

List of Subjects in 14 CFR Part 27

Aircraft, Aviation safety, Reporting and recordkeeping requirements.

Authority Citation

The authority citation for these special conditions is as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40113, 44701, 44702, 44704.

The Special Conditions

Accordingly, pursuant to the authority delegated to me by the Administrator, the following special conditions are issued as part of the type certification basis for the Airbus Helicopters (Airbus) Model AS350B2 and AS350B3 helicopters, as modified by Vector Aerospace Helicopter Services USA.

For certification of the stability augmentation system and automatic flight control system (SAS/AFSC) installed on Airbus Model AS350B2 and AS350B3 helicopters, instead of the requirements of 14 CFR 27.1309(b) and (c), the following must be met:

(a) These systems and their equipment must be designed and installed so that they do not adversely affect the safety of the rotorcraft or its occupants.

(b) These systems and their associated components considered separately and in relation to other systems must be designed and installed so that:

(1) The occurrence of any catastrophic failure condition is extremely improbable;

(2) The occurrence of any hazardous failure condition is extremely remote; and

(3) The occurrence of any major failure condition is remote.

(c) Information concerning an unsafe system operating condition must be provided in a timely manner to the crew to enable them to take appropriate corrective action. An appropriate alert must be provided if immediate pilot awareness and immediate or subsequent corrective action are required. These systems and their controls, including indications and annunciations, must be designed to minimize crew errors that could create additional hazards.

Issued in Kansas City, Missouri, on January 4, 2022.

Patrick R. Mullen,

Manager, Technical Innovation Policy Branch, Policy and Innovation Division, Aircraft Certification Service.

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FEDERAL TRADE COMMISSION**16 CFR Part 1****Adjustments to Civil Penalty Amounts**

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: The Federal Trade Commission (“FTC” or “Commission”) is implementing adjustments to the civil penalty amounts within its jurisdiction to account for inflation, as required by law.

DATES: Effective January 10, 2022.

FOR FURTHER INFORMATION CONTACT: Marie Choi, Attorney (202–326–3368), Office of the General Counsel, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION: The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015¹ directs agencies to adjust the civil penalty maximums under their jurisdiction for inflation every January. Accordingly, the Commission issues annual adjustments to the maximum civil penalty amounts under its jurisdiction.²

Commission Rule 1.98 sets forth the applicable civil penalty amounts for violations of certain laws enforced by the Commission.³ As directed by the FCPIAA, the Commission is issuing adjustments to increase these maximum civil penalty amounts to address inflation since its prior 2021 adjustment. The following adjusted amounts will take effect on January 10, 2022:

- Section 7A(g)(1) of the Clayton Act, 15 U.S.C. 18a(g)(1) (premerger filing notification violations under the Hart-Scott-Rodino Improvements Act)—Increase from \$43,792 to \$46,517;

- Section 11(l) of the Clayton Act, 15 U.S.C. 21(l) (violations of cease and desist orders issued under Clayton Act section 11(b))—Increase from \$23,266 to \$24,714;

- Section 5(l) of the FTC Act, 15 U.S.C. 45(l) (unfair or deceptive acts or practices)—Increase from \$43,792 to \$46,517;

- Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. 45(m)(1)(A) (unfair or deceptive acts or practices)—Increase from \$43,792 to \$46,517;

¹ Public Law 114–74, 701, 129 Stat. 599 (2015). The Act amends the Federal Civil Penalties Inflation Adjustment Act (“FCPIAA”), Public Law 101–410, 104 Stat. 890 (codified at 28 U.S.C. 2461 note).

² 81 FR 42476 (2016); 82 FR 8135 (2017); 83 FR 2902 (2018); 84 FR 3980 (2019); 85 FR 2014 (2020); 86 FR 2539 (2021).

³ 16 CFR 1.98.

- Section 5(m)(1)(B) of the FTC Act, 15 U.S.C. 45(m)(1)(B) (unfair or deceptive acts or practices)—Increase from \$43,792 to \$46,517;

- Section 10 of the FTC Act, 15 U.S.C. 50 (failure to file required reports)—Increase from \$576 to \$612;

- Section 5 of the Webb-Pomerene (Export Trade) Act, 15 U.S.C. 65 (failure by associations engaged solely in export trade to file required statements)—Increase from \$576 to \$612;

- Section 6(b) of the Wool Products Labeling Act, 15 U.S.C. 68d(b) (failure by wool manufacturers to maintain required records)—Increase from \$576 to \$612;

- Section 3(e) of the Fur Products Labeling Act, 15 U.S.C. 69a(e) (failure to maintain required records regarding fur products)—Increase from \$576 to \$612;

- Section 8(d)(2) of the Fur Products Labeling Act, 15 U.S.C. 69f(d)(2) (failure to maintain required records regarding fur products)—Increase from \$576 to \$612;

