

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)
)
Amendment of Section 1.80(b) of the)
Commission's Rules)
)
Adjustment of Civil Monetary Penalties to Reflect)
Inflation)
)

ORDER

Adopted: August 1, 2013

Released: August 1, 2013

By the Acting Chief, Enforcement Bureau:

I. INTRODUCTION

1. Pursuant to the Debt Collection Improvement Act of 1996 (DCIA),¹ this procedural order amends Section 1.80(b) of the Commission's rules² to increase the forfeiture penalties set forth in that section to account for inflation since the last adjustment of those penalties.³ The DCIA amended the Federal Civil Penalties Inflation Adjustment Act of 1990 (FCPIAA)⁴ to require federal agencies to adjust civil monetary penalties at least once every four years.⁵

¹ Pub. L. No. 104-134, 110 Stat. 1321 (codified as amended in scattered sections of 5, 26, 28, 31, and 42 U.S.C., including 28 U.S.C. § 2461 note).

² 47 C.F.R. § 1.80(b).

³ The Commission released its last forfeiture adjustment order in June 2008. *See Amendment of Section 1.80(b) of the Commission's Rules, Adjustment of Forfeiture Maxima to Reflect Inflation*, Order, 23 FCC Rcd 9845 (2008) (2008 Forfeiture Adjustment Order). The adjustments adopted in that order took effect on September 2, 2008. *See Inflation Adjustment of Maximum Forfeiture Penalties*, 73 Fed. Reg. 44,663, 44,664 (July 31, 2008). Not all of the penalties addressed in this order, however, were set or adjusted pursuant to the Commission's last forfeiture adjustment order. *See infra* note 12.

⁴ Pub. L. No. 101-410, 104 Stat. 890 (codified as amended at 28 U.S.C. § 2461 note). Section numbers of the amended FCPIAA are herein cited as 28 U.S.C. § 2461 note (#).

⁵ *See* 28 U.S.C. § 2461 note (4). A "civil monetary penalty" in this context "means any penalty, fine, or other sanction that" (1) either "is for a specific monetary amount" or "has a maximum amount," "as provided by Federal law"; and (2) "is assessed or enforced by an agency pursuant to Federal law" or "pursuant to an administrative proceeding or a civil action in the Federal courts." *Id.* note (3)(2).

2. The adjustments for inflation that we adopt in this order will apply solely to violations occurring after the effective date of the amendments to Section 1.80(b).⁶ In addition to implementing the inflation adjustments required under the FCPIAA, as amended, we also correct certain typographical errors in the rule's existing version.

II. DISCUSSION

A. Inflation Adjustments

3. Pursuant to the FCPIAA, we update the civil monetary penalties set forth in the Communications Act of 1934, as amended (Communications Act or Act),⁷ to reflect an “inflation adjustment”⁸ that derives from what the FCPIAA terms the “cost-of-living adjustment.”⁹ The cost-of-living adjustment reflects the total inflation that has taken place in the years since the penalties were last set or adjusted. Specifically, the adjustment is “the percentage (if any)” by which the U.S. Department of Labor’s Consumer Price Index (CPI) “for the month of June of the calendar year preceding the adjustment” exceeds the CPI for “the month of June of the calendar year in which the amount of [the relevant] civil monetary penalty was last set or adjusted pursuant to law.”¹⁰

4. Section 1.80 prescribes four steps in adjusting a given penalty for inflation. First, the Commission must determine when each penalty was most recently set or adjusted and, for each one, calculate the percentage increase that must be applied. Because all of the adjusted penalties addressed in this order will become effective in 2013, we use the June 2012 CPI as the CPI for “June of the calendar year preceding the adjustment” for each penalty.¹¹ However, because these penalties were “last set or adjusted” at varying times,¹² our calculations employ varying CPIs for “June of the calendar year in which

⁶ See 28 U.S.C. § 2461 note (6) (“Any increase under this Act in a civil monetary penalty shall apply only to violations which occur after the date the increase takes effect.”).

