

**Authority:** 21 U.S.C. 331, 351, 352, 355, 360b, 360c, 360d, 360h, 360i, 360j, 371, 372, 374, 381.

■ 13. In § 809.10:

■ a. Add a last sentence to paragraph (a)(4),

■ b. Add a last sentence to paragraph (b)(5)(ii), and

■ c. Add paragraph (g).

The additions read as follows:

**§ 809.10 Labeling for in vitro diagnostic products.**

(a) \* \* \*

(4) \* \* \* The limiting statement appropriate to the intended use of a prescription in vitro diagnostic product shall bear the symbol statement “Rx only” or “~~R~~ only” or the statement “Caution: Federal law restricts this device to sale by or on the order of a \_\_\_\_\_”, the blank to be filled with the word “physician”, “dentist”, “veterinarian”, or with the descriptive designation of any other practitioner licensed by the law of the State in which the practitioner practices to use or order the use of the device.

\* \* \* \* \*

(b) \* \* \*

(5) \* \* \*

(ii) \* \* \* The limiting statement appropriate to the intended use of a prescription in vitro diagnostic product shall bear the symbol statement “Rx only” or “~~R~~ only” or the statement “Caution: Federal law restricts this device to sale by or on the order of a \_\_\_\_\_”, the blank to be filled with the word “physician”, “dentist”, “veterinarian”, or with the descriptive designation of any other practitioner licensed by the law of the State in which the practitioner practices to use or order the use of the device.

\* \* \* \* \*

(g)(1) The applicant may provide the labeling information referenced in this section in the form of:

(i) A symbol accompanied by explanatory text adjacent to the symbol;

(ii) A symbol not accompanied by adjacent explanatory text that:

(A) Is contained in a standard that FDA recognizes under its authority in section 514(c) of the act;

(B) Is used according to the specifications for use of the symbol set forth in FDA’s section 514(c) recognition; and

(C) Is explained in a paper or electronic symbols glossary that is included in the labeling for the device and the labeling on or within the package containing the device bears a prominent and conspicuous statement identifying the location of the symbols glossary that is written in English or, in

the case of articles distributed solely in Puerto Rico or in a Territory where the predominant language is one other than English, the predominant language may be used;

(iii) A symbol not accompanied by adjacent explanatory text that:

(A) Is established in a standard developed by a standards development organization (SDO);

(B) Is not contained in a standard that is recognized by FDA under its authority in section 514(c) of the act or is contained in a standard that is recognized by FDA but is not used according to the specifications for use of the symbol set forth in FDA’s section 514(c) recognition;

(C) Is determined by the manufacturer to be likely to be read and understood by the ordinary individual under customary conditions of purchase and use in compliance with section 502(c) of the act;

(D) Is used according to the specifications for use of the symbol set forth in the SDO-developed standard; and

(E) Is explained in a paper or electronic symbols glossary that is included in the labeling for the device and the labeling on or within the package containing the device bears a prominent and conspicuous statement identifying the location of the symbols glossary that is written in English or, in the case of articles distributed solely in Puerto Rico or in a Territory where the predominant language is one other than English, the predominant language may be used; or

(iv) The symbol statement “Rx only” or “~~R~~ only” used as provided under paragraphs (a)(4) and (b)(5)(ii) of this section.

(2) The use of symbols in device labeling which do not meet the requirements of paragraph (g)(1) of this section renders a device misbranded under section 502(c) of the act.

(3) For purposes of paragraph (g)(1) of this section:

(i) An SDO is an organization that is nationally or internationally recognized and that follows a process for standard development that is transparent, (*i.e.*, open to public scrutiny), where the participation is balanced, where an appeals process is included, where the standard is not in conflict with any statute, regulation, or policy under which FDA operates, and where the standard is national or international in scope.

(ii) The term “symbols glossary” means a compiled listing of:

(A) Each SDO-established symbol used in the labeling for the device;

(B) The title and designation number of the SDO-developed standard containing the symbol;

(C) The title of the symbol and its reference number, if any, in the standard; and

(D) The meaning or explanatory text for the symbol as provided in the FDA recognition or, if FDA has not recognized the standard or portion of the standard in which the symbol is located or the symbol is not used according to the specifications for use of the symbol set forth in FDA’s section 514(c) recognition, the explanatory text as provided in the standard.

