



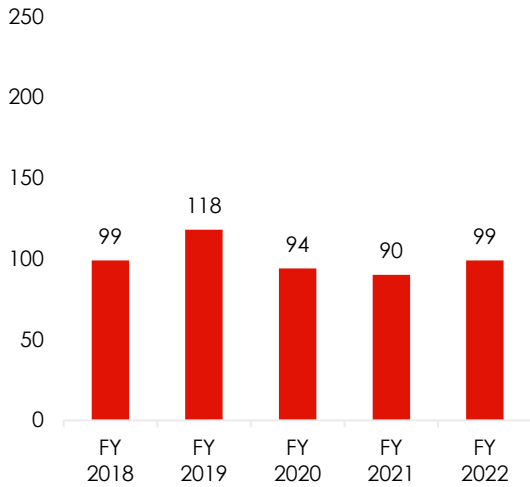
Quick Facts

— Organizational Offenders —

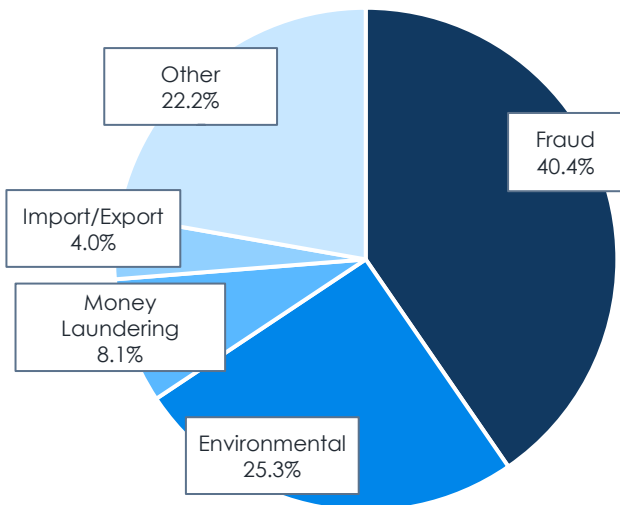
Fiscal Year 2022

- ▶ In FY 2022, 99 cases involving an organizational offender were reported to the U.S. Sentencing Commission.¹
- ▶ The most common offenses committed by organizational offenders were fraud and environmental crimes.

Number of Organizational Offenders



Organizational Offenders by Primary Offense²



What is an Organizational Offender?

Chapter Eight of the *Guidelines Manual* governs the sentencing of corporations, partnerships, unions, trusts, pension funds, and non-profit organizations.

For some crimes, Chapter Eight provides a formula to calculate the minimum and maximum fine applicable to a defendant after consideration of several factors pertaining to culpability. In other cases, such as those involving environmental crimes, the *Guidelines Manual* instructs the sentencing judge to “determine the appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572.” Chapter Eight also provides guidance for imposing a term of probation or other costs (such as forfeiture) against a defendant.

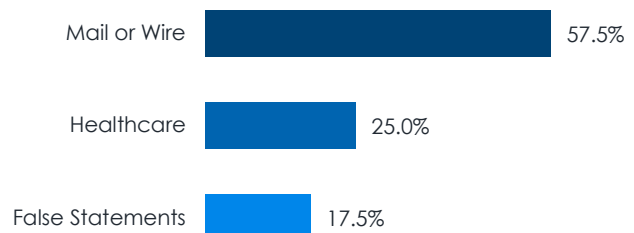
Organizational Offender Characteristics

- 89.9% of organizational offenders were located within the United States.
- Most organizations were closely-held or private corporations (45.9%) or limited liability companies (45.9%).
- 6.1% were publicly-traded corporations.
- 81.4% employed fewer than 50 workers; 7.0% employed 1,000 employees or more.
- 15.8% had a history of misconduct, including previous criminal or civil adjudications against the organization or pending charges.

Offense Characteristics

- The most common offenses were fraud (40.4%), environmental (25.3%), money laundering (8.1%), and import/export (4.0%) crimes.
- Of the types of environmental offenses, 40.0% were water related, 28.0% were air related, 20.0% were hazardous material related, and 12.0% were wildlife related.
- 61.6% of all organizational cases involved at least one related individual who was separately indicted in addition to the organization.

