

**Note 3 to paragraph (f):** Paragraph (f) and ECCNs 9E001, 9E002 and 9E515 do not control the data transmitted to or from a satellite or spacecraft, whether real or simulated, when limited to information about the health, operational status, or measurements or function of, or raw sensor output from, the spacecraft, spacecraft payload(s), or its associated subsystems or components. Such information is not within the scope of information captured within the definition of technology in the EAR for purposes of Category 9 Product Group E. Examples of such information, which are commonly referred to as “housekeeping data,” include (i) system, hardware, component configuration, and operation status information pertaining to temperatures, pressures, power, currents, voltages, and battery charges; (ii) spacecraft or payload orientation or position information, such as state vector or ephemeris information; (iii) payload raw mission or science output, such as images, spectra, particle measurements, or field measurements; (iv) command responses; (v) accurate timing information; and (vi) link budget data. The act of processing such telemetry data—*i.e.*, converting raw data into engineering units or readable products—or encrypting it does not, in and of itself, cause the telemetry data to become subject to the ITAR or to ECCN 9E515 for purposes of 9A515, or to ECCNs 9E001 or 9E002 for purposes of 9A004. All classified technical data directly related to items controlled in USML Category XV or ECCNs 9A515, and defense services using the classified technical data, remains subject to the ITAR. This note does not affect controls in USML XV(f), ECCN 9D515, or ECCN 9E515 on software source code or commands that control a spacecraft, payload, or associated subsystems for purposes of 9A515. This note also does not affect controls in ECCNs 9D001, 9D002, 9E001, or 9E002 on software source code or commands that control a spacecraft, payload, or associated subsystems for purposes of 9A004.

\* \* \* \* \*

Dated: December 22, 2016.

**Tom Countryman,**

*Acting Under Secretary, Arms Control and International Security, Department of State.*

[FR Doc. 2016-31751 Filed 1-9-17; 8:45 am]

**BILLING CODE 4710-25-P**

## DEPARTMENT OF THE TREASURY

### Alcohol and Tobacco Tax and Trade Bureau

#### 27 CFR Part 16

[Docket No. TTB-2017-0001; Notice No. 170]

#### Civil Monetary Penalty Inflation Adjustment—Alcoholic Beverage Labeling Act

**AGENCY:** Alcohol and Tobacco Tax and Trade Bureau, Treasury.

**ACTION:** Notification of civil monetary penalty adjustment.

**SUMMARY:** This document informs the public that the maximum penalty for violations of the Alcoholic Beverage Labeling Act (ABLA) is being adjusted in accordance with the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended. Prior to the publication of this document, any person who violated the provisions of the ABLA was subject to a civil penalty of not more than \$19,787, with each day constituting a separate offense. This document announces that this maximum penalty is being increased to \$20,111.

**DATES:** The new maximum civil penalty for violations of the ABLA takes effect on January 10, 2017 and applies to penalties that are assessed after that date.

**FOR FURTHER INFORMATION CONTACT:** Andrew L. Malone, Public Guidance Program Manager, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; (202) 453-1039, ext. 188.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

##### *Statutory Authority for Federal Civil Monetary Penalty Inflation Adjustments*

The Federal Civil Penalties Inflation Adjustment Act of 1990 (the Inflation Adjustment Act), Public Law 101-410, 104 Stat. 890, 28 U.S.C. 2461 note, requires the regular adjustment and evaluation of civil monetary penalties to maintain their deterrent effect and helps to ensure that penalty amounts imposed by the Federal Government are properly accounted for and collected. A “civil monetary penalty” is defined in the Inflation Adjustment Act as any penalty, fine, or other such sanction that is: (1) For a specific monetary amount as provided by Federal law, or has a maximum amount provided for by Federal law; (2) assessed or enforced by an agency pursuant to Federal law; and (3) assessed or enforced pursuant to an administrative proceeding or a civil action in the Federal courts.

The Debt Collection Improvement Act of 1996 (the Improvement Act of 1996), Public Law 104-134, section 31001(s), 110 Stat. 1321, enacted on April 26, 1996, amended the Inflation Adjustment Act by requiring civil monetary penalties to be adjusted for inflation.

