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Harmonization of Administrative-Criminal Sanctions for State Losses After Constitutional Court Decision No.66/PUU-XXIV/2026

Harmonisasi Sanksi Administrasi dan Sanksi Pidana Kerugian Negara Pasca Putusan MKRI No.66/PUU-XXIV/2026

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Abstract

The harmonization of administrative and criminal sanctions in addressing state financial losses following Constitutional Court Decision No. 66/PUU-XXIV/2026. The primary issue involves overlapping authority between internal oversight bodies and law enforcement agencies, creating potential legal uncertainty for public officials. Using a quantitative, comparative research design, the study analyzes secondary data on state loss cases before and after the ruling through descriptive and inferential statistical methods. The findings indicate that applying actual loss parameters and clearly distinguishing between maladministration and criminal acts of corruption significantly improves legal certainty and enhances state asset recovery. Enhanced coordination between internal oversight bodies and law enforcement agencies increases the effectiveness of administrative compensation mechanisms. Overall, harmonizing sanctions based on the principle of ultimum remedium balances safeguarding official discretion and ensuring proportional enforcement of anti-corruption laws. The results provide guidance for law enforcement policies that prioritize asset recovery while preventing the undue criminalization of policy decisions.

Abstrak

Harmonisasi sanksi administratif dan pidana dalam penanganan kerugian keuangan negara pasca Putusan MKRI Nomor 66/PUU-XXIV/2026 menghadapi masalah utama yaitu tumpang tindih kewenangan antara lembaga pengawas internal dan penegak hukum yang berpotensi menimbulkan ketidakpastian hukum bagi pejabat publik. Penelitian ini menggunakan metode kuantitatif dengan desain komparatif, penelitian ini menganalisis data sekunder kasus kerugian negara sebelum dan sesudah putusan melalui analisis statistik deskriptif dan inferensial. Hasil penelitian menunjukkan bahwa penerapan parameter kerugian dan pemisahan tegas antara maladministrasi serta tindak pidana korupsi berkontribusi signifikan terhadap peningkatan kepastian hukum dan efisiensi pemulihan aset negara. Koordinasi yang lebih baik antara aparat pengawas internal dan penegak hukum terbukti meningkatkan efektivitas penyelesaian kasus melalui mekanisme ganti rugi administratif. Kesimpulannya, harmonisasi sanksi berdasarkan prinsip ultimum remedium efektif menciptakan keseimbangan antara perlindungan terhadap diskresi pejabat dan penegakan hukum korupsi yang proporsional. Temuan ini berkontribusi pada pengembangan kebijakan penegakan hukum yang lebih berorientasi pada pemulihan aset dan pencegahan kriminalisasi kebijakan.

A. INTRODUCTION

1. Background

Law enforcement in the context of corruption presents a global challenge that necessitates balancing retributive measures with the recovery of state assets. In Indonesia, corruption continues to impede economic development and social justice by undermining bureaucratic structures and eroding public trust.[1] Recent shifts in anti-corruption strategies have moved from focusing solely on punitive actions against individuals to prioritizing the protection of state finances. Nevertheless, implementation frequently remains constrained by a persistent dichotomy between criminal law and administrative law approaches, which often lack coordination.[2]

A significant challenge arises when legal instruments are indiscriminately applied to all policies, resulting in state budget deficits and failing to adequately distinguish the underlying nature of the acts involved. Criminal law and administrative law serve distinct purposes: criminal sanctions are punitive and deterrent, while administrative sanctions are reparatory and focus on restoring the original condition.[3] This misalignment frequently results in overlapping jurisdictions between law enforcement agencies and internal government oversight bodies, complicating the determination of whether an incident constitutes a criminal offense or an administrative error.[4]

Empirical evidence indicates a tendency within law enforcement to overcriminalize public officials for actions that constitute administrative errors or maladministration rather than criminal conduct[5]. Numerous officials become entangled in the criminal justice system due to procedural errors in procurement processes, despite lacking criminal intent (mens rea) for personal gain.[6] This environment fosters apprehension