⁷ 47 U.S.C. § 151 *et seq.*

⁸ 28 U.S.C. § 2461 note (4)(1).

⁹ *E.g., id.* § 2461 note (5)(b).

¹⁰ *Id.*; see also *id.* § 2461 note (3) (“‘Consumer Price Index’ means the Consumer Price Index for all-urban consumers published by the Department of Labor.”).

¹¹ *Id.* § 2461 note 5(b)(1).

¹² *Id.* § 2461 note 5(b)(2). Because of the combined effect of relevant inflation rates and the rounding rules—discussed below—some of the penalties have not been adjusted for more than five years. The penalty set forth in Section 503(b)(2)(C) of the Act, 47 U.S.C. § 503(b)(2)(C), was set in 2007 and has not been adjusted since, see Increase of Forfeiture Maxima for Obscene, Indecent, and Profane Broadcasts to Implement the Broadcast Decency Enforcement Act of 2005, 72 Fed. Reg. 33,913, 33,913 (June 20, 2007). Several other penalties—including those imposed pursuant to Sections 205(b), 214(d), and 219(b) of the Communications Act, 47 U.S.C. §§ 205(b), 214(d), 219(b)—have not been adjusted since 2004. See Inflation Adjustment of Maximum Forfeiture Penalties, 69 Fed. Reg. 47,788, 47,789 (Aug. 6, 2004). The penalties imposed pursuant to Sections 364(b), 386(b), and 506(b) of the Act, 47 U.S.C. §§ 362(b), 386(b), 507(b), have not been adjusted since 1997, see Forfeiture Proceedings, 62 Fed. Reg. 4,917, 4,918 (Feb. 3, 1997).

(continued....)

the amount of [a given] civil monetary penalty was last set or adjusted pursuant to law.”¹³ Second, we multiply the cost-of-living adjustment by the existing penalty.¹⁴ Third, the resulting “increase” from the second step is rounded using the rules set forth in Section 5(a) of the FCPIAA.¹⁵ Fourth, we ultimately add the rounded result to the existing penalty to generate the inflation adjusted penalty.¹⁶ The rounding

(Continued from previous page) _____

Other penalties were initially set too recently to have yet been adjusted. With respect to Section 227(e) of the Act, 47 U.S.C. § 227(e), the penalties currently set forth in Section 1.80 were initially set in 2011, when the Commission implemented the Truth in Caller ID Act of 2009, Pub. L. No. 111-331, 124 Stat. 3572 (codified at 47 U.S.C. §§ 609 note, 227(e)), so we now adjust them for the first time; *see* Implementation of the Truth in Caller ID Act, 76 Fed. Reg. 43,196, 43,196 (July 20, 2011). Finally, with respect to Sections 6507(b)(4) and 6507(b)(5) of the Middle Class Tax Relief and Job Creation Act of 2012, Pub. L. No. 112-96, 126 Stat. 156 (2012) (Tax Relief Act), the associated penalties currently set forth in Sections 1.80(b)(5) and (b)(6) were only adopted in 2012, when the Commission implemented the Tax Relief Act; *see* Implementation of the Middle Class Tax Relief and Job Creation Act of 2012, 72 Fed. Reg. 71,131, 71,134 (November 29, 2012). They became effective on March 13, 2013, when the Office of Management and Budget approved them. *See* Implementation of the Middle Class Tax Relief and Job Creation Act of 2012, 78 Fed. Reg. 18,246, 18,247 (March 26, 2013). They are thus too recent to require any adjustment and a year-to-year comparison is not yet possible.

