

U.S. Customs and Border Protection



NOTICE OF ISSUANCE OF FINAL DETERMINATION CONCERNING CERTAIN NETWORK CABLES AND TRANSCEIVERS

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of final determination.

SUMMARY: This document provides notice that U.S. Customs and Border Protection (“CBP”) has issued a final determination concerning the country of origin of certain transceivers imported separately and certain imported network cables containing transceivers. Based upon the facts presented, CBP has concluded in both instances that the country of origin of the merchandise is China for purposes of U.S. Government procurement.

DATES: The final determination was issued on June 14, 2016. A copy of the final determination is attached. Any party-at-interest, as defined in 19 CFR 177.22(d), may seek judicial review of this final determination within August 1, 2016.

FOR FURTHER INFORMATION CONTACT: Grace A. Kim, Valuation and Special Programs Branch, Regulations and Rulings, Office of International Trade (202) 325–7941.

SUPPLEMENTARY INFORMATION: Notice is hereby given that on June 14, 2016, pursuant to subpart B of Part 177, U.S. Customs and Border Protection Regulations (19 CFR part 177, subpart B), CBP issued a final determination concerning the country of origin of certain network cables and transceivers, which may be offered to the U.S. Government under an undesignated government procurement contract. This final determination, HQ H273091, was issued under procedures set forth at 19 CFR part 177, subpart B, which implements Title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2511–18). In the final determination, CBP concluded that the processing of the imported merchandise in the U.S. does not result in a substantial transformation. Therefore, the country of origin of the transceivers

and of the network cables containing transceivers is China for purposes of U.S. Government procurement.

Section 177.29, CBP Regulations (19 CFR 177.29), provides that a notice of final determination shall be published in the **Federal Register** within 60 days of the date the final determination is issued. Section 177.30, CBP Regulations (19 CFR 177.30), provides that any party-at-interest, as defined in 19 CFR 177.22(d), may seek judicial review of a final determination within 30 days of publication of such determination in the **Federal Register**.

Dated: June 14, 2016.

JOANNE R. STUMP
*Acting Executive Director,
Regulations and Rulings,
Office of International Trade.*

Attachment

HQ H273091

June 14, 2016

OT:RR:CTF:VS H273091 GaK

CATEGORY: Origin

JANET C. WALLETT
FCI USA LLC.
825 OLD TRAIL ROAD
ETTERS, PA 17319

RE: U.S. Government Procurement; Country of origin of copper cables containing transceivers and of the fiber optic transceiver; Substantial Transformation

DEAR Ms. WALLETT:

This is in response to your letter dated January 6, 2016, requesting a final determination on behalf of FCI USA LLC (“FCI”), pursuant to subpart B of part 177 of the U.S. Customs & Border Protection (“CBP”) Regulations (19 CFR part 177). Under these regulations, which implement Title III of the Trade Agreements Act of 1979 (“TAA”), as amended (19 U.S.C. § 2511 *et seq.*), CBP issues country of origin advisory rulings and final determinations as to whether an article is or would be a product of a designated country or instrumentality for the purposes of granting waivers of certain “Buy American” restrictions in U.S. law or practice for products offered for sale to the U.S. Government. This final determination concerns the country of origin of FCI’s Copper Direct Attach Copper (“DAC”) cable—HPL500 (“Cable”) and Fiber Optic Transceivers—HPL512 (“Transceivers”). We note that as a U.S. importer, FCI is a party-at-interest within the meaning of 19 CFR § 177.22(d)(1) and is entitled to request this final determination.

FACTS:

Cable

The Cable is a copper 10 gigabit Ethernet cable containing an active or passive Twinax (twinaxial) cable assembly. The Cable is used to connect routers and switches in data centers. Each end of the Cable has a small form-factor pluggable (“SFP+”), which connects directly into a SFP+ housing. SFP+ is a compact, hot-pluggable transceiver used for telecommunication and data communications applications. SFP+ is designed to interface with a network device motherboard switch, router, media converter, or similar device and to connect that device to a fiber optic or copper networking cable. The SFP+ contains an EEPROM chip.

All of the Cable hardware components are of Chinese origin, assembled in China and imported into the U.S. The software development process starts with research, eighty percent in the U.S. and twenty percent in China. Then development of a graphical user interface, development and writing of software specifications and architecture, programming of source code, software build, and testing and validation are conducted in China. FCI states that the Cable is completely non-functional as a network accessory at the time of importation. After importation, FCI’s proprietary software is downloaded onto the EEPROM chip.

Transceiver

The Transceiver is referred to as a fiber optic transmitter and receiver, and is used for photoelectric conversion. The transmitter end of the Transceiver takes in and converts the electric signal into light; then the receiver end converts the light signal into an electrical signal. Both the receiver and the transmitter ends have their own circuitry and can handle transmissions in both directions.

A Chinese origin printed circuit board assembly (“PCBA”) is imported into the U.S. and German firmware is downloaded in the U.S. The German firmware is “compiled” (process that converts the written program into an executable program) in the U.S. The PCBA is exported to China and built up to a Transceiver with all Chinese origin components. The manufacturing process in China also includes defining and optimizing the values of the PCBA, which is described as specific values for tuning the amplifiers and drivers for each individual PCBA. The Transceiver is imported into the U.S. In the U.S., FCI downloads the proprietary software that enables the Transceiver to function as intended. The proprietary software downloaded onto the Transceivers is developed in Germany (research, development of a graphical user interface, development and writing of software specifications and architecture, programming of source code, software build, and testing and validation).

ISSUE:

What is the country of origin of the Cable and Transceivers for purposes of U.S. Government procurement?

LAW AND ANALYSIS:

Pursuant to Subpart B of Part 177, 19 CFR § 177.21 *et seq.*, which implements Title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. § 2511 *et seq.*), CBP issues country of origin advisory rulings and final determinations as to whether an article is or would be a product of a designated country or instrumentality for the purposes of granting waivers of certain “Buy American” restrictions in U.S. law or practice for products offered for sale to the U.S. Government.

Under the rule of origin set forth under 19 U.S.C. § 2518(4)(B):

An article is a product of a country or instrumentality only if (i) it is wholly the growth, product, or manufacture of that country or instrumentality, or (ii) in the case of an article which consists in whole or in part of materials from another country or instrumentality, it has been substantially transformed into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was so transformed.

See also 19 CFR § 177.22(a).

In rendering advisory rulings and final determinations for purposes of U.S. government procurement, CBP applies the provisions of subpart B of part 177 consistent with the Federal Acquisition Regulations. *See* 19 CFR § 177.21. In this regard, CBP recognizes that the Federal Acquisition Regulations restrict the U.S. Government’s purchase of products to U.S.-made or designated country end products for acquisitions subject to the TAA. *See* 48 CFR § 25.403(c)(1). The Federal Acquisition Regulations define “U.S.-made end product” as:

...an article that is mined, produced, or manufactured in the United States or that is substantially transformed in the United States into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was transformed.

48 CFR § 25.003.

In *Data General v. United States*, 4 Ct. Int'l Trade 182 (1982), the court determined that for purposes of determining eligibility under item 807.00, Tariff Schedules of the United States (predecessor to subheading 9802.00.80, Harmonized Tariff Schedule of the United States), the programming of a foreign PROM (Programmable Read-Only Memory chip) in the United States substantially transformed the PROM into a U.S. article. In programming the imported PROMs, the U.S. engineers systematically caused various distinct electronic interconnections to be formed within each integrated circuit. The programming bestowed upon each circuit its electronic function, that is, its "memory" which could be retrieved. A distinct physical change was effected in the PROM by the opening or closing of the fuses, depending on the method of programming. This physical alteration, not visible to the naked eye, could be discerned by electronic testing of the PROM. The court noted that the programs were designed by a U.S. project engineer with many years of experience in "designing and building hardware." In addition, the court noted that while replicating the program pattern from a "master" PROM may be a quick one-step process, the development of the pattern and the production of the "master" PROM required much time and expertise. The court noted that it was undisputed that programming altered the character of a PROM. The essence of the article, its interconnections or stored memory, was established by programming. The court concluded that altering the non-functioning circuitry comprising a PROM through technological expertise in order to produce a functioning read only memory device, possessing a desired distinctive circuit pattern, was no less a "substantial transformation" than the manual interconnection of transistors, resistors and diodes upon a circuit board creating a similar pattern.

In *Texas Instruments v. United States*, 681 F.2d 778, 782 (CCPA 1982), the court observed that the substantial transformation issue is a "mixed question of technology and customs law."

In C.S.D. 84-85, 18 Cust. B. & Dec. 1044, CBP stated: We are of the opinion that the rationale of the court in the Data General case may be applied in the present case to support the principle that the essence of an integrated circuit memory storage device is established by programming; . . . [W]e are of the opinion that the programming (or reprogramming) of an EPROM results in a new and different article of commerce which would be considered to be a product of the country where the programming or reprogramming takes place.

Accordingly, the programming of a device that confers its identity as well as defines its use generally constitutes substantial transformation. *See also* Headquarters Ruling Letter ("HQ") 558868, dated February 23, 1995 (programming of SecureID Card substantially transformed the card because it gave the card its character and use as part of a security system and the programming was a permanent change that could not be undone); HQ 735027, dated September 7, 1993 (programming blank media (EEPROM)

with instructions that allowed it to perform certain functions that prevented piracy of software constituted substantial transformation); and, HQ 733085, dated July 13, 1990; *but see* HQ 732870, dated March 19, 1990 (formatting a blank diskette did not constitute substantial transformation because it did not add value, did not involve complex or highly technical operations and did not create a new or different product); and, HQ 734518, dated June 28, 1993, (motherboards were not substantially transformed by the implanting of the central processing unit on the board because, whereas in *Data General* use was being assigned to the PROM, the use of the motherboard had already been determined when the importer imported it).

The hardware components of the Cable are all Chinese origin and assembled in China. While eighty percent of the research conducted to develop the proprietary software is done in the U.S. and twenty percent is done in China, all other development processes are conducted in China. CBP has held that the country of origin of a software was determined by the country where the object code was created, software executable files were made, source code was programmed, and testing and validation were conducted. *See* HQ H243606, dated December 4, 2013. Therefore, since the entire development and writing of software specifications, programming of source code, and software build occur in China, the country of origin of FCI's proprietary software is China.

CBP has considered several cases dealing with country of origin of electronic products that are manufactured abroad and imported into the U.S. for software download. In HQ H034843, dated May 5, 2009, CBP held that USB flash drives were products of Israel because, though the assembly process began in China, the software and firmware were developed in Israel, and the installation and customization of the firmware and software that took place in Israel made the USB flash drives functional, permitted them to execute their security features, and increased their value. In HQ H175415, dated October 4, 2011, CBP held that Ethernet switches were products of the U.S. because, though the hardware components were fully assembled into Ethernet switches in China, they were programmed with U.S.-origin operating software enabling them to interact and route within the network, and to monitor, secure, and access control of the network.

In HQ H241177, dated December 3, 2013, Ethernet switches were assembled to completion in Malaysia and then shipped to Singapore, where U.S.-origin software was downloaded onto the switches. CBP found that software downloading did not amount to programming, which involved writing, testing and implementing code necessary to make the computer function a certain way. *See also* HQ H240199, dated March 10, 2015 (notebook computer was not substantially transformed when the computer was assembled in Country A, imported into Country F, and Country D-origin BIOS was downloaded). CBP concluded in HQ H241177, that the software downloading performed in Singapore did not amount to programming and that the country of origin was Malaysia, where the last substantial transformation occurred.

In this case, the Cable is fully assembled in China and imported into the U.S., and in its imported condition, it is completely non-functional. The Chinese proprietary software enables the Cable to function as intended. Without the proprietary software, the Cable cannot function as a network device in any capacity. However, downloading does not amount to program-

ming. *See* HQ H241177, *supra*. Here, the software is developed in China and the download occurs in the U.S. Given these facts, we find that the country where the last substantial transformation occurs is China, that is, where the major assembly processes are performed and the software was developed. The country of origin of the Cable for purposes of U.S. Government procurement is China.

The manufacturing process for the Transceivers is similar to the Cable. The Transceiver is fully assembled in China and imported into the U.S., and in its imported condition, it is completely non-functional. The German software is downloaded and enables the Transceiver to function as intended. As stated above, and in accordance with HQ H241177, downloading does not amount to programming and the Transceiver is not substantially transformed in the U.S. Given these facts, we find that the country where the last substantial transformation occurs is China, where the major assembly processes are performed. The country of origin of the Transceiver for purposes of U.S. Government procurement is China.

HOLDING:

Based on the facts in this case, we find that the last substantial transformation of the Cable and Transceiver occurs in China. As such, the Cable and Transceiver will be considered products of China for purposes of U.S. Government procurement.

Notice of this final determination will be given in the **Federal Register**, as required by 19 CFR § 177.29. Any party-at-interest other than the party which requested this final determination may request, pursuant to 19 CFR § 177.31, that CBP reexamine the matter anew and issue a new final determination. Pursuant to 19 CFR § 177.30, any party-at-interest may, within 30 days of publication of the **Federal Register** Notice referenced above, seek judicial review of this final determination before the Court of International Trade.

Sincerely,

JOANNE R. STUMP,
*Acting Executive Director,
Regulations and Rulings,
Office of International Trade*

[Published in the Federal Register, July 01, 2016 (81 FR 43219)]

19 CFR Part 149

[USCBP-2016-0040]

RIN 1651-AA98

**DEFINITION OF IMPORTER SECURITY FILING
IMPORTER**

AGENCY: U.S. Customs and Border Protection, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Importer Security Filing and Additional Carrier Requirements regulations were implemented in 2009 as an interim final rule to improve CBP's ability to identify high-risk shipments in order to prevent smuggling and improve cargo safety and security. These regulations require certain cargo information to be submitted to CBP via an Importer Security Filing (ISF) before the cargo is loaded on a vessel that is destined to the United States. These regulations fulfill the requirements of section 203 of the SAFE Port Act of 2006 and section 343 of the Trade Act of 2002, as amended by the Maritime Transportation Security Act of 2002. The ISF Importer is the party that is required to file the ISF. This notice of proposed rulemaking (NPRM) proposes to expand the definition of ISF Importer for certain types of shipments to ensure that the party that has the best access to the required information will be the party that is responsible for filing the ISF.

DATES: Comments must be received on or before September 6, 2016.

FOR FURTHER INFORMATION CONTACT: Peyman Jamshidi, Program Manager, Vessel Manifest and Importer Security Filing, Office of Cargo and Conveyance Security, Office of Field Operations by email at: *PEYMAN.JAMSHIDI@cbp.dhs.gov*.

ADDRESSES: You may submit comments, identified by docket number, by one of the following methods:

- *Federal eRulemaking Portal:* *www.regulations.gov*. Follow the instructions for submitting comments via docket number US-CBP-2016-0040.
- *Mail:* Border Security Regulations Branch, Regulations and Rulings, Office of International Trade, U.S. Customs and Border Protection, 90 K Street NE., 10th Floor, Washington, DC 20229-1177.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to *http://www.regulations.gov*, including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the "Public Participation" heading of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: For access to the docket to read background documents or comments received, go to *http://www.regulations.gov*. Submitted comments may also be inspected during regular business days be-

tween the hours of 9:00 a.m. and 4:30 p.m. at the Office of International Trade, Regulations and Rulings, U.S. Customs and Border Protection, 90 K Street NE., 10th Floor, Washington, DC 20229-1177. Arrangements to inspect submitted comments should be made in advance by calling Mr. Joseph Clark at (202) 325-0118.

SUPPLEMENTARY INFORMATION:

Background

After the terrorist attacks on September 11, 2001, CBP amended its regulations to require vessel carriers to electronically submit certain advance cargo information, including cargo declarations, to CBP no later than 24 hours before the cargo is laden aboard a vessel at a foreign port. *See* 19 CFR 4.7 and 4.7a. The rule was published in the **Federal Register** (67 FR 66318) on October 31, 2002. Its purpose was to enable CBP to identify high-risk cargo before the vessel arrived in the United States.

Section 203 of the Security and Accountability for Every Port Act of 2006 (Pub. L. 109-347, 120 Stat. 1884 (SAFE Port Act)) directed the Secretary of Homeland Security, acting through the Commissioner of CBP, to promulgate regulations to “require the electronic transmission to the Department [of Homeland Security] of additional data elements for improved high-risk targeting, including appropriate security elements of entry data, as determined by the Secretary, to be provided as advanced information with respect to cargo destined for importation into the United States prior to loading of such cargo on vessels at foreign seaports.” Pursuant to this Act, and section 343(a) of the Trade Act of 2002 (19 U.S.C. 2071 note), CBP published an NPRM in the **Federal Register** on January 2, 2008 (73 FR 90), proposing to require importers and carriers to submit additional information pertaining to maritime cargo before the cargo is loaded on a vessel that is destined to the United States. The trade gave the proposed rule the shorthand name “10 + 2”, which references the number of advance data elements CBP was proposing to collect. Importers, described in the proposed rule as Importer Security Filing Importers, would generally be required to submit 10 additional data elements (the 10 of “10 + 2”). Carriers would generally be required to submit two additional data elements (the 2 of “10 + 2”).

On November 25, 2008, CBP published an interim final rule and solicitation of comments in the **Federal Register** (73 FR 71730, CBP Decision 08-46). The interim final rule was effective on January 26, 2009. However, a delayed compliance period of at least 12 months was provided to allow industry sufficient time to comply with the new requirements.

The interim final rule finalized most of the provisions of the NPRM, including all the provisions relating to the carrier requirements. The only portions of the NPRM that were not finalized were the six importer data elements for which CBP provided some flexibility regarding the time and/or manner of compliance. CBP solicited public comments on the flexibilities provided. CBP also invited comments on the revised Regulatory Assessment and Final Regulatory Flexibility Analysis. CBP has not yet published a final rule addressing the flexibilities and the Regulatory Assessment and Final Regulatory Flexibility Analysis.

I. Summary of ISF Importer Requirements

The interim final rule added a new part 149 to the CBP regulations, entitled Importer Security Filing. The Importer Security Filing regulations require ISF Importers, as defined in 19 CFR 149.1, to transmit an ISF to CBP, for cargo other than foreign cargo remaining on board (FROB), no later than 24 hours before cargo is laden aboard a vessel destined to the United States. The transmission of the ISF filing for FROB is required any time prior to lading.

ISF Importers, or their agents, must submit 10 data elements to CBP for shipments consisting of goods intended to be entered into the United States and goods intended to be delivered to a foreign trade zone (FTZ). *See* 19 CFR 149.3(a). ISF Importers, or their agents, must submit five data elements to CBP for shipments consisting entirely of FROB and shipments consisting entirely of goods intended to be transported as Immediate Exportation (IE) or Transportation and Exportation (T&E) in-bond shipments. *See* 19 CFR 149.3(b).

II. Proposed Amendment

This rulemaking proposes to expand the definition of the Importer Security Filing (ISF) Importer. Currently, an ISF Importer is generally defined in 19 CFR 149.1 as the party causing goods to arrive within the limits of a port in the United States by vessel.

The regulation provides that generally the ISF Importer is the goods' owner, purchaser, consignee, or agent such as a licensed customs broker. However, the regulation limits the definition of ISF Importer to certain named parties for foreign cargo remaining on board (FROB), immediate exportation (IE), and transportation and exportation (T&E) in-bond shipments, and for merchandise being entered into a foreign trade zone (FTZ). For FROB cargo, the regulation provides that the ISF Importer is the carrier; for IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the regulation provides that the ISF Importer is the party filing the IE, T&E, or FTZ documentation.

Based on input from the trade as well as CBP's analysis, CBP has concluded that these limitations do not reflect commercial reality and, in some cases, designate a party as the ISF Importer even though that party has no commercial interest in the shipment and limited access to the ISF data. Therefore, as explained below, CBP is proposing to expand the definition of ISF Importer for FROB cargo, for IE and T&E shipments and for goods to be delivered to a FTZ.

