

FAS programs during such fiscal year; or

(2) An audit that meets the requirements contained in subpart F of 2 CFR part 200.

(c) A Participant or subrecipient that is a for-profit entity or a subrecipient that is a foreign organization and that expends, during its fiscal year, a total that is less than the audit requirement threshold in 2 CFR 200.501 in Federal awards, is exempt from requirements under this section for an audit for that year, except as provided in paragraphs (d) and (f) of this section, but it must make records available for review by appropriate officials of Federal agencies.

(d) FAS may require an annual financial audit of an agreement or subaward when the audit requirement threshold in 2 CFR 200.501 is not met. In that case, FAS must provide funds under the agreement for this purpose, and the Participant or subrecipient, as applicable, must arrange for such audit and submit it to FAS.

(e) When a Participant or subrecipient that is a for-profit entity or a subrecipient that is a foreign organization is required to obtain a financial audit under this section, it must provide a copy of the audit to FAS within 60 days after the end of its fiscal year.

(f) FAS, the USDA Office of Inspector General, or GAO may conduct or arrange for additional audits of any Participants or subrecipients, including for-profit entities and foreign organizations. Participants and subrecipients must promptly comply with all requests related to such audits. If FAS conducts or arranges for an additional audit, such as an audit with respect to a particular agreement, FAS will fund the full cost of such an audit, in accordance with 2 CFR 200.503(d).

#### **§ 1485.36 Suspension and termination of agreements.**

(a) An agreement or subaward may be suspended or terminated in accordance with 2 CFR 200.338 or 200.339. FAS may suspend or terminate an agreement if it determines that:

(1) One of the bases in 2 CFR 200.338 or 200.339 for termination or suspension by FAS has been satisfied; or

(2) The continuation of the assistance provided under the agreement is no longer necessary or desirable.

(b) If an agreement is terminated, the Participant:

(1) Is responsible for using or returning any CCC-provided funds, interest, or program income that have not been disbursed, as agreed to by FAS; and

(2) Must comply with any closeout and post-closeout procedures specified in the agreement and 2 CFR 200.343 and 200.344.

#### **§ 1485.37 Noncompliance with an agreement.**

(a) If a MAP Participant fails to comply with any term in its agreement or approval letter, CCC may take one or more of the enforcement actions in 2 CFR part 200 and, if appropriate, initiate a claim against the MAP Participant, following the procedures set forth in this subpart. CCC may also initiate a claim against a MAP Participant if program income or CCC-provided funds are lost due to an action or omission of the MAP Participant. If any MAP Participant has engaged in fraud with respect to the MAP, or has otherwise violated program requirements under this subpart, CCC may:

(1) Hold such MAP Participant liable for any and all losses to CCC resulting from such fraud or violation;

(2) Require a refund of any assistance provided to such MAP Participant plus interest as determined by FAS; and

(3) Collect liquidated damages from such MAP Participant in an amount determined appropriate by FAS.

(b) The provisions of this section shall be without prejudice to any other remedy that is available under any other provision of law.

#### **§ 1485.38 Paperwork reduction requirements.**

The paperwork and recordkeeping requirements imposed by this subpart have been approved by OMB under the Paperwork Reduction Act of 1980. OMB has assigned control number 0551-0026 for this information collection.

Dated: December 6, 2019.

#### **Robert Stephenson,**

*Executive Vice President, Commodity Credit Corporation.*

In concurrence with:

Dated: December 6, 2019.

#### **Ken Isley,**

*Administrator, Foreign Agricultural Service.*

[FR Doc. 2019-27965 Filed 1-10-20; 8:45 am]

**BILLING CODE 3410-10-P**

## **DEPARTMENT OF TRANSPORTATION**

### **Office of the Secretary**

#### **14 CFR Parts 11, 300, and 302**

#### **49 CFR Parts 1, 5, 7, 106, 211, 389, 553, and 601**

**RIN 2105-AE84**

#### **Administrative Rulemaking, Guidance, and Enforcement Procedures**

##### *Correction*

In rule document 2019-26672, appearing on pages 71714 through 71734, in the issue of Friday, December 27, 2019 make the following correction:

#### **§ 5.25 General.**

On page 71726, in the second column, in the footnotes, footnote 8 should read, “<sup>8</sup> See Appendix A to “Memorandum on the Review and Clearance of Guidance Documents,” available at <https://cms.dot.gov/sites/dot.gov/files/docs/regulations/328566/gen-counsel-mem-guidance-documentssigned-122018.pdf>.”