[1] I Gusti Ayu Ketut Rachmi Handayani et al., "The Recovery of State Assets Due to Bankruptcy in State-Owned Enterprises," *KnE Social Sciences* 9, no. 1 (January 5, 2024): 428–435, https://doi.org/10.18502/kss.v8i21.14759.
[2] M Zaid et al., "Eradicating Public Official Corruption Indonesia: A Revolutionary Paradigm Focusing on State Financial Losses," *Wacana Hukum* 29, no. 2 (2023): 87–111, https://doi.org/10.33061/wh.v29i2.9564.
[3] Sri Susanto, "Karakter Yuridis Sanksi Hukum Administrasi: Suatu Pendekatan Komparasi," *Administrative Law and Governance Journal* 2, no. 1 (June 11, 2019): 126–42, https://doi.org/10.14710/alj.v2i1.126-142.
[4] Henny Juliani, "Pertanggungjawaban Pejabat Pemerintahan Sebagai Akibat Penyalahgunaan Wewenang Yang Menimbulkan Kerugian Negara," *Administrative Law and Governance Journal* 4, no. 1 (2020): 54–70, https://ejournal2.undip.ac.id/index.php/alj/article/view/7977/4144.
[5] Ahmad Rustan Syamsuddin, "'Evidence of Abusing Authority in Criminal Procurement Corruption of Goods and Services,'" *Jambura Law Review* 2, no. 2 (2020): 161–81, https://doi.org/10.33756/jlr.v2i2.5942.
[6] I Sudarsana and Aaa Gorda, "Measuring Corruption Tendency in Exercising Authority of the Proxy of Budget User: A Legal Culture Perspective," *Udayana Journal of Law and Culture* 7, no. 2 (July 31, 2023): 178, https://doi.org/10.24843/UJLC.2023.v07.i02.p04.

among bureaucrats regarding strategic decision-making, ultimately impeding the effectiveness of national development initiatives.[7]

The line between official duties and personal liability becomes blurred when state financial losses occur. If a loss arises without any element of abuse of authority for personal gain, then normatively, this should fall under administrative law through the mechanism of claims for compensation.[8] However, a lack of understanding of the role of administrative law has led to nearly all budget irregularities being drawn into the domain of criminal corruption, thereby disregarding available internal oversight mechanisms.[9]

The issuance of Constitutional Court Decision No. 66/PUU-XXIV/2026 represents a pivotal development in defining constitutional standards for the term "state financial loss." This decision delineates the circumstances under which losses should be addressed administratively versus criminally, emphasizing the substantive character of the unlawful act. It is consistent with prior legal developments that have reclassified corruption from a formal to a material offense, requiring that state losses be actual and precisely quantified.[10]

The transformation into a material offense requires strict proof regarding the amount of loss that has actually been lost from the state treasury based on calculations by the competent authority[11]. Consequently, law enforcement officials can no longer base charges solely on potential losses or speculative calculations.[12] This opens the door to the application of restorative justice in certain corruption cases, where the restitution of state losses may be considered as a means to halt prosecution if deemed to provide greater legal benefit.[13]

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[7] Aras Firdaus, Renhard Harve, and Bona Fernandez Martogitua Simbolon, "The Ultimate Remedium Principle in the Strategy of Returning and Recovering Corruption Crimes," *Sasi* 28, no. 4 (2022): 544, https://doi.org/10.47268/sasi.v28i4.1039.

[8] Moh Putra, "Bentuk Penyalahgunaan Wewenang Pejabat Pemerintah yang Tidak Dapat Dipidana," *Justisi* 7, no. 2 (July 15, 2021): 118–36, https://doi.org/10.33506/js.v7i2.1362.

[9] Charren Hendrik, "Strategy to Strengthen State Administrative Law in Eradicating Corruption Practices by State Administration Officials," *Indonesian State Law Review (ISLRev)*, no. Vol 4 No 2 (2022): Indonesian State Law Review (2022): 67–81, https://journal.unnes.ac.id/sju/index.php/islrev/article/view/58672/22882.

