Paragraph 7003—Other Domestic Reporting Points

COVIA: [Revised]

Federal Airways

FEARFE: [Revised]

DEPARTMENT OF LABOR

Employment Standards Administration

20 CFR Part 702

RIN 1215-AB17

Office of Workers’ Compensation Programs; Longshore Act Civil Money Penalties Adjustment

AGENCY: Employment Standards Administration, Labor.

ACTION: Proposed rule.

SUMMARY: The Department of Labor is proposing to revise certain provisions of the regulations implementing the Longshore and Harbor Workers’ Compensation Act (LHWCA). More specifically, the regulatory changes will increase the maximum civil penalties that can be assessed under the LHWCA as required by the Federal Civil Monetary Penalties Inflation Adjustment Act of 1990 (FCPIAA) (Pub. L. 101–410, 104 Stat. 890), as amended by the Debt Collection Improvement Act of 1996 (DCIA) (Pub. L. 104–134, 110 Stat. 1321–1373).

DATES: Written comments must be submitted on or before August 1, 1997.


For further information contact: Joseph F. Olimpio at the address and telephone number listed above.

SUPPLEMENTARY INFORMATION: The DCIA, amending the Federal Civil Monetary Penalties Inflation Adjustment Act of 1990 (FCPIAA) (Pub. L. 101–410, 104 Stat. 890), requires each agency to issue regulations adjusting the civil money penalties that they are authorized to levy. The DCIA requires that the civil money penalties covered by the DCIA be adjusted by a cost-of-living increase equal to the percentage, if any, by which the Department of Labor’s Consumer Price Index for all urban consumers (CPI) for June of the calendar year preceding the adjustment exceeds the June CPI for the calendar year in which the civil penalty amount was last set or adjusted. The increase is then mathematically rounded pursuant to section 5 of the FCPIAA to arrive at the final adjusted figure, which may not, for the first adjustment under the FCPIAA as amended, exceed 10% of the current statutory civil penalty amount.

The LHWCA authorizes the assessment of a civil money penalty in three situations: (1) Where an employer fails to file a report within sixteen days of the final payment of compensation, it shall be assessed a $100.00 civil penalty (LHWCA section 31(g)); (2) where an employer, insurance carrier, or self-insured employer knowingly and willfully fails to file any report required by section 30, or knowingly or willfully makes a false statement or misrepresentation in any required report, the employer, insurance carrier, or self-insured employer shall be assessed a civil penalty not to exceed $10,000.00 (LHWCA section 30(e)); and (3) where an employer is found to have discriminated against an employee because he claimed or attempted to claim compensation, or has testified or is about to testify in proceedings under the LHWCA, the employer shall be liable for a civil penalty of not less than $1,000.00 or more than $5,000.00 (LHWCA section 49).

Due to inflation since the civil money penalties in the LHWCA were last set or adjusted, the increase will, in every case, be the maximum 10% initially permitted under the DCIA. The adjusted civil penalties will apply only to violations occurring after the proposed regulations become effective.

Executive Order 12866

The Department has determined that this regulatory action is not a “significant” rule within the meaning of Executive Order 12866 concerning federal regulations, because it is not likely to result in: (1) An annual effect on the economy of $100 million or more, or an adverse and material effect on a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities; or (2) the creation of a
serious inconsistency or interference with an action taken or planned by another agency; (3) a material alteration in the budgetary impacts of entitlement, grants, user fees, or loan programs or the rights and obligation of recipients thereof; or (4) the raising of novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in Executive Order 12866.

Regulatory Flexibility Act

The Regulatory Flexibility Act, 5 U.S.C. 601 et seq., requires each agency to perform an initial regulatory flexibility analysis for all proposed rules unless the head of the agency certifies that the rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. Small entities include small businesses, organizations, and governmental jurisdictions. This proposed regulation does no more than mechanically increase certain statutory civil money penalties to account for inflation, pursuant to specific directions set forth in the FCPIAA, as amended. The statute specifies the procedures for calculating the adjusted civil money penalties and does not allow the Department to vary the calculation to minimize the effect on small entities. Moreover, it will be noted that during the period 1995 through 1996, an average of $25,000.00 in civil penalties was collected each year in 206 cases. Under the amended rule, the total additional amount collected would not exceed $2,500.00. As a result, the Assistant Secretary hereby certifies that the rule, if adopted as proposed, will not have a significant impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act.