1. *Foreign Cargo Remaining on Board (FROB)*

Under the current definition, the ISF Importer for FROB shipments is the carrier. The interim final rule clarified that the carrier means the international carrier arriving in the United States, *i.e.*, vessel operating carrier. *See* 73 FR 71743. The rationale for requiring the vessel operating carrier to provide the ISF for FROB shipments was that ultimately it is the vessel operating carrier that decides to transport the cargo to the United States.

There is still much debate within the shipping community about who should be the ISF importer for FROB shipments. This debate stems from the relationship between vessel operating carriers and non-vessel operating common carriers (NVOCCs).¹ When a party wants to ship goods on a vessel, the party can either book the shipment directly with the vessel operating carrier or it can use an NVOCC who acts as an intermediary between the party shipping the goods and the vessel operating carrier.

When a party books a FROB shipment directly with a vessel operating carrier, the vessel operating carrier has direct access to the required ISF data and is able to file the ISF information with CBP. However, when a party uses an NVOCC, the vessel operating carrier frequently does not have access to the required ISF data elements. This is because the NVOCC may not want to share confidential business information with the vessel operating carrier, a potential competitor.

However, under the current definition of ISF Importer, the vessel operating carrier is always the ISF Importer for FROB shipments, even though it may not have access to the required information. In response to comments to the interim final rule, CBP addressed the issue of the NVOCC not sharing necessary ISF information with the vessel operating carrier by clarifying that the NVOCC can submit the ISF directly to CBP, if it does so as the vessel operating carrier's

¹ A non-vessel operating common carrier (NVOCC) means a common carrier that does not operate the vessels by which the ocean transportation is provided, and is a shipper in its relationship with an ocean common carrier. *See* 19 CFR 4.7(b)(3)(ii).

agent. *See* 73 FR 71744. Based on CBP's experience with the ISF program, CBP has concluded that the procedure of having the NVOCC act as the agent of the vessel operating carrier for FROB shipments is not effective. The current requirement has not facilitated the sharing of necessary ISF information between NVOCCs and vessel operating carriers and has not resulted in the filing of accurate information. Rather, this procedure has resulted in unclear lines of responsibility and has hampered CBP's enforcement of the ISF requirements.

In an effort to increase compliance and to ensure that the party that has direct access to ISF information is the party responsible for submitting the ISF to CBP, CBP is proposing to broaden the definition of an ISF Importer for FROB shipments to include NVOCCs. This change is consistent with the requirement of the SAFE Port Act, which provides that a requirement to provide information will be imposed on the party most likely to have direct knowledge of that information.²

Broadening the definition of ISF Importer to include NVOCCs is also consistent with the general definition that the ISF Importer means the party causing the goods to arrive within the limits of a port in the United States by vessel. The NVOCC acts as the party booking the shipment aboard the carrier and typically has advance knowledge of the voyage's itinerary, *i.e.*, whether the vessel will enter a U.S. port. By booking the shipment, the NVOCC is the party causing the goods to arrive in the United States. In these instances, not only will the NVOCC be the party most able to obtain the required ISF information, but it will be the party that causes the goods to arrive within the limits of a port in the United States as FROB cargo.

In some circumstances, the vessel operating carrier would be the party that causes the goods to arrive in the United States despite the NVOCC having booked the shipment. An example would be when an NVOCC books a shipment not initially scheduled to arrive in the United States, but the vessel is diverted to the United States by the vessel operating carrier. If the cargo remains on board the vessel at the U.S. port and is not discharged until it arrives at the originally scheduled foreign destination port, this would create FROB cargo. In

² The SAFE Port Act requires CBP to follow the parameters listed in the Trade Act of 2002, which provides that "the requirement to provide particular information shall be imposed on the party most likely to have direct knowledge of that information. Where requiring information from the party with direct knowledge of that information is not practicable, the regulations shall take into account how, under ordinary commercial practices, information is acquired by the party on which the requirement is imposed, and whether and how such party is able to verify the information. Where information is not reasonably verifiable by the party on which a requirement is imposed, the regulations shall permit that party to transmit information on the basis of what it reasonably believes to be true."

this situation, the vessel operating carrier would be the party that caused the cargo to arrive in the United States and thus the party responsible for filing the ISF.

2. *IE, T&E, and FTZ Cargo*

As provided in 19 CFR 149.1(a), the ISF Importer for IE and T&E in-bond shipments and for shipments of goods to be delivered to an FTZ is the party that files the IE, T&E, or FTZ documentation with CBP. CBP believes that this definition needs to be broadened because often the party responsible for filing the ISF did not cause the goods to arrive within the limits of a port in the United States, but is a commercially disinterested party at the time of filing and/or may not have access to the required ISF data.

IE and T&E entries are frequently not filed until after the cargo has arrived within limits of a port in the United States. Therefore, there is not yet a party that files the IE or T&E documentation 24 hours prior to lading. In some cases, the party that will be responsible for filing the ISF has not yet been identified. In addition, in some cases, the party that will file the IE or T&E documentation has no commercial interest in the underlying merchandise and that party is a commercially disinterested party 24 hours prior to lading. In these cases, the party filing the IE or T&E entries with CBP did not cause the goods to arrive within the limits of a port in the United States and is not the party most likely to have direct knowledge of the required information. To address this problem, the goods' owner, purchaser, consignee, or agent such as a licensed customs broker will commonly file the ISF-10 required for shipments intended to be entered into the United States, which consists of 10 data elements, as opposed to the ISF-5 required for IE and T&E shipments, which consists of five data elements.

Similarly, for goods being entered into an FTZ, the party filing the FTZ documentation is frequently a commercially disinterested party and/or is not the party most able to obtain the required information. For example, it is common for the FTZ operator to file the FTZ documentation with CBP. However, the FTZ operator is commonly not the party causing the goods to enter the limits of the port in the United States and is a commercially disinterested party 24 hours prior to lading. As a result, the party responsible for filing the ISF is not the party most likely to have direct knowledge of the required information.

To address these issues, CBP is proposing to expand the definition of ISF Importer for IE and T&E in-bond shipments, and for goods to be delivered to an FTZ, to also include the goods' owner, purchaser,

consignee, or agent such as a licensed customs broker. These are the same parties that are currently included within the definition of ISF Importer for all shipments other than FROB, IE and T&E in-bond shipments, and goods to be delivered to a FTZ. By broadening the definition to include these parties, the responsibility to file the ISF for IE, T&E, and FTZ shipments will be with the party causing the goods to enter the limits of a port in the United States and most likely to have access to the required ISF information and not with a commercially disinterested party.

III. Regulatory Analysis

A. Executive Orders 12866 and 13563

Executive Orders 13563 and 12866 direct agencies to assess the 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). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This proposed rule is a “significant regulatory action,” although not an economically significant regulatory action, under section 3(f) of Executive Order 12866. Accordingly, the Office of Management and Budget has reviewed this proposed regulation.

Under current regulations, the party required to submit ISF is the party causing the goods to enter the limits of a port in the United States. However, the regulation limits the definition for FROB, IE, and T&E shipments as well as for merchandise being entered into a FTZ to certain named parties. Based on input from the trade as well as CBP’s analysis, CBP has concluded that these limitations do not reflect commercial reality and, in some cases, designate a party as the ISF Importer even though that party has no commercial interest in the shipment and limited access to the ISF data. In some cases, the party responsible may not even be involved in the importation at the time the ISF must be filed. This causes confusion in the trade as to who is responsible for filing the ISF and raises confidentiality concerns as sometimes the private party with the information gives the information to the ISF importer who then sends it to CBP. Therefore, CBP is proposing to expand the definition of ISF Importer for FROB cargo, for IE and T&E shipments and for goods to be delivered to a FTZ. This change is consistent with the requirement of the SAFE

Port Act, which provides that the requirement to file the ISF will be imposed on the party most likely to have direct knowledge of that information.

This proposed rule would modify the definition of the ISF Importer for FROB cargo, for IE and T&E shipments, and for goods to be delivered to a FTZ. The current definition causes confusion and confidentiality concerns. The current ISF Importer for FROB shipments is the vessel operating carrier. In cases where the shipper uses an intermediary, *i.e.*, NVOCC, the vessel operating carrier does not have access to certain of the required elements for confidentiality reasons—only the intermediary has this information. In most cases, the NVOCC chooses to file this information directly to CBP, sidestepping the confidentiality concerns, but the legal burden is on the vessel operating carrier so some NVOCCs feel pressured to share this information with the carrier. This regulation would define the ISF Importer for FROB cargo as the vessel operating carrier or the NVOCC. Under this regulation, the NVOCC, rather than the vessel operating carrier, would be the ISF Importer if it is the party in possession of the required information.

Likewise, the definition of ISF Importer causes confusion for IE and T&E cargo. The ISF Importer in these cases is the filer of the IE or T&E documentation. This causes confusion because the IE or T&E documentation often is not created until the cargo arrives in the United States. By contrast, ISF information must be submitted at least 24 hours prior to lading. The proposed rule would expand the definition of ISF Importer for IE and T&E in-bond shipments to also include the goods' owner, purchaser, consignee, or agent such as a licensed customs broker. The proposed rule would also make a similar change to the definition of the ISF Importer of FTZ cargo. With this change, the ISF Importer will be a party with a bona fide interest in the commercial shipment and access to the required data.

The modification of the definition of ISF Importer will simply shift the legal responsibility in some cases for filing the ISF from one party to another for a subset of the total cargo (FROB; IE and T&E; and FTZ cargo). For IE, T&E, and FTZ cargo, the party who is currently required to file the data may not yet even be involved in the transaction at the time the data must be submitted. In these cases another party that has the data such as the owner, purchaser, consignee, or agent often files the data, though they are not legally obligated to file it. Under this proposed rule, these parties who have the data will be included in the definition of the party responsible for filing the data. Since these parties are generally the ones currently submitting this data to CBP, this change will have no significant impact. In some rare

instances, this proposed rule may shift the burden of filing from one party to another. For example, since the party currently responsible for filing may not be involved in the transaction at the time the data must be submitted, it could be one of several parties (e.g., the owner, purchaser, consignee, or agent) that actually submits the information. Once this proposed rule is in effect, there will be clarity as to which party is responsible, which could change who actually submits the data. In the vast majority of cases, there will be no change in who submits the data, but it is possible that there will be a change. To the extent that there is a change in who actually submits the ISF data, there will be a shift in the time burden to do so from one party to the other. CBP estimates that submitting this information takes 2.19 hours at a cost of \$50.14 per hour.³ This loaded wage rate was estimated by multiplying the Bureau of Labor Statistics' (BLS) 2014 median hourly wage rate for Ship and Boat Captains and Operators (\$32.73) by the ratio of BLS' average 2014 total compensation to wages and salaries for Transportation and Material Moving occupations (1.5319), the assumed occupational group for ship and boat captains and operators, to account for non-salary employee benefits.^{4 5}

Therefore, to the extent this proposed rule shifts the reporting burden from one party to the other, there will be a corresponding shift of \$109.81 in opportunity cost per filing. CBP lacks data showing how

³ This differs from the estimated wage rate on the most recent supporting statement for this information collection: OMB Control Number 1651-0001, available at: http://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=201506-1651-003, which is based on outdated data. We will update the wage rate in this supporting statement the next time the ICR is renewed.

⁴ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2014 National Occupational Employment and Wage Estimates, United States—Median Hourly Wage by Occupation Code: 53-5020." Updated March 25, 2015. Available at http://www.bls.gov/oes/2014/may/oes_nat.htm#53-0000. Accessed June 15, 2015.

⁵ The total compensation to wages and salaries ratio is equal to the calculated average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Transportation and Material Moving occupations (26.62) divided by the calculated average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (17.3775). Source of total compensation to wages and salaries ratio data: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. *Employer Costs for Employee Compensation Historical Listing March 2004—December 2015*, "Table 3. Civilian workers, by occupational group: Employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004–2015 by Respondent Type: Transportation and material moving occupations." June 10, 2015. Available at <http://www.bls.gov/nce/ect/sp/ececqrtn.pdf>. Accessed June 15, 2015.

often there would be a shift in the actual reporting burden as a result of this rule but it believes it to be very small and possibly zero. CBP requests comment on this matter.

For FROB, the ISF Importer must currently either obtain the information from a third party that has the necessary information or ask that the third party file the information directly to CBP. In some cases, the third party shares this information with the ISF Importer, but it usually files the data directly with CBP for confidentiality reasons. Under the proposed regulation, the party that has access to the ISF information would submit it directly to CBP. Since this third party is generally already providing the ISF information through the current ISF Importer or directly to CBP, this rule will not add a significant burden to these entities. As described above, to the extent that this rule shifts the reporting burden from one party to the other, there will be a corresponding shift of \$109.81 in opportunity cost per filing. CBP lacks data showing how often there would be a shift in the actual reporting burden as a result of this rule but it believes it to be very small and possibly zero. CBP requests comment on this matter.

This proposed rule benefits all parties by eliminating the confusion surrounding the responsibility for the submission of ISF information. In addition, this rule would significantly reduce confidentiality concerns that may be caused by the current requirements. This rule would ensure the party with the best access to the information is the party who files the information, which will improve the accuracy of the information CBP uses for targeting. Finally, eliminating a step in the transmission process (sending the ISF information from the third party to the current ISF importer) will result in CBP getting the information sooner. Any extra time can be used for more extensive targeting.

B. Regulatory Flexibility Act

This section examines the impact of the rulemaking on small entities as required by the Regulatory Flexibility Act (5 U.S.C. 603), as amended by the Small Business Regulatory Enforcement and Fairness Act of 1996. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people).

In the Interim Final Rule establishing the ISF requirements (73 FR 71730; November 25, 2008, CBP Decision 08-46; Docket Number USCBP-2007-0077), CBP concluded that many importers of contain-

erized cargo are small entities. The rule could affect any importer of containerized cargo so it could have an impact on a substantial number of small entities.

This impact, however, is very small. The modification of the definition of ISF Importer will simply shift the legal responsibility in some cases for filing the ISF from one party to another for a subset of the total cargo (FROB; IE and T&E; and FTZ cargo). For IE, T&E, and FTZ cargo, the party who is currently required to file the data may not yet even be involved in the transaction at the time the data must be submitted. In these cases another party such as the owner, purchaser, consignee, or agent often files the data, though they are not legally obligated to file it. Under this proposed rule, these parties will be included in the definition of the party responsible for filing the data. Since these parties are currently submitting this data to CBP, this change will have no significant impact. For FROB, the ISF Importer must currently either obtain the information from a third party that has the necessary information or ask that the third party file the information directly to CBP. In some cases, the third party shares this information with the ISF Importer, but it usually files the data directly with CBP for confidentiality reasons. Under the proposed regulation, CBP is expanding the definition of ISF Importer so that the party that has access to the ISF information would submit it directly to CBP as the ISF Importer. Since this third party is already providing the ISF information through the current ISF Importer or directly to CBP, this proposed rule will not add a significant burden to these entities.

For these reasons, CBP certifies that this rule will not have a significant economic impact on a substantial number of small entities.

C. Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA) requires agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. This proposed rule is exempt from these requirements under 2 U.S.C. 1503 (Exclusions) which states that UMRA “shall not apply to any provision in a bill, joint resolution, amendment, motion, or conference report before Congress and any provision in a proposed or final Federal regulation that is necessary for the national security or the ratification or implementation of international treaty obligations.”

D. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), an agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB. The collections of information related to this NPRM are approved by OMB under collection 1651-0001.

List of Subjects in 19 CFR Part 149

Arrival, Declarations, Customs duties and inspection, Freight, Importers, Imports, Merchandise, Reporting and recordkeeping requirements, Shipping, Vessels.

Proposed Amendment to the Regulations

For the reasons stated in the preamble, DHS proposes to amend part 149 of title 19 of the Code of Federal Regulations (19 CFR part 149), as set forth below:

PART 149—IMPORTER SECURITY FILING

■ 1. The authority citation for part 149 continues to read as follows:
Authority: 5 U.S.C. 301; 6 U.S.C. 943; 19 U.S.C. 66, 1624, 2071 note.

■ 2. Section 149.1(a) is revised to read as follows:

§ 149.1 Definitions.

(a) *Importer Security Filing Importer.* For purposes of this part, Importer Security Filing Importer (ISF Importer) means the party causing goods to arrive within the limits of a port in the United States by vessel. For shipments other than foreign cargo remaining on board (FROB), the ISF Importer will be the goods’ owner, purchaser, consignee, or agent such as a licensed customs broker. For IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the ISF Importer may also be the party filing the IE, T&E, or FTZ documentation. For FROB cargo, the ISF Importer will be the carrier or the non-vessel operating common carrier.

* * * * *

Dated: June 28, 2016.

JEH CHARLES JOHNSON,
Secretary.

6 CFR Part 27

8 CFR Parts 270, 274a, and 280

Coast Guard

33 CFR Part 27

Transportation Security Administration

49 CFR Part 1503

RIN 1601-AA80

**CIVIL MONETARY PENALTY ADJUSTMENTS FOR
INFLATION**

AGENCY: Department of Homeland Security

ACTION: Interim final rule with request for comments.

SUMMARY: This rule amends Department of Homeland Security (DHS or Department) regulations to adjust DHS and component civil monetary penalties for inflation. DHS calculated the adjusted penalties according to the statutory formula in the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, which was signed into law on November 2, 2015. The adjusted penalties will be effective for civil penalties assessed after August 1, 2016 whose associated violations occurred after November 2, 2015.

EFFECTIVE DATE: This rule is effective on August 1, 2016.

Comment Date: Comments must be received on or before August 1, 2016.

ADDRESSES: You may submit comments, identified by docket number DHS-2016-0034, by *one* of the following methods:

- *Federal eRulemaking Portal:* www.regulations.gov. Follow the instructions for submitting comments.
- *Mail:* Megan Westmoreland, Office of the General Counsel, U.S. Department of Homeland Security, 245 Murray Lane SW., Mail Stop 0485, Washington, DC 20528-0485.

FOR FURTHER INFORMATION CONTACT: Megan Westmoreland, Attorney-Advisor, Office of the General Counsel, U.S. Department of Homeland Security. Phone: 202-447-4384.

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I. Background

On November 2, 2015, the President signed into law the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Pub. L. 114– 74 section 701 (Nov. 2, 2105)) (the 2015 Act),¹ which further amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (28 U.S.C. 2461 note) (the Inflation Adjustment Act), to improve the effectiveness of civil monetary penalties and to maintain their deterrent effect. The 2015 Act requires agencies to: (1) adjust the level of civil monetary penalties with an initial “catch-up” adjustment through issuance of an interim final rule (IFR) and (2) make subsequent annual adjustments for inflation.

The 2015 Act applies to all agency civil penalties except for any penalty (including any addition to tax and additional amount) under the Internal Revenue Code of 1986 (26 U.S.C. 1 *et seq.*) and the Tariff Act of 1930 (19 U.S.C. 1202 *et seq.*). *See* sec. 4(a)(1) of the 2015 Act. In the case of DHS, several civil penalties that are collected by U.S. Customs and Border Protection (CBP) and the U.S. Coast Guard fall under the Tariff Act of 1930, and thus DHS is not adjusting those civil penalties in this rulemaking.

The 2015 Act applies the new penalty amounts to all penalties that DHS assesses after August 1, 2016, the effective date of this rule. Additionally, pursuant to 28 U.S.C. 2461 note sec. 6, as amended by the 2015 Act, DHS will apply the adjusted penalty amounts for any

¹ The 2015 Act was enacted as part of the Bipartisan Budget Act of 2015, Public Law 114–74 (Nov. 2, 2015).

violations that occurred after November 2, 2015 (*i.e.*, the date the 2015 Act was signed into law) as long as the penalty is assessed after the effective date of this interim final rule.