- Section 333(a) of the Energy Policy and Conservation Act, 42 U.S.C. 6303(a) (knowing violations of EPCA § 332, including labeling violations)—Increase from \$474 to \$503;

- Section 525(a) of the Energy Policy and Conservation Act, 42 U.S.C. 6395(a) (recycled oil labeling violations)—Increase from \$23,266 to \$24,714;

- Section 525(b) of the Energy Policy and Conservation Act, 42 U.S.C. 6395(b) (willful violations of recycled oil labeling requirements)—Increase from \$43,792 to \$46,517;

- Section 621(a)(2) of the Fair Credit Reporting Act, 15 U.S.C. 1681s(a)(2) (knowing violations of the Fair Credit Reporting Act)—Increase from \$4,111 to \$4,367;

- Section 1115(a) of the Medicare Prescription Drug Improvement and Modernization Act of 2003, Public Law 108–173, as amended by Public Law 115–263, 21 U.S.C. 355 note (failure to comply with filing requirements)—Increase from \$15,482 to \$16,445; and

- Section 814(a) of the Energy Independence and Security Act of 2007, 42 U.S.C. 17304 (violations of prohibitions on market manipulation and provision of false information to federal agencies)—Increase from \$1,246,249 to \$1,323,791.

Calculation of Inflation Adjustments

The FCPIAA, as amended, directs federal agencies to adjust each civil monetary penalty under their jurisdiction for inflation in January of each year pursuant to a cost-of-living adjustment.⁴ The cost-of-living

⁴ 28 U.S.C. 2461 note (4).

adjustment is based on the percent change between the U.S. Department of Labor's Consumer Price Index for all-urban consumers ("CPI-U") for the month of October preceding the date of the adjustment, and the CPI-U for October of the prior year.⁵ Based on that

formula, the cost-of-living adjustment multiplier for 2021 is 1.06222. The FCPIAA also directs that these penalty level adjustments should be rounded to the nearest dollar. Agencies do not have discretion over whether to adjust a

maximum civil penalty, or the method used to determine the adjustment.

The following chart illustrates the application of these adjustments to the civil monetary penalties under the Commission's jurisdiction.

CALCULATION OF ADJUSTMENTS TO MAXIMUM CIVIL MONETARY PENALTIES

Citation	Description	2021 Penalty level (\$)	Adjustment multiplier	2022 Penalty level (rounded to the nearest dollar)
16 CFR 1.98(a): 15 U.S.C. 18a(g)(1)	Premerger filing notification violations	\$43,792	1.06222	\$46,517
16 CFR 1.98(b): 15 U.S.C. 21(l)	Violations of cease and desist orders	23,266	1.06222	24,714
16 CFR 1.98(c): 15 U.S.C. 45(l)	Unfair or deceptive acts or practices	43,792	1.06222	46,517
16 CFR 1.98(d): 15 U.S.C. 45(m)(1)(A)	Unfair or deceptive acts or practices	43,792	1.06222	46,517
16 CFR 1.98(e): 15 U.S.C. 45(m)(1)(B)	Unfair or deceptive acts or practices	43,792	1.06222	46,517
16 CFR 1.98(f): 15 U.S.C. 50	Failure to file required reports	576	1.06222	612
16 CFR 1.98(g): 15 U.S.C. 65	Failure to file required statements	576	1.06222	612
16 CFR 1.98(h): 15 U.S.C. 68d(b)	Failure to maintain required records	576	1.06222	612
16 CFR 1.98(i): 15 U.S.C. 69a(e)	Failure to maintain required records	576	1.06222	612
16 CFR 1.98(j): 15 U.S.C. 69f(d)(2)	Failure to maintain required records	576	1.06222	612
16 CFR 1.98(k): 42 U.S.C. 6303(a)	Knowing violations	474	1.06222	503
16 CFR 1.98(l): 42 U.S.C. 6395(a)	Recycled oil labeling violations	23,266	1.06222	24,714
16 CFR 1.98(l): 42 U.S.C. 6395(b)	Willful violations	43,792	1.06222	46,517
16 CFR 1.98(m): 15 U.S.C. 1681s(a)(2)	Knowing violations	4,111	1.06222	4,367
16 CFR 1.98(n): 21 U.S.C. 355 note	Non-compliance with filing requirements	15,482	1.06222	16,445
16 CFR 1.98(o): 42 U.S.C. 17304	Market manipulation or provision of false information to federal agencies.	1,246,249	1.06222	1,323,791

Effective Dates of New Penalties

These new penalty levels apply to civil penalties assessed after the effective date of the applicable adjustment, including civil penalties whose associated violation predated the effective date.⁶ These adjustments do not retrospectively change previously assessed or enforced civil penalties that the FTC is actively collecting or has collected.

