.

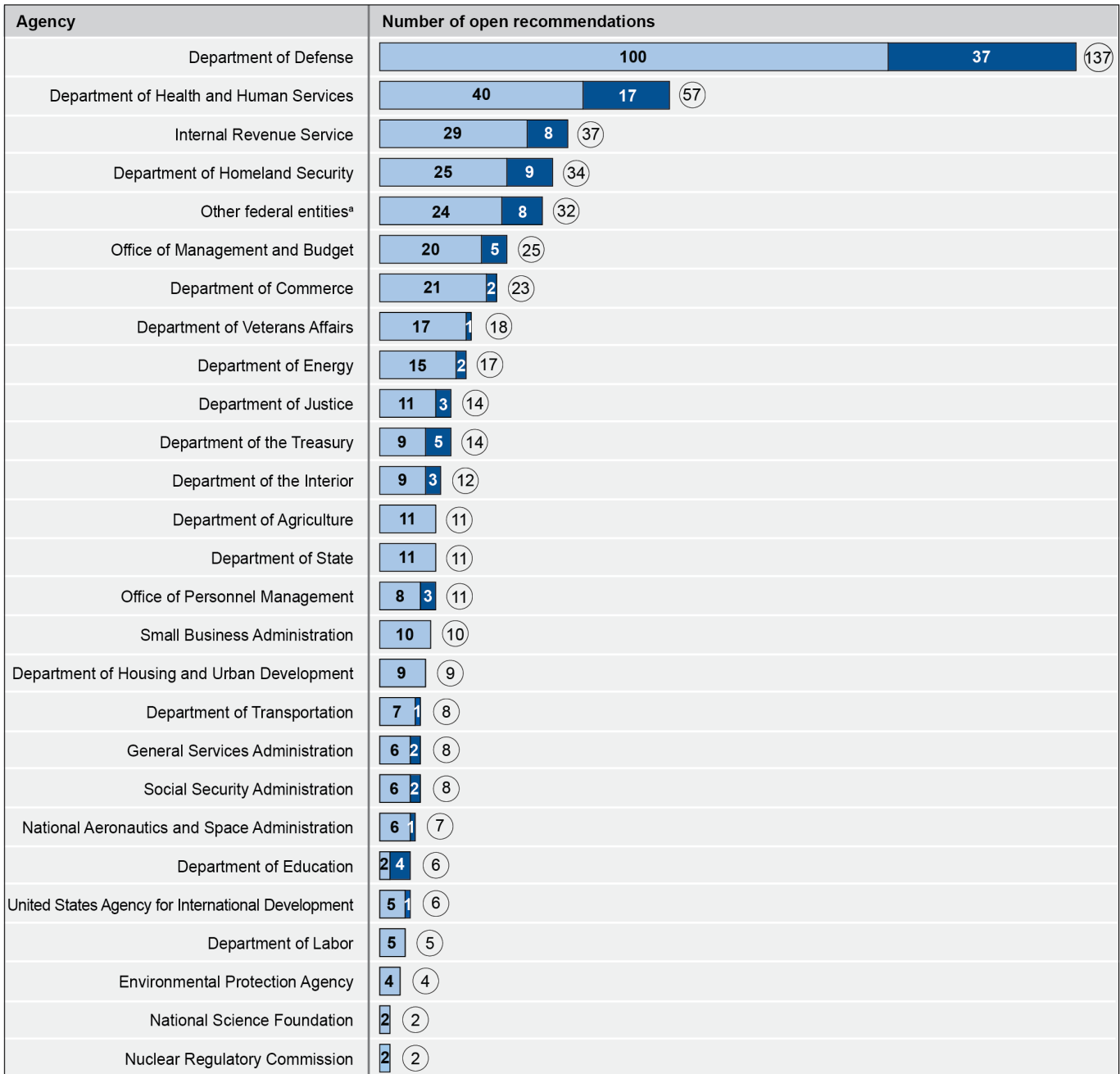
We also identified 2,003 recommendations directed to federal agencies. As shown in figure 6, these recommendations span the government. Of the 2,003 recommendations, 528 (26 percent) remained open as of March 2026. Six agencies—Department of Defense, Department of Health and Human Services, the Internal Revenue Service, Department of Homeland Security, Office of Management and Budget, and Department of Commerce—each have at least 20 open recommendations.

²³[GAO-26-107551](#).

²⁴We expect to issue a report by the end of 2026 examining the extent to which the inventory covers federal programs and spending in particular areas.

²⁵For a detailed summary of all open matters for Congress, see GAO, *Recommendations for Congress: Action Can Cut Costs, Reduce Waste, and Improve Services*, [GAO-26-108896](#) (Washington D.C.: May 12, 2026).

Figure 6: Number of Open Duplication and Cost Savings Recommendations by Agency, as of March 2026



Open – not addressed
 Open – partially addressed
 Total open recommendations

Source: GAO. | GAO-26-108505

Note: These data include recommendations related to our prior annual reports, from prior GAO reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report.

^a“Other federal entities” are Administrative Office of the United States Courts, Commodity Futures Trading Commission, Consumer Financial Protection Bureau, Executive Office of the President, Federal Communications Commission, Federal Deposit Insurance Corporation, Federal Energy Regulatory Commission, Federal Reserve System, Federal Trade Commission, National Credit Union Administration, Office of the Director of National Intelligence, United States Interagency Council on Homelessness, United States Securities and Exchange Commission, and VA-DoD Joint Executive Committee.

Open Matters and Recommendations to Address Duplication, Overlap, and Fragmentation

Table 3 shows selected topic areas where agencies can implement recommendations to eliminate, reduce, and better manage duplication, overlap, and fragmentation and achieve other benefits.

Table 3: Examples of Open Topic Areas and Related Potential Benefits

Topic area and description (GAO report number linked)	Mission	Potential benefit
DHS Federal Research Centers: The Department of Homeland Security should ensure proposed research and development projects are reviewed and the results documented for potential unnecessary overlap, and update and disseminate to relevant entities its list of research and development activities at least quarterly. (GAO-25-106394)	Homeland Security/Law Enforcement	Better management of fragmented efforts among research and development centers could avoid unnecessarily expending resources
Defense Food Program: The Department of Defense should better manage fragmentation of nutrition programs and initiatives by establishing department-wide strategic goals, performance goals, and performance metrics for nutrition efforts. (GAO-24-106155)	Defense	Better management of the fragmented food system and assessment of progress toward improving the health of service members in support of U.S. military readiness
Strategic National Stockpile: Federal agencies responsible for the Strategic National Stockpile should clearly define their roles and responsibilities related to the national stockpile in a formal document and share that document with jurisdictions. (GAO-24-106260)	Health	Better management of fragmented assistance to jurisdictions requesting and receiving critical medical supplies during public health emergencies
Mental Health Programs for Transitioning Service Members: The Department of Veterans Affairs-Department of Defense Joint Executive Committee should assess the effectiveness of the departments’ programs and processes overall to better manage overlapping efforts to facilitate access to mental health services for service members transitioning to civilian life. (GAO-24-106189)	Health	Addressing duplicative or overlapping efforts between departments and better ensuring that service members and veterans have access to the mental health support they may need

Topic area and description (GAO report number linked)	Mission	Potential benefit
Charitable Food Assistance: The U.S. Department of Agriculture should ensure that two of its agencies responsible for food bank delivery coordinate to better manage fragmentation and help streamline the lengthy process for resolving delivery issues. (GAO-24-106539)	Social Services	Better management of fragmentation by helping agencies more effectively resolve issues with food deliveries and help food banks focus on distributing food in their communities

Source: GAO. | GAO-26-108505

Open Matters and Recommendations with Potential for Financial Benefits

Of the 610 open matters and recommendations, we identified 182 as having the potential to yield measurable financial benefits.²⁶ In 24 of these, we roughly estimate the magnitude of those benefits could exceed:

- one hundred billion dollars for one,
- ten billion dollars for four, and
- one billion dollars for 19.

For another 95, our rough estimates of magnitude are less than \$1 billion. We were not able to estimate the value of the potential financial benefits for 63 matters and recommendations, due, for example, to a lack of data.

Further steps by Congress and federal agencies are needed to fully address the matters and recommendations that could yield significant financial benefits, as shown in table 4. Congress and agencies could potentially realize one hundred billion dollars or more in financial benefits by implementing these matters and recommendations.

Table 4: Examples of Open Topic Areas with Potential Financial Benefits of \$1 Billion or More

Topic area and description (GAO report number linked)	Mission	Potential financial benefits ^a (Source of estimate)
Medicare Payments by Place of Service: ^b Congress could realize additional financial benefits if it took steps to direct the Secretary of Health and Human Services to equalize payment rates between settings (e.g., physician offices and hospital outpatient departments) for all hospital outpatient departments, regardless of whether they are deemed on- or off-campus, for evaluation and management office visits and other services that the Secretary deems appropriate. (GAO-16-189)	Health	\$156.9 billion over 10 years (Congressional Budget Office)

²⁶In calculating these estimates, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. This amount represents a rough estimate of potential financial benefits reflecting uncertainty associated with the estimates, and actual financial benefits will depend on whether, how, and when they are addressed.

Topic area and description (GAO report number linked)	Mission	Potential financial benefits ^a (Source of estimate)
Nuclear Waste Classification: ^b Evaluating opportunities to manage certain waste as non-high-level radioactive waste and communicating to Congress its plans to pursue them, as recommended, will position the Department of Energy’s Environmental Management office to reduce environmental risks and accelerate cleanup. (GAO-26-108018)	Energy	Tens of billions of dollars (GAO analysis of Department of Energy data)
Medicare Part B: ^b Congress should consider eliminating the incentive to prescribe more drugs or more expensive drugs than necessary to treat Medicare Part B beneficiaries at hospitals that participate in the 340B Drug Pricing Program. (GAO-15-442)	Health	Tens of billions of dollars (Congressional Budget Office)
Public-Safety Broadband Network: ^b Congress should consider reauthorizing FirstNet—including different options for its placement—and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. (GAO-22-104915)	Information Technology	\$15 billion over 15 years^c (GAO analysis of the FirstNet Contract)
Individual Retirement Accounts: ^b Congress should consider revisiting the use of Individual Retirement Accounts (IRA) to accumulate large balances and consider ways to improve the equity and efficiency of the existing tax expenditure on IRAs. (GAO-15-16)	General Government	Ten billion dollars or more (Joint Committee on Taxation and the Department of the Treasury)
Internal Revenue Service Enforcement Efforts: ^b Congress should consider enhancing Internal Revenue Service (IRS) enforcement and service capabilities by collecting tax revenue and facilitating voluntary compliance to help reduce the gap between taxes owed and paid. Actions could include expanding third-party information reporting. For example, rental real estate owners could be required to report for certain payments they make to service providers, such as contractors who perform repairs on their rental properties. In addition, Congress could grant IRS the explicit authority to establish professional requirements for paid tax preparers. (GAO-08-956, GAO-09-238, GAO-14-467T, GAO-23-105217)	General Government	Billions of dollars over 10 years (Joint Committee on Taxation and the Department of the Treasury)
Navy Shipbuilding: The Navy could achieve cost savings by improving its acquisition practices and ensuring that ships can be efficiently sustained. (GAO-20-2)	Defense	Billions of dollars (GAO analysis of Department of Defense data)
Disability and Unemployment Benefits: ^b Congress should consider passing legislation to require the Social Security Administration to offset Disability Insurance benefits for any Unemployment Insurance benefits received in the same period. (GAO-14-343SP)	Income Security	\$2.2 billion over 10 years (Office of Management and Budget)
Student Loan Income-Driven Repayment Plans: The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. (GAO-19-347)	Training, Employment, and Education	More than \$2 billion over 10 years (Congressional Budget Office)
Federal Employees Health Benefits Program: The Director of the Office of Personnel Management (OPM) should implement a monitoring mechanism to identify and remove ineligible family members from the Federal Employees Health Benefits program, as we recommended and as Congress has directed. ^d (GAO-23-105222)	Health	One billion dollars or more over 9 years (Congressional Budget Office)

Source: GAO. | GAO-26-108505

^aThe potential financial benefits shown in this table represent estimates of amounts we or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended

consequences, and the effect of controlling for other factors. The individual estimates in this table should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

^bLegislation is likely to be necessary to fully address all matters or recommendations in this topic area.

^cIf FirstNet sunsets in 2027, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

^dPublic Law No. 119-21—commonly known as the One Big Beautiful Bill Act—required OPM to conduct a comprehensive audit regarding family member enrollment in the Federal Employees Health Benefits program to identify eligible and ineligible enrollees and develop a process to remove ineligible members. An Act To provide for reconciliation pursuant to title II of H. Con. Res. 14, Pub. L. No. 119-21, § 90101, 139 Stat. 72, 362–363 (2025). As of March 2026, OPM had not completed this work.

We are sending copies of this report to the appropriate congressional committees and relevant federal agencies. In addition, this report is available at no charge on the GAO website at <https://www.gao.gov>.

This report was prepared under the coordination of Jessica Lucas-Judy, Director, Strategic Issues, who may be reached at LucasJudyJ@gao.gov, and Cardell Johnson, Managing Director, Strategic Issues, who may be reached at JohnsonCD1@gao.gov. Contact points for our Office of Congressional Relations and Media Relations may be found on the last page of this report.

//SIGNED//

Orice Williams Brown
Acting Comptroller General of the United States

List of Committees

The Honorable Susan Collins
Chair
The Honorable Patty Murray
Vice Chair
Committee on Appropriations
United States Senate

The Honorable Lindsey Graham
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The Honorable Robert Garcia
Ranking Member
Committee on Oversight and Government Reform
House of Representatives

Appendix I: Objectives, Scope, and Methodology

Section 21 of Public Law 111-139, enacted in February 2010, requires us to conduct routine investigations to identify federal programs, agencies, offices, and initiatives with duplicative goals and activities within departments and government-wide.¹ This provision also requires us to report annually to Congress on our findings, including the cost of such duplication, with recommendations for consolidation and elimination to reduce duplication and specific rescissions (legislation canceling previously enacted budget authority) that Congress may wish to consider.

Our objectives in this report are to (1) identify potentially significant topic areas of (a) duplication, overlap, and fragmentation, or (b) opportunities for cost savings and enhanced revenues that exist across the federal government; (2) provide the implementation status on matters and recommendations identified; and (3) highlight examples of open matters directed to Congress and recommendations to federal agencies.

To present new topic areas of duplication, overlap, and fragmentation, this report compiles recent, publicly issued work not previously presented in our annual report, including all matters and recommendations to reduce or better manage duplication, overlap, and fragmentation.² The underlying work to examine programs and operations for these conditions, consider the potential positive and negative effects, and determine what, if any, actions Congress may wish to consider and agencies may need to take, are tailored to each report's specific objectives. For example, we used our prior work identifying leading practices for interagency coordination and collaboration, and our work on evidence-based policymaking, to help identify opportunities for agencies to reduce or better manage duplication,

¹Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), *codified at* 31 U.S.C. § 712 note.

²Some degree of program duplication, overlap, or fragmentation may be warranted in some instances because of the nature or magnitude of the federal effort. Therefore, we limit inclusion to those areas where GAO has identified a potential for improvement in a matter or recommendation. See GAO, *Fragmentation, Overlap, and Duplication: An Evaluation and Management Guide*, [GAO-15-49SP](#) (Washington, D.C.: Apr. 14, 2015).

overlap, and fragmentation and improve the effectiveness and efficiency of their efforts.³

To present new opportunities for cost savings and enhanced revenues, this report compiles recent, publicly-issued work not previously presented in an annual report, including all matters and recommendations with potential for positive net financial benefits to the federal government.⁴ The underlying work used a variety of approaches, tailored to their objectives and context, to identify and estimate such benefits where possible. These benefits could occur for a variety of reasons, including efficiencies in program operations via direct cost savings, cost avoidance, better allocation of resources, or enhanced revenues. More detail on our methodology for estimating potential financial benefits is presented below.

To provide illustrative examples of open matters and recommendations that could potentially yield financial or other benefits, we selected matters and recommendations in a variety of topic areas and to a diverse set of federal agencies. These examples include matters and recommendations with nonfinancial benefits, as well as those with potential financial benefits of \$1 billion or more.

We assessed the reliability of any computer-processed data that materially affected our findings, including cost savings and revenue enhancement estimates. The steps we take vary but are chosen to ensure the data are sufficiently reliable for the purposes for which they are used. We review published documentation about the data system and inspector general or other reviews of the data and may interview agency or outside officials to understand how the data are produced and any associated limitations. We may also electronically test data values against agency testimony and documentation or compare data to source documents or other sources to corroborate our findings. For new topic

³See, for example, GAO, *Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts*, [GAO-23-105460](#) (Washington, D.C.: July 12, 2023); and *Government Performance Management: Leading Practices to Enhance Interagency Collaboration and Address Crosscutting Challenges*, [GAO-23-105520](#) (Washington, D.C.: May 24, 2023). Additional information on our work on the GPRA Modernization Act of 2010 can be found at <https://www.gao.gov/managing-results-government>. Information on our work on best and leading practices in collaboration can be found at <https://www.gao.gov/leading-practices-collaboration-across-government>.

⁴For all estimates of financial benefits, a net benefit is a reflection of any financial or nonfinancial program improvements that exceed the known costs of implementing our matters and recommendations.

areas, specific information on data reliability is located in the related products.

Assessing the Status of Identified Matters and Recommendations

For this review, we provide the status on 2,313 matters and recommendations to address duplication, overlap, and fragmentation or potentially achieve financial benefits. This number combines 2,201 matters and recommendations included in our 2025 annual report, 14 matters and recommendations from other prior reports with newly identified financial benefits, and 98 matters and recommendations from recent work that are introduced in this report.⁵

To examine the extent to which Congress and federal agencies have implemented the 2,313 matters and recommendations associated with this report, we reviewed relevant legislation and agency documents (such as budgets, policies, guidance, and strategic and implementation plans) and obtained updates on the implementation status from officials at the relevant agencies from May 2025 through March 2026.⁶

Throughout this report, we present our analysis of implementation statuses as of March 2026. We used data from our internal performance monitoring and accountability systems.⁷ The summary reports used to analyze implementation data were finalized on April 9, 2026.

We used the following criteria in assessing the status of matters and recommendations:

- In assessing the status of matters for Congress, we applied the following criteria:
 - “closed – implemented” means relevant legislation has been enacted and addresses the intent of the matter, or a federal

⁵Of the 98 matters and recommendations introduced in this report, 97 are presented in appendix II and one recommendation associated with the Department of Veterans Affairs Disability Exam Contracts topic area was closed-implemented prior to the issuance of this report.

⁶For a detailed summary of all open matters for Congress, see GAO, *Recommendations for Congress: Action Can Cut Costs, Reduce Waste, and Improve Services*, [GAO-26-108896](#) (Washington D.C.: May 12, 2026).

⁷The data in these systems are also used for our public [Recommendations Database](#) and annual performance and accountability reporting. See, for example, GAO, *Performance and Accountability Report, Fiscal Year 2025*, [GAO-26-900644](#) (Washington, D.C.: Jan. 29, 2026).

agency has taken steps that address all of the matter, with or without relevant legislation;

- “open – partially addressed” means a relevant bill has passed a committee, the House of Representatives, or the Senate during the current congressional session, or relevant legislation has been enacted but only addressed part of the action needed; or a federal agency has taken steps to address part of the matter with or without legislation. At the beginning of a new congressional session, we reapply the criteria. As a result, the status of a matter may move from “open – partially addressed” to “open – not addressed” in a future report if, for example, relevant legislation is not reintroduced from the prior congressional session;
 - “open – not addressed” means a bill may have been introduced but did not pass out of a committee, or no relevant legislation has been introduced; and
 - “closed – no longer valid” means the matter is no longer relevant because of a change in circumstances.
- In assessing the status of recommendations to agencies, we applied the following criteria:
 - “closed – implemented” means the agency has completed all actions to implement the recommendation or when actions have been taken that essentially meet the recommendation’s intent;
 - “open – partially addressed” means the agency has completed action(s) that contribute to the implementation of the recommendation, but has not yet completed all actions to implement the recommendation;
 - “open – not addressed” means the agency has not yet taken any actions or has action(s) planned or underway, but not completed, to implement the recommendation; and
 - “closed – no longer valid” means the recommendation is no longer relevant because of a change in circumstances.

Across the report, we present totals and percentages for all open and closed – implemented recommendations and matters within our scope. We exclude the 11 matters for congressional consideration and 154 recommendations to federal agencies with the status “closed-no longer valid.”

We also analyzed, to the extent possible, whether financial or other benefits have been realized as a result of implementing our matters and

recommendations and updated potential financial benefits estimates to reflect realized benefits or changes in underlying assumptions or data, when appropriate. To determine realized financial and other benefits, we interviewed relevant agency and program officials and gathered and analyzed data on the net benefit of such actions. More detail on our methodology for estimating potential and realized financial benefits is presented below.

Methodologies for Determining Financial Benefits

Potential Financial Benefits

Potential financial benefits are benefits that could occur as a result of implementing our matters and recommendations.⁸ To develop estimates of potential financial benefits, we collected and analyzed existing estimates and other data on costs and potential savings, to the extent they were available.⁹

Each estimate was reviewed by one of our technical specialists to ensure that estimates were based on reasonably sound methodologies. When possible, we present estimates with a precise dollar figure, reflecting more rigorous methodologies and greater confidence in the potential change resulting from implementation of the matter or recommendation. We used partial and often historic data and conservative assumptions about what may occur in the future to provide rough estimates of the magnitude of potential savings when more precise estimates were not possible. These notional estimates use a variety of approaches aligned to the specifics of the situation such as drawing from examples of identified cases, using benchmarks of change for similar programs, or assuming a small percentage of change may be achieved, often one percent.

⁸Potential financial benefits are typically associated with matters and recommendations that are “open – not addressed” or “open – partially addressed.” However, in some cases they are also associated with matters and recommendations that are “closed – implemented”, because it may take time between when action is taken and when the financial benefit is realized.

⁹Potential financial benefits estimates came from a variety of sources, including our analysis, Congressional Budget Office estimates, individual agencies, and others, and use different time frames, underlying assumptions, data quality, and methodologies.

There is a higher level of uncertainty for estimates of potential financial benefits that could accrue from actions on matters and recommendations not yet taken because these estimates are dependent on whether, how, and when agencies and Congress implement them, or due to a lack of sufficiently detailed data to make reliable forecasts. As a result, many estimates of potential financial benefits are notionally stated using terms such as millions, tens of millions, or billions to demonstrate a rough magnitude without providing a more precise estimate. Further, many of these estimates are not tied to specific time frames for the same reason.

Estimating potential benefits was not possible in some cases for a variety of reasons, including: (1) inability to predict the timing and nature of agency or congressional actions; (2) limited data on performance, funding, the extent of identified deficiencies, or potential costs associated with taking action; and (3) external factors such as changes to the economy.¹⁰

Realized Financial Benefits

To determine net financial benefits that have resulted from action on our findings, matters, and recommendations, we collected and analyzed any existing estimates and other data on costs and savings, to the extent they were available. Estimates of financial benefits rely on a variety of sources, including our analysis, Congressional Budget Office estimates, individual agencies, and others, and use different time frames, underlying assumptions, data quality, and methodologies.

While the implementation of our recommendations can produce a wide variety of improvements to program economy, effectiveness, efficiency, and equity, many of these improvements are difficult to measure or lack the data necessary to calculate financial benefits. For some actions, available data may only capture a portion of the realized benefits, either because of insufficient data or because additional benefits are expected.

We report the total financial benefits achieved through this work as a combination of the total savings reported in the previous annual report, which extend to the end of fiscal year 2024, and the net present value of financial benefits achieved in fiscal year 2025. To account for the imprecision resulting from differences among individual estimates, we

¹⁰Implementing all open GAO matters and recommendations could produce \$132 billion to \$251 billion of measurable, future financial benefits, according to simulation models we developed that used our historical data on realized financial benefits. GAO, *Open GAO Recommendations: Financial Benefits Could Be Between \$132 Billion and \$251 Billion*, [GAO-26-108932](#) (Washington, D.C., May 12, 2026).




















calculate our total realized financial benefits rounded to the nearest \$100 million.

This report is based upon work we previously conducted 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 and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: New Duplication and Cost Savings Topic Areas

This appendix presents summaries for the 38 new topic areas in which we found opportunities for improvement in federal programs related to duplication, overlap, fragmentation, cost savings, or revenue enhancement. For more information on the current implementation status for each of the 97 newly added matters and recommendations, please see [Duplication and Cost Savings Recommendations](#).