Dated: June 8, 2016.

**Leslie Kux,**

*Associate Commissioner for Policy.*

[FR Doc. 2016–13989 Filed 6–14–16; 8:45 am]

**BILLING CODE 4164–01–P**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**24 CFR Parts 28, 30, 87, 180, and 3282**

[Docket No. FR–5942–I–01]

RIN 2501–AD79

**Inflation Catch-Up Adjustment of Civil Monetary Penalty Amounts**

**AGENCY:** Office of the General Counsel, HUD.

**ACTION:** Interim final rule.

**SUMMARY:** This interim final rule amends HUD’s civil monetary penalty regulations by making inflation adjustments as mandated by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. HUD also removes three obsolete civil monetary penalty regulations previously authorized under statutes for which either HUD no longer has enforcement authority or the program is no longer active. Lastly, HUD makes a technical change to the regulation language implementing the Program Fraud Civil Remedies Act which, due to a typographical error under the last civil money penalty adjustment, failed to include language assigning a penalty for causing a false claim or statement to be made.

**DATES:** *Effective date:* August 16, 2016.

*Comment due date:* August 15, 2016.

**ADDRESSES:** Interested persons are invited to submit comments regarding this interim final rule. Communications must refer to the above docket number and title. There are two methods for submitting public comments. All

submissions must refer to the above docket number and title.

1. *Submission of Comments by Mail.* Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410-0500.

2. *Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at [www.regulations.gov](http://www.regulations.gov). HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the [www.regulations.gov](http://www.regulations.gov) Web site can be viewed by other commenters and interested members of the public. Commenters should follow the instructions provided on that site to submit comments electronically.

**Note:** To receive consideration as public comments, comments must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the rule.

*No Facsimile Comments.* Facsimile (fax) comments are not acceptable.

*Public Inspection of Public Comments.* All properly submitted comments and communications submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m., weekdays, at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202-402-3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number via TTY by calling the Federal Relay Service, toll-free, at 800-877-8339. Copies of all comments submitted are available for inspection and downloading at [www.regulations.gov](http://www.regulations.gov).

**FOR FURTHER INFORMATION CONTACT:**

Dane Narode, Associate General Counsel, Office of Program Enforcement, Department of Housing and Urban Development, 1250 Maryland Avenue SW., Suite 200, Washington, DC 20024; telephone

number 202-245-4141 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number via TTY by calling the toll-free Federal Information Relay Service at 800-877-8339.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

On November 2, 2015, the President signed into law the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Act), which further amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (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 an interim final rulemaking (IFR); and (2) make subsequent annual adjustments for inflation.

Previously, the Inflation Adjustment Act required agencies to adjust CMP levels every four years based on the percentage by which the Consumer Price Index (CPI) for the month of June of the prior calendar year exceeded the CPI for the month of June of the calendar year during which the last adjustment was made. The Inflation Adjustment Act also capped the increase for each adjustment at 10 percent and rounded the adjustment based on the size of the penalty (e.g., multiple of \$10 in the case of penalties less than or equal to \$100). The rounding process meant that penalties would often not be increased at all if the inflation factor was not large enough. Furthermore, the cap on increases of 10 percent in tandem with the rounding meant that the formula over time caused penalties to lose value relative to total inflation. The 2015 Act updates these requirements by prescribing that agencies make annual adjustments for inflation based on the CPI for the month of October and round to the nearest dollar after an initial adjustment.

In order to eliminate the inconsistent changes caused by the prior method, the 2015 Act resets the inflation adjustment by excluding prior inflationary adjustments under the Inflation Adjustment Act, which contributed to a decline in the real value of penalty levels. To do this, the 2015 Act provides

that the initial adjustment shall be the percentage by which the CPI for the month of October, 2015 exceeds that of the month of October of the calendar year during which the amount of the CMP was originally established or otherwise adjusted under a provision of law other than the Inflation Adjustment Act. While the 2015 Act does not provide a cap on adjustments going forward, the initial adjustment under the 2015 Act does limit large CMP increases by providing that no initial adjustments may exceed 150 percent of the amount of the CMP as of the date the 2015 Act was enacted, November 2, 2015. Lastly, the 2015 Act requires that agencies publish an interim final rule with the initial adjustment by July 1, 2016, and have the adjustments take effect no later than August 1, 2016. The initial adjustment under the 2015 Act also provides that, following public comment, the head of an agency may reduce the required increase if the agency head determines that the increase will have a negative economic impact or the social costs of the increase outweigh the benefits; and the Director of the Office of Management and Budget concurs.

