



Billing Code: 4410-19

DEPARTMENT OF JUSTICE

28 CFR Part 85

[Docket No. OAG 168; AG Order No. 4693-2020]

Civil Monetary Penalties Inflation Adjustment

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: The Department of Justice is adjusting for inflation the civil monetary penalties assessed or enforced by components of the Department, in accordance with the provisions of the Bipartisan Budget Act of 2015, for penalties assessed after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] with respect to violations occurring after November 2, 2015.

DATES: This rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Robert Hinchman, Senior Counsel, Office of Legal Policy, U.S. Department of Justice, Room 4252 RFK Building, 950 Pennsylvania Avenue, NW, Washington, DC 20530, telephone (202) 514-8059 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Statutory Process for Implementing Annual Inflation Adjustments

Section 701 of the Bipartisan Budget Act of 2015, Public Law 114-74 (Nov. 2, 2015) (“BBA”), 28 U.S.C. 2461 note, substantially revised the prior provisions of the Federal Civil Monetary Penalties Inflation Adjustment Act of 1990, Public Law 101-410 (the “Inflation Adjustment Act”), and substituted a different statutory formula for calculating inflation

adjustments on an annual basis.

In accordance with the provisions of the BBA, on June 30, 2016 (81 FR 42491), the Department of Justice published an interim rule (“June 2016 interim rule”) to adjust for inflation the civil monetary penalties assessed or enforced by components of the Department after August 1, 2016, with respect to violations occurring after November 2, 2015, the date of enactment of the BBA. Readers may refer to the Supplementary Information (also known as the preamble) of the Department’s June 2016 interim rule for additional background information regarding the statutory authority for adjustments of civil monetary penalty amounts to take account of inflation and the Department’s past implementation of inflation adjustments. The June 2016 interim rule was finalized without change by the publication of a final rule on April 5, 2019 (84 FR 13520).

After the initial adjustments in 2016, the BBA also provides for agencies to adjust their civil penalties on January 15 of each year to account for inflation during the preceding year, rounded to the nearest dollar. Accordingly, on February 3, 2017 (82 FR 9131), and on January 29, 2018 (83 FR 3944), the Department published final rules pursuant to the BBA to make annual inflation adjustments in the civil monetary penalties assessed or enforced by components of the Department after those dates, with respect to violations occurring after November 2, 2015. The Department did not publish such a rule in 2019, thereby leaving in place the civil monetary penalties as adjusted by the 2018 final rule.

II. Inflation Adjustments Made by This Rule

As required, the Department is publishing this final rule to adjust for 2020 the civil penalties that were most recently adjusted as of January 29, 2018. Under the statutory formula, the adjustments made by this rule are based on the Bureau of Labor Statistics’ Consumer Price Index for October 2019. The OMB Memorandum for the Heads of

Executive Departments and Agencies M-20-05 (Dec 16, 2019),

<https://www.whitehouse.gov/wp-content/uploads/2019/12/M-20-05.pdf> (last visited January 10, 2020), instructs that the applicable inflation factor is 1.01764. For the previous year, the OMB Memorandum for the Heads of Executive Departments and Agencies M-19-04 (Dec. 14, 2018), https://www.whitehouse.gov/wp-content/uploads/2017/11/m_19_04.pdf (last visited November 21, 2019), instructs that the applicable inflation factor was 1.02522.

Because the Department did not publish civil penalty amounts adjusted for inflation in 2019, this rule adjusts the civil penalty amounts in 28 CFR 85.5 by first applying the 2018 inflation factor and then applying the 2019 inflation factor mechanically to each of the civil penalty amounts listed (rounded to the nearest dollar).