Table 5: Table of Contents for the New Topic Areas by Mission






Mission	Topic area	Category
 Defense	Army Air and Missile Defense Systems	
	Defense Medical Facilities	
	DOD Cyberspace Operations	 
	DOD Dependence on Foreign Suppliers	
	F-35 Joint Strike Fighter	
	Military Moves	
	National Security Space Launch	 
	Ship Industrial Base	 
 Economic Development	SBA Disaster Loans	 
 Energy	Nuclear Waste Classification	
	Nuclear Waste Disposal Planning	
	Oil and Gas Royalties	
 General Government	Commercial Shipbuilding	 
	Coronavirus Fiscal Recovery Funds	
	Duplicate Health Care Coverage	
	Federal Awards Fraud Prevention	
	Federal Broadband Programs	 
	Fraud Risks in the Federal Employees Health Benefits (FEHB) Program	

Mission	Topic area	Category
	Government-wide Anti-Scam Strategy	
	Investigating Fraud Using Company Registry	
	IRS Use of AI	
	Modernizing Amended Employment Tax Returns	
	Puerto Rico Tax Incentives	
	Sales of Unneeded Real Property	
	SSA Death Data Costs	
	VA Acquisition Management	
Health	Diagnostic Testing for Pandemic Threats	
	Organ Transplantation System	
	Public Health Emergency Preparedness	
	VA and DOD Health Care Sharing Agreements	
Homeland Security/Law Enforcement	Bureau of Prisons Halfway Houses	
	Coast Guard Investigations	
	Non-Intrusive Inspection Systems	
Income Security	VA Disability Exam Contracts	
Information Technology	DHS Human Resources IT	
	Federal Shared Services	
Social Services	Supplemental Nutrition Assistance Program (SNAP) Benefit Theft	
Training, Employment, and Education	Employment Support for Older Workers	

Key: = Duplication, Overlap, or Fragmentation = Cost Savings or Revenue Enhancement

Source: GAO information and illustrations. | GAO-26-108505

Table 6: New Topic Areas in the Defense Mission

 Defense	
Topic	Underlying report, recommendation(s), and category
<p>Army Air and Missile Defense Systems. Since 2021, the Department of the Army has ramped up its modernization of seven systems to better protect equipment, personnel, and facilities from threats like cruise missiles and rockets. In June 2025, we reported the Army had not fully implemented leading practices for product development in these modernization efforts, including the Integrated Battle Command System, an Army fire control system that links sensors and weapons. Implementing leading practices and using modern design tools, as we recommended, would help the Army better manage its modernization efforts and take full advantage of efficiencies that modern design tools like digital twins can provide, such as the ability to anticipate potential design flaws. Further, according to the Army’s estimate, it may be missing opportunities to reduce costs by tens of millions of dollars over the next 8 years as it fields the Integrated Battle Command System.</p>	<p>Report GAO-25-107491</p> <p>Recommendation # Army (3)</p> <p></p>
<p>Defense Medical Facilities. The Department of Defense (DOD) realigned its medical facilities under the management of the Defense Health Agency (DHA) in November 2022 in an effort to: (1) create efficiencies, (2) lower cost, and (3) improve care for military service members and eligible beneficiaries. In April 2025, we reported that DHA had not determined the number of personnel resources needed or how business functions could be consolidated so that medical facilities could be managed effectively. Analyzing the number of personnel and functions needed under the new structure, as we recommended, could potentially save millions of dollars over 5 years and improve beneficiary care and efficiency for DHA, if even a 1 percent reduction in personnel and functions could be achieved.</p>	<p>Report GAO-25-107432</p> <p>Recommendation # DOD (2, 3, 4, 5)</p> <p></p>
<p>DOD Cyberspace Operations. DOD conducts cyberspace operations to defend the nation, support allies and partners, and protect its information network from malicious cyber actors. In September 2025, we reported that the military services are, in some cases, providing similar training courses to their cyberspace operations personnel. Also, DOD has 23 cybersecurity service providers who are largely conducting the same activities and functions, that is, providing cybersecurity services and activities to DOD organizations. By consolidating DOD’s cybersecurity service providers and reducing unwarranted overlap of similar cyberspace training courses, as we recommended, DOD could potentially save millions of dollars.</p>	<p>Report GAO-25-107121</p> <p>Recommendation # DOD (1, 2)</p> <p> </p>



Defense

Topic

Underlying report, recommendation(s), and category

DOD Dependence on Foreign Suppliers. DOD has reported that its dependence on adversarial sources for goods it procures is a mounting national security challenge. For example, these suppliers may cut off U.S. access to critical materials or provide “back doors” in their technology that serve as intelligence pathways. In July 2025, we found that DOD’s approach for mitigating foreign dependency risks in its supply chain is uncoordinated and fragmented across DOD, and the department’s efforts to improve supply chain visibility provide little insight into most suppliers. DOD has identified actions it can take to improve its ability to identify and mitigate foreign dependency risks, including adopting some leading commercial practices. Identifying resources, priorities, time frames, and leadership for implementing these actions, as we recommended, would help DOD better manage fragmentation and position itself to mitigate foreign dependency risks.

Report
[GAO-25-107283](#)

Recommendation #
DOD (1, 2)



F-35 Joint Strike Fighter. Between 2021 and 2024, DOD paid contractors hundreds of millions of dollars in incentive fees—financial rewards for meeting deadlines and performance outcomes—to encourage on-time delivery of F-35 joint strike fighters. When federal agencies do not effectively manage contract incentive fees taxpayers are at risk of shouldering unnecessary costs. In September 2025, we found the structure of on-time delivery incentives allowed the contractors to deliver aircraft and engines late and still earn some of the fee. If DOD better aligned contract incentives fees to achieving desired production schedule outcomes, as we recommended, the F-35 program could avoid financially rewarding the contractors for late deliveries and incurring unnecessary costs.

Report
[GAO-25-107632](#)

Recommendation #
DOD (3)



Military Moves. DOD arranges for the worldwide movement and storage of approximately 300,000 personal property shipments for service members and their families each year, at a cost of about \$2 billion. DOD awarded the Global Household Goods Contract to a single commercial move manager in 2021 but terminated the contract for cause in June 2025 due to the contractor’s inability to perform the services specified in the terms and conditions of the contract. In September 2025, we reported that DOD did not have complete information regarding costs associated with the contract transition and had incurred unplanned transition costs and paid management fees for orders ultimately not completed by the contractor. Ensuring DOD has access to comprehensive information regarding program capacity, performance, and costs, as we recommended, could enable DOD to better manage costs associated with reforming the program and potentially save **millions of dollars**.

Report
[GAO-25-107771](#)

Recommendation #
DOD (1)





Defense

Topic

Underlying report, recommendation(s), and category

National Security Space Launch. DOD has provided increased support over the last decade to commercial entities launching from federal ranges. In June 2025, we found limitations in DOD’s scheduling and management of payload processing—when the payload is integrated with the launch vehicle before it is transported to the launch pad. The lack of insight into the commercial satellite processing schedules of the providers it shares facilities with hinders DOD’s own payload coordination efforts. DOD has also struggled to accurately bill commercial entities for its direct and indirect costs because it does not have clear cost collection guidance for the support services it provides at launch ranges. Improving coordination of payload processing services and developing guidance for capturing costs, as we recommended, would allow DOD to better manage fragmentation and potentially recoup **tens of millions of dollars over 5 years** of projected launches.

Report
GAO-25-107228

Recommendation #
DOD (1, 2, 3)



Ship Industrial Base. The Department of the Navy relies on contracts with private companies—the "industrial base"—to build and, in many cases, repair ships, but they often struggle to complete this work on time. In February 2025, we found the Navy is investing billions of dollars into improving the industrial base for shipbuilding but is not fully coordinating on these investments, such as by centrally collecting or appropriately sharing some types of data, such as for submarine and surface ship investments. Additionally, we found that the Navy developed plans for investing in the ship repair industrial base without assessing infrastructure needs. Improving coordination on ship industrial base investments, to include central collection of data, sharing of information between relevant offices, and analysis of potential infrastructure investments, as we recommended, could help the Navy better prevent inefficient duplication and overlap and could potentially save **tens of millions of dollars**.

Report
GAO-25-106286




Recommendation #
Navy (1, 4)
DOD (3)



Key: = Duplication, Overlap, or Fragmentation = Cost Savings or Revenue Enhancement






Source: GAO information and illustrations. | GAO-26-108505

Table 7: New Topic Area in the Economic Development Mission

 Economic Development	
Topic	Underlying report, recommendation(s), and category
<p>SBA Disaster Loans. Disaster loans from the Small Business Administration (SBA) can help survivors rebuild and recover from property and home damages. However, survivors sometimes receive financial assistance from other sources, such as other federal aid and insurance that can cause their compensation to exceed their eligible losses, resulting in a duplication of benefits. In May 2025, we reported that SBA: (1) could not determine whether or how cases of duplication were resolved or how much over-disbursement was recovered, and (2) did not have documented procedures outlining how its staff should ensure borrowers take corrective actions to fully resolve such cases. Enhancing data collection and accessibility, along with establishing documented procedures, as we recommended, would help SBA better manage cases of duplication and may achieve cost savings by ensuring that any duplicate funds are recovered.</p>	<p>Report GAO-25-107608</p> <p>Recommendation # SBA (1, 2)</p> <p>   </p>

Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505






Table 8: New Topic Areas in the Energy Mission

 Energy	
Topic	Underlying report, recommendation(s), and category
<p>Nuclear Waste Classification. The Department of Energy (DOE)’s Office of Environmental Management (EM) is responsible for cleaning up radioactive waste from nuclear weapons production and energy research. In March 2026, we reported that the ambiguous statutory definition of high-level radioactive waste (HLW) affects EM’s ability to classify certain waste with relatively lower levels of radioactivity as waste types other than HLW. These other waste types can generally be safely treated and disposed of more quickly and at much lower costs than HLW. By convening a multidisciplinary panel to recommend statutory revisions to the HLW definition, Congress could receive expert input on an issue that has impeded EM’s cleanup mission for decades and exposes EM to litigation that would further delay progress. Evaluating opportunities to manage certain waste as non-HLW and communicating to Congress its plans to pursue them, as we recommended, would position EM to reduce environmental risks, accelerate cleanup, and potentially save tens of billions of dollars.</p>	<p>Report GAO-26-108018</p> <p>Recommendation # Congress (1) DOE (1)</p> <p></p>
<p>Nuclear Waste Disposal Planning. DOE estimates that completing its cleanup of radioactive and hazardous materials—including disposing of the resulting waste—at its nuclear sites will take decades. In May 2025, we reported that DOE had not assessed strategic alternatives for optimizing waste disposal plans across its sites or developed an integrated waste disposal plan to address obstacles to completing its nuclear cleanup mission. DOE also likely will need to negotiate with multiple regulators to address potential constraints to implementing optimal waste disposal plans. Developing an integrated waste disposal plan informed by optimization analyses and creating a forum to work with regulators, as we recommended, could save hundreds of millions of dollars over DOE’s projected waste disposal timeframe by more efficiently disposing of waste.</p>	<p>Report GAO-25-107109</p> <p>Recommendation # DOE (3, 4, 5)</p> <p></p>
<p>Oil and Gas Royalties. Royalty revenue from the sale of oil and gas produced on leased federal lands and waters provides billions of dollars for federal and state programs. The Department of the Interior’s Office of Natural Resources Revenue (ONRR) is responsible for ensuring that royalties are paid accurately and on time and for overseeing the adjustments and refund requests submitted by oil and gas companies. In November 2025, we reported that ONRR faces challenges with the adjustment process that may pose significant risks of lost federal revenues. Shortening the statutory timeframe for companies to submit royalty adjustments, as we recommended, could allow ONRR more time to review reported royalties to help better ensure accurate collections and potentially increase revenue by tens of millions of dollars over 10 years.</p>	<p>Report GAO-26-107669</p> <p>Recommendation # Congress (1)</p> <p> </p>

Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement

Source: GAO information and illustrations. | GAO-26-108505

Table 9: New Topic Areas in the General Government Mission

 General Government	
Topic	Underlying report, recommendation(s), and category
<p>Commercial Shipbuilding. The Department of Transportation (DOT)'s Maritime Administration manages several financial assistance programs to encourage or improve U.S. shipbuilding and repairs, which are critical for national defense. These programs include two tax deferral programs, the Construction Reserve Fund Program and the Capital Construction Fund Program. In June 2025, we reported that certain aspects of the two tax deferral programs appeared duplicative, and Maritime Administration officials had not formally evaluated the potential duplication between the programs. We recommended that the Maritime Administration assess the potential effects of either combining the tax deferral programs or eliminating the underutilized Construction Reserve Fund Program—and develop a proposal for Congress, if warranted. By implementing our recommendation, the agency could determine if efficiencies, including reduced administrative costs, could be realized.</p>	<p>Report GAO-25-107304</p> <p>Recommendation # DOT (4)</p> <p> </p>
<p>Coronavirus Fiscal Recovery Funds. The Department of the Treasury is responsible for overseeing the use of the \$350 billion of Coronavirus State and Local Fiscal Recovery Funds program distributed to tribal governments, states, localities, the District of Columbia, and U.S. territories to help cover costs of health and economic effects of the COVID-19 pandemic. Nearly all—\$325.5 billion—of the \$350 billion in State and Local Fiscal Recovery Funds was allocated to state and local governments. To ensure these funds are used for allowable purposes, Treasury developed reporting requirements for recipient governments to detail their uses of funds. In July 2025, we reported that Treasury initiated recoupment with recipients that had never submitted a report, based in part, on our ongoing reviews of the program and discussions with Treasury. We also reported that while Treasury's procedures allow the department to initiate recoupment with recipients that do not comply with reporting requirements, the procedures do not require it based on specific timing or circumstances. As we recommended, developing and documenting procedures and guidance that identify the timing and circumstances under which Treasury will initiate recoupment from recipients that have not met reporting requirements could potentially save millions of dollars.</p>	<p>Report GAO-25-107909</p> <p>Recommendation # Treasury (1)</p> <p></p>
<p>Duplicate Health Care Coverage. Federally funded health care programs for eligible individuals under 65 years of age, including Medicaid, the Children's Health Insurance Program, and the health insurance marketplaces are susceptible to significant improper payments, including fraud. In September 2025, we reported that for fiscal year 2023, the federal government and six selected states paid health insurance entities at least \$1.6 billion in potential overpayments or fraud for duplicate health care coverage or benefits. The payments were made on behalf of approximately 500,000 individuals who were simultaneously enrolled or receiving benefits across multiple states. If the Centers for Medicare & Medicaid Services (CMS) strengthens controls to help detect and prevent duplicate enrollment within and across the programs, as we recommended, it could potentially prevent tens of millions of dollars or more of improper payments annually.</p>	<p>Report GAO-25-106976</p> <p>Recommendation # CMS (1, 2, 3)</p> <p></p>



General Government

Topic

Underlying report, recommendation(s), and category

Federal Awards Fraud Prevention. Proactively managing fraud risk in federal programs ensures that taxpayer dollars and government services serve their intended purposes. In December 2025, we found the Department of Energy (DOE), the Environmental Protection Agency (EPA), and the Department of Health and Human Services (HHS) had not fully designed and documented their policies and procedures consistent with our leading practices to oversee and prevent fraud, waste, and abuse. We recommended that DOE and HHS design and document procedures to perform fraud risk assessments and EPA establish a Senior Management Council to assess and monitor internal control deficiencies. By strengthening their policies, procedures, and oversight, DOE, EPA, and HHS could potentially achieve cost savings by decreasing the risk of fraud, waste, and abuse of federal resources.

Report
[GAO-26-107444](#)

Recommendation #
DOE (2)
EPA (7)
HHS (8)



Federal Broadband Programs. Congress has appropriated billions of dollars in federal funding for programs that support expanding broadband, an essential service, to the millions of Americans that do not have access. Administration of the bulk of this funding is fragmented across the Federal Communications Commission (FCC), National Telecommunications and Information Administration (NTIA), the U.S. Department of Agriculture (USDA), and Treasury. In April 2025, we reported on gaps in these agencies' efforts to collaborate, such as not clearly defining how coordination efforts would be implemented and not documenting a formal process for avoiding duplicate funding. Strengthening their coordination, as we recommended, would position the agencies to better manage fragmentation and could reduce the risk of potentially duplicative funding by **ten million dollars or more**.

Report
[GAO-25-107207](#)

Recommendation #
FCC (4, 5, 6)
NTIA (7, 8, 9)
USDA (10, 11, 12)
Treasury (13, 14)



Fraud Risks in the FEHB Program. The Office of Personnel Management (OPM) is responsible for managing fraud risks in the Federal Employees Health Benefits (FEHB) program, which provided health insurance benefits to more than 8.2 million individuals at a cost of about \$70 billion in fiscal year 2024. In July 2025, we found that OPM had not assessed the full range of fraud risks facing the program, such as ineligible providers, kickbacks, and identity theft. Assessing the full range of fraud risks facing the program, as we recommended, may lead to changes in anti-fraud controls that would better position OPM to mitigate these risks. In turn, changes in anti-fraud controls may lead to cost savings by preventing, detecting, and responding to fraud and related improper payments in the program.

Report
[GAO-25-106885](#)

Recommendation #
OPM (3)





General Government

Topic

Underlying report, recommendation(s), and category

Government-wide Anti-Scam Strategy. Scams are a type of fraud that involve the use of deception or manipulation intended to achieve financial gain. They often cause individual victims to lose large sums of money—in some cases, their entire life savings. In April 2025, we reported that 13 agencies including the Federal Bureau of Investigation (FBI), the Federal Trade Commission (FTC), and the Consumer Financial Protection Bureau (CFPB) engage in overlapping efforts to combat scams. However, we found there is no government-wide, national strategy for combating scams and these agencies do not collaborate with each other on collecting and reporting data on the prevalence of scams. We recommended that the FBI lead the development of a government-wide strategy to organize and prioritize combating scam efforts, work with FTC and CFPB to improve data collection, and develop a single estimate of those affected by scams. Doing so could help position agencies to better manage fragmentation and help reduce consumer harm by strengthening prevention, detection, and public awareness efforts across agencies.

Report
[GAO-25-107088](#)

Recommendation #
FBI (1, 4, 9)
FTC (2, 10)
CFPB (3, 8)



Investigating Fraud Using Company Registry. Treasury administers a registry that certain foreign companies must use to disclose identifying information about their ownership structure (“beneficial ownership”) to aid law enforcement agencies investigating fraud and other financial crimes. In April 2025, we found instances of financial losses to the government through grants, contracts, and eligibility misrepresentations have ranged between \$150,000 and \$93 million. We reported that Treasury has not communicated information about access and data retrieval with Offices of Inspectors General (OIG) so that they may use the registry in their investigations into fraud in federal programs. Improved communications between Treasury and OIGs, as we recommended, could enhance oversight of federal programs. Access to beneficial ownership information for foreign companies could potentially save time during OIG fraud investigations and **millions of dollars** if even one loss of average size could be avoided.

Report
[GAO-25-107143](#)

Recommendation #
Treasury (1)



IRS Use of AI. The Internal Revenue Service (IRS) rapidly expanded its use of AI between 2022 and 2025 and uses it for various purposes across the agency, such as assisting with audit selection and taxpayer services. In March 2026, we reported that several entities have oversight of individual AI use cases. None of the entities were responsible for managing AI investments across the agency, resulting in some instances of overlap and the risk of duplication among use cases. Increasing coordination and collaboration between entities using AI, as we recommended, would help IRS better manage these fragmented efforts and could potentially save **one million dollars or more** if even one similar overlapping use case is avoided or better leveraged.





Report
[GAO-26-107522](#)

Recommendation #
IRS (6)





General Government

Topic	Underlying report, recommendation(s), and category
<p>Modernizing Amended Employment Tax Returns. Manually processing tax returns is expensive and time consuming for IRS. In February 2026, we reported that IRS manually processes electronically filed amended employment tax returns. Including these returns in IRS's modernization efforts for processing and data capture, as we recommended, could help reduce the current correspondence backlog and reduce processing costs. In turn, this could reduce errors and allow more timely processing of taxpayer refunds. It could also help prepare IRS for any future surge in tax credit claims on amended returns, particularly should legislation again provide emergency relief through the employment tax system. If IRS automates processing amended employment tax returns, it could save millions of dollars over 5 years.</p>	<p>Report GAO-26-107456</p> <p>Recommendation # IRS (2)</p> <p></p>
<p>Puerto Rico Tax Incentives. IRS is responsible for ensuring that taxpayers moving to Puerto Rico who take advantage of tax incentives are still meeting their federal tax obligations. In December 2025, we reported that the average federal taxes paid by resident investor incentive recipients decreased significantly after they moved to Puerto Rico. We identified gaps in IRS oversight in this area and recommended that IRS take actions to regularly obtain relevant data from Puerto Rico and improve compliance among this taxpayer population. Implementing these recommendations would strengthen compliance and potentially generate millions of dollars in additional federal tax revenue.</p>	<p>Report GAO-26-107225</p> <p>Recommendation # IRS (1, 2, 3)</p> <p></p>
<p>Sales of Unneeded Real Property. The General Services Administration (GSA) assists federal agencies in disposing of unneeded real property and has taken steps to accelerate the disposal of certain properties that cost the federal government millions of dollars annually to maintain. In April 2026, we reported that GSA: (1) did not establish performance goals to assess its accelerated approach, including goals for avoided operation and maintenance costs to be achieved through disposals, and (2) did not evaluate its recent use of commissioned private brokers against its other sales methods. By establishing targeted and measurable performance goals and evaluating its use of broker-led sales compared to other sales methods, as we recommended, GSA could help ensure timely disposal outcomes, select the most efficient and effective method for future sales, and potentially avoid tens of millions of dollars of costs over 10 years.</p>	<p>Report GAO-26-107760</p> <p>Recommendation # GSA (1, 3)</p> <p></p>
<p>SSA Death Data Costs. The Social Security Administration (SSA) is required to maintain and share death data it receives from states in accordance with certain statutory requirements, including for the purpose of avoiding improper payments. SSA must compensate states for providing this data (42 U.S.C. § 405(r)). In February 2026, we reported that SSA's payments to states for death data had increased significantly under new contracts, and SSA had not obtained required cost information from states. By implementing our recommendations, SSA would help ensure it has information it needs to determine whether the current pricing structure reflects statutorily authorized costs, potentially saving one million dollars or more over 5 years.</p>	<p>Report GAO-26-107181</p> <p>Recommendation # SSA (1, 2)</p> <p></p>



General Government

Topic

Underlying report, recommendation(s), and category

VA Acquisition Management. In fiscal year 2024, the Department of Veterans Affairs (VA) obligated more than \$65 billion on contracts for goods and services that fall under the federal government's category management initiative to coordinate procurement and leverage the government's buying power. In September 2025, we found that VA had met most process-based category management goals but did not (1) set or track outcome-based goals, (2) fully implement its category management policy or processes, or (3) develop vendor management plans to address supply base risks. VA could realize additional benefits of category management by establishing category-specific goals for cost avoidance and budget savings and establishing an entity to oversee VA's category management initiative, as we recommended. If VA achieves 1 percent savings by implementing our recommendations to improve its category management initiative, VA could save **hundreds of millions of dollars over 10 years.**

Report

[GAO-25-107398](#)

Recommendation





VA (1, 2, 3, 4, 5, 6)



Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement

Source: GAO information and illustrations. | GAO-26-108505

Table 10: New Topic Areas in the Health Mission

 Health	
Topic	Underlying report, recommendation(s), and category
<p>Diagnostic Testing for Pandemic Threats. Infectious diseases with pandemic potential—such as avian influenza—pose a threat to American lives, national security, and economic interests. Diagnostic testing efforts are fragmented across numerous Department of Health and Human Services (HHS) agencies and other federal agencies, as well as public, private, and nonprofit stakeholders. In June 2025, we found that HHS had neither a national testing strategy nor a coordinating group that included all relevant partners to prepare for and coordinate diagnostic testing in future public health emergencies. Without these, HHS risks delays in implementing diagnostic testing to inform treatment and track an infectious disease during the next public health emergency, potentially endangering American lives. Establishing and maintaining a strategy or group with clear roles and responsibilities, as we recommended, would better manage this fragmentation by improving collaboration and strengthen HHS's ability to implement diagnostic testing for pandemic threats and other related public health threats.</p>	<p>Report GAO-25-106980</p> <p>Recommendation # HHS (1, 2, 3, 4)</p> 
<p>Organ Transplantation System. The Health Resources and Services Administration (HRSA) and the Centers for Medicare & Medicaid Services (CMS)—within HHS—share responsibility for overseeing entities involved with organ transplantation, the leading form of treatment for patients with severe organ failure. In January 2026, we reported that HRSA and CMS developed an action plan to help guide coordinated efforts to improve the organ transplantation system; however, the plan is missing key elements important for measuring and realizing progress. These include specific, actionable steps with milestone completion dates and markers for measuring the success of actions taken. By working together to update the action plan with these important elements, these agencies may better manage fragmentation and improve the performance of the organ transplantation system—the system that is responsible for providing organs to save the lives of critically ill patients.</p>	<p>Report GAO-26-107434</p> <p>Recommendation # HHS (3)</p> 
<p>Public Health Emergency Preparedness. HHS leads the federal public health and medical preparedness for public health emergencies. In February 2026, we reported that HHS does not have a formal mechanism—such as written agreements, working groups, or joint exercises—to coordinate two key programs: (1) the Public Health Emergency Preparedness program, which supports state and local government health departments, and (2) the Hospital Preparedness Program, which supports communities' health care systems. Prior to 2020, these types of mechanisms existed to aid coordination between the two programs. Developing such coordination mechanisms, as we recommended, would better manage fragmentation and improve federal support to health departments and health care systems as they prepare to respond to public health threats and emergencies.</p>	<p>Report GAO-26-107507</p> <p>Recommendation # HHS (1)</p> 



Health

Topic

Underlying report, recommendation(s), and category

VA and DOD Health Care Sharing Agreements. The Department of Veterans Affairs (VA) and Department of Defense (DOD) have agreements to share health care resources, like surgery services, which help improve access to health care for over 18 million beneficiaries and may lower costs for the federal government. In June 2025, we reported that the departments do not evaluate the effectiveness of sharing agreements and largely rely on local officials to identify potential areas for new and expanded sharing, which may result in missed opportunities for sharing. By implementing a process to evaluate the effectiveness of sharing agreements and developing a process to identify new opportunities, as we recommended, VA and DOD could better manage fragmented services, improve patients' access to care, and potentially save **tens of millions of dollars annually**.

