

from explosives or blasting agents in this section.

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March 25, 2019.

**William P. Barr,**

*Attorney General.*

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**BILLING CODE 4410-FY-P**

## DEPARTMENT OF DEFENSE

### Office of the Secretary

#### 32 CFR Part 269

[Docket ID: DOD-2016-OS-0045]

RIN 0790-AK40

#### Civil Monetary Penalty Inflation Adjustment

**AGENCY:** Under Secretary of Defense (Comptroller), Department of Defense.

**ACTION:** Final rule.

**SUMMARY:** The Department of Defense is issuing this final rule to adjust each of its statutory civil monetary penalties (CMP) to account for inflation. The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996 and the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Act), requires the head of each agency to adjust for inflation its CMP levels in effect as of November 2, 2015, under a revised methodology that was effective for 2016 and for each year thereafter.

**DATES:** This rule is effective April 1, 2019.

**FOR FURTHER INFORMATION CONTACT:** Brian Banal, 703-571-1652.

#### SUPPLEMENTARY INFORMATION:

##### Background Information

The Federal Civil Penalties Inflation Adjustment Act of 1990, Public Law 101-410, 104 Stat. 890 (28 U.S.C. 2461, note), as amended by the Debt Collection Improvement Act of 1996, Public Law 104-134, April 26, 1996, and further amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Act), Public Law 114-74, November 2, 2015, required agencies to annually adjust the level of CMPs for inflation to improve their effectiveness and maintain their deterrent effect. The 2015 Act required that not later than July 1, 2016, and not later than January 15 of every year thereafter, the head of each agency must adjust each CMP within its jurisdiction by the inflation adjustment described in the 2015 Act. The inflation

adjustment is determined by increasing the maximum CMP or the range of minimum and maximum CMPs, as applicable, for each CMP by the cost-of-living adjustment, rounded to the nearest multiple of \$1. The cost-of-living adjustment is the percentage (if any) for each CMP by which the Consumer Price Index (CPI) for the month of October preceding the date of the adjustment, exceeds the CPI for the month of October in the previous calendar year.

The initial catch up adjustments for inflation to the Department of Defense's CMPs were published as an interim final rule in the **Federal Register** on May 26, 2016 (81 FR 33389-33391) and became effective on that date. The interim final rule was published as a final rule without change on September 12, 2016 (81 FR 62629-62631), effective that date. The revised methodology for agencies for 2019 and each year thereafter provides for the improvement of the effectiveness of CMPs and to maintain their deterrent effect. The Department of Defense is adjusting the level of all civil monetary penalties under its jurisdiction by the Office of Management and Budget (OMB) directed cost-of-living adjustment multiplier for 2019 of 1.02522 prescribed in OMB Memorandum M-19-04, "Implementation of Penalty Inflation Adjustments for 2019, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015," dated December 14, 2018. The Department of Defense's 2019 adjustments for inflation to CMPs apply only to those CMPs, including those whose associated violation predated such adjustment, which are assessed by the Department of Defense after the effective date of the new CMP level.

##### Statement of Authority and Costs and Benefits

Pursuant to 5 U.S.C. 553(b)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 Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Section 701(b)) requires agencies, effective 2017, to make annual adjustments for inflation to CMPs notwithstanding section 553 of title 5, United States Code. Additionally, the methodology used, effective 2017, for adjusting CMPs for inflation is established in statute, with no discretion provided to agencies regarding the substance of the adjustments for inflation to CMPs. The Department of Defense is charged only with performing ministerial

computations to determine the dollar amount of adjustments for inflation to CMPs.

Further, there are no significant costs associated with the regulatory revisions that would impose any mandates on the Department of Defense, Federal, State or local governments, or the private sector. Accordingly, prior public notice and an opportunity for public comment are not required for this rule. The benefit of this rule is the Department of Defense anticipates that civil monetary penalty collections may increase in the future due to new penalty authorities and other changes in this rule. However, it is difficult to accurately predict the extent of any increase, if any, due to a variety of factors, such as budget and staff resources, the number and quality of civil penalty referrals or leads, and the length of time needed to investigate and resolve a case.

##### Regulatory Procedures

*Executive Order 12866, "Regulatory Planning and Review" and Executive Order 13563, "Improving Regulation and Regulatory Review"*

Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distribute 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 rule is not a "significant regulatory action," and was not reviewed by the Office of Management and Budget.

*Executive Order 13771, "Reducing Regulation and Controlling Regulatory Costs"*

This final rule is not an E.O. 13771 regulatory action because this rule is not significant under E.O. 12866.

*Unfunded Mandates Reform Act (2 U.S.C. Chapter 25)*

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) (2 U.S.C. 1532) requires agencies to assess anticipated costs and benefits before issuing any rule the mandates of which require spending in any year of \$100 million in 1995 dollars, updated annually for inflation. In 2016, that threshold is approximately \$146 million. This rule will not mandate any requirements for State, local, or tribal

governments, nor will it affect private sector costs.