**II. This Interim Final Rule**

*A. Inflation Adjustment of Civil Monetary Penalty Amounts*

For each component, HUD provides a table showing how the penalties are being increased pursuant to the 2015 Act. In the first column, HUD provides a description of the penalty. In the second column (“Citation,”) HUD provides the United States Code (U.S.C.) statutory citation providing for the penalty. In the third column (“Original Amount”), HUD provides the amount of the penalty as originally enacted by Congress or changed through a mechanism other than pursuant to the Inflation Adjustment Act. In the fourth column (“Regulatory Citation”), HUD lists the regulatory citation in the current Code of Federal Regulations (CFR) where the most recently amended penalty is codified. In the fifth column (“Current Amount”), HUD lists the existing penalty in the CFR. In the sixth column, (“New Amount”) HUD lists the penalty after disregarding adjustments under the Inflation Adjustment Act and applying the 2015 Act formula and cap for the first adjustment.

Description	Citation	Original amount	Regulatory citation	Current amount	New amount
False Claims & Statements.	Omnibus Budget Reconciliation Act of 1986 (31 U.S.C. 3802(a)(1)).	\$5,000 .....	§ 28.10	\$8,500 .....	\$10,781.

Description	Citation	Original amount	Regulatory citation	Current amount	New amount
Advance Disclosure of Funding.	Department of Housing and Urban Development Act (42 U.S.C. 3537a(c)).	\$10,000 .....	§ 30.20	\$16,000 .....	\$18,936.
Disclosure of Subsidy Layering.	Department of Housing and Urban Development Act (42 U.S.C. 3545(f)).	\$10,000 .....	§ 30.25	\$16,000 .....	\$18,936.
FHA Mortgagees and Lenders Violations.	HUD Reform Act of 1989 (12 U.S.C. 1735f-14(a)(2)).	Per Violation: \$5,000 Per Year: \$1,000,000.	§ 30.35	Per Violation: \$8,500 Per Year: \$1,525,000.	Per Violation: \$9,468 Per Year: \$1,893,610.
Other FHA Participants Violations.	HUD Reform Act of 1989 (12 U.S.C. 1735f-14(a)(2)).	Per Violation: \$5,000 Per Year: \$1,000,000.	§ 30.36	Per Violation: \$7,050 Per Year: \$1,335,000.	Per Violation: \$9,468 Per Year: \$1,893,610.
Indian Loan Mortgagees Violations.	Housing Community Development Act of 1992 <sup>1</sup> (12 U.S.C. 1715z-13a(g)(2)).	Per Violation: \$5,000 Per Year: \$1,000,000.	§ 30.40	Per Violation: \$8,000 Per Year: \$1,525,000.	Per Violation: \$9,468 Per Year: \$1,893,610.
Multifamily & Section 202 or 811 Owners Violations.	HUD Reform Act of 1989 (12 U.S.C. 1735f-15(c)(2)).	\$25,000 .....	§ 30.45	\$42,500 .....	\$47,340.
Ginnie Mae Issuers & Custodians Violations.	HUD Reform Act of 1989 (12 U.S.C. 1723i(b)).	Per Violation: \$5,000 Per Year: \$1,000,000.	§ 30.50	Per Violation: \$8,500 Per Year: \$1,525,000.	Per Violation: \$9,468 Per Year: \$1,893,610.
Title I Broker & Dealers Violations.	HUD Reform Act of 1989 (12 U.S.C. 1703).	Per Violation: \$5,000 Per Year: \$1,000,000.	§ 30.60	Per Violation: \$8,500 Per Year: \$1,525,000.	Per Violation: \$9,468 Per Year: \$1,893,610.
Lead Disclosure Violation.	Title X-Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4852d(b)(1)).	\$10,000 .....	§ 30.65	\$16,000 .....	\$16,773.
Section 8 Owners Violations.	Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437z-1(b)(2)).	\$25,000 .....	§ 30.68	\$27,500 .....	\$36,794.
Lobbying Violation ..	The Lobbying Disclosure Act of 1995 (31 U.S.C. 1352).	Min: \$10,000 Max: \$100,000.	§ 87.400	Min: \$10,000 Max: \$100,000.	Min: \$18,936 Max: \$189,361.
Fair Housing Act Civil Penalties.	Fair Housing Amendments Act of 1988 (42 U.S.C. 3612(g)(3)).	No Priors: \$10,000 One Prior: \$25,000 Two or More Priors: \$50,000.	§ 180.671(a)	No Priors: \$16,000 One Prior: \$42,500 Two or More Priors: \$70,000.	No Priors: \$19,787 One Prior: \$49,467 Two or More Priors: \$98,935.
Manufactured Housing Regulations Violation.	Housing Community Development Act of 1974 (42 U.S.C. 5410).	Per Violation: \$1,000 Per Year: \$1,000,000.	§ 3282.10	Per Violation: \$1,100 Per Year: \$1,375,000.	Per Violation: \$2,750 Per Year: \$3,437,500.