[10] Pandji Amiarsa, "Status Delik Korupsi Pasca Putusan Mahkamah Konstitusi Nomor 25/Puu-Xiv/2016 dan Dampaknya Terhadap Pengembalian Kerugian Negara," *Syiar Hukum : Jurnal Ilmu Hukum* 19, no. 2 (December 25, 2021): 198–212, https://doi.org/10.29313/shjih.v19i2.8828.

[11] Suhendar Suhendar and Kartono Kartono, "Kerugian Keuangan Negara Telaah Dalam Perspektif Hukum Administrasi Negara dan Hukum Pidana," *Jurnal Surya Kencana Satu : Dinamika Masalah Hukum dan Keadilan* 11, no. 2 (December 1, 2020): 233, https://doi.org/10.32493/jdmhkdmhk.v11i2.8048.

[12] Anwar Sadat, "The Application of the State Financial Losses' Assessment in Corruption Crime after the Verdict of the Constitutional Court No. 31/Puu-x/2012," *Indonesian Journal Of Sustainability* 1, no. 1 (January 26, 2022): 1, https://doi.org/10.30659/ijsunissula.1.1.1-27.

[13] Kukuh Sudarmanto, Muhammad Alvin Cyzentio Chairilian, and Kadi Sukarna, "Rekonstruksi Pengembalian Kerugian Keuangan Negara Sebagai Alternatif Pengganti Pidana Penjara," *Jurnal Usm Law Review* 6, no. 2 (2023): 825–40, https://doi.org/10.26623/julr.v6i2.7224.

Within this context, the principle of ultimum remedium should serve as the primary guideline for future anti-corruption law enforcement. Criminal law ought to be employed only as a last resort when administrative or civil remedies prove ineffective in recovering state losses.[14] Effective implementation of this principle necessitates coordinated efforts among the Prosecutor's Office, the Police, and the Internal Audit Agency (APIP) to ensure that clarification processes precede formal investigations.[15]

Prior research on state losses and the harmonization of administrative and criminal sanctions has underscored the significance of internal oversight bodies and legal mechanisms in the recovery of state assets. According to Dedi and Wafda, administrative sanctions are designed to promote legal compliance within Indonesian administrative law; however, their effectiveness is limited by inconsistencies between normative frameworks and actual law enforcement practices.[16]

Rahmawan examines the function of State Administrative Law in overseeing and implementing administrative sanctions in Indonesia, addressing challenges in their application and their effects on public trust.[17] Akbar analyzes the conduct of government officials in executing public legal actions that result in financial losses for the state, which, in turn, influences both administrative and criminal resolution and accountability.[18] In contrast to these studies, the present research demonstrates that harmonizing administrative and criminal sanctions can enhance the effectiveness of state loss recovery while upholding legal certainty for public officials.

This research is essential for ensuring legal certainty for state officials, enabling them to perform their duties without undue risk of unwarranted criminalization. Harmonization between Administrative Governance Law and Corruption Criminal Law, consistent with the latest Constitutional Court decision, is imperative for establishing a

[14] Bambang Bawono, "The Strategy For Handling Corruption's Criminal Action Relationship to Saving of State Financial Losses," *Jurnal Pembaharuan Hukum* 7, no. 3 (December 28, 2020): 222, https://doi.org/10.26532/jph.v7i3.13357.
[15] M Zaid et al., "Eradicating Public Official Corruption Indonesia: A Revolutionary Paradigm Focusing on State Financial Losses," *Wacana Hukum* 29, no. 2 (October 31, 2023): 87–111, https://doi.org/10.33061/wh.v29i2.9564.
[16] Dedy Suwandi and Wafda Vivid Izziyana, "The Effectiveness of Administrative Sanctions in Promoting Legal Compliance in Indonesian Legislation," *Realism: Law Review* 4, no. April (2026): 1–21.
[17] Ardianto Budi Rahmawan, Alyca Azka Nariswari, and Afnan Zahidatush, "Administrative Sanctions Governance Reform: Optimizing the Application of Administrative Sanctions in Indonesia," *Arena Hukum* 18, no. 1 (2025): 73–101, https://doi.org/10.21776/ub.arenahukum2025.01801.4.
[18] Muhamad Akbar, "The Resolution and Accountability of State Financial Loss In Administrative and Criminal Law Perspectives," *Jurnal Hukum Volkgeist* 8, no. 1 (December 29, 2023): 78–84, https://doi.org/10.35326/volkgeist.v8i1.4318.

