

(1) For balances maintained in an eligible institution's master account, interest is the amount equal to the interest on reserve balances rate ("IORB rate") on a day multiplied by the total balances maintained on that day. The IORB rate is 4.40 percent.

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By order of the Board of Governors of the Federal Reserve System.

**Michele Taylor Fennell,**

*Deputy Associate Secretary of the Board.*

[FR Doc. 2023-00417 Filed 1-12-23; 8:45 am]

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## FARM CREDIT ADMINISTRATION

### 12 CFR Part 622

RIN 3052-AD59

#### Rules of Practice and Procedure; Adjusting Civil Money Penalties for Inflation

**AGENCY:** Farm Credit Administration.

**ACTION:** Final rule.

**SUMMARY:** This regulation implements inflation adjustments to civil money penalties (CMPs) that the Farm Credit Administration (FCA) may impose or enforce pursuant to the Farm Credit Act of 1971, as amended (Farm Credit Act), and pursuant to the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, and further amended by the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters Act) (collectively FDPA, as amended).

**DATES:** This regulation is effective on January 15, 2023.

**FOR FURTHER INFORMATION CONTACT:**

Brian Camp, Accountant, Office of Regulatory Policy, Farm Credit Administration, (703) 883-4320, TTY (703) 883-4056, Or

Heather LoPresti, Senior Counsel, Office of General Counsel, Farm Credit Administration, (703) 883-4318, TTY (703) 883-4056.

**SUPPLEMENTARY INFORMATION:**

#### I. Objective

The objective of this regulation is to adjust the maximum CMPs for inflation through a final rulemaking to retain the deterrent effect of such penalties.

#### II. Background

##### A. Introduction

The Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996 (1996 Act) and the Federal Civil Penalties Inflation Adjustment Act

Improvements Act of 2015 (2015 Act) (collectively, 1990 Act, as amended), requires all Federal agencies with the authority to enforce CMPs to evaluate and adjust, if necessary, those CMPs each year to ensure that they continue to maintain their deterrent value and promote compliance with the law. Section 3(2) of the 1990 Act, as amended, defines a civil monetary penalty<sup>1</sup> 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.<sup>2</sup>

The FCA imposes and enforces CMPs through the Farm Credit Act<sup>3</sup> and the FDPA, as amended.<sup>4</sup> FCA's regulations governing CMPs are found in 12 CFR parts 622 and 623. Part 622 establishes rules of practice and procedure applicable to formal and informal hearings held before the FCA, and to formal investigations conducted under the Farm Credit Act. Part 623 prescribes rules regarding persons who may practice before the FCA and the circumstances under which such persons may be suspended or debarred from practice before the FCA.

##### B. CMPs Issued Under the Farm Credit Act

Section 5.32(a) of the Farm Credit Act provides that any Farm Credit System (System) institution or any officer, director, employee, agent, or other person participating in the conduct of the affairs of a System institution who violates the terms of an order that has become final pursuant to section 5.25 or 5.26 of the Farm Credit Act must pay a maximum daily amount of \$1,000,<sup>5</sup> for each day such violation continues. This CMP maximum was set by the Farm Credit Amendments Act of 1985, which amended the Farm Credit Act. Orders issued by the FCA under section 5.25 or 5.26 of the Farm Credit Act include

<sup>1</sup> While the 1990 Act, as amended by the 1996 and 2015 Acts, uses the term "civil monetary penalties" for these penalties or other sanctions, the Farm Credit Act and FCA regulations use the term "civil money penalties." Both terms have the same meaning. Accordingly, this rule uses the term civil money penalty, and both terms may be used interchangeably.

<sup>2</sup> See 28 U.S.C. 2461 note.

<sup>3</sup> Public Law 92-181, as amended.

<sup>4</sup> 42 U.S.C. 4012a and Public Law 103-325, title V, 108 Stat. 2160, 2255-87 (September 23, 1994).

<sup>5</sup> The inflation-adjusted CMP in effect on January 15, 2022, for a violation of a final order is \$2,544 per day, as set forth in § 622.61(a)(1) of FCA regulations.

temporary and permanent cease-and-desist orders. In addition, section 5.32(h) of the Farm Credit Act provides that any directive issued under sections 4.3(b)(2), 4.3A(e), or 4.14A(i) of the Farm Credit Act "shall be treated" as a final order issued under section 5.25 of the Farm Credit Act for purposes of assessing a CMP.

Section 5.32(a) of the Farm Credit Act also states that "[a]ny such institution or person who violates any provision of the [Farm Credit] Act or any regulation issued under this Act shall forfeit and pay a civil penalty of not more than \$500<sup>6</sup> per day for each day during which such violation continues." This CMP maximum was set by section 423 of the Agricultural Credit Act of 1987, which was enacted in 1988 and amended the Farm Credit Act. Current inflation-adjusted CMP maximums are set forth in existing § 622.61 of FCA regulations.<sup>7</sup>

The FCA also enforces the FDPA, as amended, which requires FCA to assess CMPs for a pattern or practice of committing certain specific actions in violation of the National Flood Insurance Program. The FDPA states that the maximum CMP for a violation of that Act is \$2,000.<sup>8,9</sup>

#### C. Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015

##### 1. In General

The 2015 Act required all Federal agencies to adjust the CMPs yearly, starting January 15, 2017.