Example:

- In 2016, the Program Fraud Civil Remedies Act penalty was increased to \$10,781 in accordance with the adjustment requirements of the BBA.
- For 2017, where the applicable inflation factor was 1.01636, the existing penalty of \$10,781 was multiplied by 1.01636 and revised to \$10,957 (rounded to the nearest dollar).
- For 2018, where the applicable inflation factor is 1.02041, the existing penalty of \$10,957 was multiplied by 1.02041 and revised to \$11,181 (rounded to the nearest dollar).
- For this final rule in 2020, where the applicable inflation factor in 2018 was 1.02522 and the current applicable inflation factor is 1.01764, the existing penalty of \$11,181 is multiplied by 1.02522 and 1.01764 and revised to \$11,665 (rounded to the nearest dollar).

This rule adjusts for inflation civil monetary penalties within the jurisdiction of the Department of Justice for purposes of the Inflation Adjustment Act, as amended. Other agencies are responsible for the inflation adjustments of certain other civil monetary penalties that the Department's litigating components bring suit to collect. The reader should consult the regulations of those other agencies for inflation adjustments to those penalties.

III. Effective Date of Adjusted Civil Penalty Amounts

Under this rule, the adjusted civil penalty amounts are applicable only to civil penalties assessed after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], with respect to violations occurring after November 2, 2015, the date of enactment of the BBA.

The penalty amounts set forth in the existing table in 28 CFR 85.5 are applicable to civil penalties assessed after August 1, 2016, and on or before the effective date of this rule, with respect to violations occurring after November 2, 2015. Civil penalties for violations occurring on or before November 2, 2015, and assessments made on or before August 1, 2016, will continue to be subject to the civil monetary penalty amounts set forth in the Department's regulations in 28 CFR parts 20, 22, 36, 68, 71, 76, and 85 as such regulations were in effect prior to August 1, 2016 (or as set forth by statute if the amount had not yet been adjusted by regulation prior to August 1, 2016).

This rule also contains inflation adjustments for two penalties which were enacted by the SUPPORT for Patients and Communities Act, Public Law 115-271 (Oct. 24, 2018), subsequent to publication of the Department's 2018 civil monetary penalty inflation adjustment rule.

IV. Statutory and Regulatory Analyses

A. Administrative Procedure Act

The BBA provides that, for each annual adjustment made after the initial adjustments of civil penalties in 2016, the head of an agency shall adjust the civil monetary penalties each year notwithstanding 5 U.S.C. 553. Accordingly, this rule is being issued as a final rule without prior notice and public comment, and without a delayed effective date.

B. Regulatory Flexibility Act

Only those entities that are determined to have violated Federal law and regulations would be affected by the increase in the civil penalty amounts made by this rule. A Regulatory Flexibility Act analysis is not required for this rule because publication of a notice of proposed rulemaking was not required. *See* 5 U.S.C. 603(a).

C. Executive Orders 12866 and 13563 – Regulatory Review

This final rule has been drafted in accordance with Executive Order 12866, “Regulatory Planning and Review,” section 1(b), The Principles of Regulation, and in accordance with Executive Order 13563, “Improving Regulation and Regulatory Review,” section 1, General Principles of Regulation. Executive Orders 12866 and 13563 direct agencies, in certain circumstances, to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity).

The Department of Justice has determined that this rule is not a “significant regulatory action” under Executive Order 12866, “Regulatory Planning and Review,” section 3(f), and, accordingly, this rule has not been reviewed by the Office of Management and Budget. This final rule implements the BBA by making an across-the-board adjustment of the civil penalty amounts in 28 CFR 85.5 to account for inflation since the adoption of the Department’s final rule published on January 29, 2018.

D. Executive Order 13132 – Federalism

This rule will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this rule does not have sufficient federalism

implications to warrant the preparation of a Federalism Assessment.

E. Executive Order 12988 – Civil Justice Reform

This regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988.

F. Unfunded Mandates Reform Act of 1995

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

G. Congressional Review Act

This rule is not a major rule as defined by the Congressional Review Act, 5 U.S.C. 804. It will not result in an annual effect on the economy of \$100 million or more; a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets.

List of Subjects

28 CFR Part 85

Administrative practice and procedure, Penalties.