Report

[GAO-25-107497](#)

Recommendation

VA (2, 4)





DOD (3, 5)



Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement



Source: GAO information and illustrations. | GAO-26-108505

Table 11: New Topic Areas in the Homeland Security/Law Enforcement Mission

 Homeland Security/Law Enforcement	
Topic	Underlying report, recommendation(s), and category
<p>Bureau of Prisons Halfway Houses. The Federal Bureau of Prisons (BOP) contracts with roughly 150 residential reentry centers (halfway houses) to help incarcerated individuals prepare to reenter their communities upon completion of their sentences. In February 2026, we reported that BOP lacked readily available data on how many individuals were eligible for transfer to halfway houses. Also, from October 2021 through March 2025, BOP paid over \$12 million in late payment penalties to its contractors, including \$5.6 million paid to halfway house contractors. By better monitoring eligibility dates and addressing the causes of late payments, as we recommended, BOP could help individuals transfer from prison to a halfway house on time, reduce recidivism, and potentially save tens of millions of dollars annually.</p>	<p>Report GAO-26-107353</p> <p>Recommendation # BOP (2, 6, 7)</p> <p></p>
<p>Coast Guard Investigations. The Coast Guard Investigative Service (CGIS) and the Department of Homeland Security (DHS) Office of Inspector General (OIG) have some overlapping authorities to investigate complaints regarding the Coast Guard. In January 2026, we reported that CGIS and DHS OIG have not fully followed five out of six selected leading practices for collaboration. For example, CGIS and DHS OIG have not clarified expectations with each other for referring complaints in areas where they have overlapping investigative responsibilities. Fully following the selected practices to improve collaboration, as we recommended, would better position the agencies to prevent duplicative investigations and potentially achieve cost savings by ensuring effective and appropriate allocation of resources.</p>	<p>Report GAO-26-107341</p> <p>Recommendation # Coast Guard (2, 3, 5, 7) DHS OIG (4, 6)</p> <p> </p>
<p>Non-Intrusive Inspection Systems. To help detect illegal drugs and other contraband, U.S. Customs and Border Protection (CBP) uses non-intrusive inspection systems, such as X-ray machines, at land ports of entry to inspect travelers' belongings and the contents of their vehicles without the need for unloading or disassembly. In September 2025, we found that CBP had not clearly defined two of its three key performance parameters for non-intrusive inspection systems—inspection rate and examination. Clearly defining its key performance parameters and using them for reporting, as we recommended, would help CBP achieve its objectives more efficiently and effectively. By better identifying system deficiencies and informing future procurement decisions, CBP could potentially save ten million dollars or more over 3 years.</p>	<p>Report GAO-25-107379</p> <p>Recommendation # CBP (1)</p> <p></p>






Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505

Table 12: New Topic Area in the Income Security Mission

 Income Security	
Topic	Underlying report, recommendation(s), and category
<p>VA Disability Exam Contracts. The Department of Veterans Affairs (VA) uses contractors to conduct medical exams that are a source of evidence for determining veterans' eligibility for disability compensation claims. In August 2025, we reported that VA provided financial incentives to contractors for high performance, but the department did not consistently verify the accuracy of its incentive calculations. We reviewed VA's calculations and identified almost \$2.3 million in overpaid incentives to contractors that resulted from uncorrected errors in fiscal year 2024. Implementing our recommendation to correct previous inaccurate incentive payments could help VA save one million dollars or more.</p>	<p>Report GAO-25-107483</p> <p>Recommendation # VA (2)</p> <p></p>



Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505

Table 13: New Topic Areas in the Information Technology Mission

 Information Technology	
Topic	Underlying report, recommendation(s), and category
<p>DHS Human Resources IT. Since 2003, the Department of Homeland Security (DHS) has been working to modernize and consolidate duplicative human resources IT systems and paper-based processes. In September 2025, we reported that DHS had spent at least \$262 million but made limited progress in achieving its goals for this effort, in part, because of gaps in its portfolio management practices. For example, officials estimated there are 89 human resources systems used across the department and its components but did not validate the accuracy and completeness of this number. We recommended DHS maintain a current and complete inventory of its human resources systems and update the alternatives analysis to reflect current replacement or consolidation options. Doing so would help the department more effectively reduce duplication and modernize the remaining human resources systems, potentially saving millions of dollars over 10 years.</p>	<p>Report GAO-25-107233</p> <p>Recommendation # DHS (2, 9)</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Federal Shared Services. The federal government can increase efficiency and reduce duplicative efforts by consolidating mission-support services—such as payroll or travel—within a smaller number of providers so these services can be shared among agencies. In February 2026, we found that relevant federal agencies had not filled key leadership roles vital to making strategic decisions about the future growth of shared services, and that coordinating entities do not have comprehensive data on how well shared services are meeting agencies’ needs, including intended cost avoidances. By helping to fill key leadership positions and collecting data to inform strategic decision-making, as we recommended, the Office of Management and Budget (OMB) and the General Services Administration (GSA), as the shared service oversight and coordinating entities respectively, could ensure that agencies are not duplicating services and potentially save tens of millions of dollars over 3 years.</p>	<p>Report GAO-26-108014</p> <p>Recommendation # OMB (1, 2) GSA (3, 4)</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>



Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505

Table 14: New Topic Area in the Social Services Mission

 Social Services	
Topic	Underlying report, recommendation(s), and category
<p>SNAP Benefit Theft. In fiscal year 2025, the Supplemental Nutrition Assistance Program (SNAP) provided an estimated 43 million low-income people with about \$96 billion in benefits to purchase food, according to the Congressional Budget Office. In September 2025, we found that states reported more than \$320 million in stolen benefits from October 1, 2022, through December 20, 2024. We also found that the U.S. Department of Agriculture (USDA) had not comprehensively assessed the measures state agencies were implementing to help prevent thieves from stealing benefits from SNAP recipients' Electronic Benefit Transfer cards. Conducting such an assessment, as we recommended, would help inform additional efforts to safeguard federal funds from fraud and ensure SNAP benefits are delivered to low-income recipients, as intended.</p>	<p>Report GAO-25-107964</p> <p>Recommendation # USDA (1)</p> <p></p>

Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505

Table 15: New Topic Area in the Training, Employment, and Education Mission

 Training, Employment, and Education	
Topic	Underlying report, recommendation(s), and category
<p>Employment Support for Older Workers. Older workers face significant barriers to employment—such as demand for new skills and potential age discrimination—but employment support for these and other jobseekers is fragmented across dozens of federal programs, including workforce development programs administered by the Departments of Labor (DOL) and Education. In January 2026, we reported that individuals 55 and older who participated in these programs were less likely to find a job than younger participants. We also reported that DOL had not focused on issues specific to older workers in its coordination with Education. Increasing coordination, as we recommended, could help the departments better manage fragmentation in employment programs and improve the employment rates and earnings of older workers.</p>	<p>Report GAO-26-107439</p> <p>Recommendation # DOL (1)</p> 

Key:  = Duplication, Overlap, or Fragmentation  = Cost Savings or Revenue Enhancement
 Source: GAO information and illustrations. | GAO-26-108505

Appendix III: Contributing GAO Products for New Topic Areas

This appendix presents the highlights pages from each GAO product that contributed to the 38 new topic areas identified in this report.

GAO Highlights

Highlights of [GAO-25-107491](#), a report to congressional committees

Why GAO Did This Study

Since 2018, the Army has focused on modernizing its air and missile defense systems to counter those of near-peer competitors.

A Senate report and the House report accompanying the National Defense Authorization Act for Fiscal Year 2024 include provisions for GAO to review and assess the Army's air and missile defense modernization efforts. GAO's report (1) describes how the Army developed the requirements to modernize these efforts; (2) describes how the Army is acquiring the systems; and (3) assesses the extent to which the Army applied leading practices for product development to these efforts.

GAO reviewed the Army's processes for identifying capability needs and developing requirements for air and missile defense efforts. GAO also reviewed the Army's acquisition approaches, analyzed its President's Budget requests since fiscal year 2021, and assessed the efforts against leading practices for product development that GAO identified in prior work. GAO interviewed officials from Army requirements and program offices and the Department of Defense.

What GAO Recommends

GAO is making six recommendations, including that the Army should implement an iterative product development approach, and assess the benefits and affordability of implementing modern design tools for its air and missile defense efforts. DOD concurred with these recommendations.

For more information, contact Mona Sehgal at sehgalm@gao.gov.

June 2025

ARMY MODERNIZATION

Air and Missile Defense Efforts Would Benefit from Applying Leading Practices

What GAO Found

The Army's air and missile defense mission is to protect soldiers, equipment, and facilities from air and missile threats, such as cruise missiles and rockets. These are capabilities that near-peer competitors, such as Russia and China, have invested in. To address these threats, the Army is pursuing multiple efforts to modernize its air and missile defense capabilities.

Army Futures Command is responsible for developing requirements for future Army systems. It identified four capabilities that the Army needs and developed requirements to meet those needs. For example, the Army developed requirements for a short-range air defense system, the Sgt. Stout.

Maneuver-Short Range Air Defense Sgt. Stout



Source: U.S. Army; C. Kauffman. | GAO-25-107491

Since 2021, the Army has identified seven air and missile defense efforts to develop and acquire needed capabilities and increased its requests in the President's Budget to support them. For example, the Army's requests for the efforts increased from \$8.8 billion to \$11.8 billion from fiscal years 2021 through 2025. The Army also chose acquisition pathways intended to speed development, production, and delivery of capabilities for most efforts.

The Army's development of the seven modernization efforts did not fully apply leading practices for product development. Most efforts use 3D modeling and simulation, in which a static representation of a product is tested with predefined data to understand how it will function in a specific situation. In contrast, leading companies use modern design tools like digital twins (dynamic virtual representations of products) and digital threads (common information sources) early and as part of an iterative development approach. Digital twins can enable design updates in real time. Digital threads connect stakeholders with real-time data across the product life-cycle to help inform decisions.

Fully using these tools can provide efficiencies, such as the ability to anticipate potential design flaws and reduce costs. Assessing the benefits and affordability of using these modern design tools can better position the Army to more quickly change designs than is possible with 3D modeling and simulations alone, speeding the delivery of capability to the soldier.

Why GAO Did This Study

DOD realigned its medical facilities from the military departments to DHA in response to legislative reforms initiated in 2016. These reforms were intended to create a more efficient oversight structure for these facilities that would lower costs while improving care for military service members and eligible beneficiaries.

Section 714 of the National Defense Authorization Act for Fiscal Year 2024 includes a provision prohibiting DOD from advancing beyond phase one of DHA's plan to establish its network structure until GAO assesses and reports on DHA's transition efforts. Among other objectives, this report 1) describes how plans to manage medical facilities have changed, and 2) assesses the extent to which DHA has determined resources it needs to manage its facilities.

GAO reviewed policies, guidance, and other documentation related to DHA's organizational efforts. GAO interviewed DOD and DHA officials, including those from the network structure's nine management offices. GAO also spoke with officials from a nongeneralizable sample of six medical facilities about current and prior organizational structures.

What GAO Recommends

GAO is making seven recommendations, including that DOD provide information to Congress on how the network structure meets the intent of a statute; issue guidance and develop an implementation plan to validate personnel requirements; and study business functions and develop an implementation plan to consolidate them. DOD concurred with GAO's recommendations.

For more information, contact Rashmi Agarwal at AgarwalR@gao.gov.

DEFENSE HEALTH CARE

Actions Needed to Address Long-Standing Management Challenges with Medical Facilities

What GAO Found

To assume responsibility for the management of medical facilities from the military departments, the Department of Defense's (DOD) Defense Health Agency (DHA) began to implement an organizational structure called the market structure in January 2020. Subsequently, DHA replaced the market structure with the network structure in October 2023 to address challenges identified in the market structure. The similarities and differences in these structures are mainly in whether the structures are organized by military department affiliation, the number of management offices, and the rank of management office leaders.

DHA's Market and Network Structures to Manage Medical Facilities

Organizational structure	Primarily organized by military department affiliation	Number of management offices	Number and rank of management office leaders
Market	No	22	7 General or Flag Officers 15 Captains or Colonels
Network	Yes	9	9 General or Flag Officers

Source: GAO analysis of Department of Defense and Defense Health Agency (DHA) information. | GAO-25-107432

While DHA has started implementing a network structure, it has not fully determined all the resources it needs. Specifically,

- DHA determined it needed nine offices to manage its resources under the network structure. However, DHA has not explained to Congress how this structure meets the intent of a statute. For example, DHA is limited to establishing no more than two regions within the continental United States and no more than two regions outside the continental United States to manage its medical facilities. Until DHA provides such information, Congress risks not having reasonable assurance that DHA is implementing an effective organizational structure that, among other things, fully integrates the military departments' medical capabilities and enhances joint medical operations.
- DHA has not fully determined and validated how many personnel resources are required to manage and support its medical facilities. DHA has not completed these efforts because it has not issued guidance that details the processes needed to determine and validate personnel requirements, including by analyzing workload. Additionally, DHA has not developed a plan to implement such guidance, once issued, for these efforts. Without issuing detailed guidance and developing an implementation plan, DHA lacks the information it needs to establish personnel requirements to accomplish its objectives and track its progress.
- DHA has not determined how it will consolidate business functions (e.g., clinical quality management and information technology) to save on costs because it has not studied them. DHA has also not developed an implementation plan for consolidating these functions. By studying its functions and developing an implementation plan to track progress in consolidating them, DHA will be better positioned to ensure these functions are structured to manage its medical facilities as efficiently and effectively as possible.

About 500 Organizations Have Roles, with Some Potential Overlap

GAO-25-107121

September 2025

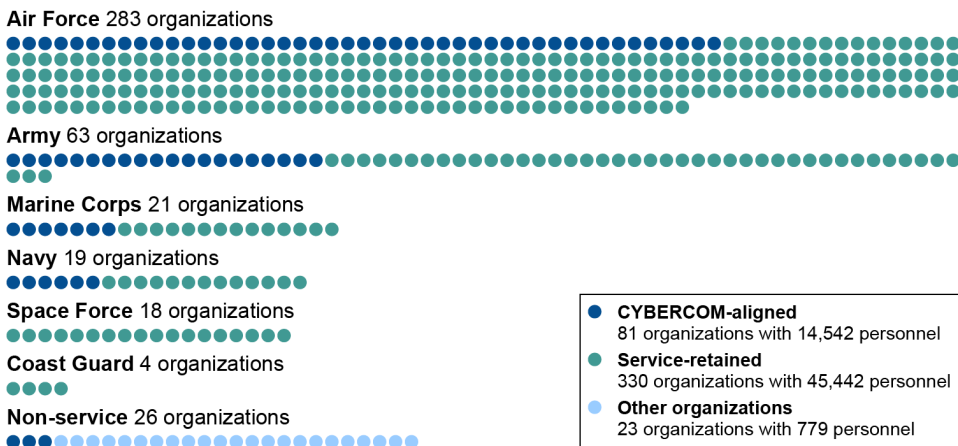
A report to congressional committees.

For more information, contact: Joseph W. Kirschbaum, kirschbaumj@gao.gov

What GAO Found

According to data provided by Department of Defense (DOD) components, DOD has established almost 440 organizations that contain about 61,000 military and civilian personnel (and over 9,500 contractors), to conduct cyberspace operations. These organizations are most often aligned with U.S. Cyber Command (CYBERCOM) or retained by the military services and conduct a mixture of offensive, defensive, and DOD Information Network operations (see figure). CYBERCOM-aligned organizations include organizations such as Navy cyber strike activities and Army cyber protection battalions that oversee tactical Cyber Mission Force teams. Military service organizations include units such as Air Force communications squadrons and Marine Corps radio battalions. Other organizations include cybersecurity service providers that provide network protection services to non-service components, such as the Defense Threat Reduction Agency and the Defense Advanced Research Projects Agency.

Department of Defense Organizations Conducting Cyberspace Operations



Source: GAO analysis of Department of Defense (DOD) cyberspace operations information. | GAO-25-107121

To enable organizations conducting cyberspace operations, each unit is supported by organizations providing budgetary, personnel, policy, and training support. GAO identified 70 organizations and about 3,400 personnel that provide support to cyberspace operations. These include the Office of the Secretary of Defense, military department, and service headquarters, and other organizations.

GAO found that some of the functions of these organizations may overlap. These include training courses the military services provide to organizations conducting cyberspace operations and the administration of DOD's 23 cybersecurity service providers that conduct cybersecurity for DOD organizations. Although some overlap can be intentional and appropriate, unnecessary overlap can lead to organizations paying for the same service or product twice or more. As DOD considers the future organization and composition of its cyberspace operations forces, it will be important to take steps to reduce cost and inefficiencies while maintaining mission effectiveness.

Why GAO Did This Study

The U.S. and its allies face sophisticated cyber threats from both state and nonstate actors. To counter these threats, DOD conducts cyberspace operations to defend the nation, support allies and partners, and protect its DOD Information Network.

Conference Report 118-301 includes a provision for GAO to review DOD's management of cyberspace operations. GAO (1) identified the type and number of organizations and personnel that conduct cyberspace operations and (2) evaluated the extent to which there is overlap between organizations that provide budgetary, personnel, policy, or training support for cyberspace operations.

GAO reviewed relevant documents, including DOD guidance, Secretary of Defense memorandums, and organizational command briefs. GAO collected and analyzed data from 434 organizations conducting and 70 organizations supporting cyberspace operations that were identified with DOD. GAO also interviewed relevant officials, such as those from the offices of the DOD and the military services' principal cyber advisors.

What GAO Recommends

GAO is recommending that DOD assess whether (1) similar cyberspace training courses provided by the services can be consolidated and (2) there are opportunities to increase mission effectiveness and cost savings by consolidating DOD cybersecurity service providers. DOD concurred with both recommendations and identified actions it will take to implement them.

Why GAO Did This Study

The January 2024 National Defense Industrial Strategy stated that DOD's dependence on adversarial sources for goods it procures is a mounting national security challenge. These suppliers may cut off U.S. access to critical materials or provide "back doors" in their technology that serve as intelligence pathways.

The Conference Report and a House Report for the National Defense Authorization Act for Fiscal Year 2024 include provisions for GAO to report on DOD's dependence on foreign entities and its processes for determining whether it is procuring goods from China. This report, among other things, (1) describes the information that government procurement data contains on the country of origin of goods that DOD procures, and (2) assesses DOD actions to collect additional data.

To conduct this work, GAO analyzed government procurement data from fiscal years 2020 through 2024, reviewed DOD documents, and interviewed DOD officials and contractor representatives.

What GAO Recommends

GAO recommends that DOD identify resources, priorities, and time frames to implement efforts to integrate and share supply chain data; identify an organization responsible for implementing leading commercial practices; and test the use of contract requirements to obtain country-of-origin information from suppliers. DOD concurred with all three recommendations.

View [GAO-25-107283](#). For more information, contact William Russell at RussellW@gao.gov and Tatiana Winger at WingerT@gao.gov.

DEFENSE INDUSTRIAL BASE

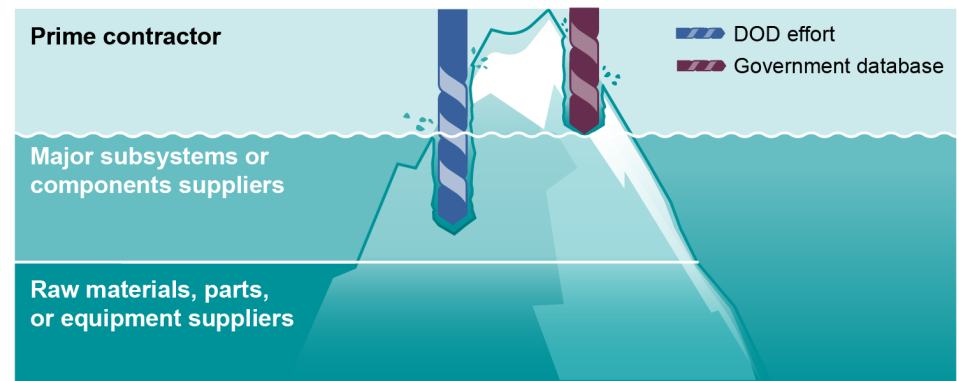
Actions Needed to Address Risks Posed by Dependence on Foreign Suppliers

What GAO Found

The Department of Defense (DOD) considers reliance on foreign sources for items it procures a national security risk. DOD estimates that over 200,000 suppliers help produce advanced weapon systems and noncombat goods. The primary procurement database for the federal government, however, provides little visibility into where these goods are manufactured or whether materials and parts suppliers are domestic or foreign.

DOD is pursuing several supply chain visibility efforts designed to help improve its ability to identify risks of what it refers to as "foreign dependency." DOD has made progress gathering supplier information for major subsystems and components. However, these efforts are uncoordinated and limited in scope and provide little insight into the vast majority of suppliers, including those that provide raw materials and parts.

DOD's Limited Visibility into the Origin of Materials in Its Supply Chain



Source: GAO depiction of Department of Defense (DOD) information. | GAO-25-107283

DOD identified actions it can take to improve its ability to identify and mitigate foreign dependency issues, including

- establishing an office to integrate efforts across DOD; and
- implementing leading commercial practices for supply chain visibility, such as focusing visibility efforts on high-priority programs.

However, DOD has yet to identify resources, priorities, and time frames for completing the integration. Additionally, it has not identified the organization responsible for implementing the leading commercial practices. Without doing so, DOD will be less able to identify and address foreign dependency risks.

One untested approach that DOD officials stated could give DOD more visibility into foreign dependency risks is to contractually require suppliers to provide the information. While some DOD officials assert the information is readily available, others stated this approach may be too costly or that suppliers may not be willing to provide information. Unless DOD tests the costs and challenges of requiring suppliers to provide foreign dependency information, it could be missing an opportunity to address a mounting challenge to the security of its supply chains.

A report to congressional committees

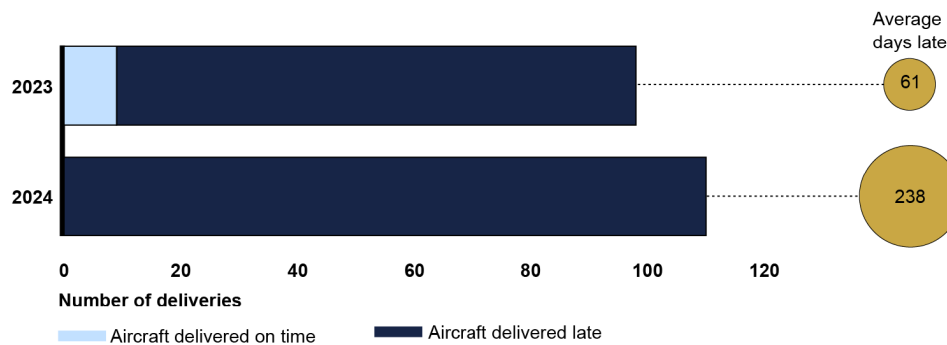
For more information, contact: Jon Ludwigson at ludwigsonj@gao.gov.

What GAO Found

After years of cost growth and schedule delays in its hardware and software modernization effort for the F-35 aircraft, known as Block 4, the Department of Defense (DOD) is in the process of establishing a new major subprogram to help meet cost, schedule, and performance goals. Currently, Block 4 costs are over \$6 billion more and completion is at least 5 years later than original estimates. The program plans to reduce the scope of Block 4 to deliver capabilities to the warfighter at a more predictable pace than in the past.

Contractors for the program, Lockheed Martin and Pratt & Whitney, continued delivering aircraft and engines late. For instance, in 2024, Lockheed delivered 110 aircraft. All were late by an average of 238 days, up from 61 days in 2023.

F-35 Aircraft Delivered Late by the Contractor, Calendar Years 2023–2024



Source: GAO analysis of Lockheed Martin data. | GAO-25-107632

Lockheed Martin’s Technology Refresh 3 (TR-3)—a \$1.9-billion suite of hardware and software upgrades that are critical to the Block 4 modernization effort—was the primary driver of late aircraft deliveries in 2024. Evaluating Lockheed Martin’s capacity to deliver aircraft on time would help determine how many aircraft the program should plan to purchase.

In recent years, the program paid contractors, such as Lockheed Martin, hundreds of millions of dollars in incentive fees that were intended to improve on-time delivery. However, the structure of on-time delivery incentives allowed the contractor to deliver aircraft up to 60 days late and still earn some of the fee. To avoid rewarding late deliveries, the program should reevaluate its use of fees in future contracts and better align them to achieve desired production outcomes.

As it stands up new modernization subprograms, the F-35 program has opportunities to deliver capabilities faster. GAO’s work on leading practices for product development has found that leading companies employ an iterative process of design, validation, and production to quickly develop and deliver products. While the program is implementing some aspects of these practices, it would benefit from expanding the use of modern design tools, such as digital models that developers can test in a simulated environment, to more rapidly deliver capabilities to the warfighter than it has historically.

Why GAO Did This Study

The F-35 Joint Strike Fighter plays a crucial role in national security for the U.S. and its partners and allies. The aircraft’s unique stealth technology and advanced sensor networking systems provide critical capabilities to DOD’s tactical air portfolio. DOD estimates that Block 4 and engine and power thermal management modernization—as well as the costs to maintain and operate the 2,470 planned aircraft over the 77-year life cycle—will exceed \$2 trillion.

Congress included a provision in statute for GAO to review the F-35 program. This report assesses, among other things, (1) DOD’s progress in Block 4 modernization efforts; (2) the extent to which contractors delivered F-35 engines and aircraft within contract time frames and earned related incentives; and (3) the program’s use of leading practices for product development.

GAO conducted site visits to contractor facilities; collected and analyzed cost, schedule, and production data; reviewed relevant program documentation; and interviewed DOD officials and contractor representatives.

What GAO Recommends

GAO is making six recommendations to DOD, including that it evaluates Lockheed Martin’s capacity to meet planned deliveries on time; reevaluates the use of incentive fees to better achieve the desired schedule; and expands and formalizes the use of leading practices for product development. DOD concurred with four recommendations and partially concurred with two. For all six recommendations, DOD cited actions it is taking to address them. GAO acknowledges DOD has taken some positive steps and believes further action is warranted to fully address the recommendations, as discussed in the report.

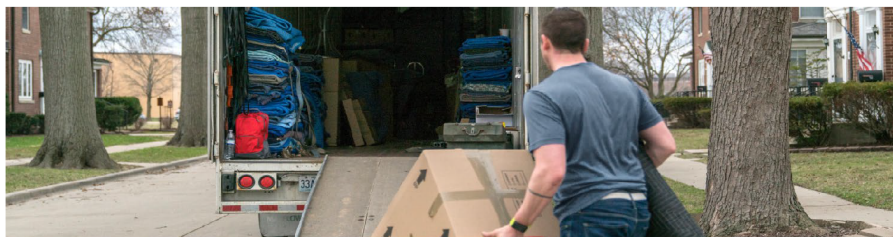
A report to the Committee on Armed Services, House of Representatives.

For more information, contact: Alissa Czyz at CzyzA@gao.gov.

What GAO Found

The Department of Defense’s (DOD) Transportation Command (TRANSCOM) awarded its Global Household Goods Contract (GHC) in 2021 with the goal of improving both service members’ experiences with military moves and the government’s ability to oversee quality service. TRANSCOM intended to fully transition the household goods shipment and storage aspects of its Defense Personal Property Program to the contract. Various challenges delayed contract implementation initially, but limited GHC shipments began in April 2024. According to TRANSCOM, as GHC shipment volume and geographic coverage increased, the contractor faced limits in its capacity to manage the higher volumes, which resulted in missed or delayed pickups and deliveries. Citing continuous performance challenges, the Secretary of Defense directed the creation of a Permanent Change of Station Joint Task Force in May 2025 to develop recommendations for DOD’s strategic path forward for the program. DOD ultimately terminated the GHC in June 2025.

Military Service Member Move



Source: U.S. Transportation Command/Staff Sgt. O. Suguitan. | GAO-25-107771

TRANSCOM did not have sufficient, comprehensive information about GHC (1) capacity, (2) performance, and (3) costs to effectively manage risks and oversee contract implementation.

- TRANSCOM officials had identified **capacity constraints** as a risk to the GHC before implementation, but they had only limited information on the contractor’s capacity and could not verify that information.
- DOD lacked comprehensive feedback on service members’ experiences with the GHC, **limiting its assessment of contractor performance**. Respondents to GAO’s survey of service members and spouses reported inadequate communication with the contractor’s customer service representatives about the status of their shipments and delays in multiple phases of the moving process.
- TRANSCOM **did not have complete information regarding costs** associated with the GHC transition; DOD incurred unplanned transition costs, paid management fees for task orders ultimately not carried out by the contractor, and lacked clarity on how GHC costs compared to existing program costs.