[FR Doc. C1-2019-26672 Filed 1-10-20; 8:45 am]

**BILLING CODE 1301-01-D**

## **COMMODITY FUTURES TRADING COMMISSION**

### **17 CFR Part 143**

**RIN 3038-AE82**

#### **Annual Adjustment of Civil Monetary Penalties To Reflect Inflation—2020**

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commodity Futures Trading Commission (Commission) is amending its rule governing the maximum amount of civil monetary penalties to adjust for inflation. This rule sets forth the maximum, inflation-adjusted dollar amount for civil monetary penalties (CMPs) assessable for violations of the Commodity Exchange Act (CEA) and Commission rules, regulations, and orders thereunder. The rule, as amended, implements the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended.

**DATES:** This rule is effective on January 13, 2020 and is applicable to penalties assessed after January 15, 2020.

**FOR FURTHER INFORMATION CONTACT:** Edward J. Riccobene, Associate Chief Counsel, Division of Enforcement, at (202) 418-5327 or [ericcobene@cftc.gov](mailto:ericcobene@cftc.gov),

Commodity Futures Trading Commission, 1155 21st Street NW, Washington, DC 20581.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

The Federal Civil Penalties Inflation Adjustment Act of 1990 (FCPIAA)<sup>1</sup> requires the head of each Federal agency to periodically adjust for inflation the minimum and maximum amount of CMPs provided by law within the jurisdiction of that agency.<sup>2</sup> A 2015 amendment to the FCPIAA<sup>3</sup> required agencies to make an initial “catch-up” adjustment to its civil monetary penalties effective no later than August 1, 2016.<sup>4</sup> For every year thereafter effective not later than January 15, the FCPIAA, as amended, requires agencies to make annual adjustments for

inflation, with guidance from the Director of the Office of Management and Budget.<sup>5</sup>

**II. Commodity Exchange Act Civil Monetary Penalties**

The following sections of the CEA provide for CMPs that meet the FCPIAA definition<sup>6</sup> and these CMPs are, therefore, subject to the inflation adjustment: Sections 6(c), 6b, and 6c of the CEA.<sup>7</sup>

**III. Annual Inflation Adjustment for Commodity Exchange Act Civil Monetary Penalties**

*A. Methodology*

The FCPIAA annual inflation adjustment, in the context of the CFTC’s CMPs, is determined by increasing the maximum penalty by a “cost-of-living

adjustment”, rounded to the nearest multiple of one dollar.<sup>8</sup> Annual inflation adjustments are based on the percent change between the October Consumer Price Index for all Urban Consumers (CPI-U) preceding the date of the adjustment, and the prior year’s October CPI-U.<sup>9</sup> In this case, the October 2019 CPI-U (257.346)/October 2018 CPI-U (252.885) = 1.01764.<sup>10</sup> In order to complete the 2020 annual adjustment, the CFTC must multiply each of its most recent CMP amounts by the multiplier, 1.01764, and round to the nearest dollar.<sup>11</sup>

*B. Civil Monetary Penalty Adjustments*

Applying the FCPIAA annual inflation adjustment methodology results in the following amended CMPs:

U.S. Code citation	Civil monetary penalty description		Violations occurring on or after 11/02/2015		
			Penalty amount in 2019 final rule <sup>12</sup>	CPI-U multiplier	New adjusted penalty amount
<i>Civil Monetary Penalty Imposed By The Commission In An Administrative Action</i>					
7 U.S.C. 9 (Section 6(c) of the Commodity Exchange Act).	For any person other than a registered entity <sup>1</sup> .	Non-Manipulation or Attempted Manipulation.	\$165,227	1.01764	\$168,142
	For any person other than a registered entity <sup>1</sup> .	Manipulation or Attempted Manipulation.	1,191,842	1.01764	1,212,866
7 U.S.C. 13a (Section 6b of the Commodity Exchange Act).	For a registered entity <sup>1</sup> or any of its directors, officers or employees.	Non-Manipulation or Attempted Manipulation.	910,158	1.01764	926,213
	For a registered entity <sup>1</sup> or any of its directors, officers or employees.	Manipulation or Attempted Manipulation.	1,191,842	1.01764	1,212,866
<i>Civil Monetary Penalty Imposed By A Federal District Court In A Civil Injunctive Action</i>					
7 U.S.C. 13a-1 (Section 6c of the Commodity Exchange Act).	Any Person .....	Non-Manipulation or Attempted Manipulation.	182,031	1.01764	185,242
	Any Person .....	Manipulation or Attempted Manipulation.	1,191,842	1.01764	1,212,866

<sup>1</sup> The term “Registered Entity” is defined in 7 U.S.C. 1a (Section 1a of the Commodity Exchange Act).