*B. Correction to 24 CFR 28.10*

In addition to applying the catch-up adjustment as required by the 2015 Act, HUD takes the opportunity to issue a technical correction to § 28.10. On January 18, 2013, HUD published a final rule (78 FR 4059) to apply a routine inflationary adjustment to CMPs under § 28.10, the regulation implementing the Program Fraud Civil Remedies Act, 31 U.S.C. 3802. Due to a typographical error, the final rule assigned a penalty for making a false claim or statement, but not for causing such claim or statement to be made. Liability is provided for both bases under 31 U.S.C. 3802, as well as under the version of § 28.10 that predated the 2013 rulemaking (See 73 FR 76831, Dec. 17, 2008), and the 2013 final rule was intended only to adjust the penalty amount, not to remove a basis for liability. As such, the bases for liability

enumerated in § 28.10 are incomplete. Through this technical correction, HUD can ensure § 28.10 fully implements the statutory requirements of 31 U.S.C. 3802. Accordingly, HUD amends §§ 28.10(a), (b), and (c) to reflect statutory liability for causing a false claim or statement to be made, as originally intended.

*C. Removal of 24 CFR 30.30, 30.55, and 30.69*

HUD also takes the opportunity to remove from title 24 of the CFR two outdated regulations for which HUD no longer has statutory enforcement authority, and one regulation for which the HUD program was repealed.

Section 30.30 implements CMPs for violations under the Urban Homesteading Program, which was administered by HUD's Office of Community Planning and Development and ceased operation due to repeal of 12 U.S.C. 1706e on October 1, 1991. Subsequently, HUD removed its Urban Homesteading regulation at 24 CFR part 590 (79 FR 51894, Sept. 2, 2014) but

inadvertently retained § 30.30, which is now obsolete.

Sections 30.55 and 30.69 implement CMPs for violations under the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act) (12 U.S.C. 5101 *et seq.*) and the Interstate Land Sales Full Disclosure Act (ILSFDA) (15 U.S.C. 1701 *et seq.*), respectively. In 2011, the Dodd-Frank Act<sup>2</sup> transferred from HUD to the Consumer Financial Protection Bureau (CFPB) all of its prior authority to administer, enforce, and otherwise implement the SAFE Act and ILSFDA. Accordingly, HUD issued regulations removing 24 CFR part 3400, its SAFE Act regulation (79 FR 34225, June 16, 2014), and removed 24 CFR parts 1710, 1715, and 1720, its ILSFDA regulations (79 FR 34225, June 16, 2014). Subsequently, CFPB issued its own regulations for these statutes.<sup>3</sup> In the process of updating its regulations, HUD

<sup>1</sup> The Housing Community Development Act of 1992 (12 U.S.C. 1715z-13a(g)(2)) incorporated the civil money penalties from section 536 of the HUD Reform Act of 1989 (12 U.S.C. 1715f-14), and thus the year applied for purposes of the 2015 Act adjustment is 1989.

<sup>2</sup> Public Law 111-203, 124 Stat. 1376, approved July 21, 2010.

<sup>3</sup> See 12 CFR parts 1007 and 1008 for the SAFE Act, and 12 CFR part 1024 for ILSFDA.

inadvertently retained §§ 30.55 and 30.69, which are now obsolete.