By obtaining more comprehensive information on program capacity, performance, and costs, DOD will be better positioned to manage risks and oversee the program effectively as it develops its strategic path forward.

Why GAO Did This Study

DOD arranges for the worldwide movement and storage of about 300,000 personal property shipments of service members and their families each year, at an annual cost of approximately \$2 billion. As a result of dissatisfaction with its relocation program, TRANSCOM awarded the GHC, worth up to \$17.9 billion over approximately 9 years, to a single commercial move manager in November 2021. However, DOD terminated the contract in June 2025 due to the contractor’s failure to perform services specified in the terms and conditions of the contract.

The House report accompanying a bill for the Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025 included a provision for GAO to review DOD’s management and oversight of the GHC. This report (1) describes DOD’s implementation of the GHC and (2) assesses the extent to which DOD had the information needed to effectively oversee contract implementation.

GAO reviewed the GHC and implementation plans, DOD guidance, and acquisition regulations; interviewed DOD officials and performed two site visits; and surveyed service members and spouses on their experiences with GHC moves. GAO met with moving industry and contractor representatives and reviewed capacity, performance, and cost information.

What GAO Recommends

GAO is making one recommendation for DOD to obtain comprehensive information on capacity, performance, and costs to effectively oversee DOD’s personal property program and inform future decisions. DOD concurred with this recommendation.

NATIONAL SECURITY SPACE LAUNCH

Increased Commercial Use of Ranges Underscores Need for Improved Cost Recovery

Why GAO Did This Study

Commercial and military activities in space have grown considerably in the last decade, with continued growth expected. This growth will increase the demand on the federal launch infrastructure that supports these activities. DOD has already invested billions of dollars into launch systems and infrastructure. To support the growing demand, DOD expects to spend over \$18 billion on launch services and infrastructure over the next 5 years.

A Senate report includes a provision for GAO to assess DOD's Phase 3 strategy. GAO's report addresses (1) DOD's Phase 3 strategy to meet its national security space launch demand and (2) the extent to which DOD is addressing launch-related challenges as it executes Phase 3.

To conduct this work, GAO reviewed documentation, analyzed launch data, and visited all three federally owned launch ranges. GAO also interviewed DOD officials, other federal agency officials, and contractor representatives involved in launch activities.

What GAO Recommends

GAO is making three recommendations, including that DOD update its regulations to better define direct and indirect cost guidance to improve its ability to recoup launch support costs and ensure that the Space Force prioritizes issuing solicitations to provide insight into payload processing schedules and centralizes national security payload processing schedules across space vehicle program offices. DOD concurred with all three recommendations.

For more information, contact Jon Ludwigson ludwigsonj@gao.gov.

What GAO Found

Over the last 30 years, the Department of Defense (DOD) has used different acquisition strategies to procure launches for military satellites from commercial providers. DOD's most recent acquisition strategy—Phase 3—responds to DOD's evolving and growing demand for launch services and infrastructure.

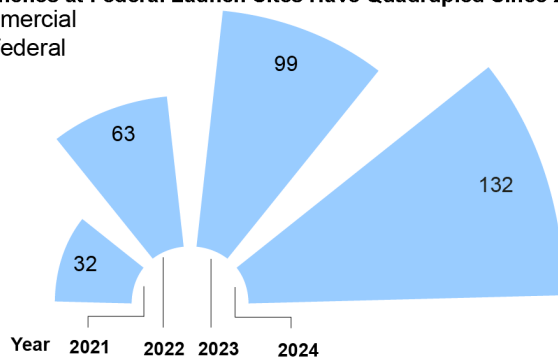
Phase 3 is a dual lane approach intended to lower government launch costs, ensure mission success and access to space, and facilitate competition.

- Lane 1: Expands DOD's supply of newer commercial providers that can meet a subset of launch requirements.
- Lane 2: Assures DOD's access to space with three commercial providers, which must meet all launch requirements for a specified number of DOD's most critical payloads.

DOD is also taking steps to upgrade its launch infrastructure, which is strained by the increased rate of launches. In addition to military launches, companies use federal ranges to meet their own commercial launch needs—and commercial launches have more than quadrupled since 2021.

Commercial Launches at Federal Launch Sites Have Quadrupled Since 2021

Number of commercial launches from federal ranges



Source: GAO analysis of Federal Aviation Administration commercial launch data. | GAO-25-107228

Increases in commercial launches have resulted in DOD providing more support to commercial entities, but DOD has struggled to accurately bill companies for direct costs. Until recently, DOD could not collect and be reimbursed for indirect costs for commercial space launch services, which include the actual costs of maintaining, operating, upgrading, and modernizing DOD space-related facilities. Recent legislation allows DOD to be reimbursed for indirect costs within certain limitations, but DOD does not have clear cost collection and reimbursement guidance for support services at launch ranges, potentially missing opportunities to recoup millions of dollars. DOD has limited payload processing capacity and lacks sufficient commercial scheduling information to manage payload processing, which is when the payload is integrated with the launch vehicle before it is transported to the launch pad. The lack of insight into commercial processing schedules hinders DOD's efforts to coordinate processing for its own payloads. As a result, it lacks a critical tool to ensure effective coordination and efficient use of its existing and future processing capacity.

GAO Highlights

Highlights of [GAO-25-106286](#), a report to congressional committees

Why GAO Did This Study

The Navy plans for a larger, more capable fleet of ships to counter evolving threats. But the Navy has struggled to increase the size of the fleet for the past 2 decades. Its performance in shipbuilding and ship repair is critical to achieving the desired future fleet.

Senate Report 116-236 includes a provision for GAO to examine the ship industrial base. GAO's report examines the extent to which (1) the industrial base can support Navy shipbuilding and repair; (2) DOD supports the ship industrial base and assesses its support; and (3) the Navy has a strategic approach to the industrial base.

GAO analyzed DOD and Navy data and documentation; interviewed agency officials and all companies conducting complex repairs for surface ships and major shipbuilding; and conducted site visits.

What GAO Recommends

GAO is making six recommendations to DOD, including that it improves visibility across investments; and that the Navy establish metrics for its investments; assess its repair needs; and create a ship industrial base strategy. DOD did not provide formal comments on this report, but the Navy noted in draft comments that it generally concurred with the substance of the recommendations. The Navy stated that one of the six recommendations should include additional parties within the Navy. GAO agreed and adjusted the recommendation accordingly.

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February 2025

SHIPBUILDING AND REPAIR

Navy Needs a Strategic Approach for Private Sector Industrial Base Investments

What GAO Found

The private companies that the Navy contracts with to build vessels and repair surface ships are key components of the Navy's ship industrial base. These private companies augment the repair work conducted at the Navy's public shipyards.

Ship Industrial Base Struggles to Meet the Navy's Goals

- Shipbuilding.** The shipbuilding industrial base has not met the Navy's goals in recent history. The Navy's shipbuilding plans have consistently reflected a larger increase in the fleet than the industrial base has achieved. Yet, the Navy continues to base its goals on an assumption that the industrial base will perform better on cost and schedule than it has historically. The shipbuilders have infrastructure and workforce challenges that have made the Navy's goals difficult to accomplish.
- Ship repair.** The Navy has not historically met ship repair goals, but it has improved since 2019. The industrial base has grown since then, and representatives from some companies that GAO spoke with stated they often had more capacity than the Navy used. But companies may not be able to take on unplanned work due to infrastructure or workforce limitations. For example, a dry dock of the right size may not be empty when needed.

Key Infrastructure and Workforce Challenges Facing the Ship Industrial Base

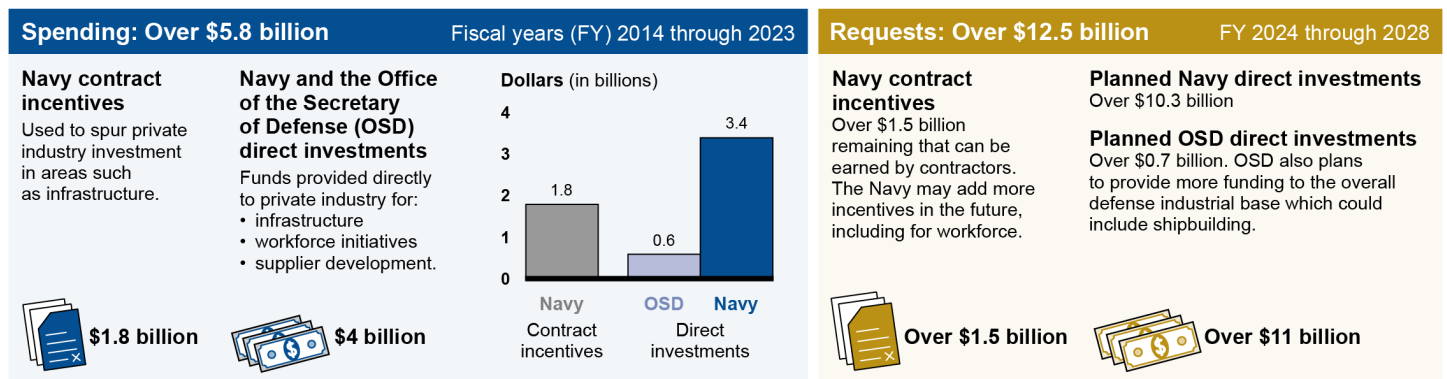
Shipbuilding	Ship repair
 <p>Infrastructure</p> <ul style="list-style-type: none"> Aging infrastructure Lack of physical space in shipyard  <p>Workforce</p> <ul style="list-style-type: none"> Insufficient number of workers to meet demand Recruitment and retention problems Inexperienced staff 	 <p>Infrastructure</p> <ul style="list-style-type: none"> Not enough capacity for unplanned work, like emergent repairs  <p>Workforce</p> <ul style="list-style-type: none"> Repair workload could exceed workforce capacity in certain fleet concentration areas, resulting in work that may be shifted to other locations

Source: GAO analysis of Navy and private-sector company information (data); U.S. Navy photo/Ricky Thompson, U.S. Navy photo/Aya Stewart (photos left to right); and GAO (icons). | GAO-25-106286

DOD Invests Billions to Support the Shipbuilding Industrial Base

The Department of Defense (DOD)—specifically the Navy and Office of the Secretary of Defense (OSD)—spent billions to support the shipbuilding industrial base. This included funding for infrastructure and workforce improvements for shipbuilders and their suppliers. But it has yet to fully determine the effectiveness of that support (i.e., its return on investment), though it has taken steps to do so. More specifically, DOD spent over \$5.8 billion on the shipbuilding industrial base from fiscal years 2014 through 2023. It plans to spend an additional \$12.6 billion through fiscal year 2028. DOD spent this funding on contract incentives and direct investments.

DOD Investments and Budget Requests for the Shipbuilding Industrial Base, Fiscal Years 2014–2028



Source: GAO analysis of Department of Defense (DOD) budget documents and interviews with DOD officials; GAO (icons). | GAO-25-106286

However, the Navy and OSD are not fully coordinating their shipbuilding investments to prevent duplication or overlap in spending. For example, the Navy and OSD do not coordinate across all investment efforts—such as between submarines and surface ships—though they both make related investments in workforce and infrastructure for these ship categories. Further, the Navy has yet to fully establish performance metrics, such as measurable targets that link to the agency’s goals that would enable it to consistently evaluate the effectiveness of its investments in building a larger fleet or achieving other intended outcomes. Without better visibility across investments and established performance metrics, the Navy and OSD cannot ensure their investments in the shipbuilding industrial base are an effective use of federal funds to help build a larger fleet.

The Navy plans to make direct investments in the ship repair industrial base as it has for shipbuilding. However, the Navy has yet to fully assess how much infrastructure, such as dry docks, it needs to meet its ship repair goals when considering other than peacetime needs. Without understanding its needs, the Navy risks funding more infrastructure than necessary, which could interrupt the competitive environment.

The Navy Has Not Developed a Strategy for Managing the Ship Industrial Base

The lack of an overall strategy to guide management of the ship industrial base hinders Navy efforts to address several challenges, such as:

- **Changing plans for future work.** The Navy has struggled to provide industry with a stable workload projection. The Navy’s plans for building and repairing ships vary from year to year, hindering efforts to encourage the industry to invest in needed infrastructure.
- **Competing priorities.** The Navy seeks to increase opportunities for competition in shipbuilding and repair, while simultaneously seeking to protect existing companies. These priorities can be at odds. A more competitive environment could help expand the industrial base, but some companies could struggle to remain viable if they do not win contracts.

Developing a ship industrial base strategy would help the Navy better address these challenges to improve the likelihood of achieving its shipbuilding and ship repair goals. GAO’s prior work has shown that a consolidated and comprehensive strategy enables decision-makers to better guide program efforts and assess results. GAO also previously identified desirable characteristics that a national strategy should include. DOD issued its national industrial strategy in November 2023. However, Navy officials told GAO that it established a new program office in September 2024 that will be positioned to develop a strategy for the ship industrial base. Officials said they plan to have additional details available in early 2025. Until the Navy implements a ship industrial base strategy, it will not be able to effectively align or assess its actions to manage the industrial base for shipbuilding and repair.

Why GAO Did This Study

Natural disasters cause billions of dollars in damage to U.S. communities each year. SBA's Disaster Loan Program helps borrowers, including homeowners and businesses, rebuild or replace damaged property or continue business operations.

The Joint Explanatory Statement accompanying the Further Consolidated Appropriations Act, 2024, includes a provision for GAO to examine duplication of benefits in SBA disaster assistance. This report examines (1) SBA policies and procedures for preventing, identifying, and resolving cases of duplicative benefits, and (2) SBA data on such cases and SBA efforts to resolve them.

GAO analyzed SBA disaster loan data from June 2020 through December 2023—the latest available data. GAO also reviewed related documentation from SBA and other federal agencies, and interviewed agency officials.

What GAO Recommends

GAO recommends that SBA (1) develop documented procedures for resolving cases of duplicative disaster benefits and (2) enhance the collection and accessibility of its data on these cases. SBA partially agreed with the first recommendation and agreed with the second. SBA stated that it would address both recommendations.

For more information, contact Courtney LaFountain at LaFountainC@gao.gov.

DISASTER LOAN PROGRAM

Enhanced Procedures and Data Needed to Address Duplication of Benefits

What GAO Found

Duplication of disaster benefits occurs when disaster survivors receive compensation from multiple sources—such as insurance and federal aid—that exceeds their total eligible losses. To prevent this, the Small Business Administration (SBA) requires borrowers to self-report any additional assistance they have received when applying for an SBA disaster loan. SBA uses the information to determine the maximum loan amount needed to cover eligible losses. SBA also contacts borrowers before each loan disbursement to check whether they have received any other potentially duplicative compensation, such as insurance payments or grants. If duplication of benefits is identified, SBA notifies borrowers of corrective actions they may take to resolve the issue.

SBA has identified cases of duplicative disaster assistance (see table), but SBA could not determine whether or how the duplication was resolved or how much over-disbursement was recovered in these cases. SBA is statutorily required to recover any duplicative benefits that it has provided to disaster assistance recipients when deemed in the government's best interest. However, it does not have documented procedures outlining how its staff should ensure borrowers take corrective actions to fully resolve such cases. Establishing documented procedures could better ensure that SBA staff fully and appropriately resolve cases of duplication and identify recovered amounts.

SBA Disaster Loans with Identified Duplication by Date Identified, June 2020–Dec. 2023

Time period	Loans with duplication identified
June 2020–Sept. 2020	59
Oct. 2020–Sept. 2021	738
Oct. 2021–Sept. 2022	592
Oct. 2022–Sept. 2023	541
Oct. 2023–Dec. 2023	57
No date provided	3
Total	1,990

Source: GAO analysis of Small Business Administration (SBA) data. | [GAO-25-107608](#)

Notes: SBA could not provide data before June 2020 or after December 2023 due to tracking system transitions. For more details, see table 3 in [GAO-25-107608](#).

Additionally, SBA's ability to track these duplications is limited. SBA relies on borrower self-reporting and data-sharing with federal agencies to detect duplications. However, its data management systems cannot automatically retrieve detailed case data. As a result, staff must manually review text fields in individual loan records to verify the status of duplicative benefits, repayment actions, or adjustments made, leading to inconsistencies and inefficiencies. By enhancing data collection and accessibility, SBA could better monitor and address duplication of benefits involving disaster assistance, and thereby improve efficiency and help ensure recovery of duplicate funds. Enhanced data collection would also strengthen its ability to evaluate the effectiveness of its procedures.

A report to congressional committees

For more information, contact: Nathan Anderson at andersonn@gao.gov

What GAO Found

The Department of Energy’s (DOE) Office of Environmental Management (EM) is responsible for cleaning up waste resulting from the reprocessing of spent nuclear fuel, a process used to produce plutonium. Generally, EM manages this waste associated with reprocessing as if it is high-level radioactive waste (HLW) unless the waste can be classified as low-level radioactive waste (LLW) or transuranic (TRU) waste. LLW and TRU waste are expected to be less expensive to treat and dispose of compared with HLW. To classify its waste, EM relies in part on the statutory definition of HLW in the Atomic Energy Act of 1954, as amended, and the Nuclear Waste Policy Act of 1982, as amended. However, GAO, DOE, and others have raised concerns that ambiguities in this definition have impeded EM’s cleanup progress.

Examples of Waste Associated with Reprocessing

Tank waste	Underground storage tanks	Contaminated equipment
Radioactive waste stored in underground tanks awaiting retrieval and treatment	Underground tanks storing radioactive waste	Equipment used in tank farm operations

Sources: GAO analysis of EM documentation and EM officials’ statements; Department of Energy (photos). | GAO-26-108018

EM has three processes—known as waste classification tools—it can use to determine that certain waste associated with reprocessing can be treated and disposed of as LLW or TRU waste, rather than HLW. While these tools help EM address ambiguities in the HLW definition, they have shortcomings that hinder EM’s progress. For example, one tool cannot be used at the Hanford Site, EM’s most complex and expensive site. EM also faces the risk of litigation due to the lack of clarity in the HLW definition, which could affect EM’s ability to successfully use the tools. Until the HLW definition is clarified, EM will continue to face significant barriers to completing its cleanup mission. Given the complexity of this issue, any efforts to revise the HLW definition would benefit from input and ideas from experts across government, industry, and academia.

While EM has applied the three tools to treat and dispose of some waste associated with reprocessing as non-HLW, EM has not pursued additional opportunities that GAO and others have identified. Many studies over the last 2 decades—including analyses conducted by EM—have shown that opportunities exist for EM to expedite its cleanup efforts and realize significant cost savings while ensuring safe disposal. For example, in a 2020 report, EM estimated that classifying a portion of tank waste as LLW at its Hanford Site could potentially generate a cost savings of \$73 to \$210 billion. By systematically evaluating these opportunities and pursuing them to the maximum extent possible, EM could accelerate its cleanup mission and save at least tens of billions of dollars.

Why GAO Did This Study

Since 1989, EM has been responsible for cleaning up waste resulting from plutonium production for the nation’s nuclear arsenal. EM has faced many challenges in determining how best to treat and dispose of this waste, and the estimated future cost for addressing this and other waste is more than half a trillion dollars.

Senate Report 118-188 includes a provision for GAO to review DOE’s implementation of certain tools to treat and dispose of waste associated with reprocessing as something other than HLW. GAO’s report examines (1) EM’s efforts to treat and dispose of such waste and the barriers it faces in doing so and (2) potential opportunities to realize cost savings by treating certain waste as something other than HLW.

GAO analyzed laws, EM policies and documentation, and prior GAO and independent entities’ studies. GAO interviewed EM officials regarding EM’s plans to treat and dispose of waste associated with reprocessing. GAO also visited two EM sites and evaluated documentation to identify opportunities for EM to treat and dispose of certain waste as LLW or TRU waste.

What GAO Recommends

GAO recommends that Congress consider convening a panel of experts to recommend specific revisions to the statutory definition of HLW to address ambiguities in the definition.

GAO also recommends that EM systematically evaluate opportunities to treat and dispose of certain waste associated with reprocessing as something other than HLW and communicate to Congress regarding its efforts to implement these opportunities as well as actions Congress can take to minimize or eliminate any barriers impeding EM’s ability to pursue them. DOE agreed with the recommendation.

Why GAO Did This Study

To complete its cleanup mission, EM must dispose of over 11 million cubic meters of nuclear waste that pose a range of risks to human health and the environment. In addressing its nuclear waste disposal needs, EM chooses among disposal options with different costs and risks. Final approval of a disposal pathway can take years of careful planning and communication with regulators and a variety of federal, state, and other stakeholders.

Senate Report 117-130 includes a provision for GAO to report on EM's nuclear waste disposal planning efforts. This report addresses (1) available information about nuclear waste requiring disposal to complete EM's mission, (2) disposal options available to EM, and (3) how EM and cleanup sites plan for nuclear waste disposal.

GAO analyzed EM waste data, interviewed or requested information from all 15 EM sites, visited commercial nuclear waste disposal facilities, and developed a hypothetical model for optimizing transuranic waste disposal using EM data.

What GAO Recommends

GAO is making five recommendations to EM, including that EM develop complex-wide analyses—such as optimization models—to identify optimal disposal pathways; develop a complex-wide disposal plan; and create a forum for EM and cleanup site and disposal facility regulators to address regulatory constraints to optimal disposal approaches. EM did not agree or disagree with the five recommendations and deferred its response for whether it will implement them to a later date.

For more information, contact Nathan Anderson at AndersonN@gao.gov.

NUCLEAR WASTE

An Integrated Disposal Plan Could Help DOE Complete Its Cleanup Mission and Save Billions

What GAO Found

The Department of Energy's (DOE) Office of Environmental Management (EM) is responsible for cleaning up and disposing of nuclear waste from 15 federal sites, known as the EM complex. EM primarily manages four types of nuclear waste: low-level radioactive waste (LLW), transuranic waste, high-level radioactive waste, and spent nuclear fuel. EM develops estimates of the amount of each type of waste that it expects to dispose of to complete its cleanup work. However, EM's estimates include significant uncertainties. For example, waste amounts could vary depending on the future cleanup approaches selected.

Department of Energy Nuclear Waste Types and Disposal Options



Source: DOE documentation and interviews. | GAO-25-107109

EM has multiple disposal options for LLW, including six DOE facilities and two commercial facilities. GAO's analysis found that EM's disposal needs exceed these facilities' current capacity and future expansion will be required. Further, transuranic waste currently has only one disposal option—the Waste Isolation Pilot Plant in New Mexico—and additional future transuranic waste could nearly exceed the facility's capacity. High-level radioactive waste and spent nuclear fuel have no existing disposal option and will require the siting of a new deep geologic repository.

EM headquarters delegates disposal decisions to individual cleanup site officials and supports them as needed. However, EM has not assessed opportunities to optimize complex-wide disposal decisions—GAO has previously found that EM could save billions of dollars by considering alternate disposal plans for certain waste. EM has also not developed an integrated waste disposal plan to address factors affecting EM's ability to complete its cleanup mission.

EM officials told GAO they have not assessed complex-wide strategic alternatives to current disposal plans because regulatory constraints limit alternatives. However, the use of models, such as optimization models, could reduce the costs of EM's cleanup mission by billions of dollars. By developing a complex-wide plan, EM will be better able to address interrelated issues across its 15 sites and identify opportunities to address regulatory constraints. Moreover, implementing its disposal plan will likely require EM to negotiate with multiple regulators to revise agreements at different sites. By leveraging modeling and integrated planning, EM would be better positioned to engage with regulators in a complex-wide forum to ensure that each waste stream is disposed of in a cost-effective manner that protects human health and the environment.

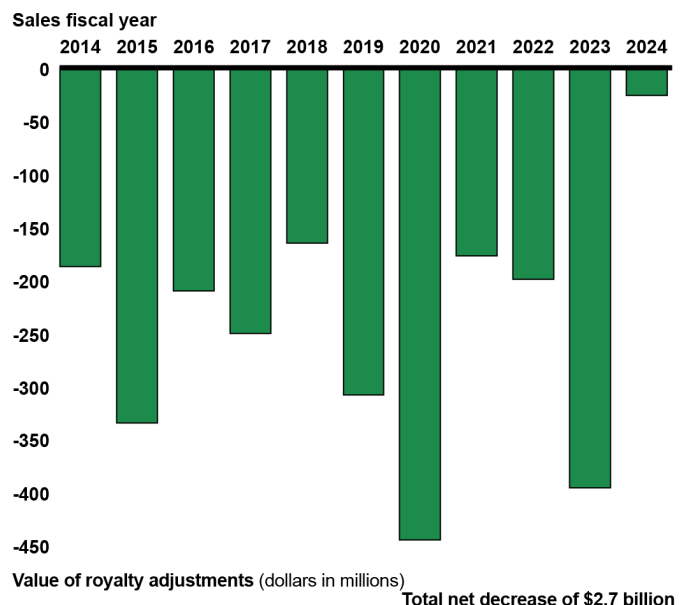
Highlights of [GAO-26-107669](#), a report to the Ranking Member, Committee on Natural Resources, House of Representatives.

Why This Matters

Royalties on the sale of oil and gas produced on federal lands and waters generated more than \$14 billion in revenue in 2024. The Department of the Interior’s Office of Natural Resources Revenue (ONRR) oversees these payments by companies.

Companies can revise, or make adjustments to, royalties if they over- or underpaid, or they can request a refund to be reimbursed if they overpaid.

Net Royalty Adjustments of Oil and Gas Royalties from Federal Leases, 2014–2024



Source: GAO analysis of Office of Natural Resources Revenue documents. | GAO-26-107669

Note: Adjustments made based on fiscal year of original royalty payment.

How GAO Did This Study

GAO analyzed ONRR data extracts from fiscal years 2014 through 2024, reviewed documentation, assessed data systems and tools, and interviewed ONRR officials and two industry stakeholder organizations.

What GAO Recommends

GAO is recommending that Congress consider shortening the time frame for companies to make adjustments, as well as making four recommendations to ONRR. ONRR concurred with three recommendations and partially concurred with one. In response, GAO revised the recommendation language.

GAO Key Takeaways

Companies’ net adjustments decreased their originally reported royalties from about \$96 billion to \$93 billion, or by 2.8 percent, in fiscal years 2014–2024. Adjustments included \$300 million to royalties initially paid 4–6 years prior. ONRR also approved \$352 million in refunds. Royalties must be processed within defined time frames:

- Companies can make adjustments up to 6 years after their original payment.
- Concurrently, ONRR has 7 years to verify that royalties were accurately paid. This can take an average of 18 months or much longer, according to ONRR officials.

