



SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA-2025-0684]

Notice on Penalty Inflation Adjustments for Civil Monetary Penalties

AGENCY: Social Security Administration.

ACTION: Notice announcing the continuance of 2025 civil monetary penalties (CMP) levels for calendar year 2026.

SUMMARY: The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (2015 Act) requires us to annually adjust the level of CMPs for inflation based on the Consumer Price Index (CPI-U) and provide notice concerning these new amounts. We are providing notice that we will continue to use the 2025 civil monetary penalty levels as applicable through January 14, 2027.

FOR FURTHER INFORMATION CONTACT: Jessica Stubbs Platt, Deputy Counsel to the Inspector General, Room 3-ME-1, 6401 Security Boulevard, Baltimore, MD 21235-6401, (410) 816-4054. For information on eligibility or filing for benefits, call the Social Security Administration's national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit the Social Security Administration's internet site, Social Security Online, at <http://www.socialsecurity.gov>.

SUPPLEMENTARY INFORMATION: On June 27, 2016, pursuant to the 2015 Act,¹ we published an interim final rule to adjust the level of CMPs under Sections 1129 and

¹ See P.L. 114-74; 129 Stat. 584. See also 81 FR 41438, <https://www.federalregister.gov/documents/2016/06/27/2016-13241/penalty-inflation-adjustments-for-civil-money-penalties>.

1140 of the Social Security Act, 42 U.S.C. 1320a-8 and 1320b-10, respectively, with an initial “catch-up” adjustment effective August 1, 2016.² We announced in the interim final rule that for any future adjustments, we would publish a notice in the **Federal Register** to announce the new amounts. The annual inflation adjustment in subsequent years must be a cost-of-living adjustment based on any increases in the October CPI-U data from the Bureau of Labor Statistics (not seasonally adjusted) each year.³ We last updated the maximum penalty amounts effective January 15, 2025.⁴

On April 17, 2026, the Office of Management and Budget (OMB) published Memorandum M-26-11, *Cancellation of Penalty Inflation Adjustments for 2026, Regarding the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015*.⁵ This Memorandum, among other provisions, announced to the Heads of Executive Departments and Agencies that due to the government shutdown in the fall of 2025,⁶ the Bureau of Labor Statistics was unable to produce the October 2025 data informing the CPI-U, which is necessary to make adjustments under the 2015 Act. Consequently, agencies are instructed to continue using the 2025 CMP levels as applicable.⁷

² See 81 FR 41438, <https://www.federalregister.gov/documents/2016/06/27/2016-13241/penalty-inflation-adjustments-for-civil-money-penalties>.

³ See OMB Memorandum, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, M-16-06, p. 1 (February 24, 2016), https://www.whitehouse.gov/wp-content/uploads/legacy_drupal_files/omb/memoranda/2016/m-16-06.pdf. See also 81 FR 41438, <https://www.federalregister.gov/documents/2016/06/27/2016-13241/penalty-inflation-adjustments-for-civil-money-penalties>.

⁴ See 89 FR 105674, <https://www.federalregister.gov/documents/2024/12/27/2024-30791/notice-on-penalty-inflation-adjustments-for-civil-monetary-penalties>.

⁵ See OMB Memorandum, Cancellation of Penalty Inflation Adjustments for 2026, Regarding the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, M-26-11, (April 17, 2026), <https://www.whitehouse.gov/wp-content/uploads/2026/04/M-26-11-Cancellation-of-Penalty-Inflation-Adjustments-for-2026-Regarding-the-Federal-Civil-Penalties-Inflation-Adjustment-Act-Improvements-Act-of-2015.pdf>.

⁶ The federal government experienced a funding gap beginning on October 1, 2025 – the start of FY 2026 – and ending when the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act, 2026 (P.L. 119-37), was signed into law on November 12, 2025. The funding gap resulted in a “government shutdown” and the furlough of employees who were not excepted. See The 2025 (FY2026) Government Shutdown: Economic Effects | Congress.gov | Library of Congress.

⁷ See OMB Memorandum, Cancellation of Penalty Inflation Adjustments for 2026, Regarding the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, M-26-11, (April 17, 2026),

Based on OMB's guidance, we will continue to apply the 2025 penalty levels throughout calendar year 2026 until January 14, 2027.

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