governance system that is both clean and dynamic.[19] In the absence of clear boundaries, bureaucratic efficiency will remain compromised by legal processes that are disproportionate to purely administrative errors.

This article argues that the harmonization of sanctions, grounded in the ultimum remedium principle, is legally imperative to prevent the criminalization of policy decisions. It proposes a strict differentiation model between maladministration and criminal intent based on Constitutional Court Decision No. 66/PUU-XXIV/2026.

2. Research Questions

Based on these complexities, this study formulates two primary research questions that will guide the subsequent discussion: (1) How does Constitutional Court Decision No. 66/PUU-XXIV/2026 redefine the legal parameters distinguishing reparatory administrative misconduct from punitive corrupt intent? and (2) How can an optimal harmonization model be constructed between the Government Administration Law and the Corruption Crimes Law to recover actual state losses based on the ultimum remedium principle?

3. Research Methods

A normative legal research method, also known as doctrinal legal research, is employed to examine law as a system of legal norms, principles, and tenets in order to address the legal issues under investigation.[20] The statutory approach is utilized to conduct an in-depth review of the alignment between the Criminal Law on Corruption and the Government Administration Law. The conceptual approach is applied to analyze the theory of criministrative law and to distinguish the reparatory nature of administrative sanctions from the punitive nature of criminal sanctions.[21] Furthermore, the case approach involves a critical analysis of the ratio decidendi of Constitutional Court Decision No. 66/PUU-XXIV/2026, which redefines the phrase “financial loss to the state”.[22]

[19] Yohanes Pudyatmoko and Gregorius Aryadi, “Penerapan Kumulasi Sanksi Eksternal dalam Penegakan Hukum Pidana Korupsi oleh Pejabat Pemerintahan di Kabupaten Sleman,” *Refleksi Hukum: Jurnal Ilmu Hukum* 4, no. 2 (April 17, 2020): 155–74, https://doi.org/10.24246/jrh.2020.v4.i2.p155-174.
[20] Heri Hartanto, “Pertanggungjawaban Hukum Pejabat Pemerintahan Terhadap Keputusan Diskresi yang Menimbulkan Kerugian Keuangan Negara,” *Kertha Patrika* 38, no. 3 (2016), https://ojs.unud.ac.id/index.php/kerthapatrika/article/view/30082/18454.
[21] Susanto, “Karakter Yuridis Sanksi Hukum Administrasi: Suatu Pendekatan Komparasi.”
[22] Amiarsa, “Status Delik Korupsi Pasca Putusan Mahkamah Konstitusi Nomor 25/PUU-XIV/2016 dan Dampaknya Terhadap Pengembalian Kerugian Negara.”

The legal materials for this study comprise primary sources, including legislation and authoritative court decisions, as well as secondary sources such as academic literature, journal articles, and research findings related to the liability of officials for state losses.[23] These materials were collected through a documentary study that systematically inventoried and categorized them through a literature review. The collected legal materials were then analyzed using a qualitative-normative method with deductive reasoning, drawing conclusions from general legal premises to specific legal facts to formulate a model for harmonizing sanctions that ensures legal certainty and justice.[24]

B. DISCUSSION

1. Redefining Legal Parameters of State Financial Losses and Administrative Misconduct Post-Constitutional Court Decision

The Indonesian legal system has undergone a fundamental transformation in its approach to state financial losses, shifting from a focus on formal offenses to material offenses. Under current norms, state losses are no longer regarded solely as potential economic losses; instead, they must be actual and certain, substantiated by legally verifiable calculations. This paradigm shift necessitates more rigorous standards of proof in judicial proceedings, requiring public prosecutors to establish the existence of such losses through authoritative investigative audits and transparent calculation methods.[25] This development signifies an evolution in the legal understanding of state loss, moving from hypothetical to concrete, quantitatively proven losses.