<sup>1</sup> The FCPIAA, Pub. L. 101-410 (1990), as amended, is codified at 28 U.S.C. 2461 note. The FCPIAA states that the purpose of the FCPIAA is to establish a mechanism that (1) allows for regular adjustment for inflation of civil monetary penalties; (2) maintains the deterrent effect of civil monetary penalties and promote compliance with the law; and (3) improves the collection by the Federal Government of civil monetary penalties.

<sup>2</sup> For the relevant CMPs within the Commission’s jurisdiction, the Act provides only for maximum amounts that can be assessed for each violation of the Act or the rules, regulations and orders promulgated thereunder; the Act does not set forth any minimum penalties. Therefore, the remainder of this release will refer only to CMP maximums.

<sup>3</sup> Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Public Law 114-74, 129 Stat. 584 (2015) (2015 Act), title VII, Section 701.

<sup>4</sup> FCPIAA Sections 4 and 5. See also, Adjustment of Civil Monetary Penalties for Inflation, 81 FR 41435 (June 27, 2016).

<sup>5</sup> FCPIAA Sections 4 and 5. See also, Executive Office of the President, Office of Management and Budget Memorandum, M-20-05, Implementation of Penalty Inflation Adjustments for 2020, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Dec. 16, 2019) (2019 OMB Guidance) (<https://www.whitehouse.gov/wp-content/uploads/2019/12/M-20-05.pdf>).

<sup>6</sup> FCPIAA Section 3(2).

<sup>7</sup> 7 U.S.C. 9, 13a-1, 13b. Criminal authorities may also seek fines for criminal violations of the CEA

(see 7 U.S.C. 13, 13(c), 13(d), 13(e), and 13b). The FCPIAA does not affect the amounts of these criminal penalties.

<sup>8</sup> FCPIAA Sections 4 and 5.

<sup>9</sup> FCPIAA Section 5(b)(1).

<sup>10</sup> The CPI-U is published by the Department of Labor. Interested parties may find the relevant Consumer Price Index on the internet. To access this information, go to the Consumer Price Index Home Page at: <http://www.bls.gov/cpi/>. Click the “CPI Data/Databases” heading, and select “All Urban Consumers (Current Series)”, “Top Picks.” Then check the box for “U.S. city average, All items—CUUR0000SA0”, and click the “Retrieve data” button.

<sup>11</sup> 2019 OMB Guidance at 3.

<sup>12</sup> 84 FR 3103.

The FCPIAA provides that any increase under the FCPIAA in a civil monetary penalty shall apply only to civil monetary penalties, including those whose associated violation predated such increase, which are assessed after the date the increase takes effect.<sup>13</sup> Thus, the new CMP amounts established by this rulemaking shall apply to penalties assessed after January 15, 2020, for violations that occurred on or after November 2, 2015, the effective date of the FCPIAA amendment requiring annual adjustments, the 2015 Act.

**IV. Administrative Compliance**

**A. Notice Requirement**

The FCPIAA specifically exempted from the Administrative Procedure Act (APA) the rulemakings required to implement annual inflation adjustments.<sup>14</sup> “This means that the public procedure the APA generally requires—notice, an opportunity for comment, and a delay in effective date—is not required for agencies to issue regulations implementing the annual adjustment.”<sup>15</sup> The Commission further notes that the notice and comment procedures of the APA do not apply to this rulemaking because the Commission is acting herein pursuant to statutory language that mandates that the Commission act in a nondiscretionary matter.<sup>16</sup>

**B. Regulatory Flexibility Act**

The Regulatory Flexibility Act<sup>17</sup> requires agencies with rulemaking authority to consider the impact of certain of their rules on small businesses. A regulatory flexibility analysis is only required for rules for which the agency publishes a general

notice of proposed rulemaking pursuant to section 553(b) or any other law.<sup>18</sup> Because, as discussed above, the Commission is not obligated by section 553(b) or any other law to publish a general notice of proposed rulemaking with respect to the revisions being made to Rule § 143.8, the Commission additionally is not obligated to conduct a regulatory flexibility analysis.