HUD is now removing §§ 30.30, 30.55, and 30.69 from title 24 of the CFR, as originally intended. The removal of these regulations will streamline HUD's regulations and eliminate confusion regarding the status of these programs.

## II. Justification for Interim Final Rulemaking

HUD generally publishes rules for advance public comment in accordance with its rule on rulemaking at 24 CFR part 10. However, under 24 CFR 10.1, HUD may omit prior public notice and comment if it is "impracticable, unnecessary, or contrary to the public interest." In this instance, HUD has determined that it is unnecessary to delay the effectiveness of this rule for advance public comment.

This interim final rule follows the statutory directive in the 2015 Act requiring a catch-up adjustment to HUD's CMPs by applying the adjustment formula established in the statute and publishing an interim final rule. Accordingly, because calculation of the adjustment is formula-driven, HUD has limited discretion in updating its regulations to reflect the new penalty levels derived from application of the formula. HUD emphasizes that this rule addresses only the matter of the calculation of the maximum civil monetary penalties for the respective violations described in the regulations. This rule does not address the issue of the Secretary's discretion to impose or not to impose a penalty, nor the procedures that HUD must follow in initiating a civil monetary penalty action, or in seeking a civil penalty in a Fair Housing Act case.

## III. Effective Date

Section 7 of the Department of Housing and Urban Development Act, 42 U.S.C. 3535, paragraph (o), requires that "any regulation implementing any provision of the Department of Housing and Urban Development Reform Act of 1989 that authorizes the imposition of a civil money penalty may not become effective until after the expiration of a public comment period of not less than 60 days." Therefore, HUD delays the effective date to August 16, 2016, which provides for the required 60 days of public comment and compliance with the 2015 Act's statutory deadline of August 1, 2016. These new penalties apply to violations occurring after August 16, 2016.

## IV. Findings and Certifications

### *Regulatory Review—Executive Orders 12866 and 13563*

Under Executive Order 12866 (Regulatory Planning and Review), a determination must be made whether a regulatory action is significant and therefore, subject to review by the Office of Management and Budget (OMB) in accordance with the requirements of the order. Executive Order 13563 (Improving Regulations and Regulatory Review) directs executive agencies to analyze regulations that are "outmoded, ineffective, insufficient, or excessively burdensome, and to modify, streamline, expand, or repeal them in accordance with what has been learned." Executive Order 13563 also directs that, where relevant, feasible, and consistent with regulatory objectives, and to the extent permitted by law, agencies are to identify and consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public. As discussed above in this preamble, this interim final rule revises the civil monetary penalty regulations to make inflation adjustments required by the 2015 Act. It also provides a technical correction to 24 CFR part 28 to harmonize it with its authorizing statute and removes obsolete rules from the Code of Federal Regulations. This interim final rule is consistent with the goals of Executive Order 13563, to reduce regulatory burdens by modifying and removing ineffective or outmoded regulations.

As a result of this review, OMB determined that this rule was not significant under Executive Order 12866 and Executive Order 13563.

### *Regulatory Flexibility Act*

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Because HUD has determined that good cause exists to issue this rule without prior public comment, this rule is not subject to the requirement to publish an initial or final regulatory flexibility analysis under the RFA as part of such action.

### *Unfunded Mandates Reform*

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA)<sup>4</sup> requires that an agency prepare a budgetary impact statement before

promulgating a rule that includes a Federal mandate that may result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any one year. If a budgetary impact statement is required, section 205 of UMRA also requires an agency to identify and consider a reasonable number of regulatory alternatives before promulgating a rule.<sup>5</sup> However, the UMRA applies only to rules for which an agency publishes a general notice of proposed rulemaking. As discussed above, HUD has determined, for good cause, that prior notice and public comment is not required on this rule and, therefore, the UMRA does not apply to this interim final rule.

### *Executive Order 13132, Federalism*

Executive Order 13132 (entitled "Federalism") prohibits an agency from publishing any rule that has federalism implications if the rule either imposes substantial direct compliance costs on state and local governments and is not required by statute, or the rule preempts state law, unless the agency meets the consultation and funding requirements of section 6 of the Executive Order. This rule will not have federalism implications and would not impose substantial direct compliance costs on state and local governments or preempt state law within the meaning of the Executive Order.