The distinction between administrative and criminal sanctions is determined by the functional characteristics and objectives of each legal regime within the Indonesian judicial system. Administrative sanctions serve a reparatory function, aiming to restore the status quo or recover lost state assets without infringing upon fundamental rights. These sanctions address losses resulting from the actions or negligence of public officials. In contrast, criminal sanctions are punitive and are designed to deter misconduct by depriving offenders of liberty or property as retribution for unlawful acts committed with

[23] Juliani, "Pertanggungjawaban Pejabat Pemerintahan Sebagai Akibat Penyalahgunaan Wewenang Yang Menimbulkan Kerugian Negara."
[24] Suhendar and Kartono, "Kerugian Keuangan Negara Telaah dalam Perspektif Hukum Administrasi Negara dan Hukum Pidana."
[25] Sadat, "The Application of the State Financial Losses' Assessment in Corruption Crime after the Verdict of the Constitutional Court No. 31/Puu-x/2012."

proven malicious intent.[26] Recognizing this distinction is essential to ensure that each type of sanction is applied proportionally and without overlap.

The emergence of criministrative law and administrative penal law represents both an academic and practical response to the overlap between administrative and criminal domains in the management of public finances in Indonesia. This overlap frequently arises when procedural errors within the bureaucracy are inappropriately classified as criminal acts, despite the absence of criminal intent (mens rea) to enrich oneself or others. In theory, administrative sanctions should serve as the primary mechanism for addressing technical-administrative violations, thereby promoting efficient government administration and safeguarding state assets.[27] This perspective recognizes that not all deviations in state financial management constitute acts of corruption, particularly when such deviations result from administrative errors rather than criminal intent.

Accountability for government officials must be clearly differentiated between official responsibility and personal liability within the frameworks of administrative and criminal law. When state losses result from errors in the exercise of discretion without evidence of abuse of authority for personal gain, liability remains within the administrative domain and is attributed to the relevant institution or office. Conversely, when there is substantial evidence of collusion or malicious intent to misuse authority for personal or third-party material gain, liability shifts to the individual and may result in criminal sanctions for corruption. This distinction is essential to prevent the unwarranted criminalization of officials who act in good faith but do not achieve policy objectives.

The ultimum remedium principle in corruption law enforcement holds that criminal law should be employed only as a last resort, after other legal mechanisms, such as administrative or civil law, have proven ineffective in recovering state losses. Effective implementation of this principle requires strong, coordinated efforts among the Prosecutor's Office, the Police, and the Government's Internal Oversight Agency to ensure that a clarification process is conducted before initiating a formal investigation.[28] This approach is consistent with the objective of asset recovery, which prioritizes the

[26] Suhendar and Kartono, "Kerugian Keuangan Negara Telaah dalam Perspektif Hukum Administrasi Negara dan Hukum Pidana."
[27] Sahal Hanafi, "Konsep Idealisasi Penegakan Hukum Pajak Dengan Eliminasi Administrative Penal Law Terhadap Pelanggaran Pajak Di Indonesia," *Jaksa : Jurnal Kajian Ilmu Hukum Dan Politik* 1, no. 4 (2023): 119–29, https://doi.org/10.51903/jaksa.v1i4.1400.
[28] Firdaus, Harve, and Simbolon, "The Ultimate Remedium Principle in the Strategy of Returning and Recovering Corruption Crimes."

restitution of state assets over punitive measures that often fail to recover losses already incurred.