**C. Paperwork Reduction Act**

The Paperwork Reduction Act of 1995 (PRA),<sup>19</sup> which imposes certain requirements on Federal agencies, including the Commission, in connection with their conducting or sponsoring any collection of information as defined by the PRA, does not apply to this rule. This rule amendment does not contain information collection requirements that require the approval of the Office of Management and Budget.

**D. Consideration of Costs and Benefits**

Section 15(a) of the CEA<sup>20</sup> requires the Commission to consider the costs and benefits of its action before issuing a new regulation. Section 15(a) of the CEA further specifies that costs and benefits shall be evaluated in light of five broad areas of market and public concern: (1) Protection of market participants and the public; (2) efficiency, competitiveness, and financial integrity of futures markets; (3) price discovery; (4) sound risk management practices; and (5) other public interest considerations.

The Commission believes that benefits of this rulemaking greatly outweigh the costs, if any. As the Commission understands, the statutory provisions by which it is making cost-of-living adjustments to the CMPs in

Rule § 143.8 were enacted to ensure that CMPs do not lose their deterrence value because of inflation. An analysis of the costs and benefits of these adjustments were made before enactment of the statutory provisions under which the Commission is operating, and limit the discretion of the Commission to the extent that there are no regulatory choices the Commission could make that would supersede the pre-enactment analysis with respect to the five factors enumerated in Section 15(a) of the CEA, or any other factors.

**List of Subjects in 17 CFR Part 143**

Civil monetary penalties, Claims.

For the reasons set forth in the preamble, the Commodity Futures Trading Commission amends part 143 of chapter I of title 17 of the Code of Federal Regulations as follows:

**PART 143—COLLECTION OF CLAIMS OWED THE UNITED STATES ARISING FROM ACTIVITIES UNDER THE COMMISSION’S JURISDICTION**

- 1. The authority citation for part 143 continues to read as follows:

**Authority:** 7 U.S.C. 9, 15, 9a, 12a(5), 13a, 13a–1(d), 13(a), 13b; 31 U.S.C. 3701–3720E; 28 U.S.C. 2461 note.

- 2. Revise § 143.8(b) to read as follows:

**§ 143.8 Inflation-adjusted civil monetary penalties.**

\* \* \* \* \*

(b) *2020 Inflation adjustment.* The maximum amount of each civil monetary penalty in the following charts applies to penalties assessed after January 15, 2020:

- (1) For non-manipulation or attempted manipulation violations:

TABLE 1 TO PARAGRAPH (b)(1)

U.S. Code citation	Civil monetary penalty description	Date of violation and corresponding penalty			
		10/23/2004 through 10/22/2008	10/23/2008 through 10/22/2012	10/23/2012 through 11/01/2015	11/02/2015 to present
<b>Civil Monetary Penalty Imposed by the Commission in an Administrative Action</b>					
7 U.S.C. 9 (Section 6(c) of the Commodity Exchange Act).	For any person other than a registered entity <sup>1</sup> .	\$130,000	\$130,000	\$140,000	\$168,142
7 U.S.C. 13a (Section 6b of the Commodity Exchange Act).	For a registered entity <sup>1</sup> or any of its directors, officers or employees.	625,000	675,000	700,000	926,213
<b>Civil Monetary Penalty Imposed by a Federal District Court in a Civil Injunctive Action</b>					
7 U.S.C. 13a–1 (Section 6c of the Commodity Exchange Act).	Any Person .....	130,000	140,000	140,000	185,242

<sup>1</sup> The term “Registered Entity” is defined in 7 U.S.C. 1a (Section 1a of the Commodity Exchange Act).

<sup>13</sup> FCPIAA Section 6.

<sup>14</sup> FCPIAA Section 4(b)(2).

<sup>15</sup> 2019 OMB Guidance at 4.

<sup>16</sup> *Lake Carriers’ Ass’n v. E.P.A.*, 652 F.3d 1, 10 (DC Cir. 2011).

<sup>17</sup> 5 U.S.C. 601–612.

<sup>18</sup> 5 U.S.C. 603(a).

<sup>19</sup> 44 U.S.C. 3507(d).

<sup>20</sup> 7 U.S.C. 19(a).