Accordingly, for the reasons set forth in the preamble, chapter I of Title 28 of the Code of Federal Regulations is amended as follows:

PART 85—CIVIL MONETARY PENALTIES INFLATION ADJUSTMENT

1. The authority citation for part 85 continues to read as follows:

Authority: 5 U.S.C. 301, 28 U.S.C. 503; Pub. L. 101-410, 104 Stat. 890, as amended

by Pub. L. 104-134, 110 Stat. 1321; Pub. L. 114-74, section 701, 28 U.S.C. 2461 note.

2. Revise § 85.5 to read as follows:

§ 85.5 Adjustments to penalties for violations occurring after November 2, 2015.

For civil penalties assessed after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], whose associated violations occurred after November 2, 2015, the civil monetary penalties provided by law within the jurisdiction of the Department are adjusted as set forth in the seventh column of the following table. For civil penalties assessed after January 29, 2018, and on or before [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER], whose associated violations occurred after November 2, 2015, the civil monetary penalties provided by law within the jurisdiction of the Department are those set forth in the sixth column of table 1 to this section. For civil penalties assessed after February 3, 2017, and on or before January 29, 2018, whose associated violations occurred after November 2, 2015, the civil monetary penalties provided by law within the jurisdiction of the Department are those set forth in the fifth column of table 1 to this section. For civil penalties assessed after August 1, 2016, and on or before February 3, 2017, whose associated violations occurred after November 2, 2015, the civil monetary penalties provided by law within the jurisdiction of the Department are those set forth in the fourth column of table 1 to this section. All figures set forth in this table are maximum penalties, unless otherwise indicated.

Table 1 to § 85.5

U.S.C. citation	Name/ description	CFR citation	DOJ penalty assessed after 8/1/16 (\$)	DOJ penalty assessed after 2/3/17 (\$)	DOJ penalty assessed after 1/29/2018 (\$) FN1	DOJ penalty assessed after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] (\$) FN2
ATF						
18 U.S.C. 922(t)(5)	Brady Law—Nat'l Instant Criminal Check System; Transfer of firearm without checking NICS		8,162	8,296	8,465	8,831
18 U.S.C. 924(p)	Child Safety Lock Act; Secure gun storage or safety device, violation		2,985	3,034	3,096	3,230
Civil Division						
12 U.S.C. 1833a(b)(1)	Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) Violation	28 CFR 85.3(a)(6)	1,893,610	1,924,589	1,963,870	2,048,915
12 U.S.C. 1833a(b)(2)	FIRREA Violation (continuing) (per day)	28 CFR 85.3(a)(7)	1,893,610	1,924,589	1,963,870	2,048,915
12 U.S.C. 1833a(b)(2)	FIRREA Violation (continuing)	28 CFR 85.3(a)(7)	9,468,050	9,622,947	9,819,351	10,244,577
22 U.S.C. 2399b(a)(3)(A)	Foreign Assistance Act; Fraudulent Claim for Assistance (per act)	28 CFR 85.3(a)(8)	5,500	5,590	5,704	5,951
31 U.S.C. 3729(a)	False Claims Act; FN3 Violations	28 CFR 85.3(a)(9)	Min 10,781, Max 21,563	Min 10,957, Max 21,916	Min 11,181, Max 22,363	Min 11,665, Max 23,331
31 U.S.C. 3802(a)(1)	Program Fraud Civil Remedies Act; Violations Involving False Claim (per claim)	28 CFR 71.3(a)	10,781	10,957	11,181	11,665