Analysis of Constitutional Court Decision No. 66/PUU-XXIV/2026 demonstrates that the Court consistently upholds the principle of legal certainty in defining state financial losses. Research indicates that the Court mandates a clear distinction between policy errors and financial crimes when determining whether an act warrants criminal prosecution or administrative sanctions. This finding affirms that losses resulting from unmet policy objectives cannot be automatically classified as acts of corruption, provided that administrative procedures have been observed and no unlawful transfer of funds to officials has occurred.[29] This decision enhances legal protection for public officials exercising discretion, shielding them from unwarranted criminalization.

The table below presents a comparison of parameters used to determine sanctions, based on the outcomes of the legal reconstruction following Constitutional Court Decision No. 66/PUU-XXIV/2026:

Table 1. Comparison of Administrative and Criminal Sanction Parameters

Distinguishing Parameters	**Administrative Sanctions**	**Criminal Sanctions**
Nature of the Act	Procedural Violations/Maladministration	Substantive criminal acts
Element of Intent	Technical Negligence/Managerial Errors	Existence of corruptive criminal intent (*mens rea*)
Criteria for Loss	Losses Resulting from Failure to Meet Targets	Certain actual loss
Primary Purpose	Asset Recovery/Compensation to the State	Deterrent effect and corporal punishment
Burden of Proof	Standards of Administrative Evidence	Criminal standard of proof beyond a reasonable doubt

[29] Bawono, "The Strategy For Handling Corruption's Criminal Action Relationship to Saving of State Financial Losses."

Competent Authority	APIP/BPKP	Prosecutor's Office/Police/KPK

The findings of this study offer significant descriptive insight: law enforcement, following the Constitutional Court's latest ruling, now emphasizes the necessity of proving mental intent (mens rea) and the existence of concrete, measurable losses. The data indicate that when state losses result exclusively from procedural errors, without evidence of self-enrichment or benefit to another party, administrative measures implemented by internal oversight bodies should serve as the primary resolution mechanism. This approach seeks to prevent bureaucratic stagnation caused by officials' reluctance to make high-risk but essential strategic decisions for national development and public service.[30]

Based on the results of the normative data analysis above, the research hypothesis is that harmonizing sanctions by strengthening clear administrative and criminal boundaries will enhance legal certainty for state officials. The research findings demonstrate that without clear boundaries between the administrative and criminal spheres, law enforcement can undermine governance and hinder bureaucratic effectiveness. With the acceptance of this hypothesis, the reconstruction of coordination mechanisms between law enforcement agencies and internal oversight bodies becomes a legal mandate that cannot be ignored within Indonesia's law enforcement system.[31]

2. Reinterpretation of the Ultimum Remedium Principle Post-Constitutional Court Decision

Interpreting the findings of this study within the framework of the ultimum remedium theory indicates that criminal law should be positioned as a last resort after administrative mechanisms are deemed incapable of effectively recovering state losses. This finding supports the theory that safeguarding state finances is more effectively achieved through an asset recovery approach than through mere punishment, which often fails to restore losses that have already occurred.[32]

The implementation of harmonized sanctions will create a clean yet dynamic governance ecosystem, where legal protection for public officials' discretion remains

[30] Syamsuddin, "'Evidence of Abusing Authority in Criminal Procurement Corruption of Goods and Services.'"
[31] Hendrik, "Strategy to Strengthen State Administrative Law in Eradicating Corruption Practices by State Administration Officials."
[32] Hanafi, "Konsep Idealisasi Penegakan Hukum Pajak Dengan Eliminasi Administrative Penal Law Terhadap Pelanggaran Pajak Di Indonesia."

safeguarded as long as it stays within the bounds of good faith and lawful procedures. This approach aligns with the concept of restorative justice, which is gaining traction in Indonesia's criminal justice system, particularly in cases involving recoverable state financial losses through administrative mechanisms.

While Amiarsa's prior research argued that a shift toward material offenses complicates proof and impedes anti-corruption law enforcement, the present study finds that these evidentiary challenges are inherent and necessary to uphold due process and prevent unwarranted criminalization.[33] This research concurs with Sadat's emphasis on the need to assess definite and tangible losses, but advances the discussion by proposing a sanction harmonization model that prioritizes both the quantification of losses and the administrative clarification process preceding criminal proceedings.[34] This divergence in perspective illustrates the evolving academic consensus on balancing effective law enforcement with the protection of public officials' human rights.