¹³ 28 U.S.C. § 2461 note 5(b)(2). Specifically, we calculate the difference between the CPI for June 2012 and: June 2011 (to adjust the penalties for Section 227(e) of the Act), June 2008 (to adjust the penalties for Sections 202(c), 203(e), 220(d), 223(b), 364(a), 386(a), 503(b)(2)(A), 503(b)(2)(B), 503(b)(2)(D), 506(a), and 634), June 2007 (to adjust the penalties for Section 503(b)(2)(C)), June 2004 (to adjust the penalties for Sections 205(b), 214(d), and 219(b)), and June 1997 (to adjust the penalties for Sections 364(b), 386(b), and 506(b)). In addition, to adjust the penalties for Section 503(b)(2)(F)—which we now amend Section 1.80 to address for the first time—we calculate the difference between the CPI for June 2012 and for June 2010. Congress added the penalties to Section 503 in 2010 as part of the Twenty-First Century Communications and Video Accessibility Act of 2010. Pub. L. No. 111-260, 124 Stat. 2751 (codified in scattered sections of 47 U.S.C.).

¹⁴ *See* 28 U.S.C. § 2461 note 5(a).

¹⁵ *See id.*

¹⁶ *See id.* Pursuant to the DCIA, *see* § 31001(s)(2), 110 Stat. at 1321-373, Section 1.80(b)(9) includes a note that specifies one further consideration: “[T]he first inflation adjustment [of a given penalty] cannot exceed 10 percent of the [existing] statutory maximum amount,” 47 C.F.R. § 1.80(b)(9) note. The Section 1.80(b)(9) note was inadvertently omitted from Section 1.80(b) of the Commission’s rules when the penalties in that section were previously adjusted. This order corrects that omission by reinserting the Section 1.80(b)(9) note in the Section 1.80 rules. Relevant to the Section 1.80(b)(9) note requirement, there are three sets of penalties addressed in this order that the Commission has not previously adjusted for inflation: the penalties set forth in Section 503(b)(2)(C) of the Act, *see supra* note 12, those set forth in Section 503(b)(2)(F) of the Act, *see supra* note 13, and those set forth in Section 227(e) of the Act, *see supra* note 12. With respect to Section 227(e), Section 503(b)(2)(C), and Section 503(b)(2)(F) of the Act, our adjustments do not exceed 10 percent of the existing statutory maximum forfeiture amounts. *See infra* Appendix (raising the total possible penalty for a single continuing violation pursuant to Section 227(e) from \$1,000,000 to \$1,025,000; *see infra id.* (raising the penalty pursuant to Section 503(b)(2)(C) for each single violation or day of a continuing violation from \$325,000 to \$350,000, and raising the total possible penalty for a single continuing violation from \$3,000,000 to \$3,300,000); *see infra id.* (raising the penalty pursuant to Section 503(b)(2)(F) for each single violation or day of a continuing violation from \$100,000 to \$105,000, and raising the total possible penalty for a single continuing violation from \$1,000,000 to \$1,050,000).

rules of the FCPIAA establish tiers of penalties that are subject to different adjustment and rounding. For example, penalties between \$1,001 and \$10,000 are rounded upward or downward to the nearest multiple of \$1,000. After applying these rules to the penalties in Section 1.80, most of the maximum forfeiture penalties will remain unchanged.¹⁷ No penalties under \$10,000 currently require adjustment, even those that have not been adjusted since 1997.

5. To illustrate the different effects of the rounding procedure, the discussion below steps through the required adjustment process for a penalty that is changed by the inflation adjustment and then one that is not. First, we examine adjustment of the maximum forfeiture penalty for violations of Section 205 of the Act.¹⁸ As the calculation below shows, the maximum penalty for these violations will increase from \$18,200 to \$23,200 when adjusted for inflation.

Step 1 — Cost of Living Adjustment

Because the penalty for a Section 205 violation was last adjusted for inflation in 2004,¹⁹ the applicable CPI are for June 2012 (“June of the calendar year preceding [this] adjustment”) and June 2004 (“June of the calendar year in which the amount of . . . [the] penalty was last set or adjusted”).²⁰ The CPI for June 2012 was 229.478, and the CPI for June 2004 was 189.7.²¹

$$229.478/189.7*100 - 100 = 20.97\%^{22} \text{ cost-of-living adjustment.}$$

¹⁷ See Attachment (listing all of the maximum forfeiture penalties in Section 1.80 and indicating in bold which ones require adjustment for inflation at this time).