ONRR may not have enough time under current statutory requirements to ensure royalties are accurate. This is especially true when companies submit adjustments toward the end of the 6-year statutory time frame, which provides ONRR one year to review. ONRR recommended to Congress in 2011 that it shorten the statutory time frame for a company to adjust royalties from 6 to 3 years, but this change was not enacted. Industry representatives noted that companies generally use electronic systems, which has improved efficiency and reduced the need for a longer time to submit adjustments. At present, the opportunity still exists to provide ONRR with additional time to verify adjustments, thereby ensuring that it is safeguarding federal revenues.

For more information, contact: Frank Rusco at ruscof@gao.gov.

GAO Highlights

Highlights of [GAO-25-107304](#), a report to congressional committees

Why GAO Did This Study

Concerns over the state of U.S. commercial shipbuilding have grown in recent years. Such concerns are particularly related to the nation's capacity to meet government shipbuilding and repair needs that are critical to national defense.

The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 includes a provision for GAO to review efforts to support the U.S. commercial maritime industry. This report addresses, among other topics, (1) the use of the Maritime Administration's programs to encourage or improve U.S. shipbuilding and the extent to which they follow leading practices and (2) ideas identified by selected stakeholders to address challenges facing the maritime industry.

GAO reviewed Maritime Administration documents and compared its four financial assistance programs with leading practices for performance management. GAO also surveyed domestic vessel owners and operators and shipbuilding or repair companies. GAO also visited selected shipyards and interviewed government officials and 31 industry stakeholders selected to provide a range of perspectives on the Maritime Administration's programs and the maritime industry's ability to contribute to national defense.

What GAO Recommends

GAO is making seven recommendations, including that the Maritime Administration develop measurable goals for, and assess the performance of, its four financial assistance programs.

DOT agreed with our recommendations.

For more information, contact Andrew Von Ah at VonAha@gao.gov.

June 2025

COMMERCIAL SHIPBUILDING

Maritime Administration Needs to Improve Financial Assistance Programs

What GAO Found

Under coastwise laws, U.S. vessel owners and operators engaged in domestic trade generally must use U.S.-built vessels. The construction of vessels in U.S. shipyards helps to support the U.S. maritime industry, which plays a vital role in national defense.

Because U.S.-built vessels generally cost more than foreign-built ones, the Maritime Administration has four financial assistance programs to encourage or improve U.S. shipbuilding. The **Federal Ship Financing Program** generally offers loan guarantees for vessel construction at U.S. shipyards. In the last 5 years, the program executed two loan guarantees for two vessel owners totaling nearly \$400 million. The two tax deferral programs, the **Construction Reserve Fund Program** and the **Capital Construction Fund Program**, allow vessel owners or operators to defer paying tax on certain eligible deposits that are placed into an account and can be used to fund projects at U.S. shipyards. In 2024, seven vessel owners or operators had a Construction Reserve Fund program account, and 137 vessel owners or operators had a Capital Construction Fund Program account. Finally, the **Small Shipyard Grant program** provides grants to small shipyards for equipment or training. In fiscal year 2024, this program had \$8.75 million in available funds and had 78 grant applications from shipbuilding or repair companies requesting just under \$50 million.

These four financial assistance programs have provided some support for vessel owners or operators and shipyards, but the programs' administration does not follow leading practices for assessing program performance. For example, the Maritime Administration cannot determine to what extent the programs are effective in growing the U.S. maritime fleet because it has not established measurable goals for, or assessed the performance of, these programs. Doing so would allow the Maritime Administration to identify any changes that could better increase the nation's shipbuilding capacity to promote national security and economic prosperity. An April 2025 Executive Order established United States policy to revitalize and rebuild domestic shipbuilding and requires certain actions to grow the U.S. maritime fleet.

In addition, the 31 industry stakeholders GAO interviewed identified challenges facing vessel owners or operators and shipyards competing within the U.S. domestic maritime industry. They also had ideas to address those challenges (see table).

Selected Industry Stakeholders' Ideas to Address Challenges Facing Domestic Vessel Owners or Operators and Shipyards

Challenge	Ideas
Domestic vessel owners or operators face competition with other modes of transportation, such as trucks.	Encourage the use of domestic vessels to carry cargo along rivers or between coastal ports.
Shipyards face workforce challenges from "boom-and-bust" cycles created by fluctuating demand for new vessel construction.	Smooth the workflow through economies of scale, such as through large, consistent federal vessel procurements.
Shipyards face challenges with aging infrastructure.	Expand the Small Shipyard Grant program, and encourage foreign investment.

Source: GAO analysis of 31 stakeholders' statements. | GAO-25-107304

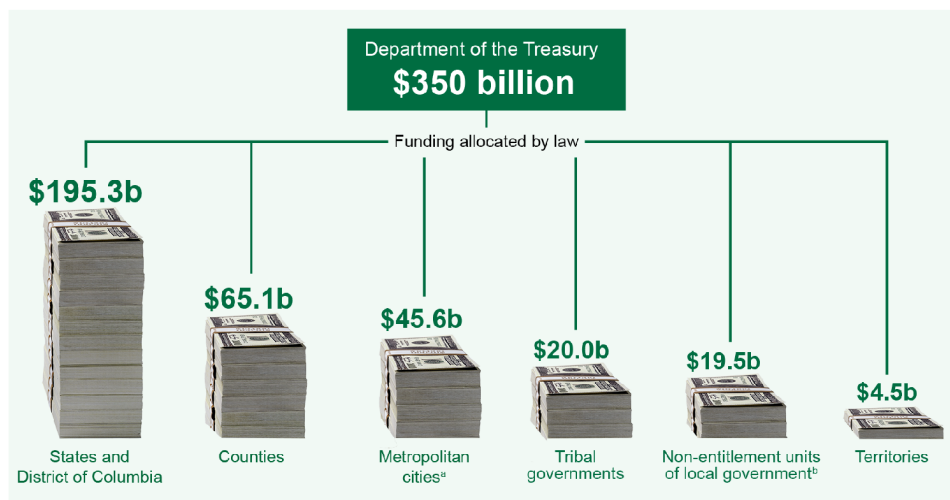
United States Government Accountability Office

A Q&A report to congressional requesters
Contact: Jeff Arkin at arkinj@gao.gov

What GAO Found

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, established under the American Rescue Plan Act of 2021, provided \$350 billion to tribal governments, states, the District of Columbia, U.S. territories, and more than 30,000 local governments to cover a broad range of costs stemming from the health and economic effects of the COVID-19 pandemic. The Department of the Treasury is responsible for overseeing and monitoring recipients' funds.

Allocations of Coronavirus State and Local Fiscal Recovery Funds by Recipient Type



Source: GAO analysis of the American Rescue Plan Act of 2021. Pub. L. No. 117-2, 135 Stat. 4 (2021); Rangizz/stock.adobe.com. | GAO-25-107909

*A metropolitan city is defined as the central city within a metropolitan area (i.e., a standard metropolitan statistical area as established by the Office of Management and Budget) or any other city within a metropolitan area that has a population of 50,000 or more. 42 U.S.C. §§ 803(g)(4), 5302(a)(4). A metropolitan city includes cities that relinquish or defer their status as a metropolitan city for purposes of receiving allocations under section 5306 of Title 42, United States Code, for fiscal year 2021.

†Non-entitlement units of local government (NEU) are local governments typically serving populations of less than 50,000. 42 U.S.C. §§ 803(g)(5), 5302(a)(5). NEUs include cities, villages, towns, townships, or other types of local governments.

To ensure state and local recipients use their awards for allowable purposes, Treasury developed reporting requirements for recipients to detail their uses of funds. Since 2022, Treasury has required recipients to submit project and expenditure (P&E) reports to provide information on how they used their awards, including obligations and spending amounts.

Over 1,000 SLFRF recipients—primarily smaller local governments—had never submitted a P&E report, as of January 2025. Individual awards for these recipients ranged from less than \$1,000 to a high of \$7.8 million. Additionally, thousands of SLFRF recipients did not report consistently across reporting cycles between 2022 and 2024. For example, recipients submitted reports for one reporting cycle, but not for subsequent cycles.

To ensure compliance with the requirements, Treasury has issued notices of noncompliance and conducted targeted outreach to those recipients that have not submitted reports. However, reporting has remained inconsistent, with thousands of recipients failing to submit a P&E report for multiple reporting cycles.

Treasury's procedures allow Treasury to initiate recoupment with recipients that do not comply with reporting requirements, but the procedures do not require it based on specific timing or circumstances. Treasury has initiated recoupment with 988 recipients—accounting for about \$139 million in collective awards—that had never submitted a report, as of January 2025. Of those, 339 recipients subsequently submitted a report between January and March 2025 for the first time since reporting began in January 2022. However, Treasury has not initiated recoupment with the thousands of other recipients that have not complied with the reporting requirements.

Developing procedures to document the timing and circumstances for recoupment would position Treasury to consistently take appropriate and timely action for recipients that do not meet reporting requirements and provide consistent oversight of the use of taxpayer funds. In addition, communicating to recipients through guidance the circumstances in which Treasury will initiate recoupment may increase recipients' compliance with reporting requirements.

Why GAO Did This Study

Overall, SLFRF allocated \$350 billion to tribal governments, states, the District of Columbia, local governments, and U.S. territories to help cover a broad

range of costs stemming from the health and economic effects of the COVID-19 pandemic.

The CARES Act includes a provision for GAO to monitor the use of federal funds to respond to the COVID-19 pandemic. This report addresses the reporting requirements that SLFRF recipients are to meet and the extent to which Treasury ensures compliance with these reporting requirements.

To conduct this work, GAO reviewed laws and regulations governing the SLFRF program and Treasury SLFRF program guidance, policies, and procedures for meeting reporting requirements. To identify SLFRF recipients' compliance with reporting requirements in 2022-2024, GAO analyzed Treasury's P&E report data for each of those 3 years. GAO excluded tribal governments and U.S. territories from the review. To describe Treasury's actions for SLFRF recipients that do not submit required reports, GAO reviewed notices Treasury sent to recipients and interviewed Treasury officials.

What GAO Recommends

GAO recommends that Treasury develop and document, in Treasury's internal procedures and guidance for recipients, the timing and circumstances under which it will initiate recoupment for recipients that have not met SLFRF reporting requirements. Treasury generally agreed with the recommendation.

Enhanced Data Matching Could Help Prevent Duplicate Benefits and Yield Substantial Savings

GAO-25-106976

September 2025

A report to the Chairman, Committee on Oversight and Government Reform, House of Representatives.

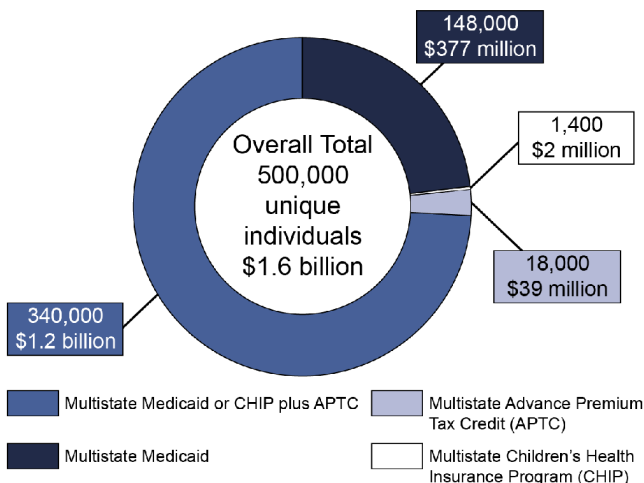
For more information, contact: M. Hannah Padilla at padillah@gao.gov or Seto J. Bagdoyan at bagdoyans@gao.gov.

What GAO Found

For fiscal year 2023, the federal government and six selected states—California, Georgia, New York, Pennsylvania, Tennessee, and Texas—paid health insurance entities at least \$1.6 billion in potential overpayments or fraud for duplicate health care coverage or benefits. The payments were made on behalf of approximately 500,000 individuals who were simultaneously enrolled across multiple states in Medicaid or the Children’s Health Insurance Program (CHIP) or receiving an advance premium tax credit (APTC) across multiple states. These payments were made on behalf of individuals to managed care organizations in the form of capitated payments for Medicaid and CHIP or to health insurance issuers through APTC.

The \$1.6 billion in potential overpayments identified in GAO’s analyses may be relatively small compared to the total enrollment numbers, outlays, and expenditures. However, they represent a significant amount of potential overpayments largely stemming from six selected states in GAO’s review. It is also likely that the counts and dollar figures GAO identified were partially attributable to COVID-19-related continuous enrollment conditions for Medicaid and some CHIP enrollees. Specifically, as a condition for receiving temporarily enhanced federal funding during the pandemic, states were required to keep Medicaid and some CHIP beneficiaries continuously enrolled unless an individual requested voluntary termination of eligibility, or the individual ceased to be a resident of the state. Nonetheless, the conditions did not prevent states from disenrolling individuals who were confirmed to no longer be state residents, and duplication of Medicaid, CHIP, or APTC benefits across states for individuals should not have occurred.

Simultaneous Program Enrollment in Medicaid or CHIP for Six Selected States and APTC Nationwide for Fiscal Year 2023



Source: GAO analysis of data from the Centers for Medicare & Medicaid Services and selected states. | GAO-25-106976

Note: Individual counts may overlap between categories. The overall total reflects aggregated values after removing duplicate individuals across programs and states. Due to rounding, individual counts and dollar amounts may vary slightly from the totals.

Why GAO Did This Study

Federally funded health care programs are susceptible to significant improper payments, including fraud. For example, for fiscal year 2024, the Department of Health and Human Services (HHS) estimated \$4.9 billion in improper Medicaid payments for ineligible individuals. HHS’s CMS oversees three principal health care programs generally available for eligible persons under 65 years of age: Medicaid, CHIP, and the health insurance marketplaces, through which eligible individuals can purchase health insurance.

To help pay for marketplace health insurance, federal law provides for a premium tax credit to individuals who meet certain income and other eligibility requirements. Individuals can choose to have the marketplace compute an estimated credit that is paid directly to their issuers on their behalf, known as APTC, which lowers their monthly premium payments. However, individuals are generally not eligible for APTC if they qualify for Medicaid or CHIP. Further, individuals should not be simultaneously enrolled in any of these programs in multiple states.

GAO was asked to review issues related to duplicate health care coverage payments in Medicaid, CHIP, and APTC. This report (1) describes instances of payments made for duplicate Medicaid and CHIP coverage in selected states and potentially ineligible APTC benefits nationwide and (2) examines the extent to which CMS and states have designed processes to identify and prevent duplicate cross-state health care coverage in these programs.

GAO conducted data matching of enrollment and payment data to identify duplicate payments made for Medicaid or CHIP in six selected states and APTC benefits nationwide. Among other

Marketplaces' processes to identify and prevent simultaneous cross-state health care coverage or benefits are limited.

- Marketplaces do not have sufficient processes to identify and prevent simultaneous cross-state APTC benefits—such as preventing duplicate Social Security numbers from being used on multiple marketplace health plans simultaneously. Without designing sufficient processes to identify and prevent duplicate cross-state enrollment within the marketplaces, there is an increased risk that APTC benefits will be improperly paid to multiple health insurance issuers on behalf of the same individual.
- Additionally, marketplaces do not have processes to identify individuals receiving simultaneous cross-state Medicaid or CHIP coverage. Moreover, none of the marketplaces submit qualified health plan enrollment data, including APTC information, to the Public Assistance Reporting Information System (PARIS)—a data-matching service used to identify duplicate cross-state payments—or another data-matching system. Requiring marketplaces to submit such data would enable the Centers for Medicare & Medicaid Services (CMS) and state agencies to use the data to identify enrollee matches between APTC and CHIP or Medicaid, which could then be resolved to verify eligibility or terminate benefits, as appropriate.

Most states Medicaid and CHIP agencies reported that they submit Medicaid and CHIP enrollment data to PARIS for data matching. However, the enrollment populations and frequency of interstate data matching varied among states for both Medicaid and CHIP.

Some states exclude categories of enrollees from their submission, and some do not submit quarterly because it is not required. Until state Medicaid and CHIP agencies are required to submit enrollment data to PARIS or another data-matching system for interstate data matching on a frequent recurring basis, state Medicaid and CHIP agencies will continue to face greater risk of being unaware of potential instances of duplicate cross-state Medicaid and CHIP enrollment.

factors, states were selected based on average monthly CHIP and Medicaid enrollment by state, number of individuals receiving APTC by state, state migration trends, and proximity to one another. GAO also conducted three nationwide surveys of state Medicaid agencies, state CHIP agencies, and state-based marketplaces.

What GAO Recommends

GAO is making three recommendations to CMS. One recommendation is that CMS design or modify controls to help detect and prevent duplicate Social Security numbers from being used on multiple marketplace policies receiving APTC benefits. Additionally, GAO is recommending that CMS require marketplaces and Medicaid and CHIP agencies to (1) submit all enrollment data to PARIS, or another data-matching system, for interstate matching on a frequently recurring basis and (2) resolve all matches to verify eligibility or terminate coverage as appropriate. HHS neither agreed nor disagreed with these recommendations.

Selected Programs Did Not Fully Include Identified Practices to Enhance Oversight and Fraud Prevention

GAO-26-107444

December 2025

A report to congressional requesters.

For more information, contact: M. Hannah Padilla at padillah@gao.gov.

What GAO Found

GAO identified nine requirements and leading practices to oversee and prevent fraud, waste, and abuse in awards, including grants, contracts, and loans. As shown in the table, the Federal Communications Commission’s Universal Service Program for Schools and Libraries had documented procedures for all nine. GAO found that the other four selected programs—the Department of Commerce’s CHIPS for America Fund, Environmental Protection Agency’s Greenhouse Gas Reduction Fund (now repealed), Department of Health and Human Services’ Health Center Program, and Department of Energy’s Regional Clean Hydrogen Hubs—did not always incorporate these requirements and leading practices in their documented policies and procedures.

GAO Assessment of Agencies’ Design of Selected Requirements and Leading Practices for Selected Programs

Selected requirements and leading practices ^a	Universal Service Program for Schools and Libraries	CHIPS for America Fund	Greenhouse Gas Reduction Fund ^b	Health Center Program	Regional Clean Hydrogen Hubs
1. Dedicated entity to lead fraud management activities	●	●	●	●	●
2. Senior Management Council to assess and monitor deficiencies in internal control	●	●	○	●	●
3. Maintain agencywide and program-specific risk profiles	●	●	●	○	●
4. Assess program specific risks, including fraud	●	●	●	●	○
5. Determine risk responses and document an antifraud strategy	●	●	●	●	○
6. Implement specific control activities to prevent and detect fraud	●	●	●	●	●
7. Establish collaborative relationships with stakeholders and create incentives to help ensure effective implementation of the antifraud strategy	●	●	●	●	○
8. Conduct risk-based monitoring and evaluate all components of the Fraud Risk Framework	●	●	●	●	○
9. Evaluate audits, including recovery audits and single audits	●	○	●	●	●

● Fully met ● Partially met ○ Not met

Source: GAO. | GAO-26-107444

^aGAO identified leading practices and requirements from key guidance documents that it deemed most relevant for oversight of awards.

^bThis program was statutorily repealed. Pub. L. No. 119-21, § 60002, 139 Stat. 72, 154 (July 4, 2025).

Until agencies establish, document, and implement procedures to fully address these requirements and leading practices, the programs will continue to face increased risks of fraud, waste, and abuse.

Why GAO Did This Study

Proactively managing payment integrity risks is especially important for programs on which agencies expect to spend a large amount of funds. The Infrastructure Investment and Jobs Act, Inflation Reduction Act of 2022, and CHIPS and Science Act provided the five agencies in GAO’s review about \$227 billion to support their federal programs, including those administering awards of federal financial assistance such as grants.

GAO was asked to review agencies’ oversight of federal awards to prevent fraud, waste, and abuse. This report examines (1) what requirements and leading practices agencies can use to prevent fraud, waste, and abuse of federal awards and (2) the extent to which selected programs had policies and procedures that included these to oversee federal awards to help address financial payment and fraud risks.

GAO identified legal requirements and leading practices based on guidance documents for overseeing federal award programs and preventing fraud, waste, and abuse in federal awards. GAO selected five programs based on funding, among other factors, and evaluated whether agencies established policies and procedures for the five selected programs that included those requirements and leading practices.

What GAO Recommends

GAO is making 12 recommendations to four of the selected agencies to include the identified requirements and leading practices in their policies and procedures. All agencies except Commerce concurred with the recommendations, as discussed in the report.

BROADBAND PROGRAMS

Agencies Need to Further Improve Their Data Quality and Coordination Efforts

Why GAO Did This Study

Access to broadband is critical for employment, education, health care, and other daily activities. Yet millions of Americans lack broadband access, despite at least \$44 billion in federal investment over the past decade across myriad programs managed by different agencies. Information on where broadband is not available is key to expanding access.

GAO was asked to review federal broadband efforts. This report examines (1) agencies' use of broadband availability information and the extent to which FCC ensures the quality of data in its National Broadband Map; and (2) the extent to which agencies' coordination of broadband funding programs aligns with GAO's leading practices for interagency collaboration, among other issues.

GAO reviewed documents and interviewed officials from FCC and other broadband funding agencies. GAO compared (1) FCC's practices for ensuring the quality of information in its National Broadband Map against relevant federal internal control standards and (2) interagency coordination efforts with leading practices for interagency collaboration.

What GAO Recommends

GAO is making 14 recommendations, including that FCC document and evaluate the effectiveness of its processes for ensuring the quality of the National Broadband Map's data, and that FCC, NTIA, USDA, and Treasury clearly define and document certain aspects of their coordination. FCC, NTIA, and Treasury agreed with GAO's recommendations; USDA neither agreed nor disagreed.

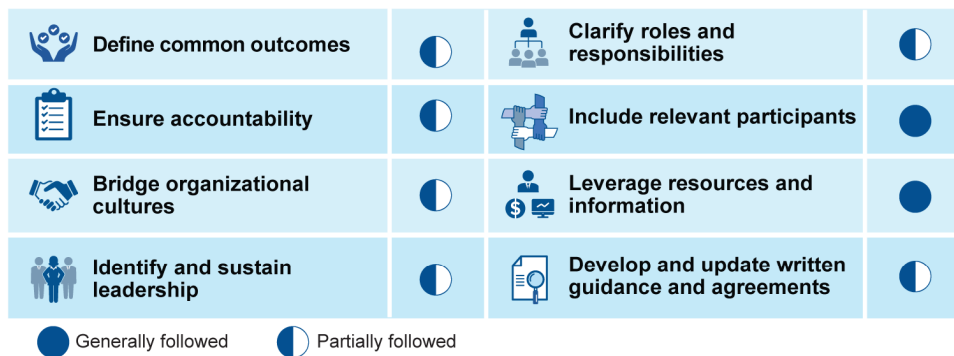
View [GAO-25-107207](#). For more information, contact Andrew Von Ah at vonaha@gao.gov.

What GAO Found

Federal agencies rely on the Federal Communications Commission's (FCC) National Broadband Map as a key information source to target tens of billions of dollars in federal broadband funding by knowing where high-speed internet is already available. However, the accuracy of the broadband availability data on the map is uncertain. FCC has not documented or assessed the sufficiency of its processes for ensuring the information's accuracy. Without taking these steps, FCC cannot be assured its processes are sufficient to ensure the data's quality or that its staff are carrying out these processes consistently, increasing the risk that inaccurate data appear on the map. Inaccurate data could jeopardize agencies' ability to make the most efficient and effective funding decisions.

FCC, the National Telecommunications and Information Administration (NTIA), and the Departments of Agriculture (USDA) and the Treasury coordinate with each other to administer the bulk of federal funding for broadband deployment. GAO found that coordination efforts between these agencies generally followed two and partially followed six of eight leading collaboration practices (see figure).

Assessment of Interagency Coordination Efforts to Administer Federal Broadband Funding Compared with Leading Practices for Interagency Collaboration



Sources: GAO analysis of agency documentation and interviews; GAO icons. | GAO-25-107207

In particular, the agencies use various coordination methods, including regularly meeting and leveraging maps to share data to help avoid duplicate funding. The agencies also have some written agreements to guide coordination, such as an information-sharing memorandum. However, GAO found areas where the agencies have not clearly documented the scope of how coordination efforts will be implemented. For example, they have not clearly defined or documented key areas of their collaborative efforts, such as what "covered data" include when sharing information about their broadband deployment projects, as referenced in the memorandum. The agencies also have not established timelines for providing data on funded projects to the map used to display information on federally funded broadband projects, or documented a formal process for avoiding duplicate funding. Clearly defining, agreeing upon, and formally documenting guidance would better position the agencies to sustain their collaborative efforts, especially should changes in leadership or staff occur. It would also help ensure that billions of dollars in federal funding are spent efficiently and effectively to expand broadband access, including to areas with the greatest need.

FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

OPM Should Take Timely Action to Mitigate Persistent Fraud Risks

Why GAO Did This Study

FEHB is the largest employer-sponsored health insurance program in the country. It provides benefits to more than 8.2 million federal employees, family members, and other eligible individuals. FEHB's total cost to the government and enrollees was about \$70 billion in fiscal year 2024. OPM is responsible for administering the FEHB program and managing the risk of fraud.

GAO was asked to review OPM's fraud risk management efforts in the FEHB program. This report assesses the extent to which OPM has (1) designated an entity to lead fraud risk management activities, (2) assessed the full range of fraud risks in the FEHB program, and (3) involved key stakeholders in its fraud risk assessments.

GAO reviewed OPM documentation and policies, and interviewed OPM and OPM OIG officials regarding fraud risk management activities in the FEHB program. GAO compared this information with selected leading practices of GAO's Fraud Risk Framework, as well as federal standards for internal control.

What GAO Recommends

GAO is making six recommendations, including that OPM clarify which entity will lead fraud risk management efforts, design and conduct a robust fraud risk assessment that will identify the inherent fraud risks facing the FEHB program, and involve relevant stakeholders in the fraud risk assessment process. OPM concurred with all six recommendations and indicated that it will take actions to implement them.

For more information, contact Seto J. Bagdoyan at bagdoyans@gao.gov.










What GAO Found

In response to [GAO's December 2022](#) report on the Federal Employees Health Benefits (FEHB) program, the Office of Personnel Management (OPM) has taken some steps to manage the program's fraud risks, such as completing fraud risk assessments. However, two recommendations, including that OPM identify and remove ineligible family members from FEHB, remain open. In this second review of the FEHB program, GAO found that OPM's ongoing efforts to manage fraud risks do not fully align with selected leading practices.

OPM designated an entity to lead fraud risk management, but its future is uncertain. OPM designated the Risk Management Council (RMC) to lead its fraud risk management efforts. However, in April 2025, OPM officials stated that the agency is in a transition period, and it is uncertain whether the RMC will continue to lead these efforts. With a pause in fraud risk management at the agency level, OPM has the opportunity to address persistent fraud risks and safeguard government investments in FEHB.