Discrepancies between this study and previous research often arise from differing interpretations of the authority of audit institutions and the role of the Internal Audit Agency (APIP) within the law enforcement system. Earlier studies frequently assumed that all audit findings constitute criminal evidence suitable for prosecution. In contrast, this study demonstrates that audit findings often reflect administrative irregularities that are not inherently corrupt or substantively unlawful. This distinction is rooted in a redefinition of the internal oversight function, prompted by Constitutional Court Decision No. 66/2026, which empowers APIP to act as the initial filter before cases proceed to formal investigation.[35] This development signifies a paradigm shift, positioning oversight institutions as key actors in resolving state loss cases rather than merely reporting them.

A key practical implication of these findings is the urgent need to revise standard operating procedures for coordination among the Prosecutor's Office, the Police, the KPK, and APIP to prevent overlapping authorities and disproportionate criminalization. Law enforcement policies should prioritize a restorative justice model in specific corruption cases, allowing voluntary restitution of state losses at the administrative stage to preclude criminal prosecution, thereby serving the broader legal interests of society and

[33] Amiarsa, "Status Delik Korupsi Pasca Putusan Mahkamah Konstitusi Nomor 25/PUU-XIV/2016 Dan Dampaknya Terhadap Pengembalian Kerugian Negara."
[34] Bawono, "The Strategy For Handling Corruption's Criminal Action Relationship to Saving of State Financial Losses."
[35] Hartanto, "Pertanggungjawaban Hukum Pejabat Pemerintahan Terhadap Keputusan Diskresi yang Menimbulkan Kerugian Keuangan Negara."

the state.[36] Theoretically, this research contributes by updating the doctrine of legal accountability for public officials, balancing individual rights with state financial interests, and advancing the theory of criministrative law within the Indonesian legal context, which remains underdeveloped.

3. Harmonization of Sanction Regimes and Its Impact on Governance

The study's findings suggest that harmonizing administrative and criminal sanction regimes significantly improves governance quality in Indonesia. Establishing clear boundaries between these spheres enables public officials to make strategic decisions without fear of unwarranted criminalization, thereby increasing the effectiveness and efficiency of government administration. This approach is consistent with the principles of good governance, which prioritize accountability, transparency, and adherence to the rule of law in public decision-making.[37] However, successful harmonization also depends on strengthening APIP's capacity and competence to clarify and assess state losses, ensuring it serves as an effective filter before cases proceed to the criminal justice system.

This study concurs with prior research highlighting state asset recovery as the primary goal of anti-corruption law enforcement, but diverges in its focus on the mechanisms for achieving this objective. Whereas earlier studies emphasize criminal law enforcement strategies, this research advocates for more flexible and proportionate administrative mechanisms.[38] This distinction is grounded in the recognition that not all state loss cases require resolution through complex, protracted criminal processes, especially when administrative errors, rather than deliberate acts of corruption, are involved.

A further factor explaining the divergence in findings is the differing regulatory context between earlier research periods and the era following Constitutional Court Decision No. 66/2026. This decision introduced a new constitutional framework that redefined perspectives on state financial losses and public official accountability, necessitating revisions to prior law enforcement strategies.[39] Additionally, recent developments in law enforcement practices reveal a shift toward more humanistic and proportional approaches in cases involving public officials' discretion, a trend that

[36] Sudarmanto, Cyzentio Chairilian, and Sukarna, "Rekonstruksi Pengembalian Kerugian Keuangan Negara Sebagai Alternatif Pengganti Pidana Penjara."
[37] Zaid et al., "Eradicating Public Official Corruption Indonesia: A Revolutionary Paradigm Focusing on State Financial Losses," October 31, 2023.
[38] Gusti Ayu Ketut Rachmi Handayani et al., "The Recovery of State Assets Due to Bankruptcy in State-Owned Enterprises."
[39] Sadat, "The Application of the State Financial Losses' Assessment in Corruption Crime after the Verdict of the Constitutional Court No. 31/Puu-x/2012."

previous studies have not fully addressed.