¹⁸ Section 205(b) establishes the civil monetary penalty that common carriers—or their officers, representatives, agents, receivers (or agents of receivers), trustees (or agents of trustees), lessees (or agents of lessees)—must pay for violations of orders the Commission issues under Section 205(a) with respect to just and reasonable charges, classifications, regulations, and practices. See 47 U.S.C. § 205.

¹⁹ See *supra* note 12.

²⁰ 28 U.S.C. § 2461 note (5)(b); accord 47 C.F.R. § 1.80(b)(9)(i).

²¹ A CPI table for the years 1913 through the present is available online from the U.S. Department of Labor’s Bureau of Labor Statistics at <ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.txt>.

²² Between 1984 and 2006, the U.S. Department of Labor provided CPIs with four significant figures. Accordingly, for purposes of this order, when we calculate a cost-of-living adjustment using the June 2004 CPI, we round the percentage increase to four significant figures—here, 20.97 percent or .2097. From 2007 through the present, by contrast, the U.S. Department of Labor has provided CPIs with six significant figures. Accordingly, in calculations for penalties last adjusted in 2007 or later, we round the cost-of-living adjustment to six significant figures.

Step 2 — Monetary Increase

The cost-of-living adjustment is multiplied by the existing maximum penalty amount.²³

$$.2097 * \$18,200 = \$3,817 \text{ increase}$$

Step 3 — Rounding Increase per FCPIAA and Section 1.80(b)(9)(ii)

Pursuant to the rounding rules, the “increase” from Step 2 is rounded to the nearest multiple of \$5,000.²⁴

$$\$3,817 \text{ rounded to nearest } \$5,000 = \$5,000 \text{ rounded increase}$$

Step 4 — Inflation Adjusted Maximum Penalty

The “rounded increase” from Step 3 is then added to the existing penalty.²⁵

$$\$5,000 + \$18,200 = \mathbf{\$23,200 \text{ inflation adjusted maximum penalty}}$$

In contrast, an example of a maximum forfeiture penalty that does not require adjustment at this time is the penalty of \$1,320 in Section 214(d) of the Act. Step 1 of the calculation for this penalty is identical to Step 1 of the above illustration because both maximum forfeiture penalties were last adjusted in 2004.²⁶ Based on the calculations performed in Step 2 for Section 214(d), however, the monetary increase would be only \$277.²⁷ In Step 3, this potential increase of \$277 is rounded to the nearest multiple of \$1,000, so

²³ See 47 C.F.R. § 1.80(b)(8) note sec. III tbl.; (b)(9)(iii) tbl. (specifying the \$18,200 forfeiture); *see also* 47 U.S.C. § 205(b) (specifying a \$12,000 forfeiture for each offense, prior to the adjustments for inflation set forth in Section 1.80(b)).

²⁴ Since the existing penalty for violations of Section 205 of the Act—\$18,200—falls in the range between \$10,000 and \$100,000, we must round the previously determined monetary increase to the nearest multiple of \$5,000. *See* 28 U.S.C. § 2461 note (5)(a)(4); 47 C.F.R. § 1.80(b)(9)(ii)(D). Based on our application of the rounding rules, there are a number of penalties currently set forth in Section 1.80(b) of the Commission’s rules that do not require adjustments for inflation at this time, including the penalties imposed pursuant to Sections 202(c), 203(e), 214(d), 219(b), 220(d), 227(e) (the amounts for a single violation or single day of a violation), 364(a) & (b), 386(a) & (b), 503(b)(2)(A) (the amount for a single violation or single day of a violation), 503(b)(2)(D) (the amount for a single violation or single day of a violation), 506(a) & (b), and 634 of the Act. We also do not alter the penalties imposed pursuant to Sections 6507(b)(4) and 6507(b)(5) of the Tax Relief Act because, as already noted, *see supra* note 12, the Commission only implemented the Tax Relief Act in 2012. Accordingly, the only penalties adjusted in this order are those set forth in Sections 205(b), 223(b), 227(e) (for continuing violations), 503(b)(2)(A) (for continuing violations), 503(b)(2)(B), 503(b)(2)(C), 503(b)(2)(D) (for continuing violations) and 503(b)(2)(F).