The 2015 Act provides a new method for calculating inflation adjustments. The new method differs substantially from the methods that agencies used in the past when conducting inflation adjustments pursuant to the 1990 Inflation Adjustment Act. The new method is intended to more accurately reflect inflation. Previously, when agencies conducted adjustments to civil penalties, they did so under rules that required significant rounding of figures. For example, an agency would round a penalty increase that was greater than \$1,000, but less than or equal to \$10,000, to the nearest multiple of \$1,000. While this allowed penalties to be kept at round numbers, it meant that agencies would often not increase penalties at all if the inflation factor was not large enough. Furthermore, increases to penalties were capped at 10 percent, which meant that longer periods without an inflation adjustment could cause a penalty to rapidly lose value in real terms. Over time, the formula used in the 1990 Inflation Adjustment Act calculations frequently caused penalties to lose value relative to actual inflation. The 2015 Act removed these rounding rules, and instead instructs agencies to round penalties to the nearest \$1. While this creates penalty values that are no longer round numbers, it does ensure that agencies will increase penalties each year to a figure commensurate with the actual calculated inflation.

To better reflect the original impact of civil penalties, the 2015 Act “resets” the inflation calculations by excluding prior inflationary adjustments under the Inflation Adjustment Act. To do this, the 2015 Act requires agencies to identify, for each penalty, the year that Congress originally enacted the maximum penalty level/range of minimum and maximum penalty levels or the year that the agency last adjusted the penalty amount other than pursuant to the Inflation Adjustment Act, and the corresponding penalty amount(s). The 2015 Act then requires agencies to perform an initial “catch-up” adjustment, using the original amounts of civil penalties as a baseline, so that the 2016 penalty levels are equal, in real terms, to the penalty amounts as they were originally established.

Pursuant to the 2015 Act, DHS undertook a review of the civil penalties that DHS and its components administer. This rule sets forth the initial “catch-up” adjustment for all civil penalties that DHS and its components administer. For each component, we have provided a table showing how DHS is increasing the penalties pursuant to the 2015 Act. The table contains the following information:

- In the first column (penalty name), we provide a description of the penalty.
- In the second column (citation), we provide the statutory cite from the United States Code (U.S.C.) and the regulatory cite from the Code of Federal Regulations (CFR).
- In the third column (current penalty), we list the existing penalty in effect on November 2, 2015.
- In the fourth column (baseline penalty (year)), we provide the amount and year of the penalty as enacted by Congress or as last changed through a mechanism other than pursuant to the Inflation Adjustment Act, whichever is later.
- In the fifth column (multiplier), we list the multiplier used to adjust the penalty. The multiplier is determined by the year of enactment or last adjustment of the penalty. The multiplier is based upon the Consumer Price Index (CPI-U) for the month of October 2015, not seasonally adjusted.²
- In the sixth column (preliminary new penalty), we list the amount obtained by multiplying the Baseline Penalty from column 4 with the Multiplier from column 5. This amount will be the final penalty, if, in accordance with the 2015 Act, this level does not increase penalty levels by more than 150 percent of the corresponding levels in effect on November 2, 2015.³
- In the seventh column, (adjusted new penalty), we provide the final number for the penalty. To derive this number, we compare the preliminary new penalty with the current penalty from column 3. The adjusted new penalty is the lesser of either the preliminary new penalty or an amount equal to 150 percent more than the current penalty.

Additionally, where applicable, we have also made conforming edits to regulatory text.

II. Adjustments by Component

In the following sections, we briefly describe the civil penalties that DHS and its components assess. We describe the nature of the penalties and discuss relevant authorities. We include tables at the end

² OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A, 24 February 2016. <https://www.whitehouse.gov/sites/default/files/omb/memoranda/2016/m-16-06.pdf>

³ The 150 percent limitation is on the amount of the increase; therefore, the adjusted penalty levels are up to 250 percent of the levels in effect on November 2, 2015.

of each section, which list the individual adjustments for each penalty. We also include discussions where we believe further explanation is helpful.

A. *National Protection and Programs Directorate*

The National Protection and Programs Directorate (NPPD) administers only one civil penalty that the 2015 Act affects. This penalty assesses fines for violations of the Chemical Facility Anti-Terrorism Standards (CFATS), a program which regulates the security of chemical facilities that, in the discretion of the Secretary, present high levels of security risk. The CFATS program was originally established in 2007, pursuant to section 550 of the Department of Homeland Security Appropriations Act of 2007 (Pub. L. 109–295),⁴ and is currently located in part 27 of Title 6 of the CFR.

One question that arose is how to calculate the baseline date of the CFATS penalty, which is \$25,000 per day. The question arose because the 2007 legislation, which established CFATS, did not create a new penalty provision, but rather referenced an older one:⁵ Section 70119(a) of Title 46. The Maritime Transportation Security Act (MTSA) (Pub. L. 107–295) was enacted in 2002 and established this penalty provision. For that reason, arguments could be made that we should index the \$25,000 penalty by the 2002 CPI value (the date the MTSA penalty was established) or the 2007 CPI value (the date the CFATS program was enacted). The difference between these numbers is material—indexing the \$25,000 penalty by the 2002 CPI value would yield a current penalty of \$32,796 per day, while indexing the penalty by the 2007 CPI value would yield a current penalty of only \$28,458 per day.

Because the CFATS legislation did not create a new civil penalty, but rather simply referenced the existing MTSA penalty, we believe the intent of Congress was that violators of either MTSA or CFATS would face identical penalties. For this reason, we have considered the “baseline” year for the CFATS penalty to be 2002 rather than 2007, and have increased the penalty by the multiplier appropriate for that year, as shown in Table 1 below.

⁴ Section 550 has since been superseded by the Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2014 (Pub. L. 113–254). The new legislation codified the statutory authority for the CFATS program within Title XXI of the Homeland Security Act of 2002, as amended. See 6 U.S.C. 621 *et seq.*

⁵ Section 550(d) of the Department of Homeland Security Appropriations Act of 2007 set forth the CFATS penalty, providing that “[a]ny person who violates an order issued under this section shall be liable for a civil penalty under section 70119(a) of title 46, United States Code. After promulgation of the Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2014, the relevant U.S.C. citation is 6 U.S.C. 624(b)(1), which still refers to the civil penalty section in 46 U.S.C. 70119(a).

TABLE 1—CFATS CIVIL PENALTY ADJUSTMENT

Penalty name	Citation	Current penalty	Baseline penalty * (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Penalty for non-compliance with CFATS regulations.	6 U.S.C. 624(b)(1); 6 CFR 27.300(b)(3)	\$25,000 per day	\$25,000 (2002)	1.31185	\$32,796	\$32,796

* The amount of the penalty and the year of when the penalty was established or last adjusted in statute or regulation other than pursuant to the Inflation Adjustment Act of 1990.

** OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A: 2016 Civil Monetary Penalty Catch-Up Adjustment Multiplier by Calendar Year, February 24, 2016.

B. U.S. Customs and Border Protection

U.S. Customs and Border Protection (CBP) assesses civil monetary penalties for certain violations of title 8 of the CFR regarding the Immigration and Nationality Act of 1952 (Pub. L. 82–414, as amended) (INA). The INA contains provisions that impose penalties on persons, including carriers and aliens, who violate specified provisions of the INA. For example, section 231(g) of the INA, codified at 8 U.S.C. 1221(g), requires that a carrier shall be fined \$1,000 for each person for whom manifest information is not provided.

CBP's relevant penalty provisions are located in numerous sections of the INA (see list below), however CBP has enumerated these penalties in regulation in one location—in 8 CFR 280.53. Below is the list of penalty provisions in the INA:

- Section 231(g), Penalties for non-compliance with arrival and departure manifest requirements for passengers, crewmembers, or occupants transported on commercial vessels or aircraft arriving to or departing from the United States.
- Section 234, Penalties for non-compliance with landing requirements at designated ports of entry for aircraft transporting aliens.
- Section 240B(d), Penalties for failure to depart voluntarily.
- Section 243(c)(1)(A), Penalties for violations of removal orders relating to aliens transported on vessels or aircraft under section 241(d) or for costs associated with removal under section 241(e).
- Section 243(c)(1)(B), Penalties for failure to remove alien stowaways under section 241(d)(2).
- Section 251(d), Penalties for failure to report an illegal landing or desertion of alien crewmen, and for each alien not reported on arrival or departure manifest or lists required in accordance

with section 251 and penalties for use of alien crewmen for longshore work in violation of section 251(d).

- Section 254(a), Penalties for failure to control, detain, or remove alien crewmen.
- Section 255, Penalties for employment on passenger vessels of aliens afflicted with certain disabilities.
- Section 256, Penalties for discharge of alien crewmen.
- Section 257, Penalties for bringing into the United States alien crewmen with intent to evade immigration laws.
- Section 271(a), Penalties for failure to prevent the unauthorized landing of aliens.
- Section 272(a), Penalties for bringing to the United States aliens subject to denial of admission on a health-related ground.
- Section 273(b), Penalties for bringing to the United States aliens without required documentation.
- Section 274D, Penalties for failure to depart.
- Section 275(b), Penalties for improper entry.

We note, for reference, that CBP also assesses certain civil monetary penalties for customs violations under title 19 of the CFR. CBP assesses those penalties under the Tariff Act of 1930, as amended, but as we discussed above, the 2015 Act specifically exempts Tariff Act penalties from the inflation adjustment requirements in the 2015 Act. For that reason, we have not listed those title 19 penalties in the below table of CBP penalty adjustments.

Under this rule, the current penalties continue to be applicable with regard to violations that occurred on or before November 2, 2015, the date of enactment of the 2015 Act. In Table 2 below, we provide the penalties that we are adjusting in accordance with the 2015 Act, where the associated violations occurred after November 2, 2015.

TABLE 2—U.S. CUSTOMS AND BORDER PROTECTION CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Penalties for non-compliance with arrival and departure manifest requirements for passengers, crew-members, or occupants transported on commercial vessels or aircraft arriving to or departing from the United States.	8 U.S.C. 1221(g) 8 CFR 280.53(c)(1) (INA section 231(g)).	\$1,100	\$1,000 (2002) .	1.31185	\$1,312	\$1,312
Penalties for noncompliance with landing requirements at designated ports of entry for aircraft transporting aliens.	8 U.S.C. 1224 . 8 CFR 280.53(c)(2) (INA section 234).	\$3,200	\$2,000 (1990) .	1.78156	\$3,563	\$3,563
Penalties for failure to depart voluntarily.	8 U.S.C. 1229(c)(d) 8 CFR 280.53(c)(3) (INA section 240B(d)).	\$1,100–\$5,500	\$1,000–\$5,000 (1996)	1.50245	\$1,502–\$7512	\$1,502–\$7512
Penalties for violations of removal orders relating to aliens transported on vessels or aircraft under section 241(d) of the INA, or for costs associated with removal under section 241(e) of the INA.	8 U.S.C. 1253(c)(1)(A). 8 CFR 280.53(c)(4) (INA section 243(c)(1)(A)).	\$2,200	\$2,000 (1996) .	1.50245	\$3,005	\$3,005
Penalties for failure to remove alien stowaways under section 241(d)(2) of the INA.	8 U.S.C. 1253(c)(1)(B). 8 CFR 280.53(c)(4) (INA section 243(c)(1)(B)).	\$5,500	\$5,000 (1996) .	1.50245	\$7,512	\$7,512
Penalties for failure to report an illegal landing or desertion of alien crewmen, and for each alien not reported on arrival or departure manifest or lists required in accordance with section 251 of the INA.	8 U.S.C. 1281(d) 8 CFR 280.53(c)(5) (INA section 251(d)).	\$320 for each alien	\$200 for each alien (1990).	1.78156	\$356 for each alien.	\$356 for each alien
Penalties for use of alien crewmen for longshore work in violation of section 251(d) of the INA.	8 U.S.C. 1281(d) 8 CFR 280.53(c)(5) (INA section 251(d)).	\$7,500	\$5,000 (1990) .	1.78156	\$8,908	\$8,908
Penalties for failure to control, detain, or remove alien crewmen.	8 U.S.C. 1284(a) 8 CFR 280.53(c)(6) (INA section 254(a)).	\$750–\$4,300 ...	\$500–\$3000 (1990)	1.78156	\$891–\$5,345	\$891–\$5,345
Penalties for employment on passenger vessels of aliens afflicted with certain disabilities.	8 U.S.C. 1285 . 8 CFR 280.53(c)(7) (INA section 255).	\$1,100	\$1,000 (1990) .	1.78156	\$1,782	\$1,782
Penalties for discharge of alien crewmen.	8 U.S.C. 1286 . 8 CFR 280.53(c)(8) (INA section 256).	\$1,500–\$4,300	\$1,500–\$3,000 (1990)	1.78156	\$2,672–\$5,345.	\$2,672– \$5,345

TABLE 2—U.S. CUSTOMS AND BORDER PROTECTION CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Penalties for bringing into the United States alien crewmen with intent to evade immigration laws.	8 U.S.C. 1287 . 8 CFR 280.53(c)(9) (INA section 257).	\$16,000	\$10,000 (1990)	1.78156	\$17,816	\$17,816
Penalties for failure to prevent the unauthorized landing of aliens.	8 U.S.C. § 1321(a) 8 CFR 280.53(c)(10) (INA section 271(a)).	\$4,300	\$3,000 (1990) .	1.78156	\$5,345	\$5,345
Penalties for bringing to the United States aliens subject to denial of admission on a health-related ground.	8 U.S.C. § 1322(a) 8 CFR 280.53(c)(11) (INA section 272(a)).	\$4,300	\$3,000 (1990) .	1.78156	\$5,345	\$5,345
Penalties for bringing to the United States aliens without required documentation.	8 U.S.C. § 1323(b) 8 CFR 280.53(c)(12) (INA section 273(b)).	\$4,300	\$3,000 (1990) .	1.78156	\$5,345	\$5,345
Penalties for failure to depart.	8 U.S.C. 1324d 8 CFR 280.53(c)(13) (INA section 274D).	\$550	\$500 (1996)	1.50245	\$751	\$751
Penalties for improper entry.	8 U.S.C. § 1325(b) 8 CFR 280.53(c)(14) (INA section 275(b)).	\$55-\$275	\$50-\$250 (1996)	1.50245	\$75-\$376	\$75-\$376

* The amount of the penalty and the year of when the penalty was established or last adjusted in statute or regulation other than pursuant to the Inflation Adjustment Act of 1990.

** OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A: 2016 Civil Monetary Penalty Catch-Up Adjustment Multiplier by Calendar Year, February 26, 2016.

C. Immigration and Customs Enforcement

Immigration and Customs Enforcement (ICE) assesses civil monetary penalties for certain employment-related violations arising from the INA. ICE's civil penalties are located in title 8 of the CFR.

There are three different sections in the INA that impose civil monetary penalties for violations of the laws that relate to employment actions (sections 274A, 274B, and 274C). ICE has primary enforcement responsibilities for two of these civil penalty provisions (sections 274A and 274C), and the Department of Justice (DOJ) has enforcement responsibilities for one of these civil penalty provisions (section 274B). The INA, in sections 274A and 274C, provides for imposition of civil penalties for various specified unlawful acts pertaining to the employment eligibility verification process (Form I-9, Employment Eligibility Verification) and the employment of unauthorized aliens. These penalties cover, among other things, the knowing employment of unauthorized aliens and the failure to comply with the employment verification requirements relating to completion of

the Form I-9. ICE assesses and imposes civil monetary penalties with respect to employer sanctions under section 274A of the INA and 8 CFR part 274a. Similarly, ICE imposes civil penalties for specified actions relating to immigration-related document fraud under section 274C of the INA and 8 CFR part 270. We note that while ICE is updating the penalty amounts in 8 CFR part 270, ICE has not assessed these penalties in recent years.

Because both DHS and DOJ implement the three employment-related penalty sections in the INA, both Departments are codifying the civil penalty amounts in their implementing regulations. Pursuant to the authority of the Inflation Adjustment Act and before the creation of DHS, DOJ previously adjusted the civil monetary penalties for inflation, increasing the specific amounts stated in sections 274A, 274B, and 274C of the INA. *See* 64 FR 7066 (Feb. 12, 1999) and 64 FR 47099 (Aug. 30, 1999). Both agencies issued a joint rulemaking to update the penalties in 2008. *See* 73 FR 10130 (Feb. 26, 2008). Today, as in 2008, the division of responsibilities between the Secretary of Homeland Security and the Attorney General requires action by both Departments in order to effectuate a further adjustment of the civil penalties. The minimum and maximum civil penalty amounts for each violation will necessarily be the same whether DHS or DOJ imposes the penalty. *See* 8 CFR 274a.10 and 270.3; 28 CFR 68.52(c) and (e).

In this rule, DHS is amending 8 CFR parts 270 and 274a of the DHS regulations to incorporate the revised schedule of civil penalties, as adjusted for inflation according to the statutory formula described above. We note that DOJ is similarly revising regulations in 28 CFR part 68 (which correspond to the penalties in 8 CFR part 270) in a separate civil penalty adjustment rulemaking.

Under this rule, the current penalties continue to be applicable with regard to violations that occurred on or before November 2, 2015, the date of enactment of the 2015 Act. Table 3 below lays out the changes to the penalties, where the associated violations occurred after November 2, 2015.

TABLE 3—IMMIGRATION AND CUSTOMS ENFORCEMENT CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Civil penalties for violation of Immigration and Naturalization Act (INA) sections 274C(a)(1)-(a)(4), penalty for first offense.	8 CFR 270.3(b)(1)(ii)(A)	\$375-\$3,200 ...	\$250-\$2,000 (1990)	1.78156	\$445-\$3,563 ...	\$445-\$3,563

TABLE 3—IMMIGRATION AND CUSTOMS ENFORCEMENT CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Civil penalties for violation of Immigration and Naturalization Act (INA) sections 274C(a)(5)–(a)(6), penalty for first offense.	8 CFR 270.3(b)(1)(ii)(B) .	\$275–\$2,200 ...	\$250–\$2,000 (1996)	1.50245	\$376–\$3,005 ...	\$376–\$3,005
Civil penalties for violation of Immigration and Naturalization Act (INA) sections 274C(a)(1)–(a)(4), penalty for subsequent offenses.	8 CFR 270.3(b)(1)(ii)(C) .	\$3,200–\$6,500	\$2,000–\$5,000 (1990)	1.78156	\$3,563–\$8,908	\$3,563–\$8,908
Civil penalties for violation of Immigration and Naturalization Act (INA) sections 274C(a)(5)–(a)(6), penalty for subsequent offenses.	8 CFR 270.3(b)(1)(ii)(D) .	\$2,200–\$5,500	\$2,000–\$5,000 (1996)	1.50245	\$3,005–\$7,512	\$3,005–\$7,512
Violation/prohibition of indemnity bonds	8 CFR 274a.8(b) .	\$1,100	\$1,000 (1986)	2.15628	\$2,156	\$2,156
Civil penalties for knowingly hiring, recruiting, referral, or retention of unauthorized aliens—Penalty for first offense (per unauthorized alien).	8 CFR 274a.10(b)(1)(ii)(A)	\$375–\$3,200 ...	\$250–\$2,000 (1986)	2.15628	\$539–\$4,313 ...	\$539–\$4,313
Penalty for second offense (per unauthorized alien).	8 CFR 274a.10(b)(1)(ii)(B)	\$3,200–\$6,500	\$2,000–\$5,000 (1986)	2.15628	\$4,313–\$10,781	\$4,313–\$10,781
Penalty for third or subsequent offense (per unauthorized alien).	8 CFR 274a.10(b)(1)(ii)(C)	\$4,300–\$16,000	\$3,000–\$10,000 (1986)	2.15628	\$6,469–\$21,563	\$6,469–\$21,563
Civil penalties for 1–9 paperwork violations	8 CFR 274a.10(b)(2)	\$110–\$1,100 ...	\$100–\$1,000 (1986)	2.15628	\$216–\$2,156 ...	\$216–\$2,156

* The amount of the penalty and the year of when the penalty was established or last adjusted in statute or regulation other than pursuant to the Inflation Adjustment Act of 1990.

** OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A: 2016 Civil Monetary Penalty Catch-Up Adjustment Multiplier by Calendar Year, February 24, 2016.

D. U.S. Coast Guard

The Coast Guard is adjusting for inflation the penalties in the table in part 27 of title 33 of the CFR. That table identifies the statutes that provide the Coast Guard with civil monetary penalty authority and sets out the inflation-adjusted maximum penalty that the Coast Guard may impose pursuant to each statutory provision. The new table in this regulation provides the current maximum penalty for violations that occurred after November 2, 2015. The penalties in effect for violations on or prior to November 2, 2015 can be found in prior CFR versions that pertain to the date in which the violation occurred. Since the Coast Guard had adjusted the table in part 27 for inflation on several occasions, not just one table can be used for all violations on or before November 2, 2015.