OPM has not assessed the full range of fraud risks facing the FEHB program. OPM's most recent fraud risk profile identifies two inherent fraud risks—an ineligible family member on an FEHB plan and an FEHB provider submitting false claims to an FEHB carrier—but does not reflect other fraud risks (see fig.). Officials could not explain or provide documentation as to why their fraud risk assessment and profile did not capture these inherent fraud risks.

Examples of Fraud Risks Not on the Office of Personnel Management's Fraud Risk Profile for the Federal Employees Health Benefits Program

 Benefit card sharing	 Data reporting	 Improper inducements
 Insufficient or fraudulent documentation	 Kickbacks	 Marketing fraud
 Personally identifiable information theft	 Provider ineligibility	 Self-referrals

Sources: GAO analysis of U.S. Department of Health and Human Services documents and GAO's Antifraud Resource; Icons-Studio/stock.adobe.com (icons). | GAO-25-106885

OPM does not involve key stakeholders directly in its fraud risk assessment process. According to OPM officials, the agency relies on OPM's Office of Inspector General (OIG) reports and carrier information on fraud, waste, and abuse to inform its fraud risk assessments. However, OPM does not engage directly with these stakeholders to identify FEHB fraud risks and obtain insights. Involving key stakeholders in its fraud risk assessments would help OPM leverage stakeholders' extensive knowledge to better identify the full range of fraud risks and determine how to address them.

GAO Highlights

Highlights of [GAO-25-107088](#), a report to congressional requesters

Why GAO Did This Study

Scams, a method of committing fraud, involve the use of deception or manipulation intended to achieve financial gain. Scams often cause individual victims to lose large sums—in some cases their entire life savings.

GAO was asked to review federal agencies' and businesses' efforts to counter scams. This report examines, among other things, the extent to which (1) a comprehensive, government-wide strategy guides agency efforts; (2) selected federal agencies compile scam-related complaint data and agencies' ability to estimate the total number of scams and related dollar losses; and (3) selected agencies measure the effectiveness of consumer education activities.

GAO analyzed publicly available information, agency documents, and agency consumer complaint data. GAO interviewed agency officials and representatives of relevant industries and advocacy groups.

What GAO Recommends

GAO is making 16 recommendations to various agencies to develop a government-wide strategy to counter scams, a national scam estimate, a common definition of scams, and evaluate the outcomes of consumer education efforts. The FBI disagreed with three recommendations related to the development of a national estimate, a definition of scams, and evaluating the outcomes of its consumer education efforts. GAO maintains the recommendations are valid, as discussed in the report. FTC neither agreed nor disagreed with the five recommendations made to it.

View [GAO-25-107088](#). For more information, contact Seto J. Bagdoyan at bagdoyans@gao.gov and Howard Arp at arpj@gao.gov.

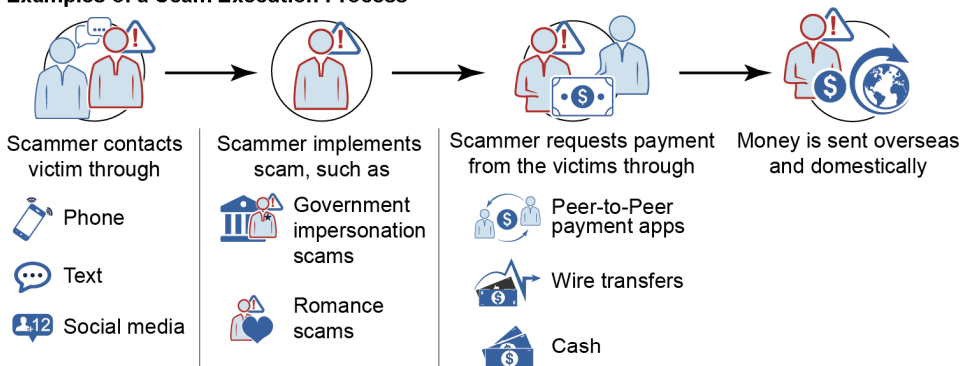
CONSUMER PROTECTION

Actions Needed to Improve Complaint Reporting, Consumer Education, and Federal Coordination to Counter Scams

What GAO Found

Scams occur in a variety of forms, have evolved with technology, and are a growing risk to consumers. Commonly, scams involve a scammer contacting the victim, engaging the victim with a particular type of scam, and requesting a payment for a false purpose.

Examples of a Scam Execution Process



Sources: GAO analysis of publicly available information on scams, including from the Federal Trade Commission and Federal Bureau of Investigation; Icons-Studio, sdcoret/stock.adobe.com, GAO (icons). | GAO-25-107088

Note: Other types of contact methods, scams, and payment methods exist.

The 13 federal agencies GAO spoke with engage in a range of efforts to counter scams. However, none were aware of a government-wide strategy to guide those efforts. Existing strategies did not focus on countering scams and did not apply across agencies. The Federal Bureau of Investigation (FBI) is developing a cyber-enabled fraud strategy. The overlap in issues relating to scams and cyber-enabled fraud could provide FBI with the expertise to develop a government-wide strategy. Developing a government-wide strategy would better position agencies to coordinate and strategically target their efforts to counter scams.

The Consumer Financial Protection Bureau (CFPB), FBI, and Federal Trade Commission (FTC) receive, compile, and report on consumer complaints pertaining to issues including internet-related crime and scams. Data limitations, such as issues with how data are collected, do not allow agencies to calculate the exact number of scam complaints, but each agency can estimate the number it receives. For example, the FBI estimated that in 2023 it received approximately 589,400 scam-related complaints, resulting in losses of \$10.55 billion. In addition, no government-wide estimate of the total number of scams and dollar losses exists. Improved data collection and estimates would better support federal efforts to understand the extent of this type of crime and develop ways to counter it.

CFPB, FBI, and FTC provide a variety of education resources for consumers. However, they do not measure the effectiveness of their education efforts on the consumers that receive them. Doing so would help the agencies understand how their education efforts are affecting consumers' ability to recognize and protect themselves from scams and how the agencies might adjust their education materials to best help consumers.

Why GAO Did This Study

Fraud across federal programs is a significant and persistent problem. Some of this fraud is perpetrated by private companies obscuring beneficial ownership information when they compete for government contracts or apply for federal benefits. OIGs conduct oversight through audits and investigations, which include issues related to beneficial ownership.

GAO was asked to review how beneficial ownership information may aid OIGs in their fraud detection and response efforts. This report describes the types of federal program fraud associated with beneficial ownership information, provides OIGs' perspectives on using the company registry, and assesses FinCEN's actions to communicate with OIGs.

GAO reviewed relevant laws and agency documentation, interviewed officials from FinCEN and the Council of the Inspectors General on Integrity and Efficiency (CIGIE), conducted a roundtable discussion with seven OIGs, and surveyed 72 OIGs to obtain their views on how the registry could affect their efforts to combat fraud.

What GAO Recommends

GAO recommends that FinCEN communicate with OIGs, via CIGIE, regarding OIGs' company registry access and use. FinCEN had no comment on the recommendation.

View [GAO-25-107143](#). For more information, contact Rebecca Shea, shear@gao.gov.

FRAUD IN FEDERAL PROGRAMS

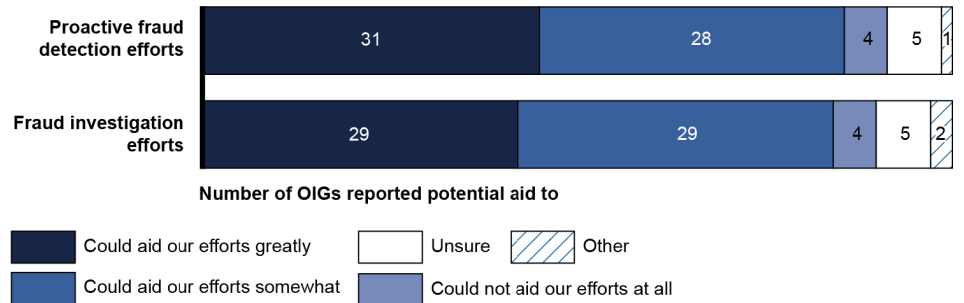
FinCEN Should Take Steps to Improve the Ability of Inspectors General to Determine Beneficial Owners of Companies

What GAO Found

When information is unclear about the identity of the person who ultimately owns or controls a company that is participating in federal programs or operations, there is a heightened risk of procurement-, grant-, and eligibility- related fraud. Offices of Inspectors General (OIG) told GAO that they face challenges using the currently available federal, state, and commercial data sources to identify the "beneficial owners" of companies as part of their fraud detection and response efforts.

A law that took effect in January 2024 directed certain companies to report their beneficial ownership information to a company registry administered by the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN). FinCEN has begun rolling out a process to allow law enforcement agencies, including select OIGs, to request access. Some OIGs told GAO that they have received information about the company registry, but they were unclear on which OIGs would have access to the data and exactly how company registry data can be used. Nevertheless, most OIGs who responded to GAO's survey reported that access to company registry data could be useful to their offices' fraud detection and response efforts (see fig.).

Usefulness of Beneficial Ownership Information to Fraud Detection and Investigation Efforts, According to Offices of Inspectors General (OIG) Survey Responses



Source: GAO analysis of survey data. | GAO-25-107143

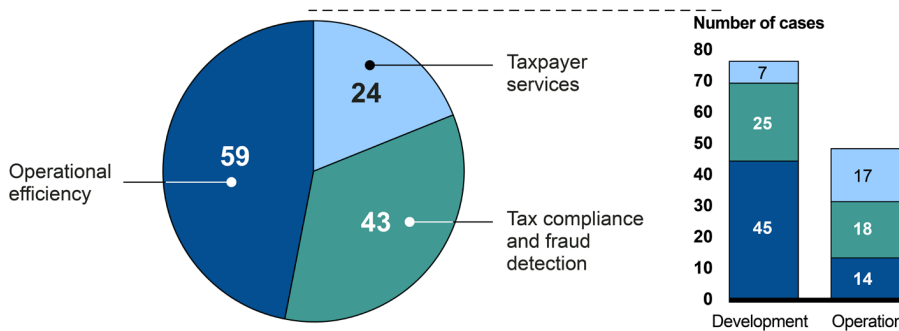
OIGs identified several potential limitations in using company registry data. For example, FinCEN has not yet specified capabilities for bulk downloads of the data, but OIGs noted that such capability could facilitate data matching between the company registry and other data sources. In March 2025, Treasury announced plans to narrow the scope of reporting to foreign companies only. Beneficial ownership risk remains, however. With this change, registry information available to OIGs is more limited. Communicating with OIGs could help clarify the information available, OIGs' access, and how the data can be used. FinCEN officials said they are open to discussions with OIGs on these issues. Communication with OIGs during the registry rollout would better position FinCEN to identify and address challenges related to the fraud detection and response needs of the OIG community. Further, these efforts support FinCEN's strategic goal to significantly improve the ability to mitigate illicit finance risk by increasing law enforcement and other authorized users' access to beneficial ownership information.

A report to congressional requesters.

For more information, contact: James R. McTigue at McTigueJ@gao.gov.

What GAO Found

IRS had 126 active artificial intelligence (AI) use cases—applications of AI for a particular business need—in its inventory as of June 2025. These 126 use cases included 65 that were either too sensitive for public reporting or were research and development efforts exempt from public reporting. Although IRS has been using AI for several years, its inventory has grown rapidly since reporting 10 use cases in August 2022. IRS categorized most use cases in the June 2025 inventory as either improving (1) operational efficiency or (2) tax compliance and fraud detection. IRS listed 61 percent (77 of 126) of use cases as in development in June 2025 (see figure).



Source: GAO analysis of Internal Revenue Service's (IRS) June 2025 AI use case inventory. | GAO-26-107522

Major staffing reductions at IRS in 2025 could greatly affect its ability to use AI. For example, officials in the Research, Applied Analytics and Statistics group said they lost 63 employees who had been working full- or part-time on AI. Other IRS units also reported reductions in staff that support AI efforts, in addition to organizational and contractual changes. Still, IRS officials stated that the agency plans to use more AI in the future. However, IRS officials said they had not identified skills needed to support AI or developed a plan to address the skills gaps. The recent staff reductions, the intent to pursue additional AI initiatives, and the absence of a plan to address AI skills gaps increase the risk that IRS AI efforts will not succeed.

In addition, IRS's inventory did not always include quality information. For example, GAO determined that over 25 percent of use cases did not include information on how the use case was to benefit the agency. GAO also identified use case inventory omissions. For example, GAO identified several AI-enabled tools IRS officials said were contracted to help build criminal cases. These tools were not included in the inventory. Improved IRS processes and internal communications can address these shortcomings.

IRS's AI governance process had several entities with oversight of individual AI use cases. However, none were responsible for managing AI investments across the agency. Further, IRS does not have a process to ensure its AI investments are contributing to agency-wide goals. Given the risks facing IRS, a more strategic approach is warranted that enables IRS to identify high-value AI initiatives that contribute to agency-wide goals.

Why GAO Did This Study

IRS has used AI for many years. It has numerous AI initiatives under development and in operation, including in areas such as taxpayer service and audit selection. However, future IRS funding, strategy, and staffing levels are uncertain. This dynamic environment highlights the importance of understanding how AI can deliver results for IRS.

GAO was asked to review IRS's use of AI. This report assesses (1) how IRS uses AI and how resource changes at IRS could affect AI efforts; (2) the quality of information in IRS's AI inventory; and (3) how IRS strategically manages its AI investments.

GAO reviewed IRS's internal and public AI inventories, and relevant Department of the Treasury and IRS documents. GAO compared information in and processes for managing IRS's AI inventory to IRS policy and guidance, law, government-wide guidance, and leading practices. In addition, GAO compared IRS's efforts to manage its AI investments against federal guidance and leading practices. GAO also interviewed Treasury and IRS officials.

What GAO Recommends

GAO is making eight recommendations to IRS, including to (1) identify skills gaps and develop an AI workforce plan; (2) implement a comprehensive quality assurance process for AI inventory entries; (3) clarify internal communications to ensure all AI use cases are included in the inventory; and (4) require reporting on use case alignment to strategic goals.

IRS agreed with all eight of GAO's recommendations and described steps it plans to take, or has started taking, in response to each recommendation. IRS also provided technical comments, which we incorporated as appropriate.

A report to Congressional Committees

For more information, contact: Jessica Lucas-Judy at lucasjudyj@gao.gov.

What GAO Found

As of June 2025, the Internal Revenue Service (IRS) processed nearly 5 million Employee Retention Credit (ERC) claims. IRS moved quickly to administer ERC but was less prepared to assess improper payment risks and process a surge in claims. To address improper claims, IRS implemented a processing moratorium in September 2023. IRS closed most claims by December 31, 2025, according to IRS officials. GAO identified six lessons from ERC design and administration.

Lessons Learned from the Design and Administration of Employee Retention Credit

Offering Relief Through Employment Taxes Provides Benefits and Challenges

- Benefits include availability to employers without tax liability. Challenges include interactions with income tax.

Some Design Decisions Increased Complexity and Improper Payment Risk

- Complex and retroactive eligibility criteria complicated eligibility determination.

The Internal Revenue Service (IRS) Would Have Benefitted from a Comprehensive Plan for Managing Employee Retention Credit (ERC) Risks

- Timely implementing a 2022 GAO recommendation on project planning could have better prepared IRS for a later surge in claims.

IRS Would Have Benefitted from Additional Eligibility Reporting

- Key eligibility information was not required on employment tax returns.

Manual Processing for Amended Returns Complicated Compliance Efforts

- Paper-only amended returns limited IRS's ability to capture key data.

ERC Implementation Could Have Benefitted from More Timely and Consistent Communication with Stakeholders.

- IRS did not regularly communicate status of ERC processing.

Source: GAO. | GAO-26-107456

These lessons could help policymakers consider future emergency employment tax relief, and help IRS better prepare for it. IRS did not complete an improper payment estimate for ERC, as required in law. The Department of the Treasury said it would not do so for pandemic programs as they are short term. However, a timely estimate could have helped identify root causes of improper payments earlier and developing one now could guide future decisions on employment tax relief. The statute of limitations for assessing tax on certain paid improper ERCs has expired. However, IRS can still pursue fraud cases indefinitely.

Employers primarily claimed ERC on paper amended returns. IRS enabled electronic filing in mid-2024 but continued to process the returns manually. Automated processing would yield cost savings and expedite refunds. IRS's last public update on ERC processing status was in October 2024, leaving uncertainties about cash flow among some employers. IRS also did not follow all risk management and internal control principles from GAO's *A Framework for Managing Improper Payments in Emergency Assistance Programs*. IRS could reduce future improper payments by incorporating this framework into its policies.

As a consequence of its design and administrative challenges, most ERC claims were not paid in 2020 or 2021, the eligibility period for the credit. About 83 percent of ERC refunds—about \$235 billion—were issued in 2022 through June 2025, well after unemployment had returned to its pre-pandemic level.

Why GAO Did This Study

The ERC—which encouraged employers to keep paying employees during the COVID-19 pandemic—had provided about \$283 billion to employers as of June 2025. GAO previously found that implementing new initiatives—such as the ERC—is a challenge for IRS. A law passed in July 2025 affected ERC by, in part, disallowing certain unpaid claims made after January 31, 2024.

In response to a request, this report presents lessons learned on the ERC's design and administration, examines actions IRS can take to be better prepared for emergency employment tax relief, and describes economic conditions—such as unemployment levels—surrounding ERC.

To identify lessons learned, GAO reviewed literature and interviewed experts and agency officials about the ERC's design and implementation. GAO observed ERC processing at an IRS campus. GAO compared documents with selected practices for managing payments in emergency programs (GAO-23-105876). GAO also analyzed IRS data on ERC processing and compared it with economic data.

What GAO Recommends

GAO is making four recommendations to IRS, including that it develop and report an improper payment estimate for ERC, automate amended employment tax return processing, provide an update to the public on ERC processing, and include key principles on managing improper payments in emergency assistance programs in its policies. IRS agreed with one recommendation, partially agreed with another, and disagreed with two. GAO maintains that all four recommendations are warranted, as explained in the report.

A report to congressional requesters.

For more information, contact: James R. McTigue, Jr. at McTigueJ@gao.gov.

What GAO Found

In 2021, the most current year for which GAO had complete data, there were approximately 2,200 recipients of the Puerto Rico resident investor tax incentive. GAO’s analysis found a significant decrease in the average federal taxable income and federal taxes paid by this population between the 5 years prior to and up to 5 years after moving to Puerto Rico (see figure). GAO’s analysis found that the decrease in federal tax revenue in aggregate could amount to hundreds of millions of dollars per year.

Figure: Average Total Federal Taxable Income and Total Federal Taxes Paid by Taxpayers Receiving the Puerto Rico Resident Investor Tax Incentive

Five-year average before moving to Puerto Rico	Five-year average after moving to Puerto Rico	Change
Total federal taxable income per year \$875,241	Total federal taxable income per year \$533,832	\$341,409 (39%) decrease per year
Total federal tax paid per year \$278,112	Total federal tax paid per year \$150,969	\$127,143 (46%) decrease per year

Sources: GAO analysis of Internal Revenue Service and Puerto Rico Department of Treasury data. | GAO-26-107225

Note: Dollar amounts are inflation-adjusted 2023 dollars.

Additionally, from 2012 through 2024, almost 4,000 taxpayers received Puerto Rico’s business export service tax incentive. The effect of the resident investor and business export service incentives on Puerto Rico’s economy is difficult to isolate as the evidence is mixed on the overall costs and benefits. This is, in part, due to recipients representing a small fraction of Puerto Rico’s population. Some economic studies undertaken for the Puerto Rico government suggest an increase in economic activity and employment related to the tax incentives while local perspectives and migration data suggest mixed results.

In 2021, the Internal Revenue Service (IRS) announced a compliance initiative, called a campaign, to address concerns that some recipients of Puerto Rico’s resident investor incentive may not be meeting their federal tax obligations. The campaign only recently began showing results, in part, due to the complexity of high-income and high-wealth audits, IRS not prioritizing the effort, and communication gaps between IRS and Puerto Rico. Until 2025, IRS was unable to obtain complete data on taxpayers claiming Puerto Rico’s resident investor incentive with Social Security numbers to help ensure compliance with federal tax laws. Further, IRS has no documented plan to routinely acquire the most current data from Puerto Rico going forward. Obtaining such data regularly would improve IRS’s ability to ensure compliance.

Additionally, IRS did not pursue referrals from Puerto Rico government officials who identified U.S. taxpayers whom officials could not confirm met Puerto Rico’s residency requirement. IRS also does not have a plan to prioritize any future referrals. GAO analyzed these referrals along with IRS data and identified taxpayers with indicators of potential noncompliance with federal tax law, which GAO shared with IRS. Establishing procedures to review cases of potential noncompliance identified by Puerto Rico government agencies could help IRS improve federal tax compliance.

Why GAO Did This Study

In 2012, Puerto Rico enacted the resident investor (Act 22) and export service business (Act 20) tax incentives to encourage relocation to and investment in Puerto Rico. Federal law generally exempts residents of Puerto Rico from federal income tax on income sourced from Puerto Rico. IRS is responsible for ensuring that taxpayers claiming Puerto Rico’s resident investor incentive are meeting their federal tax obligations.

GAO was asked to review the Puerto Rico resident investor and export service business tax incentives. This report (1) describes the population receiving tax incentives, (2) describes selected economic effects of these tax incentives on Puerto Rico’s economy, and (3) assesses IRS efforts to ensure compliance among U.S. persons relocating to Puerto Rico and claiming residency.

GAO analyzed IRS and Puerto Rico documentation and data and interviewed relevant officials. GAO also interviewed local officials, economic development firms, and stakeholder groups.

What GAO Recommends

GAO is making three recommendations to IRS, including that it establish procedures to regularly obtain data on all taxpayers claiming Puerto Rico’s resident investor incentive and procedures to review cases of potential noncompliance referred to IRS by Puerto Rico government agencies. IRS agreed with all three of the recommendations.

GSA Should Create Goals to Ensure New Approach Saves Money and Accelerates Disposals of Unneeded Property

GAO-26-107760

April 2026

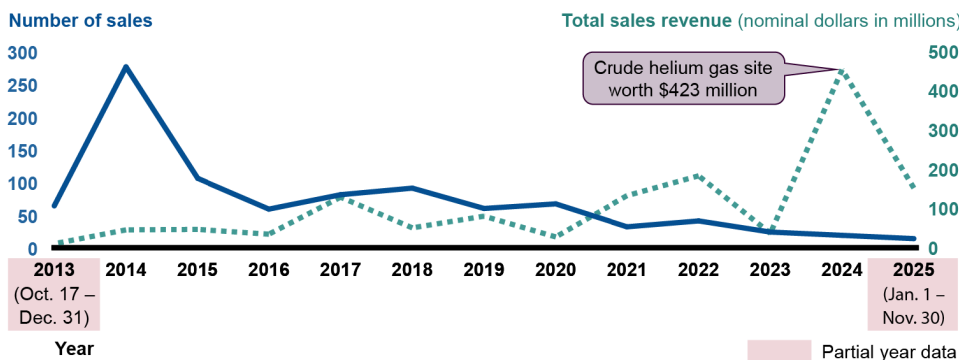
A report to congressional requesters

For more information, contact: David Marroni at MarroniD@gao.gov

What GAO Found

From October 2013 through November 2025, the General Services Administration (GSA) sold hundreds of properties owned by GSA and other federal agencies. These properties generated \$1.4 billion in revenue and were primarily sold through GSA’s auction website. While residential properties were the most frequently sold property, most of the sales revenue (75 percent) came from commercial and industrial properties. Since 2018, GSA has sold fewer properties, but more of these sales were higher value, leading to an increase in sales revenue. When selling GSA-owned properties, GSA took about 1 year or less to dispose of about half of its properties, while other properties took several years. Delays in selling federal properties were caused by a number of factors, such as agencies needing to secure funds to relocate, prolonged environmental remediation efforts and time needed to evaluate interest from other government entities in claiming the property, according to GSA officials.

GSA Sales of Real Property and Revenue by Year, October 2013–November 2025



Source: GAO analysis of General Services Administration (GSA) data. | GAO-26-107760

Since 2025, GSA has taken initial steps to change its approach to disposing and selling properties, including centralizing how disposals are managed and creating a website that lists properties for accelerated disposal. However, GAO found GSA’s efforts do not fully align with selected key practices. For example:

- GSA estimates the approach could save agencies billions of dollars in avoided repair and operations costs. GSA has not established performance goals linked to the accelerated approach. For example, GSA’s 2026 performance plan does not include goals for reduced timelines or avoided costs. Establishing such goals could help GSA better define the approach, simplify disposals, and gain greater cost savings from avoided operations and maintenance costs.
- GSA has not determined how to evaluate the effectiveness of using private brokers to lead its public sales, compared to other methods such as its auction website. In 2025, concurrent with a one-third reduction in staff in its disposal office, GSA hired private real estate brokers to lead public sales. Using data on the timeliness of completion, costs to pay brokers, and sales revenue could help GSA select the most optimal method for future sales.

Why GAO Did This Study

GSA assists federal agencies in disposing of and selling unneeded real property, from office buildings to undeveloped land. Preparing and selling federal real property has historically presented challenges that can result in disposals taking years to complete and lead to agencies paying millions of dollars to operate unneeded buildings. In March 2025, GSA announced it would begin disposing of properties using a new accelerated approach to disposals and sales.

GAO was asked to review GSA’s efforts to conduct sales of federal real property. This report examines (1) how GSA sold excess real property from 2013 to 2025 and the results; and (2) how GSA plans to sell federal real property under its accelerated disposal approach, and the extent that changes to its process meet selected key policymaking practices.

GAO analyzed GSA’s real property data for all completed sales from October 2013 through November 2025, reviewed GSA documentation related to its accelerated disposal approach, including internal policies on sales and budget and performance plans. GAO compared this information with selected key policymaking practices identified in prior work.

What GAO Recommends

GAO is making three recommendations to GSA, including that GSA establish performance goals for GSA sales that link to the accelerated approach, and evaluate the effectiveness of using private real estate brokers. GSA agreed with GAO’s recommendations and described activities it would undertake to implement them.

A report to congressional committees.