### *Environmental Review*

This interim final rule does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern, or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this final rule is categorically excluded from environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321).

## List of Subjects

### *24 CFR Part 28*

Administrative practice and procedure, Claims, Fraud, Penalties.

### *24 CFR Part 30*

Administrative practice and procedure, Grant programs—housing and community development, Loan programs—housing and community development, Mortgage insurance, Penalties.

<sup>4</sup> 2 U.S.C. 1532.

<sup>5</sup> 2 U.S.C. 1534.

## 24 CFR Part 87

Government contracts, Grant programs, Loan programs, Lobbying, Penalties, Reporting and recordkeeping requirements.

## 24 CFR Part 180

Administrative practice and procedure, Aged, Civil rights, Fair housing, Individuals with disabilities, Investigations, Mortgages, Penalties, Reporting and recordkeeping requirements.

## 24 CFR Part 3282

Administrative practice and procedure, Consumer protection, Intergovernmental relations, Manufactured homes, Reporting and recordkeeping requirements.

Accordingly, for the reasons described in the preamble, HUD amends 24 CFR parts 28, 30, 87, 180, and 3282 as follows:

### PART 28—IMPLEMENTATION OF THE PROGRAM FRAUD CIVIL REMEDIES ACT OF 1986

- 1. The authority citation for part 28 is revised to read as follows:

**Authority:** 28 U.S.C. 2461 note; 31 U.S.C. 3801–3812; 42 U.S.C. 3535(d).

- 2. In § 28.10, revise paragraphs (a)(1) introductory text and (b)(1) introductory text and the first sentence in paragraph (c) to read as follows:

#### § 28.10 Basis for civil penalties and assessments.

(a) \* \* \*

(1) A civil penalty of not more than \$10,781 may be imposed upon any person who makes, presents, or submits, or causes to be made, presented, or submitted, a claim that the person knows or has reason to know:

\* \* \* \* \*

(b) \* \* \*

(1) A civil penalty of not more than \$10,781 may be imposed upon any person who makes, presents, or submits, or causes to be made, presented, or submitted, a written statement that:

\* \* \* \* \*

(c) *Limit on liability.* If the claim or statement relates to low-income housing benefits or housing benefits for the elderly or handicapped, then a person may be held liable only if he or she has made or caused to be made the claim or statement in the course of applying for such benefits, with respect to his or her eligibility, or family's eligibility, to receive such benefits. \* \* \*

\* \* \* \* \*

### PART 30—CIVIL MONEY PENALTIES: CERTAIN PROHIBITED CONDUCT

- 3. The authority citation for part 30 is revised to read as follows:

**Authority:** 12 U.S.C. 1701q–1, 1703, 1723i, 1735f–14, and 1735f–15; 15 U.S.C. 1717a; 28 U.S.C. 1 note and 2461 note; 42 U.S.C. 1437z–1 and 3535(d).

- 4. In § 30.20, revise paragraph (b) to read as follows:

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

\* \* \* \* \*

(b) *Maximum penalty.* The maximum penalty is \$18,936 for each violation.

- 5. In § 30.25, revise paragraph (b) to read as follows:

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

\* \* \* \* \*

(b) *Maximum penalty.* The maximum penalty is \$18,936 for each violation.

#### § 30.30 [Removed]

- 6. Remove § 30.30.

- 7. In § 30.35, revise the first sentence in paragraph (c)(1) to read as follows:

#### § 30.35 Mortgagees and lenders.

\* \* \* \* \*

(c)(1) *Amount of penalty.* The maximum penalty is \$9,468 for each violation, up to a limit of \$1,893,610 for all violations committed during any one-year period. \* \* \*

\* \* \* \* \*

- 8. In § 30.36, revise the first sentence in paragraph (c) to read as follows:

#### § 30.36 Other participants in FHA programs.

\* \* \* \* \*

(c) *Amount of penalty.* The maximum penalty is \$9,468 for each violation, up to a limit of \$1,893,610 for all violations committed during any one-year period. \* \* \*

\* \* \* \* \*

- 9. In § 30.40, revise the first sentence in paragraph (c) to read as follows:

#### § 30.40 Loan guarantees for Indian housing.

\* \* \* \* \*

(c) *Amount of penalty.* The maximum penalty is \$9,468 for each violation, up to a limit of \$1,893,610 for all violations committed during any one-year period. \* \* \*

- 10. In § 30.45, revise paragraph (g) to read as follows:

#### § 30.45 Multifamily and section 202 or 811 mortgagors.

\* \* \* \* \*

(g) *Maximum penalty.* The maximum penalty for each violation under

paragraphs (c) and (f) of this section is \$47,340.