*Public Law 96-354, "Regulatory Flexibility Act" (5 U.S.C. Chapter 6)*

Because notice of proposed rulemaking and opportunity for comment are not required pursuant to 5 U.S.C. 553, or any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601, *et seq.*) are inapplicable. Therefore, a regulatory flexibility analysis is not required and has not been prepared.

*Public Law 96-511, "Paperwork Reduction Act" (44 U.S.C. Chapter 35)*

The Department of Defense determined that provisions of the Paperwork Reduction Act of 1995, Public Law 104-13, 44 U.S.C. Chapter

35, and its implementing regulations, 5 CFR part 1320, do not apply to this rule because there are no new or revised recordkeeping or reporting requirements.

*Executive Order 13132, "Federalism"*

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a rule that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. This final rule will not have a substantial effect on State and local governments.

**List of Subjects in 32 CFR Part 269**

Administrative practice and procedure, Penalties.

Accordingly, 32 CFR part 269 is amended as follows.

**PART 269—[AMENDED]**

■ 1. The authority citation for part 269 continues to read as follows:

**Authority:** 28 U.S.C. 2461 note.

■ 2. In § 269.4, revise paragraph (d) to read as follows:

**§ 269.4 Cost of living adjustments of civil monetary penalties.**

\* \* \* \* \*

(d) *Inflation adjustment.* Maximum civil monetary penalties within the jurisdiction of the Department are adjusted for inflation as follows:

| United States Code  | Civil monetary penalty description   | Maximum penalty amount as of 01/15/18 | New adjusted maximum penalty amount |
|---|--|---------------------------------------|-------------------------------------|
| National Defense Authorization Act for FY 2005, 10 U.S.C 113, note. | Unauthorized Activities Directed at or Possession of Sunken Military Craft.                          | \$129,211                             | \$132,470                           |
| 10 U.S.C. 1094(c)(1)  | Unlawful Provision of Health Care  | 11,346                                | 11,632                              |
| 10 U.S.C. 1102(k)   | Wrongful Disclosure—Medical Records:   |                                       |                                     |
|   | First Offense  | 6,709                                 | 6,878                               |
|   | Subsequent Offense   | 44,726                                | 45,854                              |
| 10 U.S.C. 2674(c)(2)  | Violation of the Pentagon Reservation Operation and Parking of Motor Vehicles Rules and Regulations. | 1,848                                 | 1,895                               |
| 31 U.S.C. 3802(a)(1)  | Violation Involving False Claim  | 11,181                                | 11,463                              |
| 31 U.S.C. 3802(a)(2)  | Violation Involving False Statement  | 11,181                                | 11,463                              |

Dated: March 26, 2019.

**Shelly E. Finke,**

*Alternate OSD Federal Register Liaison Officer, Department of Defense.*

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**DEPARTMENT OF HOMELAND SECURITY**

**Coast Guard**

**33 CFR Part 100**

[Docket Number USCG-2018-1102]

RIN 1625-AA08

**Special Local Regulation; Chesapeake Bay, Between Sandy Point and Kent Island, MD**

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing temporary special local regulations for certain navigable waters of the Chesapeake Bay. This action is necessary to provide for the safety of life on these waters located between Sandy Point, Anne Arundel County, MD, and

Kent Island, Queen Anne's County, MD, on June 1, 2019, during a paddling event. This regulation prohibits persons and vessels from being in the regulated area unless authorized by the Captain of the Port Maryland-National Capital Region or Coast Guard Patrol Commander.

**DATES:** This rule is effective from 7 a.m. on June 1, 2019, until 1 p.m. on June 2, 2019. This rule will be enforced from 7 a.m. until 1 p.m. on June 1, 2019, or those same hours on June 2, 2019, in case of inclement weather.

**ADDRESSES:** To view documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov>, type USCG-2018-1102 in the "SEARCH" box and click "SEARCH." Click on Open Docket Folder on the line associated with this rule.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Mr. Ronald Houck, U.S. Coast Guard Sector Maryland-National Capital Region; telephone 410-576-2674, email [Ronald.L.Houck@uscg.mil](mailto:Ronald.L.Houck@uscg.mil).

**SUPPLEMENTARY INFORMATION:**

**I. Table of Abbreviations**

CFR Code of Federal Regulations  
 COTP Captain of the Port  
 DHS Department of Homeland Security  
 FR Federal Register  
 NPRM Notice of proposed rulemaking  
 PATCOM Coast Guard Patrol Commander  
 § Section  
 U.S.C. United States Code

**II. Background Information and Regulatory History**

On December 7, 2018, ABC Events, Inc. of Arnold, MD, notified the Coast Guard through submission of a marine event application that from 8 a.m. to noon on June 1, 2019, it will be conducting the Bay Bridge Paddle in the Chesapeake Bay, under and between the north and south bridges that consist of the William P. Lane, Jr. (US-50/301) Memorial Bridges, located between Sandy Point, Anne Arundel County, MD, and Kent Island, Queen Anne's County, MD. In the case of inclement weather, the kayak and stand up paddle board racing event is scheduled from 8 a.m. to noon on June 2, 2019. In response, on February 15, 2019, the Coast Guard published a notice of proposed rulemaking (NPRM) titled