²⁵ *See* 28 U.S.C. § 2461 note (5)(a); 47 C.F.R. § 1.80(b)(9)(i).

²⁶ *See supra* note 12.

²⁷ In Step 2, the cost-of-living adjustment is multiplied by the existing maximum penalty amount:
 $.2097 * \$1,320 = \277 .

it is rounded down to zero.²⁸ Thus, the maximum forfeiture penalty for violations under Section 214(d) of the Act is not adjusted for inflation at this time.

III. PROCEDURAL MATTERS

6. The Enforcement Bureau is responsible for, among other things, rulemaking proceedings regarding general enforcement policies and procedures.²⁹ Further, the Commission delegated to the Chief of the Enforcement Bureau authority to perform such rulemaking functions that do not involve “[n]otices of proposed rulemaking and of inquiry and final orders in such proceedings.”³⁰ Because Congress has mandated the periodic adjustment of the Commission’s civil monetary penalties to reflect inflation and specifies the formula for calculating such adjustment,³¹ the Commission has no discretion to set alternative levels of adjusted civil monetary penalties. We thus for good cause find that prior notice and solicitation of public comments in this rulemaking are unnecessary and impracticable.³² Accordingly, action on delegated authority is properly taken in this rulemaking order amending the Commission’s maximum civil monetary penalties, which are a part of the Commission’s general enforcement policies and procedures.³³

7. Because a notice of proposed rulemaking is not required for these rule changes, the Regulatory Flexibility Act does not apply.³⁴

8. We have analyzed the actions taken here with respect to the Paperwork Reduction Act of 1995 (PRA),³⁵ and we find them to impose no new or modified information collection(s) subject to the

²⁸ Because the existing penalty for violations of Section 214(d) of the Act—\$1,320—falls in the range between \$1,001 and \$10,000, we must round the potential monetary increase to the nearest multiple of \$1,000. *See* 28 U.S.C. § 2461 note (5)(a)(3); 47 C.F.R. § 1.80(b)(9)(ii)(C).

²⁹ *See* 47 C.F.R. § 0.111(a)(22).

³⁰ 47 C.F.R. § 0.311. Pursuant to Section 0.311, the Chief of the Enforcement Bureau is delegated authority to perform all functions of the Bureau, described in Section 0.111 of the Commission’s rules, 47 C.F.R. § 0.111, including performing rulemakings except for notices of proposed rulemakings and of inquiry and final orders in such proceedings. *See id. at* § 0.311(a)(1).

³¹ *See supra* note 5 and accompanying text.

³² Pub. L. No. 79-404, 60 Stat. 237 (1946) (codified as amended in scattered sections of 5 U.S.C.); *see* 5 U.S.C. § 553(b)(B) (providing that notice and comment are not required “when the agency for good cause finds...that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest”).

³³ *See supra* notes 29 and 30.

³⁴ Pub. L. No. 96-354, 94 Stat. 1164 (codified at 5 U.S.C. §§ 601–612); *see* 5 U.S.C. §§ 603–604.

³⁵ Pub. L. No. 104-13, 109 Stat. 163 (codified as amended at 13 U.S.C. § 91, 44 U.S.C. § 101 note, and 44 U.S.C. §§ 3501–3520).