31 U.S.C. 3802(a)(2)	Program Fraud Civil Remedies Act; Violation Involving False Statement (per statement)	28 CFR 71.3(f)	10,781	10,957	11,181	11,665
40 U.S.C. 123(a)(1)(A)	Federal Property and Administrative Services Act; Violation Involving Surplus Government Property (per act)	28 CFR 85.3(a)(12)	5,500	5,590	5,704	5,951
41 U.S.C. 8706(a)(1)(B)	Anti-Kickback Act; Violation Involving Kickbacks FN4 (per occurrence)	28 CFR 85.3(a)(13)	21,563	21,916	22,363	23,331
18 U.S.C. 2723(b)	Driver's Privacy Protection Act of 1994; Prohibition on Release and Use of Certain Personal Information from State Motor Vehicle Records—Substantial Non-compliance (per day)		7,954	8,084	8,249	8,606
18 U.S.C. 216(b)	Ethics Reform Act of 1989; Penalties for Conflict of Interest Crimes FN5 (per violation)	28 CFR 85.3(c)	94,681	96,230	98,194	102,446
41 U.S.C. 2105(b)(1)	Office of Federal Procurement Policy Act; FN6 Violation by an individual (per violation)		98,935	100,554	102,606	107,050
41 U.S.C. 2105(b)(2)	Office of Federal Procurement Policy Act; FN6 Violation by an organization (per violation)		989,345	1,005,531	1,026,054	1,070,487
42 U.S.C. 5157(d)	Disaster Relief Act of 1974; FN7 Violation (per violation)		12,500	12,705	12,964	13,525
Civil Rights Division (excluding immigration-related penalties)						
18 U.S.C. 248(c)(2)(B)(i)	Freedom of Access to Clinic Entrances Act of 1994 ("FACE Act"); Nonviolent physical	28 CFR 85.3(b)(1)(i)	15,909	16,169	16,499	17,161

	obstruction, first violation					
18 U.S.C. 248(c)(2)(B)(ii)	FACE Act; Nonviolent physical obstruction, subsequent violation	28 CFR 85.3(b)(1)(ii)	23,863	24,253	24,748	25,820
18 U.S.C. 248(c)(2)(B)(i)	FACE Act; Violation other than a nonviolent physical obstruction, first violation	28 CFR 85.3(b)(2)(i)	23,863	24,253	24,748	25,820
18 U.S.C. 248(c)(2)(B)(ii)	FACE Act; Violation other than a nonviolent physical obstruction, subsequent violation	28 CFR 85.3(b)(2)(ii)	39,772	40,423	41,248	43,034
42 U.S.C. 3614(d)(1)(C)(i)	Fair Housing Act of 1968; first violation	28 CFR 85.3(b)(3)(i)	98,935	100,554	102,606	107,050
42 U.S.C. 3614(d)(1)(C)(ii)	Fair Housing Act of 1968; subsequent violation	28 CFR 85.3(b)(3)(ii)	197,869	201,106	205,211	214,097
42 U.S.C. 12188(b)(2)(C)(i)	Americans With Disabilities Act; Public accommodations for individuals with disabilities, first violation	28 CFR 36.504(a)(3)(i)	89,078	90,535	92,383	96,384
42 U.S.C. 12188(b)(2)(C)(ii)	Americans With Disabilities Act; Public accommodations for individuals with disabilities, subsequent violation	28 CFR 36.504(a)(3)(ii)	178,156	181,071	184,767	192,768
50 U.S.C. 4041(b)(3)	Servicemembers Civil Relief Act of 2003; first violation	28 CFR 85.3(b)(4)(i)	59,810	60,788	62,029	64,715
50 U.S.C. 4041(b)(3)	Servicemembers Civil Relief Act of 2003; subsequent violation	28 CFR 85.3(b)(4)(ii)	119,620	121,577	124,058	129,431
Criminal Division						
18 U.S.C. 983(h)(1)	Civil Asset Forfeiture Reform Act of 2000; Penalty for Frivolous Assertion of Claim		Min 342, Max 6,834	Min 348, Max 6,946	Min 355, Max 7,088	Min 370, Max 7,395
18 U.S.C. 1956(b)	Money Laundering Control Act of 1986; Violation FN8		21,563	21,916	22,363	23,331
DEA						

