

FARM CREDIT SYSTEM INSURANCE CORPORATION**12 CFR Part 1411**

RIN 3055-AAZZ

Rules of Practice and Procedure; Adjusting Civil Money Penalties for Inflation**AGENCY:** Farm Credit System Insurance Corporation.**ACTION:** Final rule.

SUMMARY: This rule implements inflation adjustments to civil money penalties (CMPs) that the Farm Credit System Insurance Corporation (FCSIC) may impose under the Farm Credit Act of 1971, as amended. These adjustments are required by 2015 amendments to the Federal Civil Penalties Inflation Adjustment Act of 1990.

DATES: *Effective date:* This regulation is effective on January 10, 2024.

Applicability date: The adjusted amounts of civil money penalties in this rule are applicable to penalties assessed on or after January 15, 2024, for conduct occurring on or after November 2, 2015.

FOR FURTHER INFORMATION CONTACT: Lynn M. Powalski, General Counsel, Farm Credit System Insurance Corporation, 1501 Farm Credit Drive, McLean, Virginia 22102, (703) 883-4380, TTY (703) 883-4390.

SUPPLEMENTARY INFORMATION:**I. Background**

The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (the 2015 Act) amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (the Inflation Adjustment Act)¹ to improve the effectiveness of civil monetary penalties and to maintain their deterrent effect. The Inflation Adjustment Act provides for the regular evaluation of CMPs and requires FCSIC, and every other Federal agency with authority to impose CMPs, to ensure that CMPs continue to maintain their deterrent values.²

¹ Public Law 101-410, 104 Stat. 890 (Oct. 5, 1990), as amended by Public Law 104-134, title III, sec. 31001(s)(1), 110 Stat. 1321-373 (Apr. 26, 1996); Public Law 105-362, title XIII, sec. 1301(a), 112 Stat. 3293 (Nov. 10, 1998); Public Law 114-74, title VII, sec. 701(b), 129 Stat. 599 (Nov. 2, 2015), codified at 28 U.S.C. 2461 note.

² Under the amended Inflation Adjustment Act, a CMP is defined as any penalty, fine, or other sanction that: (1) Either is for a specific monetary amount as provided by Federal law or has a maximum amount provided for by Federal law; (2) is assessed or enforced by an agency pursuant to Federal law; and (3) is assessed or enforced pursuant to an administrative proceeding or a civil action in the Federal courts. All three requirements must be met for a fine to be considered a CMP.

FCSIC must enact regulations that annually adjust its CMPs pursuant to the inflation adjustment formula of the amended Inflation Adjustment Act and rounded using a method prescribed by the Inflation Adjustment Act. The new amounts are applicable to penalties assessed on or after January 15, 2024, for conduct occurring on or after November 2, 2015. Agencies do not have discretion in choosing whether to adjust a CMP, by how much to adjust a CMP, or the methods used to determine the adjustment.

II. CMPs Imposed Pursuant to Section 5.65 of the Farm Credit Act

First, section 5.65(c) of the Farm Credit Act, as amended (Act), provides that any insured Farm Credit System bank that willfully fails or refuses to file any certified statement or pay any required premium shall be subject to a penalty of not more than \$100 for each day that such violations continue, which penalty FCSIC may recover for its use.³ Second, section 5.65(d) of the Act provides that, except with the prior written consent of the Farm Credit Administration, it shall be unlawful for any person convicted of any criminal offense involving dishonesty or a breach of trust to serve as a director, officer, or employee of any System institution.⁴ For each willful violation of section 5.65(d), the institution involved shall be subject to a penalty of not more than \$100 for each day during which the violation continues, which FCSIC may recover for its use.

FCSIC's current § 1411.1 provides that FCSIC can impose a maximum penalty of \$249 per day for a violation under section 5.65(c) and (d) of the Act.

III. Required Adjustments

The 2015 Act requires agencies to make annual adjustments for inflation. 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. Consumer Price Index (CPI-U) for the month of October 2023, not seasonally adjusted, the cost-of-living adjustment multiplier for 2024 is 1.03241.⁵ Multiplying 1.03241 times the current penalty amount of \$249, after rounding to the nearest dollar as

³ 12 U.S.C. 2277a-14(c).

⁴ 12 U.S.C. 2277a-14(d).

⁵ See Office of Mgmt. & Budget, Exec. Office of the President, OMB Memorandum No. M-24-07, *Implementation of Penalty Inflation Adjustments for 2024, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015* (December 19, 2023).

required by the 2015 Act, results in a new penalty amount of \$257.