PRA. In addition, therefore, pursuant to the Small Business Paperwork Relief Act of 2002,³⁶ our actions do not impose any new or modified “information collection burden for small business concerns with fewer than 25 employees.”³⁷

IV. ORDERING CLAUSES

9. Accordingly, pursuant to Sections 4(i) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i), 303(r), and the Debt Collection and Improvement Act of 1996, 28 U.S.C. § 2461 note, IT IS ORDERED that Section 1.80(b) of the Commission’s rules, 47 C.F.R. § 1.80(b), is AMENDED as set forth in the Appendix, EFFECTIVE thirty (30) days after publication in the Federal Register. This action is properly taken pursuant to the functions of the Enforcement Bureau and the authority delegated to the Chief of the Enforcement Bureau found in Sections 0.111(a)(22) and 0.311 of the Commission rules, respectively, 47 C.F.R. §§ 0.111(a)(22) and 0.311.

10. IT IS FURTHER ORDERED THAT, pursuant to the Congressional Review Act, Pub. L. No. 104-121, 110 Stat. 868 (codified at 5 U.S.C. §§ 801–808), the Commission SHALL SEND a copy of this order in a report to Congress and the Government Accountability Office, *see* 5 U.S.C. § 801(a)(1)(A).

FEDERAL COMMUNICATIONS COMMISSION

Robert H. Ratcliffe
Acting Chief, Enforcement Bureau

³⁶ Pub. L. No. 107-198, 116 Stat. 729 (codified at 5 U.S.C. § 601 note, 44 U.S.C. §§ 101 note, 3504, 3506, 3520, 3521).

³⁷ *See* 44 U.S.C. § 3506(c)(4).

APPENDIX

Part 1 of Chapter 1 of Title 47 of the Code of Federal Regulations is amended as follows:

Part 1---PRACTICE AND PROCEDURE

Subpart A---General Rules of Practice and Procedure

Miscellaneous Proceedings

1. The authority citation for Part 1 continues to read as follows:

Authority: 15 U.S.C. 79 *et seq.*, 47 U.S.C. 151, 154(i) and (j), 155,157, 225, 227, 303(r), and 309.

2. Section 1.80 is amended by revising paragraph (b) to read as follows:

§ 1.80 Forfeiture proceedings.

* * * * *

(b) *Limits on the amount of forfeiture assessed.* (1) If the violator is a broadcast station licensee or permittee, a cable television operator, or an applicant for any broadcast or cable television operator license, permit, certificate, or other instrument of authorization issued by the Commission, except as otherwise noted in this paragraph, the forfeiture penalty under this section shall not exceed \$37,500 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of \$400,000 for any single act or failure to act described in paragraph (a) of this section. There is no limit on forfeiture assessments for EEO violations by cable operators that occur after notification by the Commission of a potential violation. See section 634(f)(2) of the Communications Act. Notwithstanding the foregoing in this section, if the violator is a broadcast station licensee or permittee or an applicant for any broadcast license, permit, certificate, or other instrument of authorization issued by the Commission, and if the violator is determined by the Commission to have broadcast obscene, indecent, or profane material, the forfeiture penalty under this section shall not exceed \$350,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of \$3,300,000 for any single act or failure to act described in paragraph (a) of this section.

(2) If the violator is a common carrier subject to the provisions of the Communications Act or an applicant for any common carrier license, permit, certificate, or other instrument of authorization issued by the Commission, the amount of any forfeiture penalty determined under this section shall not exceed \$160,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing

violation shall not exceed a total of \$1,575,000 for any single act or failure to act described in paragraph (a) of this section.

(3) If the violator is a manufacturer or service provider subject to the requirements of section 255, 716, or 718 of the Communications Act, and is determined by the Commission to have violated any such requirement, the manufacturer or service provider shall be liable to the United States for a forfeiture penalty of not more than \$105,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of \$1,050,000 for any single act or failure to act.