The Inflation Adjustment Act was further amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the Improvements Act of 2015), Public Law

114-74, section 701, 129 Stat. 584, enacted on November 2, 2015. The Improvements Act of 2015 changed the method agencies use to calculate inflation adjustments to civil monetary penalties, as well as the method and frequency of future adjustments. The Improvements Act of 2015 also instructed agencies to apply its method of calculating the inflation adjustment to the original statutory penalty, rather than to penalties as they were adjusted under the Improvement Act of 1996. To account for inflation that took place between the enactment of the original penalties and the enactment of the Improvements Act of 2015, agencies must make a “catch-up” first adjustment through an interim final rulemaking that is published no later than July 1, 2016, and takes effect no later than August 1, 2016. Agencies shall adjust civil monetary penalties by the inflation adjustment described in section 5 of the Inflation Adjustment Act no later than January 15 of every year thereafter. The Improvements Act of 2015 also provides that any increase in a civil monetary penalty shall apply only to civil monetary penalties, including those whose associated violation predated such an increase, which are assessed after the date the increase takes effect.

As amended, the Inflation Adjustment Act provides that the inflation adjustment does not apply to civil monetary penalties under the Internal Revenue Code of 1986 or the Tariff Act of 1930.

##### *Alcoholic Beverage Labeling Act*

The Alcohol and Tobacco Tax and Trade Bureau (TTB) administers the Federal Alcohol Administration Act (FAA Act) pursuant to section 1111(d) of the Homeland Security Act of 2002, codified at 6 U.S.C. 531(d). The Secretary has delegated various authorities through Treasury Department Order 120-01, dated December 10, 2013, (superseding Treasury Department Order 120-01, dated January 24, 2003), to the TTB Administrator to perform the functions and duties in the administration and enforcement of this law.

The FAA Act contains the Alcoholic Beverage Labeling Act (ABLA) of 1988, Public Law 100-690, 27 U.S.C. 213-219a, which was enacted on November 18, 1988. Section 204 of the ABLA, codified in 27 U.S.C. 215, requires that a health warning statement appear on the labels of all containers of alcoholic beverages manufactured, imported, or bottled for sale or distribution in the United States, as well as on containers of alcoholic beverages that are manufactured, imported, bottled, or

labeled for sale, distribution, or shipment to members or units of the U.S. Armed Forces, including those located outside the United States.

The health warning statement requirement applies to containers of alcoholic beverages manufactured, imported, or bottled for sale or distribution in the United States on or after November 18, 1989. The statement reads as follows:

GOVERNMENT WARNING: (1) According to the Surgeon General, women should not drink alcoholic beverages during pregnancy because of the risk of birth defects. (2) Consumption of alcoholic beverages impairs your ability to drive a car or operate machinery, and may cause health problems.

Section 204 of the ABLA also specifies that the Secretary of the Treasury shall have the power to ensure the enforcement of the provisions of the ABLA and issue regulations to carry out them out. In addition, section 207 of the ABLA, codified in 27 U.S.C. 218, provides that any person who violates the provisions of the ABLA is subject to a civil penalty of not more than \$10,000, with each day constituting a separate offense.

Most of the civil monetary penalties administered by TTB are imposed by the Internal Revenue Code of 1986, and thus are not subject to the inflation adjustment mandated by the Inflation Adjustment Act. The only civil monetary penalty enforced by TTB that is subject to the inflation adjustment is the penalty imposed by the ABLA at 27 U.S.C. 218.

#### *TTB Regulations*

The TTB regulations implementing the ABLA are found in 27 CFR part 16, and the regulations implementing the Inflation Adjustment Act with respect to the ABLA penalty are found in 27 CFR 16.33. This section indicates that the ABLA provides that any person who violates the provisions of this part shall be subject to a civil penalty of not more than \$10,000, but also states that, pursuant to the provisions of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended, this civil penalty is subject to periodic cost-of-living adjustment. Accordingly, any person who violates the provisions of 27 CFR part 16 shall be subject to a civil penalty of not more than the amount listed at [https://www.ttb.gov/regulation\\_guidance/ablapenalty.html](https://www.ttb.gov/regulation_guidance/ablapenalty.html). Each day shall constitute a separate offense.