For more information, contact M. Hannah Padilla at PadillaH@gao.gov

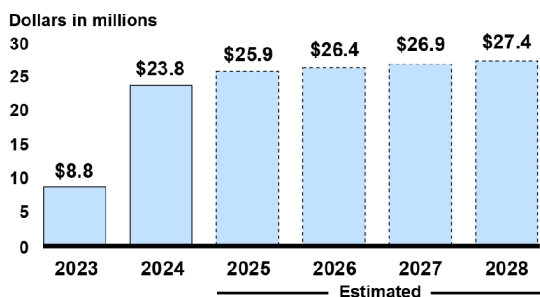
What GAO Found

Under a 3-year pilot program, the Department of the Treasury's Do Not Pay system has temporary access to the Social Security Administration's (SSA) full Death Master File. Prior to the pilot, the system had access to a less-comprehensive version of the file which excluded state death records. In January 2026, Congress passed a bill that, if enacted, would make access permanent.

In April 2025, Treasury reported that the first year of this pilot (calendar year 2024) resulted in identification and prevention or recovery of \$113.5 million in improper payments. This amount, offset by \$4.6 million in costs, represented a return on investment of about 23 times Treasury's pilot costs. Treasury projects that the pilot will result in over \$337 million in net benefits over 3 years.

Death data collected by states are their property, and statute requires SSA to pay states for use of these data. In September 2023, SSA concluded negotiations on new contracts to obtain states' death data. Under these contracts, SSA paid states \$23.8 million in 2024, a significant increase from 2023.

SSA's Actual and Estimated Future Costs for State Death Records, 2023–2028



Source: GAO analysis of Social Security Administration (SSA) information. | GAO-26-107181

The Social Security Act, as amended, specifies that SSA shall reimburse states for specific costs associated with death data, including (1) a fee for use of the data and (2) the full documented cost of transmitting the data to SSA. However, GAO found that SSA did not obtain the required state cost information and therefore did not consider it during negotiations. Instead, SSA and the states agreed on a fee structure based on the timeliness of submission of death records.

Agencies receiving state death data must pay SSA a proportional share of its costs in obtaining the data from states. Of the \$25.9 million in estimated state death record costs for 2025, SSA's proportional share is projected to decline, from 42 percent in 2024 to 23 percent in 2025, due to a methodology change. Specifically, SSA calculated its 2025 share based on the percentage of SSA's total federal outlays rather than on costs of obtaining data. SSA estimated that its outlays were about 23 percent of the federal total, so it decided that would be its cost share for 2025. For the remaining 77 percent, SSA distributed 36 percent to Treasury and 41 percent to other agencies without regard to cost (each of the other agencies is to contribute the same amount, approximately \$1.533 million).

Why GAO Did This Study

Improper payments remain a long-standing and significant problem in the federal government. GAO previously reported that one strategy to help prevent improper payments is up-front verification of eligibility through data sharing and matching. Agencies can verify the eligibility of applicants through Treasury's Do Not Pay system—a centralized data-matching service for agencies to use in preventing and detecting improper payments. This service currently includes the full Death Master File, SSA's compilation of deceased Social Security number holders, to help agencies prevent improper payments.

This report (1) describes the first-year results of the 3-year pilot to include SSA's full Death Master File in Treasury's Do Not Pay system, (2) evaluates the extent to which SSA's payments for state death data are based on states' documented costs, and (3) evaluates the extent to which SSA is charging agencies a proportional share of its costs. GAO analyzed SSA and Treasury documentation and interviewed federal and state agency officials.

What GAO Recommends

GAO is making three recommendations to SSA to (1) ensure that contracts for state death data reflect statutorily authorized costs and include necessary documentation required by law; (2) conduct an analysis of state cost information, including its availability, and determine whether renegotiating the fee schedule accordingly is necessary; and (3) revise its methodology to incorporate costs for calculating proportional shares of state death data costs. SSA agreed with GAO's recommendations.

A report to congressional committees

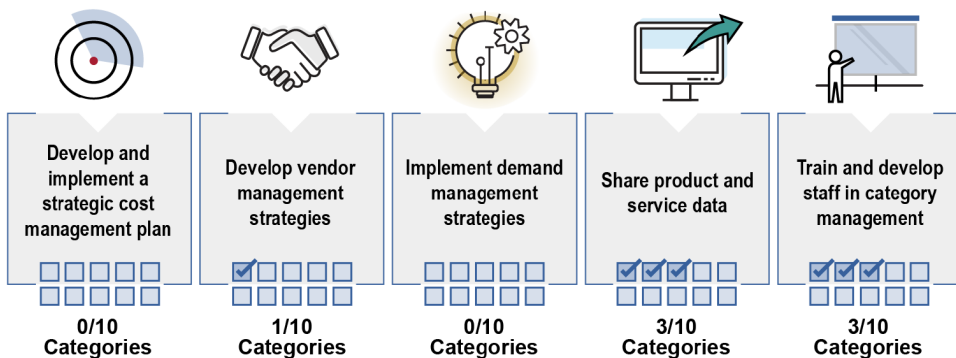
For more information, contact: Mona Sehgal at SehgalM@gao.gov.

What GAO Found

The Department of Veterans Affairs (VA) has a policy encouraging purchasers of common goods and services to leverage the government’s buying power and save taxpayer dollars. In 2020, VA assigned roles and responsibilities to implement an effort led by the Office of Management and Budget (OMB), called category management, designed to help federal agencies buy like a single enterprise. VA assigned officials to manage 10 common spending categories, such as medical and IT goods and services. Each category manager was also tasked with implementing five key responsibilities aligned with OMB guidance.

GAO found, however, that these officials and those assisting them—known as category leads—generally did not fulfill their responsibilities because senior leaders responsible for oversight did not take steps to ensure they did so. Until senior VA leaders hold these officials accountable, VA will struggle to consistently implement its category management policy and take important steps that could result in savings, reduced contract duplication, or other benefits.

Extent to Which Department of Veterans Affairs Category Management Leadership Met Key Responsibilities in Policy, as of February 2025



Source: GAO analysis of agency documentation and interviews with category leads. | GAO-25-107398

VA met most of its annual category management goals set by OMB from fiscal years 2020 to 2024. For example, 91.7 percent of VA’s \$67.2 billion in contract obligations in fiscal year 2024 were on contracts considered to be managed according to category management principles, exceeding its goal of 90 percent. VA reported savings for governmentwide contracts that accounted for 7.6 percent of its fiscal year 2024 contract obligations. However, category leads told GAO that they did not set or manage toward category-specific savings goals. Doing so could help VA leverage its buying power to save taxpayer dollars and quantify the return on investment for a larger share of its category management efforts.

VA met annual goals set by OMB for training its workforce on category management principles. However, GAO found that key officials, including leads for seven of 10 spending categories, had not taken such training. Until VA ensures that key officials—including category managers and category leads—receive training that is relevant to their roles, the agency will struggle to fully implement its category management policy.

Why GAO Did This Study

According to the General Services Administration, the government achieved \$58.3 billion in cost avoidance through OMB’s category management initiative from fiscal years 2021 through 2024. VA reportedly accounted for \$14.3 billion of this amount. The government’s pursuit of additional savings and efficiency remains critical in the face of increasing budgetary pressures.

GAO was asked to review VA’s progress in implementing category management. Among other objectives, this report identifies the extent to which VA (1) implemented category management policies and processes, and (2) achieved intended category management outcomes.

GAO reviewed VA policies, procedures, and plans, and OMB’s category management guidance; analyzed VA contract and category management data between fiscal years 2019 and 2024 and assessed progress against established goals; and interviewed VA officials, including those responsible for managing VA’s 10 common spending categories and VA contracting activities.

What GAO Recommends

GAO is making six recommendations to VA, including that VA (1) establish performance requirements to hold category managers accountable for their responsibilities, (2) establish category-specific savings goals, and (3) ensure that key category management officials take training relevant to their roles. VA concurred with all six recommendations.

PUBLIC HEALTH PREPAREDNESS

HHS Needs a Coordinated National Approach for Diagnostic Testing for Pandemic Threats

Why GAO Did This Study

Widespread diagnostic testing for diseases with pandemic potential can help reduce potential death rates. Diseases with pandemic potential are highly transmissible and virulent. During the COVID-19 public health emergency, HHS faced several challenges developing accurate tests quickly, deploying tests, developing clear guidance for test use, and collecting complete testing data. GAO placed HHS's leadership and coordination of public health emergencies on its High-Risk List in January 2022, in part, due to HHS's handling of COVID-19 testing.

The CARES Act includes a provision for GAO to monitor and report on the federal pandemic response. This report identifies actions suggested by experts for HHS to improve diagnostic testing for infectious diseases with pandemic potential, and steps HHS has taken related to these actions.

GAO convened a roundtable of 19 experts to discuss actions HHS should take to improve diagnostic testing. GAO contracted with the National Academies of Sciences, Engineering, and Medicine to help identify experts representing a range of perspectives. GAO also reviewed HHS documents and interviewed HHS officials.

What GAO Recommends

GAO is making four recommendations to HHS related to developing a national diagnostic testing strategy and establishing a national testing forum. HHS noted it is committed to carefully reviewing the recommendations and providing a future update.

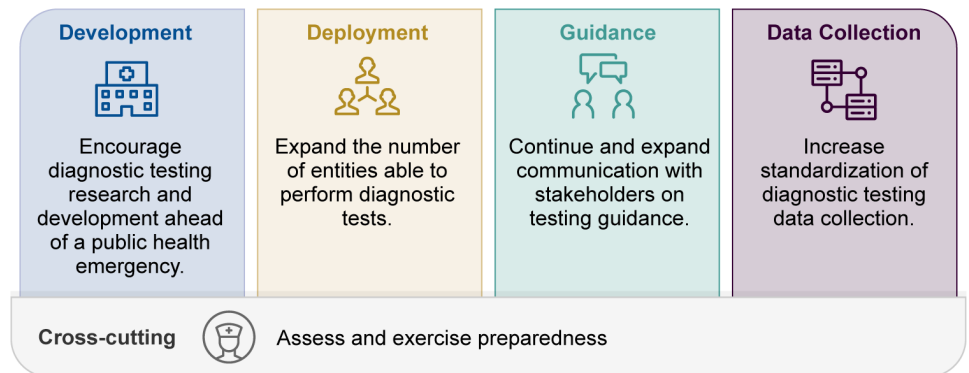
View [GAO-25-106980](#). For more information, contact Mary Denigan-Macauley at deniganmacauleym@gao.gov.

What GAO Found

Infectious diseases with pandemic potential—such as avian influenza—pose a threat to American lives, national security, and economic interests. The Department of Health and Human Services (HHS) leads federal diagnostic testing efforts related to such diseases. It must work with public and private stakeholders who, among other things, administer tests and collect data.

An expert roundtable GAO convened suggested nearly 100 actions HHS should take to improve diagnostic testing development, deployment, guidance, and data collection for the future. Several actions also cut across these areas. HHS officials said they are taking some steps to improve diagnostic testing related to the actions suggested by experts. For example, to help expand the number of entities able to test during an emergency, HHS has developed guidance for non-traditional laboratories seeking approval to perform testing.

Examples of Actions Experts Suggested to Improve Diagnostic Testing



Source: GAO analysis of statements made by a roundtable of 19 experts; RaulAlmu/stock.adobe.com (illustrations). | GAO-25-106980

Note: The actions in this report are not listed in any specific rank or order, and their inclusion should not be interpreted as GAO endorsing any of them. Implementing any one action or a combination of actions listed in this report might require considerations such as implementation feasibility, resource and legal constraints, and tradeoffs between actions or taking no action at all.

Experts coalesced around two of the suggested actions. These actions could guide a coordinated approach to testing, according to GAO's prior work, and help alleviate challenges. Specifically:

- A national diagnostic testing strategy would establish clear roles and responsibilities to improve collaboration during future public health threats. It would also help manage risks, such as conflicts arising from variation in jurisdictional resources and cooperation.
- A diagnostic testing coordinating group (forum) that includes all relevant partners would help coordinate diagnostic testing in preparation for, and in response to, public health threats. It would also help maintain and update a national testing strategy.

However, HHS has not established either a national testing strategy or forum. Establishing these before the next emergency would strengthen HHS's ability to implement testing for pandemic threats and other related public health threats.

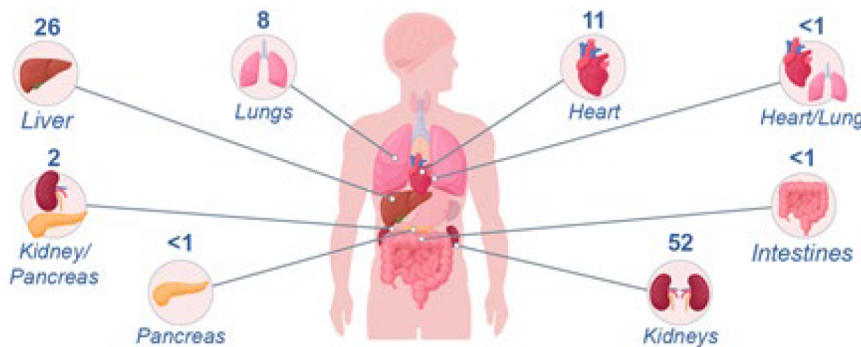
A report to Congressional Committees.

For more information, contact: Mary Denigan-Macauley at deniganmacauleym@gao.gov

What GAO Found

Organ transplantation is the leading treatment for patients with severe organ failure, but as of May 2025, more than 100,000 individuals remained on the national waiting list. The Department of Health and Human Services (HHS) has overseen organ allocation services since 1984, using the same contractor to do so, until recently. In 2024, HHS entered into contracts to assess weaknesses in organ allocation services, as part of a modernization initiative. The assessments target issues, including inequitable organ allocation and insufficient investigation of serious events, such as beginning to recover organs before patient death. However, HHS has not yet developed detailed plans for the next initiative phase, including how it will make reforms to address identified weaknesses. Doing so is crucial to improving HHS’s ability to provide organs to critically ill patients.

Organ Transplants from Deceased Donors, Percent by Type, 2024



Source: GAO analysis of Organ Procurement and Transplantation Network data; GreenSkyStudio/stock.adobe.com. | GAO-26-107434

Note: Data show organ transplant types reported by the Organ Procurement and Transplantation Network. In 2024, there were 41,119 organ transplants from deceased donors in the United States.

HHS has not assessed the risks associated with its contractor providing supplementary services outside of its HHS contract, and charging a related monthly fee, to transplant programs. Services include, for example, analytics to help transplant programs manage their waiting lists. In fiscal year 2024, the contractor received about \$9.6 million from transplant programs paying the fee. These supplementary services and fee raise several concerns, including whether the services should be provided as part of the contractor’s agreement with HHS and that transplant programs may be paying the fee without realizing it is optional. Assessing the risks associated with this contractor activity, and making changes as appropriate, would better position HHS to ensure it is effectively overseeing its contractor, which has a crucial role in ensuring lifesaving organs are provided to patients effectively and safely.

In 2021, HHS formed a coordination group to improve the organ transplantation system, overseen by two of its agencies. However, the group’s action plan does not include specific, actionable steps with milestone completion dates and measures to gauge success of actions taken. Including these elements, consistent with the group’s charter, would better enable HHS to improve the organ transplantation system through its agencies’ collaborative efforts.

Why GAO Did This Study

Congress and others have raised concerns about systemic issues with organ allocation services, such as the data reliability of the organ matching IT system. In March 2023, HHS announced a modernization initiative to improve organ allocation services.

The Securing the U.S. Organ Procurement and Transplantation Network Act includes a provision for GAO to review the organ transplantation system. This report examines, in part, HHS’s efforts to assess weaknesses in organ allocation services as part of its modernization initiative; the extent to which HHS assesses supplementary services and the fee charged to transplant programs by the contractor; and coordination across HHS.

To conduct this work, GAO reviewed agency and contractor documentation and interviewed officials and representatives from HHS, the contractor, and non-federal groups involved in the organ transplantation system, including providers and patients, among others.

What GAO Recommends

GAO is making three recommendations to HHS, including that it develop detailed plans for the next phase of the modernization initiative; assesses risks associated with its contractor’s supplementary services and fee; and that HHS’s coordination group include in its action plan actionable steps with milestones to gauge success of actions taken. HHS agreed with these recommendations.

A report to congressional committees

For more information, contact: Mary Denigan-Macauley at deniganmacauleym@gao.gov

What GAO Found

The U.S. Department of Health and Human Services (HHS) leads the federal public health and medical preparedness for, response to, and recovery from public health emergencies. HHS awarded almost \$900 million in fiscal year 2024 to states and other jurisdictions to help them prepare for a range of public health threats and emergencies through two programs. First, the Public Health Emergency Preparedness (PHEP) program supports jurisdictions' public health systems, which includes public health agencies at all government levels. Second, the Hospital Preparedness Program (HPP) supports health care systems, which include a community's health care organizations such as hospitals. Jurisdictions distribute HPP funds to health care coalitions—made up of health care and other entities to support preparedness. HHS requires jurisdictions and health care coalitions to complete activities. These include exercises to help ensure that jurisdictions are prepared to respond to public health threats, such as infectious diseases and extreme weather events (e.g., hurricanes).

Debris from Damaged Homes Following Hurricanes Helene and Milton, 2024, Florida



Source: GAO. | GAO-26-107507

The two HHS agencies that administer these programs lack a formal mechanism, such as joint exercises, written agreements, or working groups, to coordinate them. Coordinating these preparedness programs could allow HHS to better manage them and support jurisdictions as they prepare both their public health and health care systems to respond to public health threats and emergencies. Lessons learned from the COVID-19 pandemic have demonstrated the importance of coordination between these systems, such as between state health departments and hospitals, if jurisdictions are to be effectively prepared. Additionally, officials from selected jurisdictions said that greater interagency coordination could help reduce resource inefficiencies associated with implementation of PHEP and HPP.

Further, HHS does not collect or analyze information on jurisdictions' ability to meet the 15 public health and four health care preparedness capabilities and any related gaps. According to HHS documentation, it identified these capabilities to serve as national guidance. The capabilities describe skills and abilities jurisdictions need to effectively respond to, and recover from, public health threats and emergencies. For example, they include providing mass medical care and laboratory testing at scale for emerging pathogens. Collecting and analyzing such information would help HHS understand the extent to which jurisdictions are prepared to respond to public health threats and emergencies and whether any changes are needed.

Why GAO Did This Study

The United States faces ongoing risks from future public health threats, such as infectious diseases; extreme weather events; and biological, chemical, nuclear, and radiological events. In fiscal year 2024, HHS, through PHEP, provided \$654 million, and through HPP, provided \$240 million, to jurisdictions to aid preparedness for such threats.

The CARES Act includes a provision for GAO to examine public health preparedness and response efforts related to the COVID-19 pandemic. This report examines, among other objectives, the extent to which HHS agencies (1) coordinate PHEP and HPP and (2) collect and analyze information on jurisdictions' capabilities.

GAO reviewed HHS documentation, including notices of funding opportunity, templates, and examples of documents submitted by eight selected jurisdictions. GAO also interviewed officials from HHS and the eight selected jurisdictions. GAO selected these jurisdictions to include variation among geographic location, percent of the population living in a rural setting, and public health governance structure.

What GAO Recommends

GAO is making five recommendations, including that HHS establish a mechanism to coordinate PHEP and HPP; and that it collect and analyze information on jurisdictions' preparedness capabilities and any related gaps. HHS concurred with our recommendations.

GAO Highlights

Highlights of [GAO-25-107497](#), a report to Ranking Member, Committee on Veterans' Affairs, House of Representatives

Why GAO Did This Study

VA and DOD operate two of the nation's largest health care systems. Together, these systems serve over 18 million beneficiaries. VA's health care system includes approximately 170 medical centers and 1,200 clinics, while DOD's health care system includes more than 700 medical facilities worldwide. VA and DOD have entered into agreements to share health care services to improve access to and cost effectiveness of care.

GAO was asked to review the departments' use of sharing agreements. This report describes the number and types of sharing agreements; examines the extent to which VA and DOD assess them; and examines how VA and DOD identify opportunities for new or expanded sharing agreements, among other topics.

GAO reviewed VA and DOD documents and data, including active sharing agreements as of April 2025; conducted site visits to 12 VA and DOD facilities with active agreements, selected to represent diversity in geography and the type of sharing taking place; and interviewed VA and DOD officials.

What GAO Recommends

GAO is making five recommendations, including that VA and DOD should evaluate the effectiveness of sharing agreements and make changes as needed, and that VA and DOD should develop a systematic process to identify and implement opportunities for new or expanded sharing agreements. The departments concurred with GAO's recommendations.

For more information, contact Alyssa M. Hundrup at HundrupA@gao.gov.

June 2025

VA AND DOD HEALTH CARE

Agreements to Share Services and Other Resources Should Be Evaluated

What GAO Found

The Department of Veterans Affairs (VA) and Department of Defense (DOD) have shared mutually beneficial medical and other services through 185 sharing agreements, as of April 2025. For example, veterans may receive care at DOD facilities for services including surgery, orthopedics, and mental health. These agreements can result in greater access to care for veterans and cost savings for the federal government, in part because of the discounted rate that VA and DOD pay each other for health care delivered under such sharing agreements.

Department of Veterans Affairs Medical Clinic Located on a Military Base



Source: GAO. | GAO-25-107497

VA and DOD collect information on the characteristics of all sharing agreements as well as referrals of veterans to DOD facilities made through sharing agreements; however, the departments do not evaluate the effectiveness of sharing agreements. Officials told GAO that they use the number of sharing agreements and the continuation of agreements as measures of the agreements' value. However, VA and DOD could maximize the benefits of these agreements by developing a performance management process, including establishing performance goals for the agreements, evaluating progress towards the goals, and making changes as appropriate.

VA and DOD have taken some steps to identify new or expanded sharing opportunities, including tracking space-sharing projects through a committee. However, the departments largely rely on local officials to identify potential areas for new and expanded sharing, which may result in missed opportunities for sharing. Developing a systematic, department-level process to identify and implement opportunities for new and expanded sharing agreements could help ensure the departments maximize sharing, which could in turn help improve patients' access to care as well as reducing costs.

A report to congressional requesters

For more information, contact: Gretta L. Goodwin at GoodwinG@gao.gov

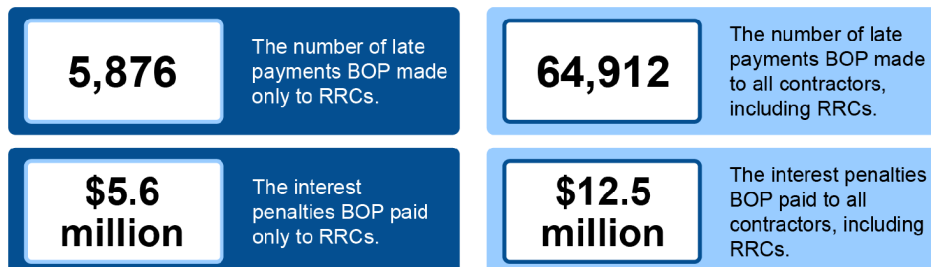
What GAO Found

The Federal Bureau of Prisons (BOP) does not know how many individuals are currently in prison that could have already transferred to home confinement or a residential reentry center (RRC), also known as a halfway house. BOP officials said they do not know because the dates individuals are eligible to transfer are not readily available. GAO found that some individuals have remained in federal prisons despite being eligible to relocate to home confinement or an RRC. For instance, GAO found that BOP did not apply all the earned time toward placement in RRCs and home confinement for 21,190 of 29,934 individuals reviewed, for reasons such as insufficient RRC capacity and court orders. However, the full scale of this issue is unknown due to the lack of readily available data on eligibility dates. Until BOP maintains and monitors such data, it cannot ensure individuals transfer on time and take corrective action when timely transfers do not occur. As a result, BOP cannot ensure individuals receive the services and have the opportunities available at an RRC or home confinement, such as finding employment and long-term housing and reconnecting with the community. BOP has reported that such services can also help reduce recidivism.

Limited capacity in BOP contracted RRCs and home confinement spaces was a reason that individuals did not transfer on time, according to BOP officials. However, BOP does not know the full extent of this shortage because it has not comprehensively assessed its capacity and related budgetary needs. Without these assessments, BOP cannot ensure it has enough space for incarcerated individuals to transfer on time. BOP could also miss opportunities to increase revenues and decrease costs to the federal government. For instance, BOP said that individuals who have resided in an RRC are less likely to return to prison.

GAO also found that BOP made roughly 65,000 late payments to contractors, including RRCs, from fiscal year 2022 through March 2025. As a result, the agency paid \$12.5 million in interest penalties as part of \$2.8 billion in payments to contractors. In addition, GAO found that BOP paid RRCs late about 70 percent of the time, from fiscal years 2023 through 2024. RRC staff said they face hardships due to the late payments—needing private loans to pay staff. One RRC representative said late payments have made some RRCs reluctant to bid for new BOP contracts, which can further complicate BOP’s plans to expand capacity. By implementing a corrective action plan to address its late payments, BOP could save federal funds and better position itself to expand RRC capacity.

BOP’s Late Payments to RRCs and Other Contractors, October 2021–March 2025



Source: GAO analysis of Bureau of Prisons (BOP) payment data. | GAO-26-107353

Why GAO Did This Study

BOP contracts with roughly 150 RRCs across the U.S. to help incarcerated individuals reenter their communities upon completion of their sentences. RRCs facilitate reentry services (e.g., employment services, drug treatment, and classroom education) to individuals who reside in RRCs or who are on home confinement. RRCs can help individuals rebuild ties to their community and reduce the likelihood that they will commit future crimes.

GAO was asked to review BOP’s use of RRCs. This report examines, among other things, how many individuals in BOP custody are eligible to transfer to RRCs and home confinement; the extent BOP knows its RRC capacity needs across the U.S.; and the extent BOP has paid RRCs and other contractors on time.

GAO reviewed relevant federal laws, BOP policies and documents, and BOP data on RRCs, including payments to contractors. In addition, GAO selected seven RRCs and three BOP field offices and interviewed residents and staff. GAO selected locations based on criteria such as geographic dispersion and the size of RRCs within an area. GAO also interviewed BOP officials responsible for residential reentry management and oversight.

What GAO Recommends

GAO is making seven recommendations to BOP, including to maintain and monitor readily available data on RRC and home confinement eligibility dates, assess its RRC and home confinement capacity and budgetary needs, and implement a corrective action plan to address the causes of late payments. BOP concurred with our recommendations.

A report to congressional committees.







For more information, contact: Heather MacLeod at MacLeodH@gao.gov.

What GAO Found

The Coast Guard Investigative Service (CGIS) and the Department of Homeland Security (DHS) Office of Inspector General (OIG) have some overlapping authorities to investigate complaints regarding the Coast Guard. From October 2018 through May 2024, CGIS investigated at least 4,951 such complaints, and DHS OIG investigated 70 such complaints. CGIS is an independent investigative body within the Coast Guard that primarily conducts criminal investigations related to Coast Guard personnel, assets, and operations. DHS OIG investigates complaints of alleged criminal, civil, and administrative misconduct involving Coast Guard employees, contractors, and programs, among others.