IV. Notice and Comment Not Required by Administrative Procedure Act

In accordance with the 2015 Act, Federal agencies shall adjust civil monetary penalties "notwithstanding" section 553 of the Administrative Procedures Act. This means that public procedure generally required for agency rulemaking—notice, an opportunity for comment, and a delay in effective date—is not required for agencies to issue regulations implementing the annual adjustment.

List of Subjects in 12 CFR Part 1411

Banks, Banking, Civil money penalties, Penalties.

For the reasons stated in the preamble, part 1411 of chapter XIV, title 12 of the Code of Federal Regulations is amended as follows:

PART 1411—RULES OF PRACTICE AND PROCEDURE

■ 1. The authority citation for part 1411 continues to read as follows:

Authority: 12 U.S.C. 2277a-7(10), 2277a-14© and (d); 28 U.S.C. 2461 *note*.

■ 2. Revise § 1411.1 to read as follows:

§ 1411.1 Inflation adjustment of civil money penalties for failure to file a certified statement, pay any premium required or obtain approval before employment of persons convicted of criminal offenses.

In accordance with the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended, a civil money penalty imposed pursuant to section 5.65(c) or (d) of the Farm Credit Act of 1971, as amended, shall not exceed \$257 per day for each day the violation continues.

Dated: January 5, 2024.

Ashley Waldron,

Secretary to the Board, Farm Credit System Insurance Corporation.

[FR Doc. 2024-00339 Filed 1-9-24; 8:45 am]

BILLING CODE 6710-01-P

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, 2024.

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 (“FCPIAA”) 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 2023 adjustment. The following adjusted amounts will take effect on January 10, 2024:

- 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 \$50,120 to \$51,744;
- 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 \$26,628 to \$27,491;
- Section 5(l) of the FTC Act, 15 U.S.C. 45(l) (unfair or deceptive acts or practices)—Increase from \$50,120 to \$51,744;
- 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 \$50,120 to \$51,744;

- 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 \$50,120 to \$51,744;
- Section 10 of the FTC Act, 15 U.S.C. 50 (failure to file required reports)—Increase from \$659 to \$680;
- 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 \$659 to \$680;
- 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 \$659 to \$680;
- 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 \$659 to \$680;
- 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 \$659 to \$680;
- 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 \$542 to \$560;
- Section 525(a) of the Energy Policy and Conservation Act, 42 U.S.C. 6395(a) (recycled oil labeling violations)—Increase from \$26,628 to \$27,491;
- 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 \$50,120 to \$51,744;
- 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 \$4,705 to \$4,857;

- 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 \$17,719 to \$18,293; 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 \$1,426,319 to \$1,472,546.

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 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 2024 is 1.03241. 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	2023 Penalty level	Adjustment multiplier	2024 Penalty level (rounded to the nearest dollar)
16 CFR 1.98(a): 15 U.S.C. 18a(g)(1)	Premerger filing notification violations	\$50,120	1.03241	\$51,744
16 CFR 1.98(b): 15 U.S.C. 21(l)	Violations of cease and desist orders	26,628	1.03241	27,491
16 CFR 1.98(c): 15 U.S.C. 45(l)	Unfair or deceptive acts or practices	50,120	1.03241	51,744
16 CFR 1.98(d): 15 U.S.C. 45(m)(1)(A)	Unfair or deceptive acts or practices	50,120	1.03241	51,744
16 CFR 1.98(e): 15 U.S.C. 45(m)(1)(B)	Unfair or deceptive acts or practices	50,120	1.03241	51,744
16 CFR 1.98(f): 15 U.S.C. 50	Failure to file required reports	659	1.03241	680
16 CFR 1.98(g): 15 U.S.C. 65	Failure to file required statements	659	1.03241	680
16 CFR 1.98(h): 15 U.S.C. 68d(b)	Failure to maintain required records	659	1.03241	680
16 CFR 1.98(i): 15 U.S.C. 69a(e)	Failure to maintain required records	659	1.03241	680
16 CFR 1.98(j): 15 U.S.C. 69f(d)(2)	Failure to maintain required records	659	1.03241	680
16 CFR 1.98(k): 42 U.S.C. 6303(a)	Knowing violations	542	1.03241	560
16 CFR 1.98(l): 42 U.S.C. 6395(a)	Recycled oil labeling violations	26,628	1.03241	27,491
16 CFR 1.98(m): 42 U.S.C. 6395(b)	Willful recycled oil labeling violations	50,120	1.03241	51,744

¹ Public Law 114–74, 701, 129 Stat. 599 (2015). The Act amends the Federal Civil Penalties Inflation Adjustment Act, 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); 87 FR 1070 (2022); 88 FR 1499 (2023).