To adjust the penalty, § 16.33(b) indicates that TTB will provide notice in the **Federal Register** and at the Web site mentioned above of cost-of-living

adjustments to the civil penalty for violations of this part.

In this document, TTB is publishing its yearly adjustment to the maximum ABLA penalty, as required by the Inflation Adjustment Act, as amended.

TTB made the initial adjustment to the ABLA penalty required by the Inflation Adjustment Act, as amended, in an interim final rule that was published and effective on July 1, 2016 (T.D. TTB-138, 81 FR 43062). Subsequent to the initial adjustment, the Improvements Act of 2015 provides that, not later than January 15 of each year after the initial adjustment, the head of each agency shall adjust each civil monetary penalty subject to the Inflation Adjustment Act, as amended, by the inflation adjustment described in section 5 of the Act.

As mentioned earlier, the ABLA contains a maximum civil monetary penalty, rather than a range of minimum and maximum civil monetary penalties. For such penalties, Section 5 indicates that the inflation adjustment shall be determined by increasing the maximum penalty by the cost-of-living adjustment. The cost-of-living adjustment means the percentage (if any) by which the Consumer Price Index for all-urban consumers (CPI-U) for the month of October preceding the date of the adjustment exceeds the CPI-U for the month of October 1 year before the month of October preceding the date of the adjustment.

The CPI-U in October 2015 was 237.838, and the CPI-U in October 2016 was 241.729. The rate of inflation between October 2015 and October 2016 is therefore 1.636 percent. When applied to the current ABLA penalty of \$19,787, this rate of inflation yields a raw (unrounded) inflation adjustment of \$323.72. Rounded to the nearest dollar, the inflation adjustment is \$324, meaning that the new maximum civil penalty for violations of the ABLA will be \$20,111.

The new maximum civil penalty will apply to all penalties that are assessed after January 10, 2017. TTB has also updated its Web page at [https://www.ttb.gov/regulation\\_guidance/ablapenalty.html](https://www.ttb.gov/regulation_guidance/ablapenalty.html) to reflect the adjusted penalty.

Signed: January 3, 2017.

**John J. Manfreda,**

*Administrator.*

[FR Doc. 2017-00082 Filed 1-9-17; 8:45 am]

**BILLING CODE 4810-31-P**

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 110

[Docket Number USCG-2014-0142]

RIN 1625-AA01

#### **Anchorage Regulations: Special Anchorage Areas; Marina del Rey Harbor, Marina del Rey, CA**

**AGENCY:** Coast Guard, DHS.

**ACTION:** Final rule.

**SUMMARY:** The Coast Guard is amending the shape and reducing the size of the special anchorage area in Marina del Rey Harbor, Marina del Rey, California. Additionally, the Coast Guard is clarifying the language in the note section of the existing regulation. This action is necessary as it will create sufficient navigable water around the anchorage allowing vessels to traffic the Marina del Rey channel without undue maritime safety concerns.

**DATES:** This rule is effective February 9, 2017.

**ADDRESSES:** Documents mentioned in this preamble are part of docket USCG-2014-0142. To view documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov>, type the docket number in the "SEARCH" box and click "SEARCH." Click on the Open Docket Folder on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room w12-140 on the ground floor of the Department of Transportation, West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m. Monday through Friday, with the exception of federal holidays.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Lieutenant Junior Grade Amber Napralla, Waterways Management Division, U.S. Coast Guard District 11, telephone (510) 437-2978, email [Amber.L.Napralla@uscg.mil](mailto:Amber.L.Napralla@uscg.mil).

#### **SUPPLEMENTARY INFORMATION:**

##### **I. Table of Abbreviations**

CFR Code of Federal Regulations  
 DHS Department of Homeland Security  
 FR Federal Register  
 NOAA National Oceanic and Atmospheric Administration  
 NPRM Notice of proposed rulemaking  
 SNPRM Supplemental Notice of Proposed Rulemaking  
 § Section  
 U.S.C. United States Code