(4) Any person determined to have violated section 227(e) of the Communications Act or the rules issued by the Commission under section 227(e) of the Communications Act shall be liable to the United States for a forfeiture penalty of not more than \$10,000 for each violation or three times that amount for each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of \$1,025,000 for any single act or failure to act. Such penalty shall be in addition to any other forfeiture penalty provided for by the Communications Act.

* * * * *

(7) In any case not covered in paragraphs (b)(1) through (b)(6) of this section, the amount of any forfeiture penalty determined under this section shall not exceed \$16,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of \$122,500 for any single act or failure to act described in paragraph (a) of this section.

(8) *Factors considered in determining the amount of the forfeiture penalty.*

* * *

NOTE TO PARAGRAPH (b)(8):

Guidelines for Assessing Forfeitures

The Commission and its staff may use these guidelines in particular cases. The Commission and its staff retain the discretion to issue a higher or lower forfeiture than provided in the guidelines, to issue no forfeiture at all, or to apply alternative or additional sanctions as permitted by the statute. The forfeiture ceilings per violation or per day for a continuing violation stated in section 503 of the Communications Act and the Commission's rules are described in section 1.80(b)(9)(iii). These statutory maxima became effective **thirty (30) days after publication in the Federal Register**. Forfeitures issued under other sections of the Act are dealt with separately in section III of this note.

* * * * *

Section III. Non-Section 503 Forfeitures That Are Affected by the Downward Adjustment Factors

* * *

| Violation | Statutory amount (\$) |
|---|---|
| Sec. 202(c) Common Carrier Discrimination | \$9,600, 530/day. |
| Sec. 203(e) Common Carrier Tariffs | 9,600, 530/day. |
| Sec. 205(b) Common Carrier Prescriptions | 23,200. |
| Sec. 214(d) Common Carrier Line Extensions | 1,320/day. |
| Sec. 219(b) Common Carrier Reports | 1,320. |
| Sec. 220(d) Common Carrier Records & Accounts | 9,600/day. |
| Sec. 223(b) Dial-a-Porn | 80,000/day. |
| Sec. 227(e) | 10,000/violation. 30,000/day for each day of continuing violation, up to 1,025,000 for any single act or failure to act. |
| Sec. 364(a) Forfeitures (Ships) | 7,500 (owner). |
| Sec. 364(b) Forfeitures (Ships) | 1,100 (vessel master). |
| Sec. 386(a) Forfeitures (Ships) | 7,500/day (owner). |
| Sec. 386(b) Forfeitures (Ships) | 1,100 (vessel master). |
| Sec. 634 Cable EEO | 650/day. |

(9) *Inflation adjustments to the maximum forfeiture amount.*

(i) Pursuant to the Debt Collection Improvement Act of 1996, Public Law 104-134 (110 Stat. 1321-358), which amends the Federal Civil Monetary Penalty Inflation Adjustment Act of 1990, Public Law 101-410 (104 Stat. 890; 28 U.S.C. 2461 note), the statutory maximum amount of a forfeiture penalty assessed under this section shall be adjusted for inflation at least once every four years using the method specified in the statute. This is to be done by determining the ‘cost-of-living adjustment’, which is the percentage (if any) by which the CPI for June of the preceding year exceeds the CPI for June of the year the forfeiture amount was last set or adjusted. The inflation adjustment is determined by multiplying the cost-of-living adjustment by the statutory maximum amount. Round off this result using the rules in paragraph (b)(9)(ii) of this section. Add the rounded result to the statutory maximum forfeiture penalty amount. The sum is the statutory maximum amount, adjusted for inflation.