The Coast Guard is authorized to assess close to 150 penalties involving maritime safety and security and environmental stewardship that are critical to the continued success of Coast Guard missions. Various statutes in Title 14, 16, 19, 33, 42, 46, and 49 of the U.S.C. authorize these penalties. Titles 33 and 46 authorize the vast majority of these penalties as these statutes deal with navigation, navigable waters, and shipping.

Under title 33 of the U.S.C., the Coast Guard assesses penalties with respect to bridges, marine events, pollution prevention, oil discharges, sanitation, international navigation, and other environmental stewardship responsibilities. Most notably, the Coast Guard has express joint authority with the Environmental Protection Agency (EPA) to assess penalties in order to enforce the Federal Water Pollution Control Act (Clean Water Act) (CWA), as amended by the Oil Pollution Act of 1990 (OPA 90) (33 U.S.C. 1321 *et seq.*), and MARPOL Protocol, Annex VI (33 U.S.C. 1908). Penalties under the CWA and OPA 90 relate to the discharge of oil or a hazardous substance from a vessel or facility into or upon the navigable waters of the United States, adjoining shoreline, or into or upon the waters of the contiguous zone. Both agencies may assess penalties for discharges of oil or hazardous substances in connection with activities under the Outer Continental Shelf Lands Act or the Deepwater Port Act. Further, both agencies may assess penalties if a person fails to take mitigation or removal action, or fails to comply with an order of the Federal On-Scene Coordinator. The Coast Guard and EPA delineate enforcement boundaries within each region. Under the Act to Prevent Pollution from Ships (APPS) (33 U.S.C. 1901 *et seq.*), both of these agencies may assess penalties for any violation of Annex VI, including but not limited to the carriage and use of low-sulfur fuel oil, and vessel engine and emission requirements. While the EPA focuses primarily on engine permit requirements and shoreside facility compliance, the Coast Guard may refer other matters to the EPA for enforcement in accordance with established protocol.

Under title 46 of the U.S.C., the Coast Guard assesses penalties with respect to vessel inspections, vessel operations, manning and training on vessels, marine casualty reporting, drug testing, pilotage, vessel identification, and other aspects of personnel and operations involved in the shipping industry. The majority of civil penalties under this title relate to vessel compliance, which includes general inspection requirements, crew requirements and limitations, and operational requirements of the vessel to engage in a commercial enterprise.

Beyond title 33 and title 46 of the U.S.C., the Coast Guard assesses penalties related to the organization and management of the Coast Guard, aquatic species conservation, obstruction of revenue, and hazardous substances and materials. Most notably, the Coast Guard has joint authority with EPA under title 42 of the U.S.C. to assess penalties for hazardous substances. Under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) (42 U.S.C. 9601 *et seq.*), the Coast Guard may assess penalties for the failure to meet the notification requirements, failure to provide evidence of financial responsibility, or failure to follow an administrative order, among other violations. The Coast Guard has the primary responsibility to enforce the laws on navigational waterways.

As evidenced by the table below, the current inflation adjustment imposes a substantial change in many of the civil penalties administered by the Coast Guard. Part of the reason for the changes are that the enactment dates for penalties assessed by the Coast Guard vary widely, spanning from 1935 to 2014. Furthermore, the penalty amounts vary widely, spanning up to \$250,000. Under the 2015 Act, and as mentioned elsewhere in this preamble, Congress has created a straightforward method for calculating the amount of the inflation allowable for each penalty.

While the increases due to inflation are, for some penalties, substantial, not all penalties will be equivalent to their original value in real terms. Pursuant to the 2015 Act, the Coast Guard cannot increase any penalty by more than 150% of the previously adjusted penalty. As the Coast Guard last adjusted penalties for inflation on June 2, 2011 (76 FR 31831), it cannot adjust any penalty by more than 150% of the amount set by the final rule of June 2, 2011. After the Coast Guard used the new method and applied the 150% cap, they increased the penalties by an amount of 3% to 150% above the last adjustment. Of those penalties that the Coast Guard is increasing in this rulemaking, approximately 23 of the penalties are increasing more than 100% from their 2011 value, and the 2015 Act limits the amount that they can increase to 150% of the 2011 value. All of the penalties that Congress or the Coast Guard enacted prior to 1980 are increasing more than 100%. This is due to the great difference between the CPI-U level from the years enacted and the CPI-U from October 2015.

There were three penalties that decreased in value from their previous amounts. These penalties (codified in 46 U.S.C. App. 1505(a)(2), 46 U.S.C. App. 1805(c)(2), and 42 U.S.C. 12151(c)) showed significant decreases. These changes occurred because Congress recodified these penalties in 2006 after the Coast Guard adjusted them

for inflation. Using the 2006 recodification as the new statutory baseline, the penalty amounts declined significantly in this rulemaking from their current values.

Finally, we are adding several penalties to the existing table in 33 CFR 27.3 that had been inadvertently omitted from regulatory text. These penalties include a penalty for intentional interference with a broadcast (codified at 14 U.S.C. 88(e)), a clean hulls penalty for recreational and commercial vessels (33 U.S.C. 3852(c)), vessel documentation relating to mobile offshore drilling units (46 U.S.C. 12151(a)(2), and hazardous material training penalties (49 U.S.C. 5123(a)(3)).

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Saving Life and Property	14 U.S.C. 88(c) ..	\$10,000 ...	\$10,000 (2014) (Pub. L. 113–281)	1.00171	\$10,017	\$10,017
Saving Life and Property; Intentional Interference with Broadcast.	14 U.S.C. 88(e) ..	1,000	\$1,000 (2012) (Pub. L. 112–213)	1.02819	1,028	1,028
Confidentiality of Medical Quality Assurance Records (first offense).	14 U.S.C. 645(i); 33 CFR 27.3.	4,000	\$3,000 (1992) (Pub. L. 102–587)	1.67728	5,032	5,032
Confidentiality of Medical Quality Assurance Records (subsequent offenses).	14 U.S.C. 645(i); 33 CFR 27.3.	30,000	\$20,000 (1992) (Pub. L. 102–587)	1.67728	33,546	33,546
Aquatic Nuisance Species in Waters of the United States.	16 U.S.C. 4711(g)(1); 33 CFR 27.3.	35,000	\$25,000 (1996) (Pub. L. 104–332)	1.50245	37,561	37,561
Obstruction of Revenue Officers by Masters of Vessels.	19 U.S.C. 70; 33 CFR 27.3.	3,000	\$2,000 (1935)	17.36044	34,721	7,500
Obstruction of Revenue Officers by Masters of Vessels—Minimum Penalty.	19 U.S.C. 70; 33 CFR 27.3.	700	\$500 (1935)	17.36044	8,680	1,750
Failure to Stop Vessel When Directed; Master, Owner, Operator or Person in Charge.	19 U.S.C. 1581(d)	5,000	\$5,000 (1930)	N/A	N/A	*** 5,000
Failure to Stop Vessel When Directed; Master, Owner, Operator or Person in Charge—Minimum Penalty.	19 U.S.C. 1581(d)	1,000	\$1,000 (1930)	N/A	N/A	*** 1,000
Anchorage Ground/Harbor Regulations General.	33 U.S.C. 471; 33 CFR 27.3.	110	\$10,000 (2010) (Pub. L. 111–281)	1.08745	10,875	10,875
Anchorage Ground/Harbor Regulations St. Mary's river.	33 U.S.C. 474; 33 CFR 27.3.	300	\$200 (1946) (11 FR 7875)	11.43452	2,287	750
Bridges/Failure to Comply with Regulations	33 U.S.C. 495(b); 33 CFR 27.3.	25,000	\$25,000 (2008) (Pub. L. 108–293)	1.09819	27,455	27,455
Bridges/Drawbridges ..	33 U.S.C. 499(c); 33 CFR 27.3.	25,000	\$25,000 (2008) (Pub. L. 108–293)	1.09819	27,455	27,455
Bridges/Failure to Alter Bridge Obstructing Navigation.	33 U.S.C. 502(c); 33 CFR 27.3.	25,000	\$25,000 (2008) (Pub. L. 108–293)	1.09819	27,455	27,455

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Bridges/Maintenance and Operation	33 U.S.C. 533(b); 33 CFR 27.3.	25,000	\$25,000 (2008) (Pub. L. 108-293)	1.09819	27,455	27,455
Bridge to Bridge Communication; Master, Person in Charge or Pilot.	33 U.S.C. 1208(a); 33 CFR 27.3.	800	\$500 (1971) (Pub. L. 92-63)	5.81511	2,908	2,000
Bridge to Bridge Communication; Vessel ...	33 U.S.C. 1208(b); 33 CFR 27.3.	800	\$500 (1971) (Pub. L. 92-63)	5.81511	2,908	2,000
PWSA Regulations	33 U.S.C. 1232(a); 33 CFR 27.3.	40,000	\$25,000 (1978) (Pub. L. 95-474)	3.54453	88,613	88,613
Vessel Navigation: Regattas or Marine Parades; Unlicensed Person in Charge.	33 U.S.C. 1236(b); 33 CFR 27.3.	8,000	\$5,000 (1990) (Pub. L. 101-380)	1.78156	8,908	8,908
Vessel Navigation: Regattas or Marine Parades; Owner On-board Vessel.	33 U.S.C. 1236(c); 33 CFR 27.3.	8,000	\$5,000 (1990) (Pub. L. 101-380)	1.78156	8,908	8,908
Vessel Navigation: Regattas or Marine Parades; Other Persons.	33 U.S.C. 1236(d); 33 CFR 27.3.	3,000	\$2,500 (1990) (Pub. L. 101-380)	1.78156	4,454	4,454
Oil/Hazardous Substances: Discharges (Class I per violation).	33 U.S.C. 1321(b)(6)(B)(i); 33 CFR 27.3.	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Oil/Hazardous Substances: Discharges (Class I total under paragraph).	33 U.S.C. 1321(b)(6)(B)(i); 33 CFR 27.3.	40,000	\$25,000 (1990) (Pub. L. 101-380)	1.78156	44,539	44,539
Oil/Hazardous Substances: Discharges (Class II per day of violation).	33 U.S.C. 1321(b)(6)(B)(ii); 33 CFR 27.3.	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Oil/Hazardous Substances: Discharges (Class II total under paragraph).	33 U.S.C. 1321(b)(6)(B)(ii); 33 CFR 27.3.	190,000	\$125,000 (1990) (Pub. L. 101-380)	1.78156	222,695	222,695
Oil/Hazardous Substances: Discharges (per day of violation) Judicial Assessment.	33 U.S.C. 1321(b)(7)(A); 33 CFR 27.3.	40,000	\$25,000 (1990) (Pub. L. 101-380)*	1.78156	44,539	44,539
Oil/Hazardous Substances: Discharges (per barrel of oil or unit discharged) Judicial Assessment.	33 U.S.C. 1321(b)(7)(A); 33 CFR 27.3.	1,100	\$1,000 (1990) (Pub. L. 101-380)	1.78156	1,782	1,782
Oil/Hazardous Substances: Failure to Carry Out Removal/ Comply With Order (Judicial Assessment).	33 U.S.C. 1321(b)(7)(B); 33 CFR 27.3.	40,000	\$25,000 (1990) (Pub. L. 101-380)	1.78156	44,539	44,539
Oil/Hazardous Substances: Failure to Comply with Regulation Issued Under 1321(j) (Judicial Assessment).	33 U.S.C. 1321(b)(7)(C); 33 CFR 27.3.	40,000	\$25,000 (1990) (Pub. L. 101-380)	1.78156	44,539	44,539
Oil/Hazardous Substances: Discharges, Gross Negligence (per barrel of oil or unit discharged) Judicial Assessment.	33 U.S.C. 1321(b)(7)(D); 33 CFR 27.3.	4,000	\$3,000 (1990) (Pub. L. 101-380)	1.78156	5,345	5,345
Oil/Hazardous Substances: Discharges, Gross Negligence—Minimum Penalty (Judicial Assessment).	33 U.S.C. 1321(b)(7)(D); 33 CFR 27.3.	130,000	\$100,000 (1990) (Pub. L. 101-380)	1.78156	178,156	178,156
Marine Sanitation Devices; Operating	33 U.S.C. 1322(j); 33 CFR 27.3.	3,000	\$2,000 (1972) (Pub. L. 92-500)	5.62265	11,245	7,500

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Marine Sanitation Devices; Sale or Manufacture.	33 U.S.C. 1322(j); 33 CFR 27.3.	8,000	\$5,000 (1972) (Pub. L. 92-500)	5.62265	28,113	20,000
International Navigation Rules; Operator	33 U.S.C. 1608(a); 33 CFR 27.3.	8,000	\$5,000 (1980) (Pub. L. 96-591)	2.80469	14,023	14,023
International Navigation Rules; Vessel	33 U.S.C. 1608(b); 33 CFR 27.3.	8,000	\$5,000 (1980) (Pub. L. 96-591)	2.80469	14,023	14,023
Pollution from Ships; General	33 U.S.C. 1908(b)(1); 33 CFR 27.3.	40,000	\$25,000 (1980) (Pub. L. 96-478)	2.80469	70,117	70,117
Pollution from Ships; False Statement	33 U.S.C. 1908(b)(1); 33 CFR 27.3.	8,000	\$5,000 (1980) (Pub. L. 96-478)	2.80469	14,023	14,023
Inland Navigation Rules; Operator	33 U.S.C. 2072(a); 33 CFR 27.3.	8,000	\$5,000 (1980) (Pub. L. 96-591)	2.80469	14,023	14,023
Inland Navigation Rules; Vessel	33 U.S.C. 2072(b); 33 CFR 27.3.	8,000	\$5,000 (1980) (Pub. L. 96-591)	2.80469	14,023	14,023
Shore Protection; General	33 U.S.C. 2609(a); 33 CFR 27.3.	40,000	\$25,000 (1988) (Pub. L. 100-688)	1.97869	49,467	49,467
Shore Protection; Operating Without Permit.	33 U.S.C. 2609(b); 33 CFR 27.3.	15,000	\$10,000 (1988) (Pub. L. 100-688)	1.97869	19,787	19,787
Oil Pollution Liability and Compensation	33 U.S.C. 2716a(a); 33 CFR 27.3.	40,000	\$25,000 (1990) (Pub. L. 101-380)	1.78156	44,539	44,539
Clean Hulls	33 U.S.C. 3852(a)(1)(A); 33 CFR 27.3.	37,500	\$37,500 (2010) (Pub. L. 111-281)	1.08745	40,779	40,779
Clean Hulls—related to false statements	33 U.S.C. 3852(a)(1)(A); 33 CFR 27.3.	50,000	\$50,000 (2010) (Pub. L. 111-281)	1.08745	54,373	54,373
Clean Hulls—Recreational Vessel	33 U.S.C. 3852(c); 33 CFR 27.3.	5,000	\$5,000 (2010) (Pub. L. 111-281)	1.08745	5,437	5,437
Hazardous Substances, Releases, Liability, Compensation (Class I).	42 U.S.C. 9609(a); 33 CFR 27.3.	35,000	\$25,000 (1986) (Pub. L. 99-499)	2.15628	53,907	53,907
Hazardous Substances, Releases, Liability, Compensation (Class II).	42 U.S.C. 9609(b); 33 CFR 27.3.	35,000	\$25,000 (1986) (Pub. L. 99-499)	2.15628	53,907	53,907
Hazardous Substances, Releases, Liability, Compensation (Class II subsequent offense).	42 U.S.C. 9609(b); 33 CFR 27.3.	100,000	\$75,000 (1986) (Pub. L. 99-499)	2.15628	161,721	161,721
Hazardous Substances, Releases, Liability, Compensation (Judicial Assessment).	42 U.S.C. 9609(c); 33 CFR 27.3.	35,000	\$25,000 (1986) (Pub. L. 99-499)	2.15628	53,907	53,907
Hazardous Substances, Releases, Liability, Compensation (Judicial Assessment subsequent offense).	42 U.S.C. 9609(c); 33 CFR 27.3.	100,000	\$75,000 (1986) (Pub. L. 99-499)	2.15628	161,721	161,721
Safe Containers for International Cargo	46 U.S.C. App 1505(a)(2) (codified as 46 USC 80509); 33 CFR 27.3.	8,000	\$5,000 (2006) (Pub. L. 109-304)	1.17858	5,893	5,893
Suspension of Passenger Service	46 U.S.C. App 1805(c)(2) (codified 46 USC 70305); 33 CFR 27.3.	70,000	\$50,000 (2006) (Pub. L. 109-304; 46 USC 70305)	1.17858	58,929	58,929

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Vessel Inspection or Examination Fees	46 U.S.C. 2110(e); 33 CFR 27.3.	8,000	\$5,000 (1990) (Pub. L. 101-508)	1.78156	8,908	8,908
Alcohol and Dangerous Drug Testing	46 U.S.C. 2115; 33 CFR 27.3.	7,000	\$5,000 (1998) (Pub. L. 105-383)	1.45023	7,251	7,251
Negligent Operations: Recreational Vessels.	46 U.S.C. 2302(a); 33 CFR 27.3.	6,000	\$5,000 (2002) (Pub. L. 107-295)	1.31185	6,559	6,559
Negligent Operations: Other Vessels	46 U.S.C. 2302(a); 33 CFR 27.3.	30,000	\$25,000 (2002) (Pub. L. 107-295)	1.31185	32,796	32,796
Operating a Vessel While Under the Influence of Alcohol or a Dangerous Drug.	46 U.S.C. 2302(c)(1); 33 CFR 27.3.	7,000	\$5,000 (1998) (Pub. L. 105-383)	1.45023	7,251	7,251
Vessel Reporting Requirements: Owner, Charterer, Managing Operator, or Agent.	46 U.S.C. 2306(a)(4); 33 CFR 27.3.	8,000	\$5,000 (1984) (Pub. L. 98-498)	2.25867	11,293	11,293
Vessel Reporting Requirements: Master ..	46 U.S.C. 2306(b)(2); 33 CFR 27.3.	1,100	\$1,000 (1984) (Pub. L. 98-498)	2.25867	2,259	2,259
Immersion Suits	46 U.S.C. 3102(c)(1); 33 CFR 27.3.	8,000	\$5,000 (1984) (Pub. L. 98-623)	2.25867	11,293	11,293
Inspection Permit	46 U.S.C. 3302(i)(5); 33 CFR 27.3.	1,100	\$1,000 (1983) (Pub. L. 98-89)	2.35483	2,355	2,355
Vessel Inspection; General	46 U.S.C. 3318(a); 33 CFR 27.3.	8,000	\$5,000 (1984) (Pub. L. 98-498)	2.25867	11,293	11,293
Vessel Inspection; Nautical School Vessel	46 U.S.C. 3318(g); 33 CFR 27.3.	8,000	\$5,000 (1984) (Pub. L. 98-498)	2.25867	11,293	11,293
Vessel Inspection; Failure to Give Notice IAW 3304(b).	46 U.S.C. 3318(h); 33 CFR 27.3.	1,100	\$1,000 (1984) (Pub. L. 98-498)	2.25867	2,259	2,259
Vessel Inspection; Failure to Give Notice IAW 3309(e).	46 U.S.C. 3318(i); 33 CFR 27.3.	1,100	\$1,000 (1984) (Pub. L. 98-498)	2.25867	2,259	2,259
Vessel Inspection; Vessel ≥1600 Gross Tons.	46 U.S.C. 3318(j)(1); 33 CFR 27.3.	15,000	\$10,000 (1984) (Pub. L. 98-498)	2.25867	22,587	22,587
Vessel Inspection; Vessel <1600 Gross Tons.	46 U.S.C. 3318(j)(1); 33 CFR 27.3.	3,000	\$2,000 (1984) (Pub. L. 98-498)	2.25867	4,517	4,517
Vessel Inspection; Failure to Comply with 3311(b).	46 U.S.C. 3318(k); 33 CFR 27.3.	15,000	\$10,000 (1984) (Pub. L. 98-498)	2.25867	22,587	22,587
Vessel Inspection; Violation of 3318(b)-3318(f).	46 U.S.C. 3318(l); 33 CFR 27.3.	8,000	\$5,000 (1984) (Pub. L. 98-498)	2.25867	11,293	11,293
List/count of Passengers	46 U.S.C. 3502(e); 33 CFR 27.3.	110	\$100 (1983) (Pub. L. 98-89)	2.35483	235	235
Notification to Passengers	46 U.S.C. 3504(c); 33 CFR 27.3.	15,000	\$10,000 (1983) (Pub. L. 98-89)	2.35483	23,548	23,548
Notification to Passengers; Sale of Tickets	46 U.S.C. 3504(c); 33 CFR 27.3.	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Copies of Laws on Passenger Vessels; Master.	46 U.S.C. 3506; 33 CFR 27.3.	300	\$200 (1983) (Pub. L. 98-89)	2.35483	471	471
Liquid Bulk/ Dangerous Cargo	46 U.S.C. 3718(a)(1); 33 CFR 27.3.	40,000	\$25,000 (1983) (Pub. L. 98-89)	2.35483	58,871	58,871