21 U.S.C. 844a(a)	Anti-Drug Abuse Act of 1988; Possession of small amounts of controlled substances (per violation)	28 CFR 76.3(a)	19,787	20,111	20,521	21,410
21 U.S.C. 961(1)	Controlled Substance Import Export Act; Drug abuse, import or export	28 CFR 85.3(d)	68,750	69,875	71,301	74,388
21 U.S.C. 842(c)(1)(A)	Controlled Substances Act (“CSA”); Violations of 842(a)—other than (5), (10), (16), and (17)—Prohibited acts re: controlled substances (per violation)		62,500	63,523	64,820	67,627
21 U.S.C. 842(c)(1)(B)(i)	CSA; Violations of 842(a)(5), (10), and (17)—Prohibited acts re: controlled substances		14,502	14,739	15,040	15,691
21 USC 842(c)(1)(B)(ii)	SUPPORT for Patients and Communities Act; Violations of 842(b)(ii)—Failures re: opioids		-----	-----	100,000 (Statutory amount of new penalty enacted 10/24/18) FN11	101,764
21 U.S.C. 842(c)(1)(C)	CSA; Violation of 825(e) by importer, exporter, manufacturer, or distributor—False labeling of anabolic steroids (per violation)		500,855	509,049	519,439	541,933
21 U.S.C. 842(c)(1)(D)	CSA; Violation of 825(e) at the retail level—False labeling of anabolic steroids (per violation)		1,002	1,018	1,039	1,084
21 U.S.C. 842(c)(2)(C)	CSA; Violation of 842(a)(11) by a business—Distribution of laboratory supply with reckless		375,613	381,758	389,550	406,419

	disregard FN9					
21 USC 842(c)(2)(D)	SUPPORT for Patients and Communities Act; Violations of 842(a)(5), (10), and (17) by a registered manufacturer or distributor of opioids. Failures re: opioids		-----	-----	500,000 (Statutory amount of new penalty enacted 10/24/18) FN11	508,820
21 U.S.C. 856(d)	Illicit Drug Anti-Proliferation Act of 2003; Maintaining drug-involved premises FN10		321,403	326,661	333,328	374,763
Immigration-Related Penalties						
8 U.S.C. 1324a(e)(4)(A)(i)	Immigration Reform and Control Act of 1986 (“IRCA”); Unlawful employment of aliens, first order (per unauthorized alien)	28 CFR 68.52(c)(1)(i)	Min 539, Max 4,313	Min 548, Max 4,384	Min 559, Max 4,473	Min 583, Max 4,667
8 U.S.C. 1324a(e)(4)(A)(ii)	IRCA; Unlawful employment of aliens, second order (per such alien)	28 CFR 68.52(c)(1)(ii)	Min 4,313, Max 10,781	Min 4,384, Max 10,957	Min 4,473, Max 11,181	Min 4,667, Max 11,665
8 U.S.C. 1324a(e)(4)(A)(iii)	IRCA; Unlawful employment of aliens, subsequent order (per such alien)	28 CFR 68.52(c)(1)(iii)	Min 6,469, Max 21,563	Min 6,575, Max 21,916	Min 6,709, Max 22,363	Min 6,999, Max 23,331
8 U.S.C. 1324a(e)(5)	IRCA; Paperwork violation (per relevant individual)	28 CFR 68.52(c)(5)	Min 216, Max 2,156	Min 220, Max 2,191	Min 224, Max 2,236	Min 234, Max 2,332
8 U.S.C. 1324a, (note)	IRCA; Violation relating to participating employer’s failure to notify of final nonconfirmation of employee’s employment eligibility (per relevant individual)	28 CFR 68.52(c)(6)	Min 751, Max 1,502	Min 763, Max 1,527	Min 779, Max 1,558	Min 813, Max 1,625
8 U.S.C. 1324a(g)(2)	IRCA; Violation/prohibition of indemnity bonds (per violation)	28 CFR 68.52(c)(7)	2,156	2,191	2,236	2,332