* * * * *

(iii) The application of the inflation adjustments required by the DCIA, 28 U.S.C. 2461, results in the following adjusted statutory maximum forfeitures authorized by the Communications Act:

| U.S. Code citation | Maximum penalty after DCIA adjustment (\$) |
|-----------------------|--|
| 47 U.S.C. 202(c)..... | 9,600 530 |
| 47 U.S.C. 203(e)..... | 9,600 |

| | |
|-----------------------------|-----------|
| | 530 |
| 47 U.S.C. 205(b)..... | 23,200 |
| 47 U.S.C. 214(d)..... | 1,320 |
| 47 U.S.C. 219(b)..... | 1,320 |
| 47 U.S.C. 220(d)..... | 9,600 |
| 47 U.S.C. 223(b)..... | 80,000 |
| 47 U.S.C. 227(e) | 10,000 |
| | 30,000 |
| | 1,025,000 |
| 47 U.S.C. 362(a)..... | 7,500 |
| 47 U.S.C. 362(b)..... | 1,100 |
| 47 U.S.C. 386(a)..... | 7,500 |
| 47 U.S.C. 386(b)..... | 1,100 |
| 47 U.S.C. 503(b)(2)(A)..... | 37,500 |
| | 400,000 |
| 47 U.S.C. 503(b)(2)(B)..... | 160,000 |
| | 1,575,000 |
| 47 U.S.C. 503(b)(2)(C)..... | 350,000 |
| | 3,300,000 |
| 47 U.S.C. 503(b)(2)(D)..... | 16,000 |
| | 122,500 |
| 47 U.S.C. 503(b)(2)(F)..... | 105,000 |
| | 1,050,000 |
| 47 U.S.C. 507(a)..... | 750 |
| 47 U.S.C. 507(b)..... | 110 |
| 47 U.S.C. 554..... | 650 |

Note to paragraph (b)(9): Pursuant to Public Law 104-134, the first inflation adjustment cannot exceed 10 percent of the statutory maximum amount.

* * * * *

THE FOLLOWING ATTACHMENT WILL NOT APPEAR IN THE CFR

ATTACHMENT

| U.S. Code Citation | Maximum Forfeiture Penalty* |
|------------------------|--|
| 47 U.S.C. 202(c) | \$9,600 \$530/day |
| 47 U.S.C. 203(e) | \$9,600 \$530/day |
| 47 U.S.C. 205(b) | \$23,200 (previously \$18,200) |
| 47 U.S.C. 214(d) | \$1,320 |
| 47 U.S.C. 219(b) | \$1,320 |
| 47 U.S.C. 220(d) | \$9,600/day |
| 47 U.S.C. 223(b) | \$80,000 (previously \$75,000) |
| 47 U.S.C. 227(e) | \$10,000/violation \$30,000/day for each day of continuing violation up to \$1,025,000 for any single act or failure to act (previously \$1,000,000) |
| 47 U.S.C. 362(a) | \$7,500 |
| 47 U.S.C. 362(b) | \$1,100 |
| 47 U.S.C. 386(a) | \$7,500 |
| 47 U.S.C. 386(b) | \$1,100 |
| 47 U.S.C. 503(b)(2)(A) | \$37,500/violation or each day of a continuing violation up to \$400,000 for any single act or failure to act (previously \$375,000) |
| 47 U.S.C. 503(b)(2)(B) | \$160,000 /violation or each day of a continuing violation (previously \$150,000) up to \$1,575,000 for any single act or failure to act (previously \$1,500,000) |
| 47 U.S.C. 503(b)(2)(C) | \$350,000 /violation or each day of a continuing violation (previously \$325,000) up to \$3,300,000 for any single act or failure to act (previously \$3,000,000) |
| 47 U.S.C. 503(b)(2)(D) | \$16,000/violation or each day of a continuing violation up to \$122,500 for any single act or failure to act (previously \$112,500) |
| 47 U.S.C. 503(b)(2)(F) | \$105,000 /violation or each day of a continuing violation (previously \$100,000) up to \$1,050,000 for any single act or failure to act (previously \$1,000,000) |
| 47 U.S.C. 507(a) | \$750 |
| 47 U.S.C. 507(b) | \$110 |
| 47 U.S.C. 554 | \$650/day |

* Maximum forfeiture penalty amounts that have been adjusted for inflation at this time are indicated in bold.