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Uninspected Vessels ...	46 U.S.C. 4106; 33 CFR 27.3.	8,000	\$5,000 (1988) (Pub. L. 100-540)	1.97869	9,893	9,893
Recreational Vessels (maximum for related series of violations).	46 U.S.C. 4311(b)(1); 33 CFR 27.3.	300,000 ...	\$250,000 (2004) (Pub. L. 108-293)	1.24588	311,470	311,470
Recreational Vessels; Violation of 4307(a)	46 U.S.C. 4311(b)(1); 33 CFR 27.3.	6,000	\$5,000 (2004) (Pub. L. 108-293)	1.24588	6,229	6,229
Recreational vessels ...	46 U.S.C. 4311(c); 33 CFR 27.3.	1,100	\$1,000 (1983) (Pub. L. 98-89)	2.35483	2,355	2,355
Uninspected Commercial Fishing Industry Vessels.	46 U.S.C. 4507; 33 CFR 27.3.	8,000	\$5,000 (1988) (Pub. L. 100-424)	1.97869	9,893	9,893
Abandonment of Barges	46 U.S.C. 4703; 33 CFR 27.3.	1,100	\$1,000 (1992) (Pub. L. 102-587)	1.67728	1,677	1,677
Load Lines	46 U.S.C. 5116(a); 33 CFR 27.3.	8,000	\$5,000 (1986) (Pub. L. 99-509)	2.15628	10,781	10,781
Load Lines; Violation of 5112(a)	46 U.S.C. 5116(b); 33 CFR 27.3.	15,000	\$10,000 (1986) (Pub. L. 99-509)	2.15628	21,563	21,563
Load Lines; Violation of 5112(b)	46 U.S.C. 5116(c); 33 CFR 27.3.	8,000	\$5,000 (1986) (Pub. L. 99-509)	2.15628	10,781	10,781
Reporting Marine Casualties	46 U.S.C. 6103(a); 33 CFR 27.3.	35,000	\$25,000 (1996) (Pub. L. 104-324)	1.50245	37,561	37,561
Reporting Marine Casualties; Violation of 6104	46 U.S.C. 6103(b); 33 CFR 27.3.	8,000	\$5,000 (1988) (Pub. L. 100-424)	1.97869	9,893	9,893
Manning of Inspected Vessels; Failure to Report Deficiency in Vessel Complement.	46 U.S.C. 8101(e); 33 CFR 27.3.	1,100	\$1,000 (1990) (Pub. L. 101-380)	1.78156	1,782	1,782
Manning of Inspected Vessels	46 U.S.C. 8101(f); 33 CFR 27.3.	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Manning of Inspected Vessels; Employing or Serving in Capacity not Licensed by USCG.	46 U.S.C. 8101(g); 33 CFR 27.3.	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Manning of Inspected Vessels; Freight Vessel <100 GT, Small Passenger Vessel, or Sailing School Vessel.	46 U.S.C. 8101(h); 33 CFR 27.3.	1,100	\$1,000 (1983) (Pub. L. 98-89)	2.35483	2,355	2,355
Watchmen on Passenger Vessels	46 U.S.C. 8102(a)	1,100	\$1,000 (1983) (Pub. L. 98-89)	2.35483	2,355	2,355
Citizenship Requirements	46 U.S.C. 8103(f)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Watches on Vessels; Violation of 8104(a) or (b).	46 U.S.C. 8104(i)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Watches on Vessels; Violation of 8104(c), (d), (e), or (h).	46 U.S.C. 8104(j)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Staff Department on Vessels	46 U.S.C. 8302(e)	110	\$100 (1983) (Pub. L. 98-89)	2.35483	235	235
Officer's Competency Certificates	46 U.S.C. 8304(d)	110	\$100 (1983) (Pub. L. 98-89)	2.35483	235	235

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Coastwise Pilotage; Owner, Charterer, Managing Operator, Agent, Master or Individual in Charge.	46 U.S.C. 8502(e)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Coastwise Pilotage; Individual	46 U.S.C. 8502(f)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Federal Pilots	46 U.S.C. 8503	40,000	\$25,000 (1984) (Pub. L. 98-557)	2.25867	56,467	56,467
Merchant Mariners Documents	46 U.S.C. 8701(d)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Crew Requirements ...	46 U.S.C. 8702(e)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Small Vessel Manning .	46 U.S.C. 8906	35,000	\$25,000 (1996) (Pub. L. 104-324)	1.50245	37,561	37,561
Pilotage: Great Lakes; Owner, Charterer, Managing Operator, Agent, Master or Individual in Charge.	46 U.S.C. 9308(a)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Pilotage: Great Lakes; Individual	46 U.S.C. 9308(b)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Pilotage: Great Lakes; Violation of 9303	46 U.S.C. 9308(c)	15,000	\$10,000 (1990) (Pub. L. 101-380)	1.78156	17,816	17,816
Failure to Report Sexual Offense	46 U.S.C. 10104(b)	8,000	\$5,000 (1989) (Pub. L. 101-225)	1.89361	9,468	9,468
Pay Advances to Seamen	46 U.S.C. 10314(a)(2)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Pay Advances to Seamen; Remuneration for Employment.	46 U.S.C. 10314(b)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Allotment to Seamen .	46 U.S.C. 10315(c)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Seamen Protection; General	46 U.S.C. 10321	7,000	\$5,000 (1993) (Pub. L. 103-206)	1.63238	8,162	8,162
Coastwise Voyages: Advances	46 U.S.C. 10505(a)(2)	7,000	\$5,000 (1993) (Pub. L. 103-206)	1.63238	8,162	8,162
Coastwise Voyages: Advances; Remuneration for Employment.	46 U.S.C. 10505(b)	7,000	\$5,000 (1993) (Pub. L. 103-206)	1.63238	8,162	8,162
Coastwise Voyages: Seamen Protection; General.	46 U.S.C. 10508(b)	7,000	\$5,000 (1993) (Pub. L. 103-206)	1.63238	8,162	8,162
Effects of Deceased Seamen	46 U.S.C. 10711	300	\$200 (1983) (Pub. L. 98-89)	2.35483	471	471
Complaints of Unfitness	46 U.S.C. 10902(a)(2)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177
Proceedings on Examination of Vessel	46 U.S.C. 10903(d)	110	\$100 (1983) (Pub. L. 98-89)	2.35483	235	235
Permission to Make Complaint	46 U.S.C. 10907(b)	800	\$500 (1983) (Pub. L. 98-89)	2.35483	1,177	1,177

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Accommodations for Seamen	46 U.S.C. 11101(f)	800	\$500	2.35483	1,177	1,177
			(1983) (Pub. L. 98-89)			
Medicine Chests on Vessels	46 U.S.C. 11102(b)	800	\$500	2.35483	1,177	1,177
			(1983) (Pub. L. 98-89)			
Destitute Seamen	46 U.S.C. 11104(b)	110	\$100	2.35483	235	235
			(1983) (Pub. L. 98-89)			
Wages on Discharge ...	46 U.S.C. 11105(c)	800	\$500	2.35483	1,177	1,177
			(1983) (Pub. L. 98-89)			
Log Books; Master Failing to Maintain ..	46 U.S.C. 11303(a)	300	\$200	2.35483	471	471
			(1983) (Pub. L. 98-89)			
Log Books; Master Failing to Make Entry	46 U.S.C. 11303(b)	300	\$200	2.35483	471	471
			(1983) (Pub. L. 98-89)			
Log Books; Late Entry	46 U.S.C. 11303(c)	200	\$150	2.35483	353	353
			(1983) (Pub. L. 98-89)			
Carrying of Sheath Knives	46 U.S.C. 11506	80	\$50	2.35483	118	118
			(1983) (Pub. L. 98-89)			
Vessel Documentation ..	46 U.S.C. 12151(a)(1)	15,000	\$15,000	1.02819	15,423	15,423
			(2012) (Pub. L. 112-213)			
Documentation of Vessels—Related to Activities involving mobile offshore drilling units.	46 U.S.C. 12151(a)(2)	25,000	\$25,000	1.02819	25,705	25,705
			(2012) (Pub. L. 112-213)			
Vessel Documentation; Fishery Endorsement.	46 U.S.C. 12151(c)	130,000	\$100,000	1.17858	117,858	117,858
			(2006) (Pub. L. 109-304)			
Numbering of Undocumented Vessels—Willful violation.	46 U.S.C. 12309(a)	6,000	\$5,000	2.35483	11,774	11,774
			(1983) (Pub. L. 98-89)			
Numbering of Undocumented Vessels	46 U.S.C. 12309(b)	1,100	\$1,000	2.35483	2,355	2,355
			(1983) (Pub. L. 98-89)			
Vessel Identification System	46 U.S.C. 12507(b)	15,000	\$10,000	1.97869	19,787	19,787
			(1988) (Pub. L. 100-710)			
Measurement of Vessels	46 U.S.C. 14701	30,000	\$20,000	2.15628	43,126	43,126
			(1986) (Pub. L. 99-509)			
Measurement; False Statements	46 U.S.C. 14702	30,000	\$20,000	2.15628	43,126	43,126
			(1986) (Pub. L. 99-509)			
Commercial Instruments and Maritime Liens.	46 U.S.C. 31309	15,000	\$10,000	1.97869	19,787	19,787
			(1988) (Pub. L. 100-710)			
Commercial Instruments and Maritime Liens; Mortgage.	46 U.S.C. 31330(a)(2)	15,000	\$10,000	1.97869	19,787	19,787
			(1988) (Pub. L. 100-710)			
Commercial Instruments and Maritime Liens; Violation of 31329.	46 U.S.C. 31330(b)(2)	35,000	\$25,000	1.97869	49,467	49,467
			(1988) (Pub. L. 100-710)			
Port Security	46 U.S.C. 70119(a)	30,000	\$25,000	1.31185	32,796	32,796
			(2002) (Pub. L. 107-295)			
Port Security—Continuing Violations	46 U.S.C. 70119(b)	50,000	\$50,000	1.17858	58,929	58,929
			(2006) (Pub. L. 109-241)			
Maritime Drug Law Enforcement	46 U.S.C. 70506(c)	5,000	\$5,000	1.08745	5,437	5,437
			(2010) (Pub. L. 111-281)			

TABLE 4—U.S. COAST GUARD CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty * (year) (statutory citation)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Hazardous Materials: Related to Vessels	49 U.S.C. 5123(a)(1)	75,000	\$75,000 (2012) (Pub. L. 112–141)	1.02819	77,114	77,114
Hazardous Materials: Related to Vessels – Penalty from Fatalities, Serious Injuries/Illness or substantial Damage to Property.	49 U.S.C. 5123(a)(2)	175,000 ...	\$175,000 (2012) (Pub. L. 112–141)	1.02819	179,933	179,933
Hazardous Materials: Related to Vessels; Training.	49 U.S.C. 5123(a)(3)	450	\$450 (2012) (Pub. L. 112–141)	1.02819	463	463

* The amount of the penalty and the year of when the penalty was established or last adjusted in statute or regulation other than pursuant to the Inflation Adjustment Act of 1990.

** OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A: 2016 Civil Monetary Penalty Catch-Up Adjustment Multiplier by Calendar Year, February 24, 2016.

*** Exempt as under the Tariff Act.

E. Transportation Security Administration

The Transportation Security Administration (TSA) is updating its civil penalties regulation in accordance with the 2015 Act. Pursuant to its statutory authority in 49 U.S.C. 114(v), TSA may impose penalties for violations of any statute that TSA administers, whether an implementing regulation or order imposes the penalty.⁶ TSA assesses these penalties for a wide variety of aviation and surface security requirements, including violations of TSA’s requirements applicable to Transportation Worker Identification Credentials (TWIC),⁷ as well as violations of requirements described in chapter 449 of Title 49 of the U.S. Code. These penalties can apply to a wide variety of situations, as described in the statutory and regulatory provisions, as well as in guidance that TSA publishes.

TSA’s maximum civil penalty amounts are located in 49 CFR 1503.401. Over the years, Congress has increased the amount of those penalties to reflect the importance of maintaining aviation security. In section 1602 of the Homeland Security Act of 2002 (Pub. L. 107–296 (Nov. 25, 2002)), Congress raised the maximum civil penalty amounts per violation for certain aviation security statutes. Additionally, in section 503(b) of the Vision 100— Century of Aviation Reauthorization Act (Vision 100) (Pub. L. 108–176 (Dec. 12, 2003)), Congress raised the total civil penalty amount per case that TSA may assess.

In this rulemaking, we are also making several minor adjustments to the regulatory text in section 1503.401 beyond simply updating the

⁶ See 49 U.S.C. 114(v), as amended by sec. 1302 of the Implementing Recommendations of the 9/11 Commission Act of 2007 (Pub. L. 110–53, 121 Stat. 266 (Aug. 3, 2007)).

⁷ See, e.g., 46 U.S.C. 70105, 49 U.S.C. 46302 and 46303, and U.S.C. ch. 449.

penalty numbers. First, we are eliminating the text in paragraph (d), “Inflation adjustment,” because it is no longer needed. Pursuant to the 2015 Act, TSA will carry out inflation adjustments annually in the future, so there is no need for this text. Each year, TSA will update the amounts with current figures per the latest adjustment.

Additionally, TSA is correcting a minor error that appeared in section 1503.401(c). Previously, subsection (c)(1), which prescribed penalties for certain aviation-related violations, stated that the penalty against an entity that is operating a non-aircraft operator business was limited to \$50,000. However, that statement incorrectly applied the limiting provision in 49 U.S.C. 46301(d)(8)(C), which applies the \$50,000 limitation (unadjusted for inflation) only to individuals and small businesses. TSA can assess the full amount of \$400,000 (adjusted for inflation) against an entity that is not an individual or small business, and operating a non-aircraft operator business who is subject to this fine. We have made this correction by removing the inaccurate clause from paragraph (c)(1) and adding a new paragraph (c)(2) explicitly stating that an entity operating an on-aircraft operator business is subject to the full fine. We are redesignating existing paragraph (c)(2) as (c)(3).

Under this rule, the current penalties continue to be applicable with regard to violations that occurred on or before November 2, 2015, the date of enactment of the 2015 Act. Table 5 below contains a full list of the penalties assessed by the Transportation Security Administration, where the associated violation occurred after November 2, 2015.

TABLE 5—TRANSPORTATION SECURITY ADMINISTRATION CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty* (year)	Multiplier **	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Violation of 49 U.S.C. ch. 449 (except secs. 44902, 44903(d), 44907(a)-(d)(1)(A), 44907(d)(1)(C)-(F), 44908, and 44909), or 49 U.S.C. 46302 or 46303, a regulation prescribed, or order issued thereunder by a person operating an aircraft for the transportation of passengers or property for compensation.	49 U.S.C. 46301(a)(1), (4); 49 CFR 1503.401(c)(2).	\$27,500 (up to a total of \$400,000 per civil penalty action).	\$25,000 (2003) (up to a total of \$400,000 per civil penalty action).	1.28561	\$32,140 (up to a total of \$514,244 per civil penalty action).	\$32,140 (up to a total of \$514,244 per civil penalty action).

TABLE 5—TRANSPORTATION SECURITY ADMINISTRATION CIVIL PENALTIES ADJUSTMENTS

Penalty name	Citation	Current penalty	Baseline penalty* (year)	Multiplier ^{##}	Preliminary new penalty [multiplier x baseline penalty]	Adjusted new penalty [increase capped at 150% more than current penalty]
Violation of 49 U.S.C. ch. 449 (except secs. 44902, 44903(d), 44907(a)–(d)(1)(A), 44907(d)(1)(C)–(f), 44908, and 44909), or 49 U.S.C. 46302 or 46303, a regulation prescribed, or order issued thereunder by an individual (except an airman serving as an airman), any person not operating an aircraft for the transportation of passengers or property for compensation, or a small business concern.	49 U.S.C. 46301(a)(1), (4); 49 CFR 1503.401(c)(1).	\$11,000 (up to a total of \$50,000 total for small businesses, \$400,000 for others).	\$10,000 (2003) (up to a total of \$50,000 total for small businesses, \$400,000 for others).	1.28561	\$12,856 (up to a total of \$64,281 total for small businesses, \$514,244 for others).	\$12,856 (up to a total of \$64,281 total for small businesses, \$514,244 for others).
Violation of any other provision of title 49 U.S.C. or of 46 U.S.C. ch. 701, a regulation prescribed, or order issued thereunder.	49 U.S.C. 114(v); 49 CFR 1503.401(b).	\$10,000 (up to a total of \$50,000 total for small businesses, \$400,000 for others).	\$10,000 (2009) (up to a total of \$50,000 total for small businesses, \$400,000 for others).	1.10020	\$11,002 (up to a total of \$55,010 total for small businesses, \$440,080 for others).	\$11,002 (up to a total of \$55,010 total for small businesses, \$440,080 for others).

* The amount of the penalty and the year of when the penalty was established or last adjusted in statute or regulation other than pursuant to the Inflation Adjustment Act of 1990.

** OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Table A: 2016 Civil Monetary Penalty Catch-Up Adjustment Multiplier by Calendar Year, February 24, 2016.

III. Administrative Procedure Act

The Administrative Procedure Act (APA) generally requires agencies to publish a notice of proposed rulemaking in the **Federal Register** (5 U.S.C. 553(b)) and to provide interested persons with the opportunity to submit comments (5 U.S.C. 553(c)). The APA, however, provides an exception to the notice and public comment requirements where the “agency for good cause finds . . . that notice and public procedure thereon are impracticable, unnecessary, or contrary to public interest.” 5 U.S.C. 553(b)(B).

DHS is promulgating this rule to ensure that the amount of civil penalties that DHS assesses or enforces reflects the statutorily mandated ranges as adjusted for inflation. Pursuant to 5 U.S.C. 553(b)(3)(B), there is good cause to issue this rule without prior public notice or opportunity for public comment, because it would be impracticable and unnecessary. The 2015 Act directed agencies to “adjust civil monetary penalties through an interim final rulemaking” and to make subsequent annual adjustments for inflation to civil monetary penalties notwithstanding section 553 of title 5 of the U.S. Code. In addition, the 2015 Act provides a clear formula for adjustment of the civil penalties, leaving DHS and its components with little room for discretion. DHS and its components have been charged only with performing ministerial computations to determine the amounts of

adjustments for inflation to civil monetary penalties. Accordingly, prior public notice and comment are not required for this rule.

IV. Regulatory Analyses

A. Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess the 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). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This final rule has not been designated a “significant regulatory action,” under section 3(f) of Executive Order 12866. Accordingly, the Office of Management and Budget (OMB) has not reviewed this rule.

This final rule makes nondiscretionary adjustments to existing civil monetary penalties in accordance with the 2015 Act and OMB guidance.⁸ DHS therefore did not consider alternatives and does not have the flexibility to alter the adjustments of the civil monetary penalty amounts as provided in this rule. To the extent this rule increases civil monetary penalties, it would result in an increase in transfers from persons or entities assessed a civil monetary penalty to the government.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act applies only to rules for which an agency publishes a notice of proposed rulemaking pursuant to 5 U.S.C. 553(b). *See* 5 U.S.C. 601–612. The Regulatory Flexibility Act does not apply to this interim final rule, because a notice of proposed rulemaking is not required for the reasons stated above.

C. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or Tribal government, in

⁸ OMB, Implementation of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, 24 February 2016. <https://www.whitehouse.gov/sites/default/files/omb/memoranda/2016/m-16-06.pdf>

the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. This interim final rule will not result in such an expenditure.

D. Paperwork Reduction Act

The provisions of the Paperwork Reduction Act of 1995, 44 U.S.C. chapter 35, and its implementing regulations, 5 CFR part 1320, do not apply to this final rule, because this interim final rule does not trigger any new or revised recordkeeping or reporting.

List of Subjects

6 CFR Part 27

Reporting and recordkeeping requirements, Security measures.

8 CFR Part 270

Administrative practice and procedure, Aliens, Employment, Fraud, Penalties.

8 CFR Part 274a

Administrative practice and procedure, Aliens, Employment, Penalties, Reporting and recordkeeping requirements.

8 CFR Part 280

Administrative practice and procedure, Immigration, Penalties.

33 CFR Part 27

Administrative practice and procedure, Penalties.

49 CFR Part 1503

Administrative practice and procedure, Investigations, Law enforcement, Penalties.

Amendments to the Regulations

For the reasons stated in the preamble, the Department of Homeland Security amends 6 CFR part 27, 8 CFR parts 270, 274a, and 280, 33 CFR part 27, and 49 CFR part 1503 as follows:

Title 6—Domestic Security

PART 27—CHEMICAL FACILITY ANTI-TERRORISM STANDARDS

- 1. The authority citation for part 27 is revised to read as follows:

Authority: 6 U.S.C. 624; Pub. L. 101–410, 104 Stat. 890, as amended by Pub. L. 114–74, 129 Stat. 599.

■ 2. In § 27.300, revise paragraph (b)(3) to read as follows:

§ 27.300 Orders.

* * * * *

(b) * * *

(3) Where the Assistant Secretary determines that a facility is in violation of an Order issued pursuant to paragraph (a) of this section and issues an Order Assessing Civil Penalty pursuant to paragraph (b)(1) of this section, a chemical facility is liable to the United States for a civil penalty of not more than \$25,000 for each day during which the violation continues, if the violation of the Order occurred on or before November 2, 2015, or \$32,796 for each day during which the violation of the Order continues, if the violation occurred after November 2, 2015.

* * * * *

Title 8—Aliens and Nationality

PART 270—PENALTIES FOR DOCUMENT FRAUD

■ 3. The authority citation for part 270 is revised to read as follows:

Authority: 8 U.S.C. 1101, 1103, and 1324c; Pub. L. 101–410, 104 Stat. 890, as amended by Pub. L. 104–134, 110 Stat. 1321 and Pub. L. 114–74, 129 Stat. 599.

■ 4. In § 270.3, revise paragraphs (b)(1)(ii)(A), (B), (C), and (D) to read as follows:

§ 270.3 Penalties.

* * * * *

(b) * * *

(1) * * *

(ii) * * *

(A) *First offense under section 274C(a)(1) through (a)(4).* Not less than \$275 and not exceeding \$2,200 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act before March 27, 2008; not less than \$375 and not exceeding \$3,200 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act on or after March 27, 2008 and on or before November 2, 2015; and not less than

\$445 and not exceeding \$3,563 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act after November 2, 2015.

(B) *First offense under section 274C(a)(5) or (a)(6)*. Not less than \$250 and not exceeding \$2,000 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act before March 27, 2008; not less than \$275 and not exceeding \$2,200 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act on or after March 27, 2008 and on or before November 2, 2015; and not less than \$376 and not exceeding \$3,005 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act after November 2, 2015.

(C) *Subsequent offenses under section 274C(a)(1) through (a)(4)*. Not less than \$2,200 and not more than \$5,500 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act before March 27, 2008; not less than \$3,200 and not exceeding \$6,500 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act occurring on or after March 27, 2008 and on or before November 2, 2015; and not less than \$3,563 and not more than \$8,908 for each fraudulent document or each proscribed activity described in section 274C(a)(1) through (a)(4) of the Act after November 2, 2015.

(D) *Subsequent offenses under section 274C(a)(5) or (a)(6)*. Not less than \$2,000 and not more than \$5,000 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act before March 27, 2008; not less than \$2,200 and not exceeding \$5,500 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act occurring on or after March 27, 2008 and on or before November 2, 2015; and not less than \$3,005 and not more than \$7,512 for each fraudulent document or each proscribed activity described in section 274C(a)(5) or (a)(6) of the Act after November 2, 2015.

* * * * *

PART 274A—CONTROL OF EMPLOYMENT OF ALIENS

■ 5. The authority citation for part 274a is revised to read as follows:

Authority: 8 U.S.C. 1101, 1103, 1324a; 48 U.S.C. 1806; 8 CFR part 2; Pub. L. 101–410, 104 Stat. 890, as amended by Pub. L. 114–74, 129 Stat. 599.

■ 6. In § 4a.8, revise (b) to read as follows:

§ 274a.8 Prohibition of indemnity bonds.

* * * * *

(b) *Penalty.* Any person or other entity who requires any individual to post a bond or security as stated in this section shall, after notice and opportunity for an administrative hearing in accordance with section 274A(e)(3)(B) of the Act, be subject to a civil monetary penalty of \$1,000 for each violation before September 29, 1999, of \$1,100 for each violation occurring on or after September 29, 1999 but on or before November 2, 2015, and of \$2,156 for each violation occurring after November 2, 2015, and to an administrative order requiring the return to the individual of any amounts received in violation of this section or, if the individual cannot be located, to the general fund of the Treasury.

■ 7. In § 274a.10, revise paragraphs (b)(1)(ii)(A),(B),(C), and (b)(1)(iii)(2) to read as follows:

§ 274a.10 Penalties.

* * * * *

- (b) * * *
- (1) * * *
- (ii) * * *

(A) First offense—not less than \$275 and not more than \$2,200 for each unauthorized alien with respect to whom the offense occurred before March 27, 2008; not less than \$375 and not exceeding \$3,200, for each unauthorized alien with respect to whom the offense occurred occurring on or after March 27, 2008 and on or before November 2, 2015; and not less than \$539 and not more than \$4,313 for each unauthorized alien with respect to whom the offense occurred occurring after November 2, 2015.

(B) Second offense—not less than \$2,200 (B) and not more than \$5,500 for each unauthorized alien with respect to whom the second offense occurred before March 27, 2008; not less than \$3,200 and not more than \$6,500, for each unauthorized alien with respect to whom the second offense occurred on or after March 27, 2008 and on or before November 2, 2015; and not less than \$4,313 and not more than \$10,781 for each unauthorized alien with respect to whom the second offense occurred after November 2, 2015; or

(C) More than two offenses—not less than \$3,300 and not more than \$11,000 for each unauthorized alien with respect to whom the third or subsequent offense occurred before March 27, 2008; not less than \$4,300 and not exceeding \$16,000, for each unauthorized alien with

respect to whom the third or subsequent offense occurred on or after March 27, 2008 and on or before November 2, 2015; and not less than \$6,469 and not more than \$21,563 for each unauthorized alien with respect to whom the third or subsequent offense occurred after November 2, 2015; and

(iii) * * *

(2) A respondent determined by the Service (if a respondent fails to request a hearing) or by an administrative law judge, to have failed to comply with the employment verification requirements as set forth in § 274a.2(b), shall be subject to a civil penalty in an amount of not less than \$100 and not more than \$1,000 for each individual with respect to whom such violation occurred before September 29, 1999; not less than \$110 and not more than \$1,100 for each individual with respect to whom such violation occurred on or after September 29, 1999 and on or before November 2, 2015; and not less than \$216 and not more than \$2,156 for each individual with respect to whom such violation occurred after November 2, 2015. In determining the amount of the penalty, consideration shall be given to:

- (i) The size of the business of the employer being charged;
- (ii) The good faith of the employer;
- (iii) The seriousness of the violation;
- (iv) Whether or not the individual was an unauthorized alien; and
- (v) The history of previous violations of the employer.

* * * * *

PART 280—IMPOSITION AND COLLECTION OF FINES

■ 8. The authority citation for part 280 is revised to read as follows:

Authority: 8 U.S.C. 1103, 1221, 1223, 1227, 1229, 1253, 1281, 1283, 1284, 1285, 1286, 1322, 1323, 1330; 66 Stat. 173, 195, 197, 201, 203, 212, 219, 221–223, 226, 227, 230; Pub. L. 101–410, 104 Stat. 890, as amended by Pub. L. 114–74, 129 Stat. 599.

■ 9. Revise § 280.53 to read as follows:

§ 280.53 Civil Monetary Penalties Inflation Adjustment.

(a) *Statutory authority.* In accordance with the requirements of the Federal Civil Penalties Inflation Adjustment Act of 1990, Public Law 101–410, 104 Stat. 890, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Public Law 114–74, Sec. 701, 129 Stat. 599, the civil monetary penalties listed in paragraph (b) of this section are adjusted as provided in this paragraph (b).

(b) *Adjustment of penalties.* For violations occurring on or before November 2, 2015, the penalty amount prior to adjustment applies. For violations occurring after November 2, 2015, the listed penalties are adjusted as follows:

(1) Section 231(g) of the Act, Penalties for non-compliance with arrival and departure manifest requirements for passengers, crewmembers, or occupants transported on commercial vessels or aircraft arriving to or departing from the United States: From \$1,100 to \$1,312.

(2) Section 234 of the Act, Penalties for non-compliance with landing requirements at designated ports of entry for aircraft transporting aliens: From \$3,200 to \$3,563.

(3) Section 240B(d) of the Act, Penalties for failure to depart voluntarily: From \$1,100 minimum/\$5,500 maximum to \$1,502 minimum/\$7,512 maximum.

(4) Section 243(c)(1)(A) of the Act, Penalties for violations of removal orders relating to aliens transported on vessels or aircraft, under section 241(d) of the Act, or for costs associated with removal under section 241(e) of the Act: From \$2,200 to \$3,005;

(5) Penalties for failure to remove alien stowaways under section 241(d)(2): From \$5,500 to \$7,512.

(6) Section 251(d) of the Act, Penalties for failure to report an illegal landing or desertion of alien crewmen, and for each alien not reported on arrival or departure manifest or lists required in accordance with section 251 of the Act: From \$320 to \$356; and penalties for use of alien crewmen for longshore work in violation of section 251(d) of the Act: From \$7,500 to \$8,908.

(7) Section 254(a) of the Act, Penalties for failure to control, detain, or remove alien crewmen: From \$750 minimum/\$4,300 maximum to \$891 minimum/\$5,345 maximum.

(8) Section 255 of the Act, Penalties for employment on passenger vessels of aliens afflicted with certain disabilities: From \$1,100 to \$1,782.

(9) Section 256 of the Act, Penalties for discharge of alien crewmen: From \$1,500 minimum/\$4,300 maximum to \$2,672 minimum/\$5,345 maximum.

(10) Section 257 of the Act, Penalties for bringing into the United States alien crewmen with intent to evade immigration laws: From \$16,000 maximum to \$17,816 maximum.

(11) Section 271(a) of the Act, Penalties for failure to prevent the unauthorized landing of aliens: From \$4,300 to \$5,345.

(12) Section 272(a) of the Act, Penalties for bringing to the United States aliens subject to denial of admission on a health-related ground: From \$4,300 to \$5,345.

(13) Section 273(b) of the Act, Penalties for bringing to the United States aliens without required documentation: From \$4,300 to \$5,345.

(14) Section 274D of the Act, Penalties for failure to depart: From \$550 to \$751, for each day the alien is in violation.

(15) Section 275(b) of the Act, Penalties for improper entry: From \$55 minimum/\$275 maximum to \$75 minimum/\$376 maximum, for each entry or attempted entry.

Title 33—Navigation and Navigable Waters

PART 27—ADJUSTMENT OF CIVIL MONETARY PENALTIES FOR INFLATION

■ 10. The authority citation for part 27 continues to read as follows:

Authority: Secs. 1–6, Public Law 101–410, 104 Stat. 890, as amended by Sec. 31001(s)(1), Public Law 104–134, as amended by Public Law 114–74; 110 Stat. 1321 (28 U.S.C. 2461 note); Department of Homeland Security Delegation No. 0170.1, sec. 2 (106).

■ 11. Revise § 27.3 to read as follows:

§ 27.3 Penalty adjustment table.

Table 1 identifies the statutes administered by the Coast Guard that authorize a civil monetary penalty. The “adjusted maximum penalty” is the maximum penalty authorized by the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, as determined by the Coast Guard. The adjusted civil penalty amounts listed in Table 1 are applicable for penalty assessments issued after August 1, 2016, with respect to violations occurring after November 2, 2015. The applicable civil penalty amounts for violations occurring on or before November 2, 2015, are set forth in previously published regulations amending 33 CFR part 27.

TABLE 1—CIVIL MONETARY PENALTY INFLATION ADJUSTMENTS

U.S. Code citation	Civil monetary penalty description	2016 adjusted maximum penalty amount (\$)
14 U.S.C. 88(c)	Saving Life and Property	10,017
14 U.S.C. 88(e)	Saving Life and Property; Intentional Interference with Broadcast	1,028

TABLE 1—CIVIL MONETARY PENALTY INFLATION ADJUSTMENTS

U.S. Code citation	Civil monetary penalty description	2016 adjusted maximum penalty amount (\$)
14 U.S.C. 645(i)	Confidentiality of Medical Quality Assurance Records (first offense)	5,032
14 U.S.C. 645(i)	Confidentiality of Medical Quality Assurance Records (subsequent offenses)	33,546
16 U.S.C. 4711(g)(1)	Aquatic Nuisance Species in Waters of the United States	37,561
19 U.S.C. 70	Obstruction of Revenue Officers by Masters of Vessels	7,500
19 U.S.C. 70	Obstruction of Revenue Officers by Masters of Vessels—Minimum Penalty	1,750
19 U.S.C. 1581(d)	Failure to Stop Vessel When Directed; Master, Owner, Operator or Person in Charge	5,000
19 U.S.C. 1581(d)	Failure to Stop Vessel When Directed; Master, Owner, Operator or Person in Charge—Minimum Penalty ¹	1,000
33 U.S.C. 471	Anchorage Ground/Harbor Regulations General	10,875
33 U.S.C. 474	Anchorage Ground/Harbor Regulations St. Mary's River	750
33 U.S.C. 495(b)	Bridges/Failure to Comply with Regulations	27,455
33 U.S.C. 499(c)	Bridges/Drawbridges	27,455
33 U.S.C. 502(c)	Bridges/Failure to Alter Bridge Obstructing Navigation	27,455
33 U.S.C. 533(b)	Bridges/Maintenance and Operation	27,455
33 U.S.C. 1208(a)	Bridge to Bridge Communication; Master, Person in Charge or Pilot	2,000
33 U.S.C. 1208(b)	Bridge to Bridge Communication; Vessel	2,000
33 U.S.C. 1232(a)	PWSA Regulations	88,613
33 U.S.C. 1236(b)	Vessel Navigation: Regattas or Marine Parades; Unlicensed Person in Charge	8,908
33 U.S.C. 1236(c)	Vessel Navigation: Regattas or Marine Parades; Owner On-board Vessel	8,908
33 U.S.C. 1236(d)	Vessel Navigation: Regattas or Marine Parades; Other Persons	4,454
33 U.S.C. 1321(b)(6)(B)(i)	Oil/Hazardous Substances: Discharges (Class I per violation)	17,816
33 U.S.C. 1321(b)(6)(B)(i)	Oil/Hazardous Substances: Discharges (Class I total under paragraph)	44,539
33 U.S.C. 1321(b)(6)(B)(ii)	Oil/Hazardous Substances: Discharges (Class II per day of violation)	17,816
33 U.S.C. 1321(b)(6)(B)(ii)	Oil/Hazardous Substances: Discharges (Class II total under paragraph)	222,695
33 U.S.C. 1321(b)(7)(A)	Oil/Hazardous Substances: Discharges (per day of violation) Judicial Assessment	44,539
33 U.S.C. 1321(b)(7)(A)	Oil/Hazardous Substances: Discharges (per barrel of oil or unit discharged) Judicial Assessment	1,782
33 U.S.C. 1321(b)(7)(B)	Oil/Hazardous Substances: Failure to Carry Out Removal/Comply With Order (Judicial Assessment)	44,539
33 U.S.C. 1321(b)(7)(C)	Oil/Hazardous Substances: Failure to Comply with Regulation Issued Under 1321(j) (Judicial Assessment)	44,539
33 U.S.C. 1321(b)(7)(D)	Oil/Hazardous Substances: Discharges, Gross Negligence (per barrel of oil or unit discharged) Judicial Assessment	5,345
33 U.S.C. 1321(b)(7)(D)	Oil/Hazardous Substances: Discharges, Gross Negligence—Minimum Penalty (Judicial Assessment)	178,156
33 U.S.C. 1322(j)	Marine Sanitation Devices; Operating	7,500
33 U.S.C. 1322(j)	Marine Sanitation Devices; Sale or Manufacture	20,000
33 U.S.C. 1608(a)	International Navigation Rules; Operator	14,023

TABLE 1—CIVIL MONETARY PENALTY INFLATION ADJUSTMENTS

U.S. Code citation	Civil monetary penalty description	2016 adjusted maximum penalty amount (\$)
33 U.S.C. 1608(b)	International Navigation Rules; Vessel	14,023
33 U.S.C. 1908(b)(1)	Pollution from Ships; General	70,117
33 U.S.C. 1908(b)(2)	Pollution from Ships; False Statement	14,023
33 U.S.C. 2072(a)	Inland Navigation Rules; Operator	14,023
33 U.S.C. 2072(b)	Inland Navigation Rules; Vessel	14,023
33 U.S.C. 2609(a)	Shore Protection; General	49,467
33 U.S.C. 2609(b)	Shore Protection; Operating Without Permit	19,787
33 U.S.C. 2716a(a)	Oil Pollution Liability and Compensation	44,539
33 U.S.C. 3852(a)(1)(A)	Clean Hulls; Civil Enforcement	40,779
33 U.S.C. 3852(a)(1)(A)	Clean Hulls; related to false statements	54,373
33 U.S.C. 3852(c)	Clean Hulls; Recreational Vessels	5,437
42 U.S.C. 9609(a)	Hazardous Substances, Releases, Liability, Compensation (Class I)	53,907
42 U.S.C. 9609(b)	Hazardous Substances, Releases, Liability, Compensation (Class II)	53,907
42 U.S.C. 9609(b)	Hazardous Substances, Releases, Liability, Compensation (Class II subsequent offense)	161,721
42 U.S.C. 9609(c)	Hazardous Substances, Releases, Liability, Compensation (Judicial Assessment)	53,907
42 U.S.C. 9609(c)	Hazardous Substances, Releases, Liability, Compensation (Judicial Assessment subsequent offense).	161,721
46 U.S.C. 80509(a)	Safe Containers for International Cargo	5,893
46 U.S.C. 70305(c)	Suspension of Passenger Service	58,929
46 U.S.C. 2110(e)	Vessel Inspection or Examination Fees	8,908
46 U.S.C. 2115	Alcohol and Dangerous Drug Testing	7,251
46 U.S.C. 2302(a)	Negligent Operations: Recreational Vessels	6,559
46 U.S.C. 2302(a)	Negligent Operations: Other Vessels	32,796
46 U.S.C. 2302(c)(1)	Operating a Vessel While Under the Influence of Alcohol or a Dangerous Drug	7,251
46 U.S.C. 2306(a)(4)	Vessel Reporting Requirements: Owner, Charterer, Managing Operator, or Agent	11,293
46 U.S.C. 2306(b)(2)	Vessel Reporting Requirements: Master	2,259
46 U.S.C. 3102(c)(1)	Immersion Suits	11,293
46 U.S.C. 3302(i)(5)	Inspection Permit	2,355
46 U.S.C. 3318(a)	Vessel Inspection; General	11,293
46 U.S.C. 3318(g)	Vessel Inspection; Nautical School Vessel	11,293
46 U.S.C. 3318(h)	Vessel Inspection; Failure to Give Notice IAW 3304(b)	2,259
46 U.S.C. 3318(i)	Vessel Inspection; Failure to Give Notice IAW 3309(c)	2,259
46 U.S.C. 3318(j)(1)	Vessel Inspection; Vessel ≥1600 Gross Tons	22,587
46 U.S.C. 3318(j)(1)	Vessel Inspection; Vessel <1600 Gross Tons	4,517
46 U.S.C. 3318(k)	Vessel Inspection; Failure to Comply with 3311(b)	22,587
46 U.S.C. 3318(l)	Vessel Inspection; Violation of 3318(b)–3318(f)	11,293
46 U.S.C. 3502(e)	List/Count of Passengers	235
46 U.S.C. 3504(c)	Notification to Passengers	23,548
46 U.S.C. 3504(c)	Notification to Passengers; Sale of Tickets	1,177