\* \* \* \* \*

- 11. In § 30.50, revise the first sentence in paragraph (c) to read as follows:

#### § 30.50 GNMA issuers and custodians.

\* \* \* \* \*

(c) *Amount of penalty.* The maximum penalty is \$9,468 for each violation, up to a limit of \$1,893,610 during any one-year period. \* \* \*

#### § 30.55 [Removed]

- 12. Remove § 30.55.

- 13. In § 30.60, revise paragraph (c) to read as follows:

#### § 30.60 Dealers or sponsored third-party originators.

\* \* \* \* \*

(c) *Amount of penalty.* The maximum penalty is \$9,468 for each violation, up to a limit for any particular person of \$1,893,610 during any one-year period.

- 14. In § 30.65, revise paragraph (b) to read as follows:

#### § 30.65 Failure to disclose lead-based paint hazards.

\* \* \* \* \*

(b) *Amount of penalty.* The maximum penalty is \$16,773 for each violation.

- 15. In § 30.68, revise paragraph (c) to read as follows:

#### § 30.68 Section 8 owners.

\* \* \* \* \*

(c) *Maximum penalty.* The maximum penalty for each violation under this section is \$36,794.

\* \* \* \* \*

#### § 30.69 [Removed]

- 16. Remove § 30.69.

### PART 87—NEW RESTRICTIONS ON LOBBYING

- 17. The authority citation for part 87 is revised to read as follows:

**Authority:** 28 U.S.C. 1 note; 31 U.S.C. 1352; 42 U.S.C. 3535(d).

- 18. In § 87.400, revise paragraphs (a), (b), and (e) to read as follows:

#### § 87.400 Penalties.

(a) Any person who makes an expenditure prohibited herein shall be subject to a civil penalty of not less than \$18,936 and not more than \$189,361 for each such expenditure.

(b) Any person who fails to file or amend the disclosure form (see appendix B) to be filed or amended if required herein, shall be subject to a civil penalty of not less than \$18,936

and not more than \$189,361 for each such failure.

\* \* \* \* \*

(e) First offenders under paragraph (a) or (b) of this section shall be subject to a civil penalty of \$18,936, absent aggravating circumstances. Second and subsequent offenses by persons shall be subject to an appropriate civil penalty between \$18,936 and \$189,361, as determined by the agency head or his or her designee.

\* \* \* \* \*

#### **PART 180—CONSOLIDATED HUD HEARING PROCEDURES FOR CIVIL RIGHTS MATTERS**

■ 19. The authority citation for part 180 is revised to read as follows:

**Authority:** 28 U.S.C. 1 note; 29 U.S.C. 794; 42 U.S.C. 2000d–1, 3535(d), 3601–3619, 5301–5320, and 6103.

■ 20. In § 180.671, revise paragraphs (a)(1) through (3) to read as follows:

#### **§ 180.671 Assessing civil penalties for Fair Housing Act cases.**

(a) \* \* \*

(1) \$19,787, if the respondent has not been adjudged in any administrative hearing or civil action permitted under the Fair Housing Act or any state or local fair housing law, or in any licensing or regulatory proceeding conducted by a federal, state, or local governmental agency, to have committed any prior discriminatory housing practice.

(2) \$49,467, if the respondent has been adjudged in any administrative hearing or civil action permitted under the Fair Housing Act, or under any state or local fair housing law, or in any licensing or regulatory proceeding conducted by a federal, state, or local government agency, to have committed one other discriminatory housing practice and the adjudication was made during the 5-year period preceding the date of filing of the charge.

(3) \$98,935, if the respondent has been adjudged in any administrative hearings or civil actions permitted under the Fair Housing Act, or under any state or local fair housing law, or in any licensing or regulatory proceeding conducted by a federal, state, or local government agency, to have committed two or more discriminatory housing practices and the adjudications were made during the 7-year period preceding the date of filing of the charge.