Unfunded Mandates Reform Act

For purposes of the Unfunded Mandates Reform Act of 1995, as well as E.O. 12875, this rule does not include any federal mandate that may result in increased expenditures by State, local and tribal governments, or increased expenditures by the private sector of more than $100 million.

Paperwork Reduction Act

The proposed rule does not contain any collection of information requirements.

List of Subjects in 20 CFR Part 702

Administrative practice and procedure, Claims, Insurance, Longshoremen, Vocational rehabilitation, and Workers' compensation.

For the reasons set forth in the preamble, it is proposed that part 702 of chapter VI of title 20, Code of Federal Regulations, be amended as follows:

PART 702—ADMINISTRATION AND PROCEDURE

1. The authority citation for part 702 is revised to read as follows:


2. Section 702.204 is revised to read as follows:

§702.204 Employer's report; penalty for failure to furnish and/or falsifying.

Any employer, insurance carrier, or self-insured employer who knowingly and willfully fails or refuses to send any report required by §702.201, or who knowingly or willfully makes a false statement or misrepresentation in any report, shall be subject to a civil penalty not to exceed $10,000 for each such failure, refusal, false statement, or misrepresentation. Provided, however, that for any violation occurring on or after (insert effective date of revised regulations), the maximum civil penalty may not exceed $11,000.00. The district director shall have the authority and responsibility for assessing a civil penalty under this section.

3. Section 702.236 is revised to read as follows:

§702.236 Penalty for failure to report termination of payments.

Any employer failing to notify the district director that the final payment of compensation has been made as required by §702.235 shall be assessed a civil penalty in the amount of $100. Provided, however, that for any violation occurring on or after (insert effective date of revised regulations) the civil penalty will be $110.00. The district director shall have the authority and responsibility for assessing a civil penalty under this section.

4. Paragraph (a) of §702.271 is revised to read as follows:

§702.271 Discrimination against employees who bring proceedings, prohibition and penalty.

(a) No employer or its duly authorized agent may discharge or in any manner discriminate against an employee as to his/her employment because that employee: has claimed or attempted to claim compensation under this Act; or has testified or is about to testify in a proceeding under this Act. To discharge or refuse to employ a person who has been adjudicated to have filed a fraudulent claim for compensation or otherwise made a false statement or misrepresentation under section 31(a)(1) of the Act, 33 U.S.C. 931(a)(1), is not a violation of this section. Any employer who violates this section shall be liable to a penalty of not less than $1,000 or more than $5,000 to be paid (by the employer alone, and not by a carrier) to the district director for deposit in the special fund described in section 44 of the Act, 33 U.S.C. 944, and shall restore the employee to his or her employment along with all wages lost due to the discrimination unless that employee has ceased to be qualified to perform the duties of the employment. Provided, however, that for any violation occurring on or after (insert the effective date of the regulations) the employer shall be liable to a penalty of not less than $1,100.00 or more than $5,500.00. *

Signed at Washington, DC, this 25th day of June, 1997.

Bernard E. Anderson,
Assistant Secretary for Employment Standards.

Shelby Hallmark,
Acting Director, Office of Workers' Compensation Programs.

[FR Doc. 97–17351 Filed 7–1–97; 8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Parts 207, 251, 252, 255, and 266

[Docket No. FR–4203–P–01]

Electronic Payment of Multifamily Insurance Premiums

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Proposed rule.

SUMMARY: This rule proposes that all annual multifamily mortgage insurance premium (MIP) collections in accordance with 24 CFR parts 207, 251, 252, 255, and 266 be made by the Automated Clearing House (ACH) program. The purpose of this rule is to improve the efficiency of the Multifamily Mortgage Insurance Program and reduce costs to HUD lenders. This rule would not affect the initial payment of MIPs.

DATES: Comment Due Date: September 2, 1997.

ADDRESSES: Interested persons are invited to submit comments regarding