TABLE 1—CIVIL MONETARY PENALTY INFLATION ADJUSTMENTS

U.S. Code citation	Civil monetary penalty description	2016 adjusted maximum penalty amount (\$)
46 U.S.C. 3506	Copies of Laws on Passenger Vessels; Master	471
46 U.S.C. 3718(a)(1)	Liquid Bulk/Dangerous Cargo	58,871
46 U.S.C. 4106	Uninspected Vessels	9,893
46 U.S.C. 4311(b)(1)	Recreational Vessels (maximum for related series of violations)	311,470
46 U.S.C. 4311(b)(1)	Recreational Vessels; Violation of 4307(a)	6,229
46 U.S.C. 4311(c)	Recreational Vessels	2,355
46 U.S.C. 4507	Uninspected Commercial Fishing Industry Vessels	9,893
46 U.S.C. 4703	Abandonment of Barges	1,677
46 U.S.C. 5116(a)	Load Lines	10,781
46 U.S.C. 5116(b)	Load Lines; Violation of 5112(a)	21,563
46 U.S.C. 5116(c)	Load Lines; Violation of 5112(b)	10,781
46 U.S.C. 6103(a)	Reporting Marine Casualties	37,561
46 U.S.C. 6103(b)	Reporting Marine Casualties; Violation of 6104	9,893
46 U.S.C. 8101(e)	Manning of Inspected Vessels; Failure to Report Deficiency in Vessel Complement	1,782
46 U.S.C. 8101(f)	Manning of Inspected Vessels	17,816
46 U.S.C. 8101(g)	Manning of Inspected Vessels; Employing or Serving in Capacity not Licensed by USCG	17,816
46 U.S.C. 8101(h)	Manning of Inspected Vessels; Freight Vessel <100 GT, Small Passenger Vessel, or Sailing School Vessel.	2,355
46 U.S.C. 8102(a)	Watchmen on Passenger Vessels	2,355
46 U.S.C. 8103(f)	Citizenship Requirements	1,177
46 U.S.C. 8104(i)	Watches on Vessels; Violation of 8104(a) or (b)	17,816
46 U.S.C. 8104(j)	Watches on Vessels; Violation of 8104(c), (d), (e), or (h)	17,816
46 U.S.C. 8302(e)	Staff Department on Vessels	235
46 U.S.C. 8304(d)	Officer's Competency Certificates	235
46 U.S.C. 8502(e)	Coastwise Pilotage; Owner, Charterer, Managing Operator, Agent, Master or Individual in Charge.	17,816
46 U.S.C. 8502(f)	Coastwise Pilotage; Individual	17,816
46 U.S.C. 8503	Federal Pilots	56,467
46 U.S.C. 8701(d)	Merchant Mariners Documents	1,177
46 U.S.C. 8702(e)	Crew Requirements	17,816
46 U.S.C. 8906	Small Vessel Manning	37,561
46 U.S.C. 9308(a)	Pilotage: Great Lakes; Owner, Charterer, Managing Operator, Agent, Master or Individual in Charge.	17,816
46 U.S.C. 9308(b)	Pilotage: Great Lakes; Individual	17,816
46 U.S.C. 9308(c)	Pilotage: Great Lakes; Violation of 9303	17,816
46 U.S.C. 10104(b)	Failure to Report Sexual Offense	9,468
46 U.S.C. 10314(a)(2)	Pay Advances to Seamen	1,177
46 U.S.C. 10314(b)	Pay Advances to Seamen; Remuneration for Employment	1,177
46 U.S.C. 10315(c)	Allotment to Seamen	1,177
46 U.S.C. 10321	Seamen Protection; General	8,162
46 U.S.C. 10505(a)(2)	Coastwise Voyages: Advances	8,162
46 U.S.C. 10505(b)	Coastwise Voyages: Advances; Remuneration for Employment	8,162

TABLE 1—CIVIL MONETARY PENALTY INFLATION ADJUSTMENTS

U.S. Code citation	Civil monetary penalty description	2016 adjusted maximum penalty amount (\$)
46 U.S.C. 10508(b)	Coastwise Voyages: Seamen Protection; General	8,162
46 U.S.C. 10711	Effects of Deceased Seamen	471
46 U.S.C. 10902(a)(2)	Complaints of Unfitness	1,177
46 U.S.C. 10903(d)	Proceedings on Examination of Vessel	235
46 U.S.C. 10907(b)	Permission to Make Complaint	1,177
46 U.S.C. 11101(f)	Accommodations for Seamen	1,177
46 U.S.C. 11102(b)	Medicine Chests on Vessels	1,177
46 U.S.C. 11104(b)	Destitute Seamen	235
46 U.S.C. 11105(c)	Wages on Discharge	1,177
46 U.S.C. 11303(a)	Log Books; Master Failing to Maintain	471
46 U.S.C. 11303(b)	Log Books; Master Failing to Make Entry	471
46 U.S.C. 11303(c)	Log Books; Late Entry	353
46 U.S.C. 11506	Carrying of Sheath Knives	118
46 U.S.C. 12151(a)(1)	Vessel Documentation	15,423
46 U.S.C. 12151(a)(2)	Documentation of Vessels—Related to activities involving mobile offshore drilling units	25,705
46 U.S.C. 12151(c)	Vessel Documentation; Fishery Endorsement	117,858
46 U.S.C. 12309(a)	Numbering of Undocumented Vessels—Willful violation	11,774
46 U.S.C. 12309(b)	Numbering of Undocumented Vessels	2,355
46 U.S.C. 12507(b)	Vessel Identification System	19,787
46 U.S.C. 14701	Measurement of Vessels	43,126
46 U.S.C. 14702	Measurement; False Statements	43,126
46 U.S.C. 31309	Commercial Instruments and Maritime Liens	19,787
46 U.S.C. 31330(a)(2)	Commercial Instruments and Maritime Liens; Mortgagor	19,787
46 U.S.C. 31330(b)(2)	Commercial Instruments and Maritime Liens; Violation of 31329	49,467
46 U.S.C. 70119(a)	Port Security	32,796
46 U.S.C. 70119(b)	Port Security—Continuing Violations	58,929
46 U.S.C. 70506	Maritime Drug Law Enforcement; Penalties	5,437
49 U.S.C. 5123(a)(1)	Hazardous Materials: Related to Vessels—Maximum Penalty	77,114
49 U.S.C. 5123(a)(2)	Hazardous Materials: Related to Vessels—Penalty from Fatalities, Serious Injuries/Illness or Substantial Damage to Property	179,933
49 U.S.C. 5123(a)(3)	Hazardous Materials: Related to Vessels—Training	463

¹ Enacted under the Tariff Act of 1930, exempt from inflation adjustments.

49—Transportation

PART 1503—INVESTIGATIVE AND ENFORCEMENT PROCEDURES

■ 12. The authority citation for part 1503 is revised to read as follows:
Authority: 6 U.S.C. 1142; 18 U.S.C. 6002; 28 U.S.C. 2461 (note); 49 U.S.C. 114, 20109, 31105, 40113–40114, 40119, 44901–44907,

46101–46107, 46109–46110, 46301, 46305, 46311, 46313–46314; Pub. L. 104–134, as amended by Pub. L. 114–74.

■ 13. Revise § 1503.401 to read as follows:

§ 1503.401 Maximum penalty amounts.

(a) *General.* TSA may assess civil penalties not exceeding the following amounts against a person for the violation of a TSA requirement.

(b) *In general.* Except as provided in paragraph (c) of this section, in the case of violation of title 49 U.S.C. or 46 U.S.C. chapter 701, or a regulation prescribed or order issued under any of those provisions, TSA may impose a civil penalty in the following amounts:

(1) For violations that occurred on or before November 2, 2015, \$10,000 per violation, up to a total of \$50,000 per civil penalty action, in the case of an individual or small business concern, as defined in section 3 of the Small Business Act (15 U.S.C. 632). For violations that occurred after November 2, 2015, \$11,002 per violation, up to a total of \$55,010 per civil penalty action, in the case of an individual or small business concern; and

(2) For violations that occurred on or before November 2, 2015, \$10,000 per violation, up to a total of \$400,000 per civil penalty action, in the case of any other person. For violations that occurred after November 2, 2015, \$11,002 per violation, up to a total of \$440,080 per civil penalty action, in the case of any other person.

(c) Certain aviation related violations. In the case of a violation of 49 U.S.C. chapter 449 (except sections 44902, 44903(d), 44907(a)–(d)(1)(A), 44907(d)(1)(C)–(f), 44908, and 44909), or 49 U.S.C. 46302 or 46303, or a regulation prescribed or order issued under any of those provisions, TSA may impose a civil penalty in the following amounts:

(1) For violations that occurred on or before November 2, 2015, \$10,000 per violation, up to a total of \$50,000 per civil penalty action, in the case of an individual or small business concern, as defined in section 3 of the Small Business Act (15 U.S.C. 632). For violations that occurred after November 2, 2015, \$12,856 per violation, up to a total of 64,281 per civil penalty action, in the case of an individual (except an airman serving as an airman), or a small business concern.

(2) For violations that occurred on or before November 2, 2015, \$10,000 per violation, up to a total of \$400,000 per civil penalty action, in the case of any other person (except an airman serving as an airman) not operating an aircraft for the transportation of passengers or property for compensation. For violations that occurred after November 2, 2015, \$12,856 per violation, up to a total of

\$514,244 per civil penalty action, in the case of any other person (except an airman serving as an airman) not operating an aircraft for the transportation of passengers or property for compensation.

(3) For violations that occurred on or before November 2, 2015, \$25,000 per violation, up to a total of \$400,000 per civil penalty action, in the case of a person operating an aircraft for the transportation of passengers or property for compensation (except an individual serving as an airman). For violations that occurred after November 2, 2015, \$32,140 per violation, up to a total of \$514,244 per civil penalty action, in the case of a person (except an individual serving as an airman) operating an aircraft for the transportation of passengers or property for compensation.

JEH CHARLES JOHNSON,
Secretary.

[Published in the Federal Register, July 01, 2016 (81 FR 42987)]



**COPYRIGHT, TRADEMARK, AND TRADE NAME
RECORDATIONS (NO. 6 2016)**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

SUMMARY: The following copyrights, trademarks, and trade names were recorded with U.S. Customs and Border Protection in June 2016. The last notice was published in the CUSTOMS BULLETIN on June 22, 2016.

Corrections or updates may be sent to: Intellectual Property Rights Branch, Regulations and Rulings, Office of International Trade, U.S. Customs and Border Protection, 90 K Street, NE., 10th Floor, Washington, D.C. 20229-1177.

FOR FURTHER INFORMATION CONTACT: LaVerne Watkins, Paralegal Specialist, Intellectual Property Rights Branch, Regulations and Rulings, Office of Trade, at (202) 325-0095.

CHARLES R. STEUART
Chief,
Intellectual Property Rights Branch
Regulations & Rulings
Office of International Trade

CBP IPR RECORDATION — JUNE 2016

Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
COP 16-00110	06/13/2016	06/13/2036	India Gate Basmati Rice Classic	KRBL Limited	No
COP 16-00111	06/14/2016	06/14/2036	Bee Toy	ZOVI INC.	No
COP 16-00112	06/14/2016	06/14/2036	Dog Toy	ZOVI INC.	No
COP 16-00113	06/14/2016	06/14/2036	Frog Toy	ZOVI INC.	No
COP 16-00114	06/14/2016	06/14/2036	Toy Duck	ZOVI INC.	No
COP 16-00115	06/14/2016	06/14/2036	Toy Rabbit	ZOVI INC.	No
COP 16-00116	06/20/2016	06/20/2036	asmodus circular logo.	Asmodus, Inc.	No
COP 16-00117	06/21/2016	06/21/2036	PRODUCT PACKAGING - BUNCHEMS! MEGA PACK 400	Spin Master, Ltd.	No
COP 16-00118	06/28/2016	06/28/2036	Freddy Fazbear (Funtime Version)	Scott Cawthon	No
COP 16-00119	06/28/2016	06/28/2036	Foxy the Pirate (Funtime Version)	Scott Cawthon	No
COP 16-00120	06/28/2016	06/28/2036	Baby	Scott Cawthon	No
COP 16-00121	06/28/2016	06/28/2036	Ballora.	Scott Cawthon	No
COP 16-00122	06/28/2016	06/28/2036	Ennard.	Scott Cawthon	No
COP 16-00123	06/28/2016	06/28/2036	Bidybab.	Scott Cawthon	No
COP 16-00124	06/28/2016	06/28/2036	Minireena.	Scott Cawthon	No
COP 96-00162	06/20/2016	06/20/2036	Kerokeroppi	Sanrio Company, Ltd.	No
COP 96-00162	06/20/2016	06/20/2036	Kerokeroppi	Sanrio Company, Ltd.	No
COP 96-00163	06/20/2016	06/20/2036	Pochacco	Sanrio Company, Ltd.	No
COP 96-00163	06/20/2016	06/20/2036	Pochacco	Sanrio Company, Ltd.	No
TMK 05-00434	06/20/2016	08/28/2026	COLUMBIA SPORTSWEAR COMPANY	COLUMBIA SPORTSWEAR NORTH AMERICA, INC.	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 05-00434	06/20/2016	08/28/2026	COLUMBIA SPORTSWEAR COMPANY	COLUMBIA SPORTSWEAR NORTH AMERICA, INC.	No
TMK 06-00759	06/01/2016	06/02/2026	PUMA	PUMA SE	No
TMK 06-00759	06/01/2016	06/02/2026	PUMA	PUMA SE	No
TMK 06-00882	06/07/2016	04/24/2026	UGG	Deckers Outdoor Corporation	No
TMK 06-00882	06/07/2016	04/24/2026	UGG	Deckers Outdoor Corporation	No
TMK 06-01062	06/28/2016	07/04/2026	TOM FORD	Ford, Thomas C.	No
TMK 06-01062	06/28/2016	07/04/2026	TOM FORD	Ford, Thomas C.	No
TMK 07-00127	06/15/2016	09/20/2026	COOPER ATKINS and Design	Cooper-Atkins Corporation	No
TMK 07-00127	06/15/2016	09/20/2026	COOPER ATKINS and Design	Cooper-Atkins Corporation	No
TMK 07-00166	06/15/2016	06/21/2026	HAVAIANAS	ALPARGATAS S.A.	No
TMK 07-00166	06/15/2016	06/21/2026	HAVAIANAS	ALPARGATAS S.A.	No
TMK 07-00171	06/20/2016	09/20/2026	LIVE THE FLORIDA LIFESTYLE	BDSRCO, Inc.	No
TMK 07-00171	06/20/2016	09/20/2026	LIVE THE FLORIDA LIFESTYLE	BDSRCO, Inc.	No
TMK 07-00312	06/15/2016	10/09/2022	Lamp Design	LIFESPAN BRANDS LLC	No
TMK 07-00312	06/15/2016	10/09/2022	Lamp Design	LIFESPAN BRANDS LLC	No
TMK 07-00475	06/01/2016	06/07/2026	REALTREE HARDWOODS HD	Jordan Outdoor Enterprises, Ltd.	No
TMK 07-00475	06/01/2016	06/07/2026	REALTREE HARDWOODS HD	Jordan Outdoor Enterprises, Ltd.	No
TMK 07-00779	06/15/2016	11/28/2020	Lamp Design	LIFESPAN BRANDS LLC	No
TMK 07-00779	06/15/2016	11/28/2020	Lamp Design	LIFESPAN BRANDS LLC	No
TMK 07-01096	06/20/2016	09/20/2026	DESIGN ONLY	Eastland Shoe Corp.	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 07-01096	06/20/2016	09/20/2026	DESIGN ONLY	Eastland Shoe Corp.	No
TMK 07-01101	06/20/2016	09/20/2026	EASTLAND	Eastland Shoe Corp.	No
TMK 07-01101	06/20/2016	09/20/2026	EASTLAND	Eastland Shoe Corp.	No
TMK 07-01102	06/20/2016	09/20/2026	EASTLAND SINCE 1955 (stylized)	Eastland Shoe Corp.	No
TMK 07-01102	06/20/2016	09/20/2026	EASTLAND SINCE 1955 (stylized)	Eastland Shoe Corp.	No
TMK 08-00092	06/03/2016	11/16/2026	NISMO	NISSAN JIDOSHA KABUSHIKI TA NIS-SAN MOTOR CO., LTD.	No
TMK 08-00092	06/03/2016	11/16/2026	NISMO	NISSAN JIDOSHA KABUSHIKI TA NIS-SAN MOTOR CO., LTD.	No
TMK 08-00434	06/15/2016	06/14/2026	DONNA KARAN	Gabrielle Studio, Inc.	No
TMK 08-00434	06/15/2016	06/14/2026	DONNA KARAN	Gabrielle Studio, Inc.	No
TMK 08-00640	06/16/2016	04/27/2026	JACK & JILL TELL TIME	E. GLUCK CORPORATION	No
TMK 08-00640	06/16/2016	04/27/2026	JACK & JILL TELL TIME	E. GLUCK CORPORATION	No
TMK 08-00868	06/07/2016	02/28/2026	WUJIANGYE and Design	Sichuan Yibin Wuliangye Group Co., Ltd.	No
TMK 08-00868	06/07/2016	02/28/2026	WUJIANGYE and Design	Sichuan Yibin Wuliangye Group Co., Ltd.	No
TMK 08-01014	06/24/2016	09/04/2026	TOMMY HILFGER	TOMMY HILFGER LICENSING LLC	No
TMK 08-01014	06/24/2016	09/04/2026	TOMMY HILFGER	TOMMY HILFGER LICENSING LLC	No
TMK 09-00519	06/07/2016	09/20/2025	JABRA	GN NETCOM A/S	No
TMK 09-00519	06/07/2016	09/20/2025	JABRA	GN NETCOM A/S	No
TMK 09-01032	06/23/2016	02/28/2026	LOTREL	NOVARTIS CORPORATION	No
TMK 09-01032	06/23/2016	02/28/2026	LOTREL	NOVARTIS CORPORATION	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 10-00797	06/15/2016	06/14/2026	MAC POWER PACK and design	MAC-JOHNSON CONTROLS COLOMBIA, S.A.S., MAC-JCI	No
TMK 10-00797	06/15/2016	06/14/2026	MAC POWER PACK and design	MAC-JOHNSON CONTROLS COLOMBIA, S.A.S., MAC-JCI	No
TMK 11-01054	06/28/2016	07/11/2026	C-130 HERCULES	Lockheed Martin Corporation	No
TMK 11-01054	06/28/2016	07/11/2026	C-130 HERCULES	Lockheed Martin Corporation	No
TMK 12-00467	06/08/2016	04/01/2026	JOHNSON & JOHNSON (Stylized)	JOHNSON & JOHNSON	No
TMK 12-00467	06/08/2016	04/01/2026	JOHNSON & JOHNSON (Stylized)	JOHNSON & JOHNSON	No
TMK 12-00483	06/15/2016	08/30/2026	Design (Star)	Dallas Cowboys Football Club, LTD.	No
TMK 12-00483	06/15/2016	08/30/2026	Design (Star)	Dallas Cowboys Football Club, LTD.	No
TMK 12-00561	06/01/2016	08/30/2026	PROHEAT 2X	BISSELL Homecare, Inc.	No
TMK 12-00561	06/01/2016	08/30/2026	PROHEAT 2X	BISSELL Homecare, Inc.	No
TMK 12-00611	06/20/2016	09/18/2016	WMW and Design	WORLD, LLC	No
TMK 12-00611	06/20/2016	09/18/2016	WMW and Design	WORLD, LLC	No
TMK 13-01139	06/28/2016	06/29/2026	100 PIPERS	CHIVAS HOLDINGS (IP)	No
TMK 13-01139	06/28/2016	06/29/2026	100 PIPERS	CHIVAS HOLDINGS (IP)	No
TMK 15-00035	06/21/2016	05/24/2016	CHIEFS SPECIAL	SMITH & WESSON CORP.	No
TMK 15-00035	06/21/2016	05/24/2016	CHIEFS SPECIAL	SMITH & WESSON CORP.	No
TMK 16-00542	06/01/2016	03/04/2023	DESIGN ONLY	National Products, Inc.	No
TMK 16-00543	06/01/2016	06/25/2018	CARNIPURE	Lonza AG (Lonza Ltd.)	No
TMK 16-00544	06/01/2016	05/09/2026	WRAPURSE	Cali VIPZ, LLC	No
TMK 16-00545	06/01/2016	08/07/2023	CHHC	Carolina Herrera Ltd	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 16-00546	06/01/2016	08/10/2026	BING CRISP	Inspiration Beverage Company, LLC	No
TMK 16-00547	06/01/2016	01/15/2024	X-GRIP	National Products, Inc.	No
TMK 16-00548	06/02/2016	03/04/2023	AQUA BOX	National Products, Inc.	No
TMK 16-00549	06/02/2016	02/06/2023	AQUA-BOX	National Products, Inc.	No
TMK 16-00550	06/02/2016	01/25/2022	AQUASHIELD	NATIONAL PRODUCTS, INC.	No
TMK 16-00551	06/02/2016	01/08/2023	RAM	National Products, Inc.	No
TMK 16-00552	06/02/2016	04/06/2024	RAM ROD	National Products, Inc.	No
TMK 16-00553	06/02/2016	10/25/2020	RAM Logo	National Products, Inc.	No
TMK 16-00554	06/02/2016	08/05/2025	GSK logo	SmithKline Beecham Limited Incorporated	No
TMK 16-00555	06/03/2016	09/15/2020	HTH & Design	Arch Chemicals, Inc.	No
TMK 16-00556	06/03/2016	01/07/2019	JODYJAZZ	JODYJAZZ, INC.	No
TMK 16-00557	06/03/2016	08/04/2020	BONTRAGER	Trek Bicycle Corporation	No
TMK 16-00558	06/03/2016	09/23/2019	BONTRAGER	Trek Bicycle Corporation	No
TMK 16-00559	06/03/2016	09/26/2022	HTH "Design"	Arch Chemicals, Inc.	No
TMK 16-00560	06/03/2016	02/24/2026	MONQ	MONQ, LLC	No
TMK 16-00561	06/06/2016	06/29/2026	NEAR EARTH AUTONOMY	Near Earth Autonomy, Inc.	No
TMK 16-00562	06/06/2016	06/29/2026	NEAR EARTH	Near Earth Autonomy, Inc.	No
TMK 16-00563	06/06/2016	08/24/2026	DESIGN ONLY (DOUBLE WAVE)	Texas Instruments Incorporated	No
TMK 16-00564	06/06/2016	08/30/2020	HOLTKOTTER (Stylized)	ST. PAUL LIGHTING LLC	No
TMK 16-00565	06/06/2016	09/07/2021	GXP	SRAM, LLC	No
TMK 16-00566	06/06/2016	11/28/2017	DRY SODA	Dry Beverage Inc.	No