8 U.S.C. 1324b(g)(2)(B)(iv)(I)	IRCA; Unfair immigration-related employment practices, first order (per individual discriminated against)	28 CFR 68.52(d)(1)(viii)	Min 445, Max 3,563	Min 452, Max 3,621	Min 461, Max 3,695	Min 481, Max 3,855
8 U.S.C. 1324b(g)(2)(B)(iv)(II)	IRCA; Unfair immigration-related employment practices, second order (per individual discriminated against)	28 CFR 68.52(d)(1)(ix)	Min 3,563, Max 8,908	Min 3,621, Max 9,054	Min 3,695, Max 9,239	Min 3,855, Max 9,639
8 U.S.C. 1324b(g)(2)(B)(iv)(III)	IRCA; Unfair immigration-related employment practices, subsequent order (per individual discriminated against)	28 CFR 68.52(d)(1)(x)	Min 5,345, Max 17,816	Min 5,432, Max 18,107	Min 5,543, Max 18,477	Min 5,783, Max 19,277
8 U.S.C. 1324b(g)(2)(B)(iv)(IV)	IRCA; Unfair immigration-related employment practices, unfair documentary practices (per individual discriminated against)	28 CFR 68.52(d)(1)(xii)	Min 178, Max 1,782	Min 181, Max 1,811	Min 185, Max 1,848	Min 193, Max 1,928
8 U.S.C. 1324c(d)(3)(A)	IRCA; Document fraud, first order—for violations described in U.S.C. 1324c(a)(1)–(4) (per document)	28 CFR 68.52(e)(1)(i)	Min 445, Max 3,563	Min 452, Max 3,621	Min 461, Max 3,695	Min 481, Max 3,855
8 U.S.C. 1324c(d)(3)(B)	IRCA; Document fraud, subsequent order—for violations described in U.S.C. 1324c(a)(1)–(4) (per document)	28 CFR 68.52(e)(1)(iii)	Min 3,563, Max 8,908	Min 3,621, Max 9,054	Min 3,695, Max 9,239	Min 3,855, Max 9,639
8 U.S.C. 1324c(d)(3)(A)	IRCA; Document fraud, first order—for violations described in U.S.C. 1324c(a)(5)–(6) (per document)	28 CFR 68.52(e)(1)(ii)	Min 376, Max 3,005	Min 382, Max 3,054	Min 390, Max 3,116	Min 407, Max 3,251
8 U.S.C. 1324c(d)(3)(B)	IRCA; Document fraud, subsequent order—for violations described in U.S.C. 1324c(a)(5)–(6) (per document)	28 CFR 68.52(e)(1)(iv)	Min 3,005, Max 7,512	Min 3,054, Max 7,635	Min 3,116, Max 7,791	Min 3,251, Max 8,128

FBI						
49 U.S.C. 30505(a)	National Motor Vehicle Title Identification System; Violation (per violation)		1,591	1,617	1,650	1,722
Office of Justice Programs						
34 U.S.C. 10231(d)	Confidentiality of information; State and Local Criminal History Record Information Systems— Right to Privacy Violation	28 CFR 20.25	27,500	27,950	28,520	29,755

¹ The figures set forth in this column represent the penalty as last adjusted by Department of Justice regulation on January 29, 2018.

² All figures set forth in this table are maximum penalties, unless otherwise indicated.

³ Section 3729(a)(1) of Title 31 provides that any person who violates this section is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 1990, plus 3 times the amount of damages which the Government sustains because of the act of that person. 31 U.S.C. 3729(a)(1) (2015). Section 3729(a)(2) permits the court to reduce the damages under certain circumstances to not less than 2 times the amount of damages which the Government sustains because of the act of that person. *Id.* section 3729(a)(2). The adjustment made by this regulation is only applicable to the specific statutory penalty amounts stated in subsection (a)(1), which is only one component of the civil penalty imposed under section 3729(a)(1).

⁴ Section 8706(a)(1) of Title 41 provides that the Federal Government in a civil action may recover from a person that knowingly engages in conduct prohibited by section 8702 of Title 44 a civil penalty equal to twice the amount of each kickback involved in the violation and not more than \$10,000 for each occurrence of prohibited conduct. 41 U.S.C. 8706(a)(1) (2015). The adjustment made by this regulation is only applicable to the specific statutory penalty amount stated in subsection (a)(1)(B), which is only one component of the civil penalty imposed under section 8706.