Procedural Requirements

The FCPIAA, as amended, directs agencies to adjust civil monetary penalties through rulemaking and to publish the required inflation adjustments in the **Federal Register**, notwithstanding section 553 of title 5, United States Code. Pursuant to this congressional mandate, prior public notice and comment under the APA and a delayed effective date are not required. For this reason, the requirements of the Regulatory Flexibility Act ("RFA") also do not apply.⁷ Further, this rule does not contain any collection of information requirements as defined by the Paperwork Reduction Act of 1995 as amended. 44 U.S.C. 3501 *et seq.*

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not a "major rule," as defined by 5 U.S.C. 804(2).

List of Subjects for 16 CFR Part 1

Administrative practice and procedure, Penalties, Trade practices.

Text of Amendments

For the reasons set forth in the preamble, the Federal Trade Commission amends title 16, chapter I, subchapter A, of the Code of Federal Regulations, as follows:

PART 1—GENERAL PROCEDURES

Subpart L—Civil Penalty Adjustments Under the Federal Civil Penalties Inflation Adjustment Act of 1990, as Amended

■ 1. The authority citation for subpart L continues to read as follows:

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

■ 2. Revise § 1.98 to read as follows:

§ 1.98 Adjustment of civil monetary penalty amounts.

This section makes inflation adjustments in the dollar amounts of civil monetary penalties provided by law within the Commission's jurisdiction. The following maximum civil penalty amounts apply only to penalties assessed after January 10, 2022, including those penalties whose associated violation predated January 10, 2022.

- (a) Section 7A(g)(1) of the Clayton Act, 15 U.S.C. 18a(g)(1)—\$46,517;
- (b) Section 11(l) of the Clayton Act, 15 U.S.C. 21(l)—\$24,714;
- (c) Section 5(l) of the FTC Act, 15 U.S.C. 45(l)—\$46,517;
- (d) Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. 45(m)(1)(A)—\$46,517;
- (e) Section 5(m)(1)(B) of the FTC Act, 15 U.S.C. 45(m)(1)(B)—\$46,517;
- (f) Section 10 of the FTC Act, 15 U.S.C. 50—\$612;
- (g) Section 5 of the Webb-Pomerene (Export Trade) Act, 15 U.S.C. 65—\$612;
- (h) Section 6(b) of the Wool Products Labeling Act, 15 U.S.C. 68d(b)—\$612;
- (i) Section 3(e) of the Fur Products Labeling Act, 15 U.S.C. 69a(e)—\$612;
- (j) Section 8(d)(2) of the Fur Products Labeling Act, 15 U.S.C. 69f(d)(2)—\$612;

⁵ *Id.* (3), (5)(b); Office of Management and Budget, Memorandum M-22-07, *Implementation of Penalty Inflation Adjustments for 2022, Pursuant to the Federal Civil Penalties Inflation Adjustment Act*

Improvements Act of 2015 (December 15, 2021), available at: <https://www.whitehouse.gov/wp-content/uploads/2021/12/M-22-07.pdf>.

⁶ 28 U.S.C. 2461 note (6).

⁷ A regulatory flexibility analysis under the RFA is required only when an agency must publish a notice of proposed rulemaking for comment. *See* 5 U.S.C. 603.

(k) Section 333(a) of the Energy Policy and Conservation Act, 42 U.S.C. 6303(a)—\$503;

(l) Sections 525(a) and (b) of the Energy Policy and Conservation Act, 42 U.S.C. 6395(a) and (b), respectively—\$24,714 and \$46,517, respectively;

(m) Section 621(a)(2) of the Fair Credit Reporting Act, 15 U.S.C. 1681s(a)(2)—\$4,367;

(n) Section 1115(a) of the Medicare Prescription Drug Improvement and Modernization Act of 2003, Public Law 108–173, as amended by Public Law 115–263, 21 U.S.C. 355 note—\$16,445;

(o) Section 814(a) of the Energy Independence and Security Act of 2007, 42 U.S.C. 17304—\$1,323,791; and

(p) Civil monetary penalties authorized by reference to the Federal Trade Commission Act under any other provision of law within the jurisdiction of the Commission—refer to the amounts set forth in paragraphs (c), (d), (e) and (f) of this section, as applicable.

By direction of the Commission.

April Tabor,
Secretary.

[FR Doc. 2022–00213 Filed 1–7–22; 8:45 am]

BILLING CODE 6750–01–P

DEPARTMENT OF STATE

22 CFR Parts 35, 103, 127, and 138

[Public Notice: 11617]

RIN 1400–AF43

Department of State 2022 Civil Monetary Penalties Inflationary Adjustment

AGENCY: Department of State.

ACTION: Final rule.

