

## § 30.15

*ALJ, Department, HUD, and Secretary* are defined in 24 CFR part 5.

*Ability to pay.* Determined based on an assessment of the respondent's resources available both presently and prospectively from which the Department could ultimately recover the total award, which may be predicted based on historical evidence.

*Agent.* Any person, including an officer, director, partner, or trustee, who acts on behalf of another person.

*Dealer.* A seller, contractor or supplier of goods or services having a direct or indirect financial interest in the transaction between the borrower and the lender, and who assists the borrower in preparing the credit application or otherwise assists the borrower in obtaining the loan from the lender.

*Knowing or Knowingly.* Having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibitions under subpart B of this part or under 24 CFR part 4. For purposes of §§ 30.35 and 30.36, *knowing* or *knowingly* is defined at 12 U.S.C. 1735f-14(g).

*Material or Materially.* Having the natural tendency or potential to influence, or when considering the totality of the circumstances, in some significant respect or to some significant degree.

*Person.* An individual, corporation, company, association, authority, firm, partnership, society, State, local government or agency thereof, or any other organization or group of people.

*Respondent.* A person against whom a civil money penalty action is initiated.

*Sponsored third-party originator.* A sponsored third-party originator as defined at § 202.8 of this title.

[61 FR 50215, Sept. 24, 1996, as amended at 74 FR 2751, Jan. 15, 2009; 77 FR 51468, Aug. 24, 2012; 82 FR 24524, May 30, 2017]

## § 30.15 Application of other remedies.

A civil money penalty may be imposed in addition to other administrative sanctions or any other civil remedy or criminal penalty.

## 24 CFR Subtitle A (4-1-23 Edition)

### Subpart B—Violations

#### § 30.20 Ethical violations by HUD employees.

(a) *General.* The General Counsel, or his or her designee, may initiate a civil money penalty action against HUD employees who improperly disclose information pursuant to section 103 of the HUD Reform Act of 1989 (42 U.S.C. 3537a(c)) and 24 CFR part 4, subpart B.

(b) *Maximum penalty.* The maximum penalty is \$23,727 for each violation.

[61 FR 50215, Sept. 24, 1996, as amended at 72 FR 5588, Feb. 6, 2007; 81 FR 38935, June 15, 2016; 82 FR 24524, May 30, 2017; 83 FR 32793, July 16, 2018; 84 FR 9453, Mar. 15, 2019; 85 FR 13044, Mar. 6, 2020; 86 FR 14373, Mar. 16, 2021; 87 FR 24420, Apr. 26, 2022; 88 FR 9748, Feb. 15, 2023]

#### § 30.25 Violations by applicants for assistance.

(a) *General.* The General Counsel, or his or her designee, may initiate a civil money penalty action against applicants for assistance, as defined in 24 CFR part 4, subpart A, who knowingly and materially violate the provisions of subsections (b) or (c) of section 102 of the HUD Reform Act of 1989 (42 U.S.C. 3545).

(b) *Maximum penalty.* The maximum penalty is \$23,727 for each violation.

[61 FR 50215, Sept. 24, 1996, as amended at 72 FR 5588, Feb. 6, 2007; 81 FR 38935, June 15, 2016; 82 FR 24524, May 30, 2017; 83 FR 32793, July 16, 2018; 84 FR 9453, Mar. 15, 2019; 85 FR 13044, Mar. 6, 2020; 86 FR 14373, Mar. 16, 2021; 87 FR 24420, Apr. 26, 2022; 88 FR 9748, Feb. 15, 2023]

#### § 30.35 Mortgagees and lenders.

(a) *General.* The Mortgagee Review Board may initiate a civil money penalty action against any mortgagee or lender who knowingly and materially:

(1) Violates the provisions listed in 12 U.S.C. 1735f-14(b);

(2) Fails to comply with the requirements of § 201.27(a) of this title regarding approval and supervision of dealers;

(3) Approves a dealer that has been suspended, debarred, or otherwise denied participation in HUD's programs;

(4) Makes a payment that is prohibited under § 202.5(l).