⁵ Section 216(b) of Title 18 provides that the civil penalty should be no more than \$50,000 for each violation or the amount of compensation which the person received or offered for the prohibited conduct, whichever amount is greater. 18 U.S.C. 216(b) (2015). Therefore, the adjustment made by this regulation is only applicable to the specific statutory penalty amount stated in subsection (b), which is only one aspect of the possible civil penalty imposed under section 216(b).

⁶ Section 2105(b) of Title 41 provides that the Attorney General may bring a civil action in an appropriate district court of the United States against a person that engages in conduct that violates section 2102, 2103, or 2104 of Title 41. 41 U.S.C. 2105(b) (2015). Section 2105(b) further provides that on proof of that conduct by a preponderance of the evidence, an individual is liable to the Federal Government for a civil penalty of not more than \$50,000 for each violation plus twice the amount of compensation that the individual received or offered for the prohibited conduct, and an organization is liable to the Federal Government for a civil penalty of not more than \$500,000 for each violation plus twice the amount of compensation that the organization received or offered for the prohibited conduct. *Id.* section 2105(b). The adjustments made by this regulation are only applicable to the specific statutory penalty amounts stated in subsections (b)(1) and (b)(2), which are each only one component of the civil penalties imposed under sections 2105(b)(1) and (b)(2).

⁷ The Attorney General has authority to bring a civil action when a person has violated or is about to violate a provision under this statute. 42 U.S.C. 5157(b) (2015). The Federal Emergency Management Agency has promulgated regulations regarding this statute and has adjusted the penalty in its regulation. 44 CFR 206.14(d) (2015). The Department of Health and Human Services (HHS) has also promulgated a regulation regarding the penalty under this statute. 42 CFR 38.8 (2015).

⁸ Section 1956(b)(1) of Title 18 provides that whoever conducts or attempts to conduct a transaction described in subsection (a)(1) or (a)(3), or section 1957, or a transportation, transmission, or transfer described in subsection (a)(2), is liable to the United States for a civil penalty of not more than the greater of the value of the property, funds, or monetary instruments involved in the transaction; or \$10,000. 18 U.S.C. 1956(b)(1) (2015). The adjustment made by this regulation is only applicable to the specific statutory penalty amount stated in subsection (b)(1)(B), which is only one aspect of the possible civil penalty imposed under section 1956(b).

⁹ Section 842(c)(2)(C) of Title 21 provides that in addition to the penalties set forth elsewhere in the subchapter or subchapter II of the chapter, any business that violates paragraph (11) of subsection (a) of the section shall, with respect to the first such violation, be subject to a civil penalty of not more than \$250,000, but shall not be subject to criminal penalties under the section, and shall, for any succeeding violation, be subject to a civil fine of not more than \$250,000 or double the last previously imposed penalty, whichever is greater. 21 U.S.C. 842(c)(2)(C) (2015). The adjustment made by this regulation regarding the penalty for a succeeding violation is only applicable to the specific statutory penalty amount stated in subsection (c)(2)(C), which is only one aspect of the possible civil penalty for a succeeding violation imposed under section 842(c)(2)(C).

¹⁰ Section 856(d)(1) of Title 21 provides that any person who violates subsection (a) of the section shall be subject to a civil penalty of not more than the greater of \$250,000; or 2 times the gross receipts, either known or estimated, that were derived from each violation that is attributable to the person. 21 U.S.C. 856(d)(1) (2015). The adjustment made by this regulation is only applicable to the specific statutory penalty amount stated in subsection (d)(1)(A), which is only one aspect of the possible civil penalty imposed under section 856(d)(1).

¹¹ The SUPPORT for Patients and Communities Act, Pub. L. 115-271, was enacted October 24, 2018.

Dated: May 13, 2020.

William P. Barr
Attorney General

[FR Doc. 2020-10905 Filed: 6/18/2020 8:45 am; Publication Date: 6/19/2020]