Types of Fraud Offenses





— **Organizational Offenders** —

Chapter Eight Application

- 35.4% of the 99 organizational offenders were sentenced pursuant to the Chapter Eight fine provisions (found in USSG §§8C2.1-8C2.9). The remaining offenders were sentenced pursuant to §8C2.10.
- Of the 35 organizations sentenced under §§8C2.1-8C2.9:
 - ◆ Nine organizations (25.7%) had at least ten employees and had involvement in or were tolerant of the offense.
 - ◆ One organization had a prior criminal or administrative violation.
 - ◆ None violated a judicial order or condition.
 - ◆ None obstructed justice.
 - ◆ None had an effective compliance and ethics program.
 - ◆ Two organizations (5.7%) received an adjustment for reporting the offense to appropriate governmental authorities, cooperating with the investigation, and accepting responsibility for the offense.
 - ◆ 17 organizations (48.6%) received an adjustment for cooperating with the investigation and accepting responsibility for the offense.
 - ◆ 12 organizations (34.3%) received an adjustment for acceptance of responsibility for the offense but did not receive an adjustment for cooperating in the investigation.

Punishment

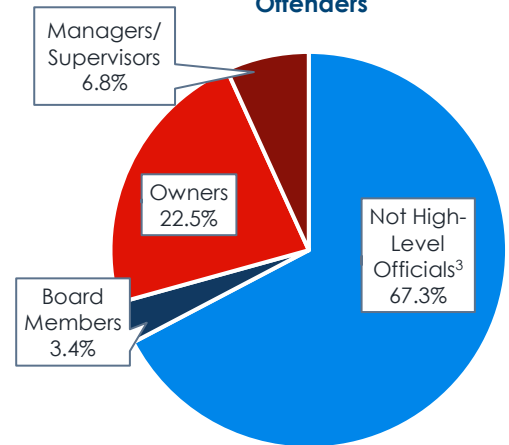
- 91.9% of all organizational offenders pled guilty.
- 74.7% were sentenced to probation.
- 21.2% were ordered to develop a compliance and ethics program, usually as a condition of probation.
- 90.9% were sentenced to pay a fine, restitution, or both.
- 60.6% had a fine imposed.
 - ◆ The median fine amount ordered was \$262,500 and the average fine amount was \$9,368,282.
- 44.4% were ordered to pay restitution.
 - ◆ The median restitution amount ordered was \$1,480,283 and the average restitution amount was \$255,786,196.
- 7.1% were ordered to forfeit money.
 - ◆ The median forfeiture amount was \$1,100,000 and the average forfeiture amount of \$22,014,007.

¹ Only organizations convicted of a federal offense are included in Commission data. The Commission does not collect data on other dispositions, including non-prosecution or deferred prosecution agreements.

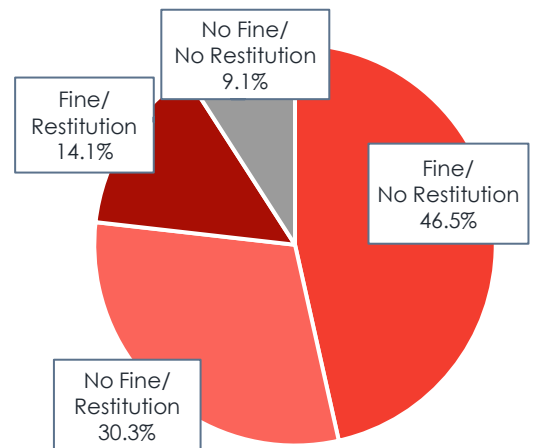
² The "Other" primary offense category includes: antitrust/price fixing (3), immigration (3), copyright/trademark infringement (3), drugs (3), larceny/theft/embezzlement (2), bribery (2), food & drug (2), other (2), obstruction of justice (1), and pornography/prostitution (1).

³ "Not High-Level Officials" could include individuals from related cases who were not employed by the organizational offender.

Level of Authority of Individuals Charged With Organizational Offenders



Types of Monetary Sentences Imposed on Organizational Offenders



Fine, Restitution, and Combined Amount (\$)