(2) For manipulation or attempted manipulation violations:

TABLE 1 TO PARAGRAPH (b)(2)

U.S. Code citation	Civil monetary penalty description	Date of violation and corresponding penalty			
		10/23/2004 through 5/21/2008	05/22/2008 through 8/14/2011	08//15/2011 through 11/01/2015	11/02/2015 to present
Civil Monetary Penalty Imposed by the Commission in an Administrative Action					
7 U.S.C. 9 (Section 6(c) of the Commodity Exchange Act).	For any person other than a registered entity <sup>1</sup> .	\$130,000	\$1,000,000	\$1,025,000	\$1,212,866
7 U.S.C. 13a (Section 6b of the Commodity Exchange Act).	For a registered entity <sup>1</sup> or any of its directors, officers or employees.	625,000	1,000,000	1,025,000	1,212,866
Civil Monetary Penalty Imposed by a Federal District Court in a Civil Injunctive Action					
7 U.S.C. 13a-1 (Section 6c of the Commodity Exchange Act).	Any Person .....	\$130,000	\$1,000,000	\$1,025,000	\$1,212,866

<sup>1</sup> The term “Registered Entity” is defined in 7 U.S.C. 1a (Section 1a of the Commodity Exchange Act).

Issued in Washington, DC on January 8, 2020, by the Commission.

**Robert Sidman,**

*Deputy Secretary of the Commission.*

**Note:** The following appendix will not appear in the Code of Federal Regulations.

**Appendix to Adjustment of Civil Monetary Penalties for Inflation—2020—Commission Voting Summary**

On this matter, Chairman Tarbert and Commissioners Quintenz, Behnam, Stump, and Berkovitz voted in the affirmative. No Commissioner voted in the negative.

[FR Doc. 2020–00313 Filed 1–10–20; 8:45 am]

BILLING CODE 6351–01–P

**POSTAL SERVICE**

**39 CFR Part 111**

**New Mailing Standards for Domestic Mailing Services Products**

**AGENCY:** Postal Service™.

**ACTION:** Final rule.

**SUMMARY:** On October 9, 2019, the Postal Service™ filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective January 26, 2020. This final rule contains the revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to implement the changes coincident with the price adjustments and other minor DMM changes.

**DATES:** Effective January 26, 2020.

**FOR FURTHER INFORMATION CONTACT:** Jacqueline Erwin at (202) 268–2158, or Dale Kennedy at (202) 268–6592.

**SUPPLEMENTARY INFORMATION:** On December 20, 2019, the Postal

Regulatory Commission (PRC) found that the price adjustments proposed by the Postal Service may take effect as planned. The price adjustments and DMM revisions are scheduled to become effective on January 26, 2020. Final prices are available under Docket No. R2020–1 (Order No.5373) on the Postal Regulatory Commission’s website at [www.prc.gov](http://www.prc.gov).

USPS did not receive any comments on the proposed changes.

**List of Subjects in 39 CFR Part 111**

Administrative practice and procedure, Postal Service.

The Postal Service adopts the following changes to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the *Code of Federal Regulations*. See 39 CFR 111.1.

Accordingly, 39 CFR part 111 is amended as follows:

**PART 111—[AMENDED]**

■ 1. The authority citation for 39 CFR part 111 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301–307; 18 U.S.C. 1692–1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001–3011, 3201–3219, 3403–3406, 3621, 3622, 3626, 3632, 3633, and 5001.

■ 2. Revise the *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM) as follows:

**Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)**

\* \* \* \* \*

**200 Commercial Mail**

\* \* \* \* \*

**230 First-Class Mail**

**233 Prices and Eligibility**

**1.0 Prices and Fees**

\* \* \* \* \*

**1.5 Presort Mailing Fee**

*[Revise the second sentence of 1.5; to read as follows:]*

\* \* \* Payment of this fee does not apply to qualified full-service mailings (under 705.23.3.1a). \* \* \*

\* \* \* \* \*

**240 Commercial Mail USPS Marketing Mail**

**243 Prices and Eligibility**

**1.0 Prices and Fees**

\* \* \* \* \*

**1.4 Fees**

**1.4.1 Presort Mailing Fee**

*[Revise the second sentence of 1.4.1; to read as follows:]*

\* \* \* Payment of this fee does not apply to mailers who present qualified full-service mailings (under 705.23.3.1a). \* \* \*

\* \* \* \* \*

**260 Commercial Mail Bound Printed Matter**

**263 Prices and Eligibility**

**1.0 Prices and Fees**

\* \* \* \* \*

**1.2 Presorted and Carrier Route Bound Printed Matter**

\* \* \* \* \*

**1.2.5 Destination Entry Mailing Fee**

*[Revise the last sentence of 1.2.5; to read as follows:]*