SUMMARY: This final rule is issued to adjust the civil monetary penalties (CMP) for regulatory provisions maintained and enforced by the Department of State. The revised CMP adjusts the amount of civil monetary penalties assessed by the Department of State based on the December 2021 guidance from the Office of Management and Budget. The new amounts will apply only to those penalties assessed on or after the effective date of this rule, regardless of the date on which the underlying facts or violations occurred.

DATES: This final rule is effective on January 10, 2022.

FOR FURTHER INFORMATION CONTACT: Alice Kottmyer, Attorney-Adviser, Office of Management, kottmyeram@state.gov. ATTN: Regulatory Change, CMP Adjustments, (202) 647–2318.

SUPPLEMENTARY INFORMATION: The Federal Civil Penalties Inflation Adjustment Act of 1990, Public Law 101–410, as amended by the Debt Collection Improvement Act of 1996, Public Law 104–134, required the head of each agency to adjust its CMPs for inflation no later than October 23, 1996 and required agencies to make adjustments at least once every four years thereafter. The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Section 701 of Public Law 114–74 (the 2015 Act) further amended the 1990 Act by requiring agencies to adjust CMPs, if necessary, pursuant to a “catch-up” adjustment methodology prescribed by the 2015 Act, which mandated that the catch-up adjustment take effect no later than August 1, 2016. Additionally, the 2015 Act required agencies to make annual adjustments to their respective CMPs in accordance with guidance issued by the Office of Management and Budget (OMB).

Based on these statutes, the Department of State (the Department) published a final rule in June 2016¹ to implement the “catch-up” provisions; and annual updates to its CMPs in January 2017,² January 2018,³ March 2019 (delayed due to the Government shutdown),⁴ January 2020,⁵ and February 2021 (delayed due to transition issues).⁶

On December 15, 2021, OMB notified agencies that the annual cost-of-living adjustment multiplier for 2021, based on the Consumer Price Index, is 1.06222. Additional information may be found in OMB Memorandum M–22–07 at: <https://www.whitehouse.gov/wp-content/uploads/2021/12/M-22-07.pdf>. This final rule amends Department CMPs for fiscal year 2022.

Overview of the Areas Affected by This Rule

Within the Department of State (title 22, Code of Federal Regulations), this rule affects four areas:

(1) Part 35, which implements the Program Fraud Civil Remedies Act of 1986 (PFCRA), codified at 31 U.S.C. 3801–3812;

(2) Part 103, which implements the Chemical Weapons Convention Implementation Act of 1998 (CWC Act);

(3) Part 127, which implements the penalty provisions of sections 38(e), 39A(c), and 40(k) of the Arms Export

Control Act (AECA) (22 U.S.C. 2778(e), 2779a(c), and 2780(k)); and

(4) Part 138, which implements Section 319 of Public Law 101–121, codified at 31 U.S.C. 1352, prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract.

Specific Changes to 22 CFR Made by This Rule

I. Part 35

The PFCRA, enacted in 1986, authorizes agencies, with approval from the Department of Justice, to pursue individuals or firms for false claims. In addition to applying the annual adjustment, this rule also corrects a typographical error made in the Code of Federal Regulations (CFR). On January 14, 2020, a rule (85 FR 2020) was published in the **Federal Register** noting the inflationary adjustment in § 35.3 for 2020. Although the rule correctly listed the maximum amount at \$349,969, an error was made in amending the CFR itself, with the amount entered as \$343,969. The inflationary adjustment for 2021 (86 FR 7804 (February 2, 2020)) then applied the correct multiplier (1.01182), but to the erroneously entered number. The maximum amount was listed for 2021 as \$348,035 but should have been \$354,106.

This rule corrects those errors, and for the 2022 inflationary adjustment uses the proper \$354,106 multiplied by the inflationary adjustment for 2022 (1.06222), resulting in a maximum liability of \$376,138. The amounts for the maximum penalty for each false claim or statement were correctly entered in both 2020 and 2021. Consequently, applying the 2022 multiplier, the new maximum penalty is \$12,537 for each false claim or statement, up to a maximum of \$376,138.

II. Part 103

The CWC Act provided domestic implementation of the Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on Their Destruction. The penalty provisions of the CWC Act are codified at 22 U.S.C. 6761. Applying the 2021 multiplier, the new maximum amounts are as follows: Prohibited acts related to inspections, \$42,163; for recordkeeping violations, \$8,433.

III. Part 127

The Assistant Secretary of State for Political-Military Affairs is responsible

¹ 81 FR 36771 (Jun. 8, 2016).

² 82 FR 3168 (Jan. 11, 2017).

³ 83 FR 234 (Jan. 3, 2018).

⁴ 84 FR 9957 (Mar. 19, 2019).

⁵ 85 FR 2020 (Jan. 14, 2020).

⁶ 86 FR 7804 (Feb. 2, 2021).