³ 16 CFR 1.98.

⁴ 28 U.S.C. 2461 note at (4).

⁵ *Id.* (3), (5)(b); Office of Management and Budget, Memorandum M–24–07, *Implementation of Penalty Inflation Adjustments for 2024* (December 19, 2023), available at: <https://www.whitehouse.gov/wp-content/uploads/2023/12/M-24-07-Implementation-of-Penalty-Inflation-Adjustments-for-2024.pdf>.

CALCULATION OF ADJUSTMENTS TO MAXIMUM CIVIL MONETARY PENALTIES—Continued

Citation	Description	2023 Penalty level	Adjustment multiplier	2024 Penalty level (rounded to the nearest dollar)
16 CFR 1.98(m): 15 U.S.C. 1681s(a)(2)	Knowing violations	4,705	1.03241	4,857
16 CFR 1.98(n): 21 U.S.C. 355 note	Non-compliance with filing requirements	17,719	1.03241	18,293
16 CFR 1.98(o): 42 U.S.C. 17304	Market manipulation or provision of false information to federal agencies.	1,426,319	1.03241	1,472,546

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 in the 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 16 CFR part 1 as follows:

⁶ 28 U.S.C. 2461 note at (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.

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, 2024, including those penalties whose associated violation predated January 10, 2024.

- (a) Section 7A(g)(1) of the Clayton Act, 15 U.S.C. 18a(g)(1)—\$51,744;
- (b) Section 11(I) of the Clayton Act, 15 U.S.C. 21(I)—\$27,491;
- (c) Section 5(I) of the FTC Act, 15 U.S.C. 45(I)—\$51,744;
- (d) Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. 45(m)(1)(A)—\$51,744;
- (e) Section 5(m)(1)(B) of the FTC Act, 15 U.S.C. 45(m)(1)(B)—\$51,744;
- (f) Section 10 of the FTC Act, 15 U.S.C. 50—\$680;
- (g) Section 5 of the Webb-Pomerene (Export Trade) Act, 15 U.S.C. 65—\$680;
- (h) Section 6(b) of the Wool Products Labeling Act, 15 U.S.C. 68d(b)—\$680;
- (i) Section 3(e) of the Fur Products Labeling Act, 15 U.S.C. 69a(e)—\$680;
- (j) Section 8(d)(2) of the Fur Products Labeling Act, 15 U.S.C. 69f(d)(2)—\$680;
- (k) Section 333(a) of the Energy Policy and Conservation Act, 42 U.S.C. 6303(a)—\$560;
- (l) Sections 525(a) and (b) of the Energy Policy and Conservation Act, 42 U.S.C. 6395(a) and (b), respectively—\$27,491 and \$51,744, respectively;
- (m) Section 621(a)(2) of the Fair Credit Reporting Act, 15 U.S.C. 1681s(a)(2)—\$4,857;
- (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—\$18,293;
 (o) Section 814(a) of the Energy Independence and Security Act of 2007, 42 U.S.C. 17304—\$1,472,546; 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.

Joel Christie,
Acting Secretary.

[FR Doc. 2024–00301 Filed 1–9–24; 8:45 am]

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DEPARTMENT OF JUSTICE

28 CFR Part 16

[CPCLO Order No. 12–2021; AG Order No. 5851–2024]

RIN 1105–AB66

Privacy Act Regulations

AGENCY: United States Department of Justice.

ACTION: Final rule.

SUMMARY: This rule amends the United States Department of Justice (“DOJ” or “Department”) Privacy Act implementation regulations, including its Privacy Act record access and amendment procedures. Additionally, this rule includes procedures regarding processing Privacy Act requests to access or amend covered records, as designated under the Judicial Redress Act of 2015, and expands protections on the Department’s maintenance of Social Security account numbers, in accordance with the Social Security Number Fraud Prevention Act of 2017.

DATES: This final rule is effective February 9, 2024.

FOR FURTHER INFORMATION CONTACT: Katherine Harman-Stokes, Acting Director, U.S. Department of Justice, Office of Privacy and Civil Liberties, Two Constitution Square, 145 N Street NE, Suite 8W.300, Washington, DC