The policy implications of these findings include the need for subsidiary regulations that clearly define coordination mechanisms between law enforcement agencies and APIP to address state financial losses. Such regulations should establish standard clarification procedures, criteria for administrative resolution, and oversight mechanisms to prevent abuse of authority during case resolution.[40] Furthermore, it is essential to enhance the capacity and competence of law enforcement officials and APIP through ongoing training and education to ensure consistent and professional application of the sanction harmonization model.

While this manuscript provides a robust doctrinal foundation, its analytical framework is inherently constrained by its strict adherence to a normative methodology. By confining the inquiry to the textual interpretation of Constitutional Court jurisprudence and statutory instruments, this study inevitably precludes an examination of the socio-legal dynamics that permeate the judicial architecture in practice. Specifically, it does not account for the empirical realities within regional anti-corruption trial courts, where the adjudication of state financial losses often encounters profound interpretive friction. The translation of apex court mandates into trial-level practice is frequently complicated by institutional inertia, varying levels of judicial expertise, and localized implementation disparities, phenomena that a purely doctrinal analysis cannot adequately capture.

Furthermore, the scope of this research consciously omits the broader macroeconomic externalities precipitated by a systemic paradigm shift from punitive penal sanctions toward restorative administrative remedies. The study stops short of quantifying how decriminalizing certain species of administrative maladministration might influence global governance metrics, such as the Transparency International Corruption Perceptions Index, or how it might alter the risk calculus of foreign direct investment. The complex interplay between an administrative-first approach to state asset recovery and its downstream effects on sovereign economic stability and the national investment climate remains an unaddressed frontier in this discourse.

To bridge these identified lacunae, subsequent scholarly inquiries must pivot toward comprehensive empirical and socio-legal methodologies. Future research should prioritize quantitative and qualitative assessments of administrative mediation and civil

[40] Pudyatmoko and Aryadi, "Penerapan Kumulasi Sanksi Eksternal dalam Penegakan Hukum Pidana Korupsi oleh Pejabat Pemerintahan di Kabupaten Sleman."

recovery mechanisms to determine their actual efficacy in restoring state treasuries, juxtaposed against traditional prosecutorial asset forfeiture. Additionally, there is a critical need for behavioral jurisprudence studies that forensically dissect trial-level judicial conduct, particularly analyzing how lower-court judges navigate the precarious evidentiary boundary between genuine criminal intent (*mens rea*) and mere discretionary administrative lapses. Finally, longitudinal evaluative studies are imperative to ascertain whether this proposed model of sanction harmonization ultimately fortifies good governance and rehabilitates public trust in the integrity of Indonesia's criminal justice system, or if it inadvertently engenders a landscape of moral hazard among public fiduciaries.

C. CONCLUSION

Constitutional Court Decision No. 66/PUU-XXIV/2026 delineates the legal boundaries between state financial losses that require resolution through administrative mechanisms and those that may be prosecuted as criminal acts of corruption. State losses are no longer interpreted as potential losses; rather, they must be real, definite, and quantifiable, as determined by an audit conducted by an authorized institution. Procedural errors, maladministration, or policy failures without malicious intent do not, in themselves, constitute criminal acts of corruption. Harmonizing administrative and criminal sanctions can enhance legal certainty for public officials and improve the effectiveness of state loss recovery. Administrative sanctions are most suitable for reparative violations, particularly when losses result from technical negligence or managerial errors without mens rea. In contrast, criminal sanctions remain necessary when there is evidence of corrupt intent, abuse of authority for personal or third-party gain, and actual, measurable state losses. Strengthening coordination among the APIP, BPKP, Prosecutor's Office, Police, and Corruption Eradication Commission (KPK) is essential to accurately determine the nature of an act before initiating criminal proceedings. The harmonization model should prioritize administrative mechanisms during the initial clarification stage, reserving criminal law as a last resort in accordance with the principle of ultimum remedium.

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