CGIS and DHS OIG identified the need to prevent duplicative investigations, but the two agencies have not fully followed five out of six selected leading practices for collaboration. For example, the agencies have different perspectives on which complaints CGIS should refer to DHS OIG. Fully following these five practices to improve collaboration, consistent with their statutory responsibilities, would better position the agencies to deconflict their investigative activities and ensure effective and appropriate allocation of resources.

Extent of Coast Guard Investigative Service (CGIS) and Department of Homeland Security (DHS) Office of Inspector General (OIG) Collaboration

Selected leading collaboration practices	Overall assessment	Summary of findings
 Define common outcomes	●	The Coast Guard and DHS OIG developed a memorandum of understanding to prevent duplicative investigations and ensure effective and appropriate use of resources.
 Ensure accountability	○	CGIS does not regularly assess the extent to which it adheres to established policies for referring Coast Guard complaints.
 Bridge organizational cultures	○	CGIS and DHS OIG do not communicate regularly to deconflict investigative activities and do not agree on which complaints CGIS should refer to DHS OIG.
 Clarify roles and responsibilities	○	CGIS and DHS OIG have not clarified expectations for referring complaints in areas where the two agencies have overlapping areas of investigative responsibility.
 Leverage resources and information	◐	CGIS and DHS OIG established methods for referring complaints, but CGIS does not fully adhere to established policies for reporting investigative information to DHS OIG.
 Develop and update written guidance and agreements	◐	The Coast Guard and DHS OIG developed policies for referring Coast Guard complaints but have not updated these policies in over 20 years.

Assessment of the extent CGIS and DHS OIG followed the selected key considerations associated with the leading collaboration practice

- Generally followed
- ◐ Followed some but not all
- Did not follow any

Source: GAO analysis of CGIS and DHS OIG documentation and interviews with agency officials; GAO (icons). | GAO-26-107341

Why GAO Did This Study

CGIS and DHS OIG play critical roles in overseeing the Coast Guard—a multi-mission maritime military service within DHS that employs more than 51,000 personnel.

The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023 includes a provision for GAO to assess the oversight of Coast Guard activities. This report examines the extent that (1) DHS OIG has processes in place to ensure timely and effective oversight of Coast Guard activities and (2) CGIS and DHS OIG coordinate on complaints, among other things.

GAO evaluated CGIS's and DHS OIG's processes for referring Coast Guard complaints to one another against GAO-identified leading practices for collaboration. GAO analyzed CGIS and DHS OIG investigative data, reviewed the 2003 memorandum of understanding and CGIS standard operating procedures, and interviewed CGIS and DHS OIG officials.

What GAO Recommends

GAO is making four recommendations to the Coast Guard and three recommendations to DHS OIG to, among other things, improve collaboration between CGIS and the OIG. DHS concurred with each of the four recommendations to the Coast Guard. DHS OIG neither agreed nor disagreed with the three recommendations and expressed concern with several aspects of the report. GAO maintains that its findings are accurate and its recommendations remain warranted.

A report to congressional requesters.

For more information, contact: Hilary Benedict at BenedictH@gao.gov or Rebecca Gambler at GamblerR@gao.gov.

What GAO Found

U.S. Customs and Border Protection (CBP) uses non-intrusive inspection (NII) systems, such as X-ray machines, to inspect vehicles and travelers at land ports of entry (POE). As part of this process, CBP officers use large-scale NII systems to scan entire vehicles and their contents. These scans produce images that CBP officers review to help detect illegal drugs or other contraband. In 2020, to increase vehicle scans, CBP began deploying these systems to preprimary inspection areas—before a traveler is interviewed by a CBP officer. Previously, NII systems were generally used only when an officer determined that further inspection was required after the interview.

Non-Intrusive Inspection Systems Deployed in the Preprimary Inspection Area at the Bridge of the Americas, El Paso, Texas



Source: U.S. Customs and Border Protection (photo). | GAO-25-107379

CBP uses performance data to help ensure large-scale NII systems are operational, but it has not defined all key performance parameters for NII systems. For one key parameter, CBP reports and uses data on the percent of time that large-scale NII systems are available for operational use. However, CBP has not clearly defined or reported results for its other two key parameters related to inspection rate and examination of containers and cargo. For example, CBP's inspection rate parameter requires 100 percent inspection of high-risk commercial vehicles and container cargo, but CBP has not clearly defined the term high risk. Clearly defining and reporting results for all of its key performance parameters would help CBP manage the NII program and inform future procurement decisions.

CBP has made progress deploying large-scale NII systems. As of February 2025, 52 of 153 planned systems are fully operational, nearly all at preprimary inspection areas. Deployments have cost more than CBP estimated due to, for example, unexpected construction challenges. Congress directed CBP to develop a plan to achieve 100 percent scanning of commercial and passenger vehicles and rail containers at land POEs using large-scale NII by 2027. However, some POEs lack installation space and CBP's plans for the southwest border omit nine passenger vehicle crossings that together account for nearly 40 percent of passenger vehicle traffic at that border. Without these crossings in its plan, CBP risks entry of many unscanned passenger vehicles, hampering its ability to prevent illegal drugs and other contraband from entering the U.S.

Why GAO Did This Study

Since 2019, CBP has received over \$2 billion that they have used to deploy additional NII systems to land POEs, which are a key drug smuggling route.

GAO was asked to review the implementation and effectiveness of CBP's NII program. This report examines (1) how CBP uses NII systems during inspections at land POEs, (2) CBP's assessment of large-scale NII performance, and (3) the status of large-scale NII system deployments.

GAO analyzed NII program documentation, including inspection procedures, performance data, and deployment plans, and interviewed program officials. GAO also interviewed and observed CBP officers conducting inspections at land POEs within all four field offices where large-scale NII systems had been deployed in preprimary inspection areas. These POEs included a variety of large-scale NII systems and types of crossings (passenger and commercial vehicles, and rail) along the southwest border. GAO also interviewed officials at a northern border field office that was in the process of deploying new large-scale NII systems.

What GAO Recommends

GAO is making two recommendations, including that CBP clearly define and report results for its key performance parameters, and determine how to include deployment of large-scale NII systems to all southwest land border ports of entry in updates to the deployment plans. DHS agreed with both recommendations.

A report to the Chairman, Committee on Veterans' Affairs, House of Representatives.
For more information, contact: Elizabeth H. Curda at CurdaE@gao.gov.

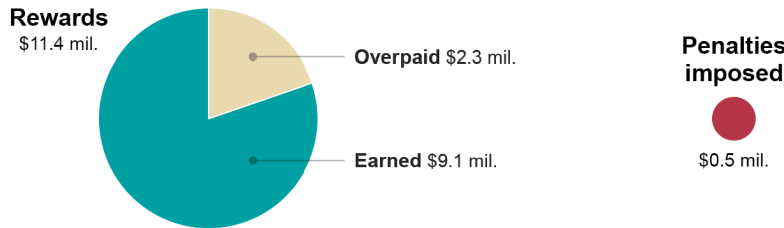
What GAO Found

The Department of Veterans Affairs (VA) relies on contracted examiners to provide most medical exams for veterans filing disability claims. VA's Medical Disability Examination Office (MDEO) oversees contracted exams. MDEO uses exam error data to identify quality concerns but miscalculated certain payments intended to incentivize high-quality exams.

Error data. Each quarter, MDEO uses data on contracted exam errors to identify trends and improve exam quality. For instance, MDEO provides contractors with information on the exam types more likely to lead to errors, which contractors use to develop an action plan to prevent these exam errors.

Financial incentives. MDEO also uses its exam error data to calculate financial incentives (rewards and penalties) based on contractor performance. However, it does not have written procedures for verifying the accuracy of these calculations. As a result, MDEO incorrectly paid over \$2 million in incentives in the first quarter of fiscal year 2024 (see figure). Until MDEO develops and uses procedures to validate these calculations, it risks wasting funds on incorrect payments.

Incentives Paid for Contracted Disability Exams, Fiscal Year 2024, Quarter 1



Source: GAO analysis of Medical Disability Examination Office data. | GAO-25-107483

MDEO uses other key information, such as Special Focused Review findings and stakeholder feedback, to improve exam quality—but its efforts are incomplete.

Special Focused Reviews. MDEO uses Special Focused Reviews to address exam quality issues. However, MDEO has not met its schedule for reviewing exams for complex claims (i.e., traumatic brain injury, military sexual trauma, and Gulf War Illness), which are more likely to result in errors. Reviews for each complex claim type are either overdue--by 9 months as of July 2025--or not yet scheduled, contrary to MDEO procedures that reviews happen every other year. This schedule helps MDEO monitor changes in exam quality and assess the effect of prior recommendations. Completing the reviews as scheduled would improve MDEO's ability to oversee the quality of these higher-risk exams.

Stakeholder feedback. MDEO collects feedback on exam quality directly from stakeholders, such as veterans and contractor officials, but not from examiners. MDEO relies on contractors to relay examiner feedback, but contractors said they rarely elevate this feedback to MDEO. Further, examiners said there are issues that they would prefer to raise directly to MDEO because of conflicting or unhelpful responses from the contractors. Collecting feedback directly from examiners could improve MDEO's awareness of potential quality challenges and help improve decisions on disability claims.

Why GAO Did This Study

Disability exams are a critical source of evidence for determining veterans' eligibility for compensation for service-connected disabilities. In fiscal year 2024, contractors conducted over 3 million disability exams at a cost of over \$5 billion, according to MDEO officials.

GAO was asked to review MDEO's oversight of contracted exams. This report examines the extent to which MDEO uses exam data and other key information to improve exam quality.

GAO reviewed MDEO documents, such as policies and reports, and the most recent MDEO data on financial incentive calculations (April 2023 through September 2024). GAO compared MDEO's efforts to MDEO procedures, GAO practices for evidence-based decision making, and federal standards for internal control. Additionally, GAO held two discussion groups with claims processors selected for variation in location and duties and grouped by years of experience. GAO also interviewed MDEO officials and six examiners selected for variation in the contractors they worked for, medical specialty, and years of experience.

What GAO Recommends

GAO is making four recommendations, including that MDEO develop and use written procedures for validating financial incentive calculations, complete Special Focused Reviews for complex claims biennially, and identify and use a mechanism to collect and address direct feedback on exam quality from examiners.

VA concurred with three recommendations and concurred in principle with the recommendation on completing Special Focused Reviews. GAO continues to believe this recommendation is warranted, as discussed in the report.

GAO Highlights

Highlights of [GAO-25-107233](#), a report to congressional requesters

Why GAO Did This Study

Since DHS was created in 2002 and merged 22 agencies into one department, its human resources environment has included duplicative systems and paper-based processes. DHS initiated its human resources IT portfolio initiative in 2003 to consolidate and modernize the department's human resources systems.

GAO was asked to provide an update on DHS's progress in implementing the portfolio initiative. GAO's objectives were to, among other things, (1) identify progress in achieving goals, (2) evaluate the extent to which DHS implemented portfolio management practices, and (3) identify any challenges in overseeing shared service providers.

GAO reviewed project documentation to determine actions taken relative to goals; evaluated HRIT portfolio documentation against best practices for portfolio management; compared DHS actions to address their identified challenges to federal requirements; reviewed documents from a key shared service provider (Agriculture) and compared them to federal requirements; and conducted interviews.

What GAO Recommends

GAO is making 10 recommendations, including nine to DHS to identify a strategy and goals for HRIT; address remaining portfolio management gaps; and reevaluate options to replace and secure aging systems; and one to Agriculture to renegotiate agreements to enable DHS access to cybersecurity documents. DHS and Agriculture generally concurred with the recommendations.

View [GAO-25-107233](#). For more information, contact Kevin Walsh at WalshK@gao.gov.

September 2025

HOMELAND SECURITY

Actions Needed to Address Longstanding Gaps in Human Resources IT

What GAO Found

The Department of Homeland Security (DHS) started a human resources IT (HRIT) portfolio (a collection of related IT projects) initiative in 2003 to modernize systems. According to the Department's Inspector General, by 2010 DHS had made limited progress on the initiative. In 2010, the DHS Deputy Secretary announced that the department could no longer sustain a component-based approach for human resource IT. Accordingly, in 2011 DHS announced 15 program goals; most goals were aimed at delivering enterprise-wide solutions.

After nine years of effort from 2011 to 2020 that resulted in not meeting 12 of the 15 goals, DHS refined and replaced the goals with five different goals. However, it discontinued use of those goals in 2022 and further refined and replaced HRIT's goals with two new draft goals. As of April 2025, these goals remain in draft status. Between 2005 and 2023, GAO estimates that, based on available data, DHS has spent at least \$262 million on this initiative.

The lack of progress in achieving its goals is due in part to gaps in DHS's implementation of six key portfolio management practice areas (see table below). For example, DHS does not have an approved strategy and goals, and lacks cost data for 28 of 49 projects, which prevents fully measuring portfolio performance.

DHS's Human Resources IT Implementation of Portfolio Management Practices

Portfolio management practice area	GAO rating
Strategic management (e.g. developing a strategic plan)	●
Governance (e.g. developing a portfolio governance board)	●
Capacity and capability management (e.g. allocating resources)	●
Stakeholder engagement (e.g. implementing a stakeholder engagement plan)	●
Performance management (e.g. measuring performance against metrics)	○
Risk management (e.g. utilizing a risk register to track portfolio risks)	●

Legend: ●=Fully implemented ●=Partially implemented ○=Not implemented

Source: GAO analysis of the Department of Homeland Security's (DHS) human resources IT portfolio documentation against practices defined in Project Management Institute, Inc., *The Standard for Portfolio Management – Fourth Edition* (Newton Square, PA: 2017). | GAO-25-107233

According to DHS officials, they are experiencing two challenges in overseeing federal shared service providers, such as the U.S. Department of Agriculture—a provider of payroll, personnel actions, and time and attendance services to DHS.

- DHS has had difficulties in ensuring Agriculture is adhering to federal cybersecurity requirements. Although DHS and others have reported significant cybersecurity concerns with Agriculture systems, they have not been successful in obtaining requested documents from Agriculture. According to DHS officials, they need these documents to comply with their cybersecurity responsibilities under federal requirements and guidance.
- In November 2024, Agriculture finalized a plan to modernize two critical aging mainframe systems that are essential to DHS. However, according to officials, that plan is now on hold as new leadership assesses whether the effort will continue.

Adoption Challenges Underscore the Need for Consistent Leadership

GAO-26-108014

February 2026

A report to congressional committees.

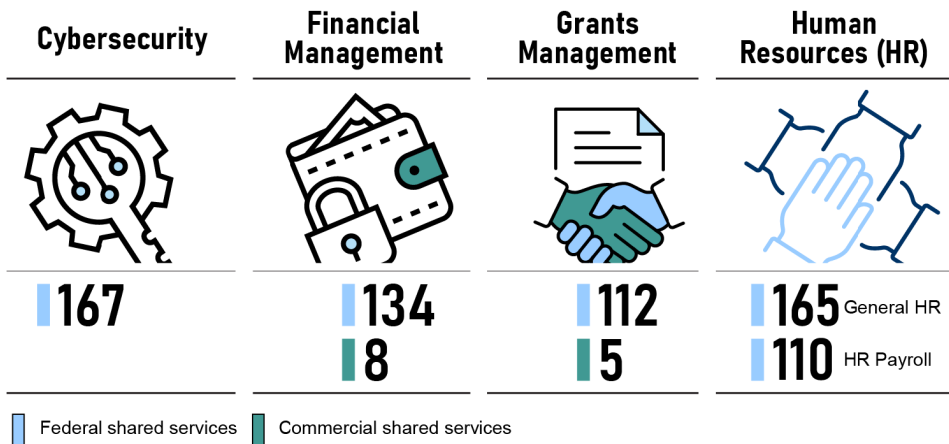
For more information, contact: David B. Hinchman, hinchmand@gao.gov

What GAO Found

Shared services are the delivery of common services to federal agencies through consolidated, standardized capabilities offered through designated lead provider agencies. The Office of Management and Budget (OMB) designated four lead agencies to serve as Quality Service Management Offices for centralizing certain shared services, with the General Services Administration (GSA) responsible for overall coordination. Each of the four agencies offers and manages a marketplace of shared services in four functional areas: cybersecurity, financial management, grants management, and human resources.

Across the federal government, many agencies and their components' adoption of shared services varied by functional area (see figure).

Number of Federal Customer Agencies Adopting Shared Services by Functional Area, as of July 2025



Sources: GAO analysis of Cybersecurity shared services data from April 2019-September 2024 and Financial Management and Grants shared services data, as of July 2025; GAO analysis of Human Resources shared services data, as of September 2024; lovetomask/stock.adobe.com (all icons). | GAO-26-108014

Note: The term "customer agencies" refers to customers from the Chief Financial Officers Act (CFO Act) agencies, which may include individual bureaus or components within a larger agency. It also includes non-CFO Act agencies, independent agencies, and commissions that use shared services.

Agencies identified various benefits, such as operational efficiencies and cost savings, but no barriers to adopting shared services. However, agencies identified challenges, including finding services that met both operational needs and legal requirements, shared services operating outdated legacy IT systems, and difficulties integrating shared services into their agencies.

As coordinators, GSA and the lead agencies have addressed some of these challenges. For example, they have expanded the marketplace of services to better meet agencies' needs. However, key leadership roles vital to making decisions about shared services remain unfilled due, in part, to a lack of OMB engagement. Further, GSA and agencies do not have comprehensive data on how well shared services are meeting agencies' needs. The absence of leadership commitment and data to inform decision-making are contributing factors to limiting the amount of cost savings and benefits.

Why GAO Did This Study

The federal government can increase efficiency and reduce duplicative efforts by consolidating certain mission-support services—such as payroll or travel—within a smaller number of federal agency providers. In 2019, OMB estimated that moving to shared services could save the government between \$1.25 and \$7.5 billion of the \$25 billion a year spent on those services.

The explanatory statement accompanying the Consolidated Appropriations Act, 2023 includes a provision for GAO to review the adoption of shared technology platforms and services. This report (1) describes the level of shared service adoption across federal agencies; and (2) describes the benefits, barriers, and challenges federal agencies face in adopting shared services and determines the extent to which they have mitigated the challenges.

GAO analyzed documentation from GSA and the Quality Service Management Offices on government-wide federal shared service adoption. GAO also administered a questionnaire on adoption, benefits, barriers, and challenges to six randomly selected agencies and two agencies selected due to their extensive experience using shared services. GAO compared coordinating agencies' efforts to mitigate the identified challenges against OMB guidance. GAO also interviewed agency officials.

What GAO Recommends

GAO is making a total of four recommendations to OMB and GSA, including that the agencies ensure executive leadership positions are filled and implement a plan and time frame for collecting performance data. GSA agreed with our recommendations and OMB did not provide comments.

A Q&A report to congressional committees



Contact: Kathy Larin at larink@gao.gov or Seto Bagdoyan at bagdoyans@gao.gov

What GAO Found

The U.S. Department of Agriculture's (USDA) Supplemental Nutrition Assistance Program (SNAP) is intended to help low-income individuals and families obtain a more nutritious diet by supplementing their income with benefits to purchase food. USDA's Food and Nutrition Service (FNS) oversees SNAP and provides guidance and technical assistance to states that administer it. Benefits are loaded onto Electronic Benefit Transfer (EBT) cards.

SNAP benefit theft occurs when thieves use unauthorized, electronic methods to take control of an EBT account without a recipient's knowledge. EBT cards are a target for theft because most cards do not yet have certain theft-prevention features, such as embedded microchips, which are standard in the commercial debit and credit card industry and help prevent card fraud.

Security Features of SNAP EBT Cards

	<p>Chip card: SNAP account information is encrypted by embedded chip, which makes it harder to copy or steal, according to FNS</p>		<p>Magnetic stripe: SNAP account information is stored in magnetic stripe, making skimming possible, according to FNS</p>
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Source: GAO analysis of Supplemental Nutrition Assistance Program (SNAP) Electronic Benefit Transfer (EBT) card security features described in Food and Nutrition Service (FNS) documents. | GAO-25-107964

FNS has taken some steps to help prevent SNAP EBT theft. In October 2022, the agency provided guidance to state SNAP agencies on tools and resources that they may use to prevent EBT theft, such as allowing SNAP recipients to block specific types of transactions in advance that are likely to be fraudulent. In addition, as of May 2025, the agency was developing a proposed rule that it said would require state SNAP agencies to implement certain card security measures. Further, FNS has four pilot project projects underway, including one that involves automatically blocking potentially fraudulent transactions, such as purchases made outside of the SNAP recipient's home state. According to FNS, thieves largely use stolen SNAP account information to make purchases in a different state.

For their part, state SNAP agencies have implemented a variety of measures to prevent EBT card skimming—collecting key card information through an unauthorized device—and related fraud. As of May 2025, one state—California—has modernized its SNAP EBT cards to include microchips, which better align with credit and debit card industry security standards to help prevent benefit theft. Six other states have ongoing SNAP EBT card modernization projects.

However, FNS has not comprehensively assessed what benefit theft prevention measures state SNAP agencies are implementing, including those it recommended in October 2022. As a result, the agency does not have information to determine the extent to which these measures are being used across states and any barriers to their full implementation and effectiveness. Conducting such an assessment would also allow FNS to target assistance to state SNAP agencies and help reduce fraud, which is consistent with its fiscal year 2025 priorities.

Why GAO Did This Study

Hundreds of millions of dollars in benefits have been reported stolen from SNAP recipients' EBT cards in recent years. SNAP will provide approximately \$96 billion in benefits to about 43 million people in fiscal year 2025. Theft of benefits could leave victims without means to purchase food, particularly since benefits stolen on or after December 21, 2024, are not eligible for replacement with federal funds.

The Continuing Appropriations and Extensions Act, 2025 includes a provision for GAO to among other things examine efforts to prevent SNAP EBT theft. This report provides information about the steps USDA has taken to prevent SNAP benefit theft and evaluates the extent to which USDA assesses how state SNAP agencies have implemented measures to prevent such theft. To provide this information, GAO conducted a content analysis, reviewed relevant USDA guidance and other documentation, and interviewed and obtained written responses from USDA officials. We also interviewed knowledgeable stakeholder organizations, including EBT processors. We selected these organizations because they have national perspectives on EBT systems and measures that can help prevent SNAP benefit theft.

What GAO Recommends

GAO recommends that USDA comprehensively assess the SNAP benefit theft prevention measures state agencies are implementing to help enhance its efforts to address EBT theft and provide assistance to states. We provided a draft of this report to USDA for review and comment. USDA did not provide comments on the report.

A Q&A report to congressional requesters

Contact: John Sawyer at sawyerj@gao.gov

What GAO Found

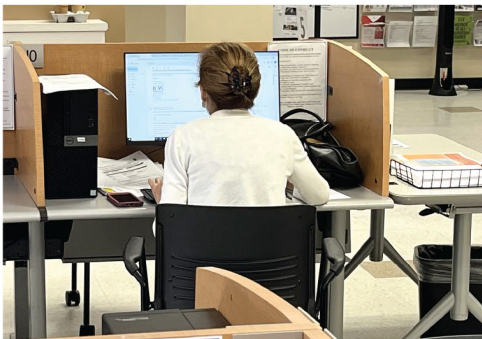
Individuals 55 and older accounted for about 22 percent of participants (769,000 individuals) across six selected federal workforce development programs GAO examined using program year 2023 data. Program year 2023, which ran from July 2023 through June 2024, was the most recent complete year of data available at the time of this review.

Compared to younger participants, older adults were less likely to find a job after exiting a program. For example, about 60 percent of older adults reported having a job in the second quarter after exiting Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) programs in program year 2023. In contrast, about 69 percent of participants ages 40–54 and 73 percent of participants ages 16–39 reported having a job.

Similarly, about 50 percent of older adults in the Department of Education’s Vocational Rehabilitation program reported having a job, compared to about 54 percent of participants ages 40–54 and 58 percent of participants ages 16–39. Exit from a program generally occurs when a participant has not received services for 90 days and does not have plans to receive future services.

Older workers (41 total) who GAO interviewed at 10 job centers in five states said participating in federal workforce development programs helped them learn digital literacy skills and get employment and training opportunities in their communities. They also noted challenges, such as limited numbers of employers participating in job fairs and few openings in some workforce programs. Additionally, they said they faced challenges finding jobs, including challenges navigating the job application process, developing new skills, and managing potential age discrimination by employers.

Older Adults Using Job Center Services



Participant using a computer workstation in a job center.

Participant receiving digital literacy training.

Source: GAO. | GAO-26-107439

Job center officials GAO interviewed at the 10 centers said older workers they served had unique employment needs compared to younger workers. Some state and local partners in locations GAO visited had initiatives to address the needs of older workers. However, DOL, which administers most of these programs, does not facilitate information sharing among these partners on promising practices that could support older workers. Doing so could help DOL

strengthen workforce system support for older workers, improve their employment rates and earnings, and bring their valuable knowledge and experience to the workplace.

Why GAO Did This Study

Older workers represent an increasing share of the U.S. workforce. From 2003 to 2023, individuals 55 and older increased their share of the workforce from 15 percent to 23 percent, according to Bureau of Labor Statistics data. Federal workforce development programs may help older workers manage challenges that could affect their ability to find and retain jobs, such as demand for new skills or limited knowledge of effective job search strategies. These programs are administered primarily by DOL and Education through a network of state and local partners, including job centers that provide employment and training services to all jobseekers.

GAO was asked to examine employment support for older workers. This report provides information on the percentage of workforce development program participants who are 55 and older, their rates of employment after exiting these programs, and their perspectives as participants in these programs. This report also examines the extent to which DOL has helped state and local partners share information with one another to support older workers.

To provide this information, GAO analyzed DOL and Education program data to compare the employment outcomes of older and younger participants in six workforce development programs (out of 38 programs that serve adults). GAO focused on four core Workforce Innovation and Opportunity Act (WIOA) programs that serve older workers, among other customers, and two other programs in which older workers make

up a large share of participants. GAO also held nine non-generalizable discussions with small groups of older workers at job centers in five states to learn from their experiences seeking employment and participating in workforce programs. GAO selected locations in which individuals 55 and older represented a substantial share of program participants within these local areas and that reflected variation in geographic and economic conditions.

What GAO Recommends

GAO recommends that DOL, in coordination with Education, facilitate information sharing among state and local partners on promising practices that support older workers. DOL agreed with GAO's recommendation.

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