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TMK 16-00567	06/06/2016	04/05/2020	RESISTAID	LONZA LTD.	No
TMK 16-00568	06/06/2016	08/31/2026	FINALLY PANTIES THAT FIT YOUR ACTIVE LIFESTYLE PERFECTLY. QUALITY. COMFORT. CONFIDENCE.	Bliss Lingerie Corp	No
TMK 16-00569	06/06/2016	12/29/2025	ASMODUS (Design and stylized)	Yin, Hsueh Cheng	No
TMK 16-00570	06/06/2016	08/24/2026	SEAN MICHAEL MURRAY	The executors of the SEAN MICHAEL MURRAY ESTATE Sean Michael Murray Corporation	No
TMK 16-00571	06/06/2016	04/14/2023	GEOGARD	LONZA INC.	No
TMK 16-00572	06/06/2016	03/11/2018	2023	Webb Wheel Products, Inc.	No
TMK 16-00573	06/07/2016	07/28/2025	ASMODUS	Yin, Hsueh Cheng	No
TMK 16-00574	06/07/2016	01/06/2020	METABIOTICS	Arch Personal Care Products, L.P. Arch PCI, Inc.	No
TMK 16-00575	06/07/2016	02/15/2022	ROGUE FITNESS	Coulter Ventures, LLC	No
TMK 16-00576	06/07/2016	02/15/2022	ROGUE	Coulter Ventures, LLC	No
TMK 16-00577	06/08/2016	02/25/2025	AVEC	Pinnacle Innovation Inc.	No
TMK 16-00578	06/08/2016	03/08/2026	SILKY and Design	U.M. KOGYO INC.	No
TMK 16-00579	06/08/2016	06/20/2017	SILKY and Design	U.M. KOGYO INC.	No
TMK 16-00580	06/09/2016	11/02/2024	SONICARE	PHILIPS ORAL HEALTHCARE, INC.	No
TMK 16-00581	06/09/2016	09/12/2023	PHILIPS AND DESIGN	KONINKLIJKE PHILIPS ELECTRONICS N.V.	No
TMK 16-00582	06/09/2016	01/20/2026	Toothbrush head configuration mark (for electric toothbrush)	Koninklijke Philips N.V.	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 16-00583	06/09/2016	01/19/2021	PHILIPS	Koninklijke Philips N.V.	No
TMK 16-00584	06/09/2016	11/27/2023	NEVER HAVE I EVER	INI LLC AKA Ideas Never Implemented LLC	No
TMK 16-00585	06/09/2016	05/02/2026	HBS	LG Electronics Inc.	No
TMK 16-00586	06/09/2016	05/02/2026	HBS-740	LG Electronics Inc.	No
TMK 16-00587	06/09/2016	05/02/2026	HBS-750	LG Electronics Inc.	No
TMK 16-00588	06/09/2016	05/02/2026	HBS-760	LG Electronics Inc.	No
TMK 16-00589	06/09/2016	05/02/2026	HBS-800	LG Electronics Inc.	No
TMK 16-00590	06/09/2016	05/02/2026	HBS-900	LG Electronics Inc.	No
TMK 16-00591	06/09/2016	11/12/2017	HOLTKOTTER LEUCHTEN	ST. PAUL LIGHTING LLC	No
TMK 16-00592	06/13/2016	07/12/2026	ICONNECT	LIFESPAN BRANDS LLC	No
TMK 16-00593	06/13/2016	11/21/2022	CLEARVIEW	LIFESPAN BRANDS LLC	No
TMK 16-00594	06/13/2016	08/10/2026	LUCKYSTONE	Jianjian Lv	No
TMK 16-00595	06/13/2016	03/29/2026	GJERGJ KASTRIOTI SKENDERBEU	ADOL Sh.p.k.	No
TMK 16-00596	06/13/2016	08/17/2021	DESIGN ONLY (16-LEAF LAUREL WREATH)	Fred Perry (Holdings) Limited	No
TMK 16-00597	06/13/2016	03/09/2019	DESIGN ONLY (30-LEAF LAUREL WREATH)	Fred Perry (Holdings) Limited	No
TMK 16-00598	06/13/2016	03/09/2019	FRED PERRY (stylized)	Fred Perry (Holdings) Limited	No
TMK 16-00599	06/13/2016	07/01/2024	WEIGHRITE	LIFESPAN BRANDS LLC	No
TMK 16-00600	06/13/2016	05/02/2026	HBS-730	LG Electronics Inc.	No
TMK 16-00601	06/13/2016	12/07/2020	Pantone Chair (design)	Vitra Patente AG	No

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Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 16-00602	06/13/2016	10/19/2025	LAVA BRAND and DESIGN	LIFESPAN BRANDS LLC	No
TMK 16-00603	06/13/2016	06/24/2017	ASU	ARIZONA BOARD OF REGENTS, FOR AND ON BEHALF OF ARIZONA STATE UNIVERSITY CORPORATION ARIZONA	No
TMK 16-00604	06/14/2016	03/04/2018	ICOFFEE	REMINGTON, INC.	No
TMK 16-00605	06/14/2016	04/12/2026	DEDON	DEDON, GmbH	No
TMK 16-00606	06/15/2016	12/02/2024	COLORMAX	LIFESPAN BRANDS LLC	No
TMK 16-00607	06/15/2016	08/15/2022	GEOGARD ULTRA	Lonza Inc.	No
TMK 16-00608	06/15/2016	06/25/2024	Pitchfork Design	Arizona Board of Regents	No
TMK 16-00609	06/15/2016	06/30/2022	GLYDANT PLUS	Lonza Inc.	No
TMK 16-00610	06/15/2016	07/28/2021	GLYDANT	LONZA, INC.	No
TMK 16-00611	06/15/2016	06/22/2026	PRO-DECK	PRO-SHORE, LLC	No
TMK 16-00612	06/15/2016	04/27/2025	MPD DIGITAL KEEPING YOU CONNECTED QUALITY US MADE CABLE ASSEMBLY	Kimberly Distribution LLC	No
TMK 16-00613	06/15/2016	01/03/2017	FLIRT	BeautyBank Inc.	No
TMK 16-00614	06/15/2016	10/16/2018	LAVA LITE	LIFESPAN BRANDS LLC	No
TMK 16-00615	06/16/2016	04/12/2020	GEOLIFE	Geolife LLC	No
TMK 16-00616	06/16/2016	03/10/2024	GEOLIFE	Geolife LLC	No
TMK 16-00617	06/16/2016	11/04/2025	Q QUALCOMM QUICK CHARGE	Qualcomm Incorporated	No
TMK 16-00618	06/16/2016	02/03/2026	Q and Design	Qualcomm Incorporated	No
TMK 16-00619	06/16/2016	08/03/2026	DW DANIEL WELLINGTON (Stylized)	Daniel Wellington AB	No

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TMK 16-00620	06/16/2016	12/01/2025	LITE	CARBO Ceramics Inc.	No
TMK 16-00621	06/16/2016	04/27/2025	ODD SOX	Odd Sox LLC	No
TMK 16-00622	06/16/2016	01/12/2025	CARBO LITE (Stylized)	CARBO CERAMICS INC.	No
TMK 16-00623	06/16/2016	11/09/2021	CARBO ISP	Carbo Ceramics Inc.	No
TMK 16-00624	06/16/2016	10/14/2025	X word plus design mark	Odd Sox LLC	No
TMK 16-00625	06/16/2016	09/15/2024	CARBO HSP (Stylized)	CARBO CERAMICS INC.	No
TMK 16-00626	06/20/2016	11/20/2023	DANIEL WELLINGTON	Daniel Wellington AB	No
TMK 16-00628	06/20/2016	08/21/2023	LINSAY	(REGISTRANT) Odasso, Victor Hugo Montero INDIVIDUAL ARGENTINA suite 10M 9801 Collins Avenue Bal Harbour FLORIDA 33154	No
TMK 16-00630	06/20/2016	08/19/2025	ODD SOX word plus design mark	Odd Sox LLC	No
TMK 16-00631	06/20/2016	06/15/2026	SuperNO2VA (stylized)	REVOLUTIONARY MEDICAL DEVICES, INC.	No
TMK 16-00632	06/21/2016	01/13/2026	YOU LIVE HERE and Design	Michael Wolf	No
TMK 16-00633	06/21/2016	02/24/2026	TEACH LOVE	Michael Wolf	No
TMK 16-00634	06/21/2016	09/14/2026	Crystal Pen Design	PenGems, LLC	No
TMK 16-00635	06/21/2016	09/07/2026	COOKING WITH CARMELINA HEALTHY SIMPLE GOOD	MANGIA, INC.	No
TMK 16-00636	06/23/2016	09/24/2018	DESIGN ONLY	Ford Motor Company	No
TMK 16-00637	06/23/2016	05/24/2019	DESIGN ONLY	Ford Motor Company	No
TMK 16-00638	06/23/2016	11/29/2016	SAWFLY	REVISION MILITARY INC.	No

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TMK 16-00639	06/24/2016	09/12/2022	KATE SPADE NEW YORK and Spade Design	Kate Spade LLC	No
TMK 16-00640	06/24/2016	12/08/2025	WOOF WASHER 360	R&H Direct, LLC	No
TMK 16-00641	06/27/2016	11/27/2022	KATE SPADE NEW YORK	Kate Spade, LLC	No
TMK 16-00642	06/27/2016	11/13/2023	SMD	COHEN, TAL	No
TMK 16-00643	06/27/2016	11/08/2026	TOM FORD	Ford, Thomas C.	No
TMK 16-00644	06/28/2016	04/30/2021	DALIA	Modes Corwik Inc.	No
TMK 16-00645	06/28/2016	10/02/2023	MAGFORMERS	Magformers, LLC	No
TMK 16-00646	06/28/2016	12/01/2018	Colorado Avalanche "A" logo	COLORADO AVALANCHE, LLC	No
TMK 16-00647	06/28/2016	12/08/2019	LA & Design	The Los Angeles Kings Hockey Club, L.P. Majestic L.A. Venture, Inc.	No
TMK 16-00648	06/28/2016	08/04/2019	DESIGN ONLY	HURRICANES HOCKEY, L.P.	No
TMK 16-00649	06/28/2016	08/31/2025	DESIGN ONLY	ICEARIZONA HOCKEY CO LP	No
TMK 16-00650	06/28/2016	01/14/2019	B and Design	Boston Professional Hockey Association, Inc.	No
TMK 16-00651	06/28/2016	05/11/2022	DESIGN ONLY	HOCKEY WESTERN NEW YORK, LLC	No
TMK 16-00652	06/28/2016	02/25/2025	Dallas Stars "D" & Star logo	DSE Hockey Club, L.P. DSE Hockey Club GP, Inc.,	No
TMK 16-00653	06/28/2016	11/28/2022	DESIGN ONLY	FIFTH THIRD BANK, AS COLLATERAL AGENT	No
TMK 16-00654	06/28/2016	09/16/2022	NY ISLANDERS and Design	NEW YORK ISLANDERS HOCKEY CLUB, LP	No
TMK 16-00655	06/28/2016	06/30/2022	P and Design	Philadelphia Flyers, L.P.	No

CBP IPR RECORDATION — JUNE 2016

Recordation No.	Effective Date	Expiration Date	Name of Cop/Tmk/Tnm	Owner Name	GM Restricted
TMK 16-00656	06/28/2016	09/16/2022	Detroit Red Wings winged wheel logo	Detroit Red Wings, Inc.	No
TMK 16-00657	06/28/2016	03/25/2022	DESIGN ONLY	PITTSBURGH PENGUINS LP	No
TMK 16-00658	06/28/2016	01/28/2019	DESIGN ONLY	San Jose Sharks, LLC	No
TMK 16-00659	06/28/2016	05/11/2022	DESIGN ONLY	St. Louis Blues Hockey Club, L.P.	No
TMK 16-00660	06/28/2016	04/24/2025	Florida Panthers leaping panther logo	Florida Panthers Hockey Club, Ltd.	No
TMK 16-00661	06/28/2016	12/11/2021	Minnesota Wild Animal head logo	MINNESOTA WILD HOCKEY CLUB, LP	No
TMK 16-00662	06/28/2016	08/05/2022	New Jersey Devils "NJ" logo	NEW JERSEY DEVILS LLC	No
TMK 16-00663	06/28/2016	09/26/2020	RANGERS	NEW YORK RANGERS, LLC	No
TMK 92-00183	06/27/2016	12/02/2026	S100	BROOKSIDE IMPORT SPECIALTIES, INC.	No
TMK 92-00183	06/27/2016	12/02/2026	S100	BROOKSIDE IMPORT SPECIALTIES, INC.	No
TMK 93-00329	06/15/2016	03/16/2026	VELCRO	VELCRO BYBA	No
TMK 93-00329	06/15/2016	03/16/2026	VELCRO	VELCRO BYBA	No

AGENCY INFORMATION COLLECTION ACTIVITIES:

**United States-Caribbean Basin Trade Partnership Act
(CBTPA)**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: 60-Day notice and request for comments; extension of an existing collection of information.

SUMMARY: U.S. Customs and Border Protection (CBP) of the Department of Homeland Security will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act: United States-Caribbean Basin Trade Partnership Act (CBTPA) (Form 450). CBP is proposing that this information collection be extended with a change to the burden hours. There is no change to the information collected. This document is published to obtain comments from the public and affected agencies.

DATES: Written comments should be received on or before September 6, 2016 to be assured of consideration.

ADDRESSES: Written comments may be mailed to U.S. Customs and Border Protection, Attn: Paperwork Reduction Act Officer, Regulations and Rulings, Office of Trade, 90 K Street NE., 10th Floor, Washington, DC 20229-1177.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Paperwork Reduction Act Officer, U.S. Customs and Border Protection, Regulations and Rulings, Office of Trade, 90 K Street NE., 10th Floor, Washington, DC 20229-1177, or by telephone at 202-325-0123 (This is not a toll-free number. Comments are not accepted via telephone message). Please note contact information provided here is solely for questions regarding this notice. Individuals seeking information about other CBP programs please contact the CBP National Customer Service Center at 877-227-5511, (TTY) 1-800-877-8339, or CBP Web site at <https://www.cbp.gov/>. For additional help: <https://help.cbp.gov/app/home/search/1>.

SUPPLEMENTARY INFORMATION: CBP invites the general public and other Federal agencies to comment on proposed and/or continuing information collections pursuant to the Paperwork Reduction Act of 1995 (Pub. L. 104-13). The comments should address: (a) Whether the collection of information is necessary for

the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimates of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology; and (e) the annual cost burden to respondents or record keepers from the collection of information (total capital/startup costs and operations and maintenance costs). The comments that are submitted will be summarized and included in the CBP request for OMB approval. All comments will become a matter of public record. In this document, CBP is soliciting comments concerning the following information collection:

Title: United States-Caribbean Basin Trade Partnership Act.

OMB Number: 1651-0083.

Form Number: CBP Form 450.

Abstract: The provisions of the United States-Caribbean Basin Trade Partnership Act (CBTPA) were adopted by the U.S. with the enactment of the Trade and Development Act of 2000 (Pub. L. 106-200). The objective of the CBTPA is to expand trade benefits to countries in the Caribbean Basin. For preferential duty treatment under CBTPA, importers are required to have a CBTPA Certification of Origin (CBP Form 450) in their possession at the time of the claim, and to provide it to CBP upon request. CBP Form 450 collects data such as contact information for the exporter, importer and producer, and information about the goods being claimed.

This collection of information is provided for by 19 CFR 10.224. CBP Form 450 is accessible at: http://forms.cbp.gov/pdf/CBP_Form_450.pdf.

Current Actions: This submission is being made to extend the expiration date and to revise the burden hours as a result of an increase in time estimated per response from 15 minutes to 2 hours. There are no changes CBP Form 450 or to the data collected on this form.

Type of Review: Extension with a change to the burden hours.

Affected Public: Businesses.

Estimated Number of Respondents: 15.

Estimated Number of Responses per Respondent: 286.13.

Estimated Total Annual Responses: 4,292.

Estimated Time per Response: 2 hours.

Estimated Total Annual Burden Hours: 8,584.

Dated: June 29, 2016.

TRACEY DENNING,
Agency Clearance Officer,
U.S. Customs and Border Protection.

[Published in the Federal Register, July 05, 2016 (81 FR 43615)]