\* \* \* \* \*

#### **PART 3282—MANUFACTURED HOME PROCEDURAL AND ENFORCEMENT REGULATIONS**

■ 21. The authority citation for part 3282 is revised to read as follows:

**Authority:** 28 U.S.C. 1 note; 28 U.S.C. 2461 note; 42 U.S.C. 3535(d) and 5424.

■ 22. Revise § 3282.10 to read as follows:

#### **§ 3282.10 Civil and criminal penalties.**

Failure to comply with these regulations may subject the party in question to the civil and criminal penalties provided for in section 611 of the Act, 42 U.S.C. 5410. The maximum amount of penalties imposed under section 611 of the Act shall be \$2,750 for each violation, up to a maximum of \$3,437,500 for any related series of violations occurring within one year from the date of the first violation.

Dated: May 20, 2016.

**Helen R. Kanovsky,**  
General Counsel.

[FR Doc. 2016–14060 Filed 6–14–16; 8:45 am]

**BILLING CODE 4210–67–P**

#### **DEPARTMENT OF JUSTICE**

#### **28 CFR Part 104**

[Docket No. CIV 151]

RIN 1105–AB49

#### **James Zadroga 9/11 Victim Compensation Fund Reauthorization Act**

**AGENCY:** Department of Justice.

**ACTION:** Interim final rule.

**SUMMARY:** On December 18, 2015, President Obama signed into law the James Zadroga 9/11 Victim Compensation Fund Reauthorization Act (the “Reauthorized Zadroga Act”). The Act extends the September 11th Victim Compensation Fund of 2001 which provides compensation to any individual (or a personal representative of a deceased individual) who suffered physical harm or was killed as a result of the terrorist-related aircraft crashes of September 11, 2001, or the rescue and recovery efforts during the immediate aftermath of such crashes or the debris removal efforts that took place in the immediate aftermath of those crashes. Special Master Sheila L. Birnbaum, appointed by the Attorney General to administer the Fund, is issuing this Interim Final Rule to address changes required by the Reauthorized Zadroga Act. Specifically, the statute extends the time period during which eligible

claimants may submit claims for compensation until December 18, 2020, increases the Victim Compensation Fund’s total funding available to pay claims, creates different categories of claims, directs the Victim Compensation Fund to issue full compensation to eligible claimants and imposes limitations on certain components of future loss calculations.

**DATES:** *Effective date:* This rule is effective June 15, 2016. *Comment date:* Written comments must be submitted on or before July 15, 2016. Comments received by mail will be considered timely if they are postmarked on or before that date. The electronic Federal Docket Management System (FDMS) will accept comments until midnight Eastern Time at the end of that day.

**ADDRESSES:** Please address all comments regarding this rule by U.S. mail to: Jordana Feldman, September 11th Victim Compensation Fund, Civil Division, U.S. Department of Justice, 290 Broadway, Suite 1300, New York, New York 10007. To ensure proper handling, please reference CIV Docket No. 151 on your correspondence. Comments may also be sent electronically through <http://regulations.gov> using the electronic comment form provided on that site. An electronic copy of this document is also available at the <http://regulations.gov> Web site. The Civil Division will accept attachments to electronic comments in Microsoft Word, WordPerfect, or Adobe PDF formats only.

**FOR FURTHER INFORMATION CONTACT:** Catherine V. Emerson, Director, Office of Management Programs, Civil Division, U.S. Department of Justice, Main Building, Room 3140, 950 Pennsylvania Avenue NW., Washington, DC 20530, telephone 855–885–1555 (TTY 855–885–1558).

#### **SUPPLEMENTARY INFORMATION:**

#### **Public Comments**

The Department is publishing this interim final rule, effective on June 15, 2016, the statutory deadline for updating the existing regulations in light of the statutory changes made by the Reauthorized Zadroga Act.

The Department is providing a 30-day period for public comment. The regulatory text of this rule is restating all of the provisions of 28 CFR part 104, as revised, for ease of reference and application for the filing of claims. Commenters should be aware, though, that only certain portions of the existing regulations are being revised at this time, and the Department is only soliciting public comments on the changes being made from the existing