



NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

National Endowment for the Humanities

Civil Penalty Adjustments for 2025

AGENCY: National Endowment for the Humanities; National Foundation on the Arts and the Humanities.

ACTION: Notice of civil penalty adjustments for 2025.

SUMMARY: The National Endowment for the Humanities (NEH) is giving notice of the adjusted maximum and minimum civil monetary penalties that may be imposed for violations of its New Restrictions on Lobbying and Program Fraud Civil Remedies Act regulations to reflect the requirements of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. The updated penalty amounts are adjusted for inflation and are effective from January 15, 2025, through January 14, 2026.

DATES: The updated civil penalties in this notice are applicable to penalties assessed on or after January 15, 2025, if the associated violations occurred after November 2, 2015.

FOR FURTHER INFORMATION CONTACT: Elizabeth Voyatzis, Deputy General Counsel, Office of the General Counsel, National Endowment for the Humanities, 400 7th Street SW, Room 4060, Washington, DC 20506; (202) 606-8322; gencounsel@neh.gov.

SUPPLEMENTARY INFORMATION:

1. Background

The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the Inflation Adjustment

Act)¹ directs each Executive agency to make an annual inflation adjustment for each civil monetary penalty provided by law within the jurisdiction of the agency, and to publish notice of each such adjustment in the Federal Register. An agency adjusts a civil monetary penalty by increasing the maximum amount of such penalty (or the range of minimum and maximum amounts, as applicable) by the percentage by which the Consumer Price Index for All Urban Consumers (CPI-U) for the month of October preceding the date of adjustment (in this case, October 2024) exceeds the CPI-U for the October one year prior to the October immediately preceding the date of the adjustment (in this case, October 2023), then rounding each amount to the nearest dollar.

NEH administers two civil monetary penalties subject to adjustment pursuant to the Inflation Adjustment Act: A civil monetary penalty that NEH may impose for violation of its New Restrictions on Lobbying regulation (the Lobbying Civil Monetary Penalty)² and a civil monetary penalty that NEH may impose under its Program Fraud Civil Remedies Act Regulations (the PFCRA Civil Monetary Penalty).³ NEH made the initial “catch-up” adjustments to the Lobbying Civil Monetary Penalty for years 2016–2020 when it amended its New Restrictions on Lobbying regulation on April 21, 2020,⁴ and to the PFCRA Civil Monetary Penalty for years 2016–2021 when it adopted its Program Fraud Civil Monetary Penalties Act regulations on August 13, 2021.⁵ NEH then adjusted the amount of those civil monetary penalties accordingly when it codified the statutory formula for inflation adjustments in NEH’s New Restrictions on Lobbying and Program Fraud Civil Remedies Act regulations on March 30, 2023.⁶ Each regulation provides for subsequent annual adjustment of its respective civil monetary penalty by notice in the Federal Register.⁷

¹ 28 U.S.C. 2461 note.

² 45 CFR 1168.400(a), (b), (e).

³ 45 CFR 1174.3(a), (b).

⁴ 85 FR 22025

⁵ 86 FR 44626

⁶ 88 FR 18998.

⁷ 45 CFR 1168.400(g), (h), 1174.3(f), (g).

2. 2025 Adjustments for Inflation

OMB has issued guidance on implementing and calculating the 2025 adjustment under the Inflation Adjustment Act.⁸ Per this guidance, the CPI-U adjustment multiplier for this annual adjustment is 1.02598.⁹ The post-adjustment penalty or range is obtained by multiplying the pre-adjustment penalty or range by the percent change in the CPI-U over the relevant time period and rounding to the nearest dollar. Between October 2023 and October 2024, the CPI-U increased by a multiplier of 102.598%. Therefore, NEH will adjust each civil monetary penalty amount by multiplying it by 1.02598 and rounding to the nearest dollar.

A. 2025 Adjustment to Lobbying Civil Monetary Penalty

For 2024, the Lobbying Civil Monetary Penalty had a minimum amount of \$24,496 and a maximum amount of \$244,958. Therefore, the adjusted minimum Lobbying Civil Monetary Penalty for 2025 is \$25,132 (\$24,496 multiplied by 1.02598) and the adjusted maximum Lobbying Civil Monetary Penalty for 2025 is \$251,322 (\$244,958 multiplied by 1.02598).

Thus, the Lobbying Civil Monetary Penalty, following the 2025 adjustment, has a minimum amount of \$25,132 and a maximum amount of \$251,322.

B. 2025 Adjustment to PFCRA Civil Monetary Penalty

For 2024, the PFCRA Civil Monetary Penalty had a maximum amount of \$13,946. Therefore, the new, post-adjustment maximum penalty for 2025 under NEH's PFCRA regulation is \$14,308 (\$13,946 multiplied by 1.02598).

Dated: December 20, 2024.

Jessica Graves,

⁸ Office of Management and Budget (OMB) Memorandum M-25-02 (December 17, 2024).

⁹ *Id.*

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