Under Section 4(b) of the 1990 Act, as amended, annual adjustments are to be made no later than January 15.<sup>10</sup> Section 6 of the 1990 Act, as amended, states that any increase to a civil monetary penalty under this 1990 Act applies only to civil monetary penalties, including instances in which an associated violation predated the annual increase, which are assessed after the date the increase takes effect.

Section 5(b) of the 1990 Act, as amended, defines the term "cost-of-living adjustment" as the percentage (if any) for each civil monetary penalty by which (1) the Consumer Price Index

<sup>6</sup> The inflation-adjusted CMP in effect on January 15, 2022, for a violation of the Farm Credit Act or a regulation issued under the Farm Credit Act is \$1,151 per day for each violation, as set forth in § 622.61(a)(2) of FCA regulations.

<sup>7</sup> Prior adjustments were made under the 1990 Act and continue to be made each year.

<sup>8</sup> Public Law 112-141, 126 Stat. 405 (July 6, 2012); 42 U.S.C. 4012a(f)(5).

<sup>9</sup> The inflation-adjusted CMP in effect on January 15, 2022, for a flood insurance violation is \$2,392, as set forth in § 622.61(b) of FCA regulations.

<sup>10</sup> Public Law 114-74, sec. 701(b)(1).

(CPI) for the month of October of the calendar year preceding the adjustment, exceeds (2) the CPI for the month of October one year before the month of October referred to in (1) of the calendar year in which the amount of such civil monetary penalty was last set or adjusted pursuant to law.<sup>11</sup>

The increase for each CMP adjusted for inflation must be rounded using a method prescribed by section 5(a) of the 1990 Act, as amended, by the 2015 Act.<sup>12</sup>

## 2. Other Adjustments

If a civil monetary penalty is subject to a cost-of-living adjustment under the 1990 Act, as amended, but is adjusted to an amount greater than the amount of the adjustment required under the Act within the 12 months preceding a required cost-of-living adjustment, the agency is not required to make the cost-of-living adjustment to that CMP in that calendar year.<sup>13</sup>

## III. Yearly Adjustments

### A. Mathematical Calculations of 2023 Adjustments

The adjustment requirement affects two provisions of section 5.32(a) of the Farm Credit Act. For the 2023 yearly adjustments to the CMPs set forth by the Farm Credit Act, the calculation required by the 2022 White House Office of Management and Budget (OMB) guidance<sup>14</sup> is based on the percentage by which the CPI for October 2022 exceeds the CPI for October 2021. The OMB set forth guidance, as required by the 2015 Act,<sup>15</sup> with a multiplier for calculating the new CMP values.<sup>16</sup> The 2022 OMB multiplier for the 2023 CMPs is 1.07745.

The adjustment also affects the CMPs set by the Flood Disaster Protection Act of 1973, as amended. The adjustment multiplier is the same for all FCA enforced CMPs, set at 1.07745. The maximum CMPs for violations were created in 2012 by the Biggert-Waters Act, which amended the Flood Disaster Protection Act of 1973.

<sup>11</sup> The CPI is published by the Department of Labor, Bureau of Statistics, and is available at its website: <https://www.bls.gov/cpi/>.

<sup>12</sup> Pursuant to section 5(a)(3) of the 2015 Act, any increase determined under the subsection shall be rounded to the nearest \$1.

<sup>13</sup> Pursuant to section 4(d) of the 1990 Act, as amended.

<sup>14</sup> OMB Circular M–23–05, Implementation of Penalty Inflation Adjustments for 2023, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

<sup>15</sup> 28 U.S.C. 2461 note, section 7(a).

<sup>16</sup> OMB Circular M–23–05, Implementation of Penalty Inflation Adjustments for 2023, Pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

## 1. New Penalty Amount in § 622.61(a)(1)

The inflation-adjusted CMP currently in effect for violations of a final order occurring on or after January 15, 2022, is a maximum daily amount of \$2,544.<sup>17</sup> Multiplying the \$2,544 CMP by the 2022 OMB multiplier, 1.07745, yields a total of \$2,741.03. When that number is rounded as required by section 5(a) of the 1990 Act, as amended, the inflation-adjusted maximum increases to \$2,741. Thus, the new CMP maximum is \$2,741, for violations that occur on or after January 15, 2023.

## 2. New Penalty Amount in § 622.61(a)(2)

The inflation-adjusted CMP currently in effect for violations of the Farm Credit Act or regulations issued under the Farm Credit Act occurring on or after January 15, 2022, is a maximum daily amount of \$1,151.<sup>18</sup> Multiplying the \$1,151 CMP maximum by the 2022 OMB multiplier, 1.07745, yields a total of \$1,240.14. When that number is rounded as required by section 5(a) of the 1990 Act, as amended the inflation-adjusted maximum increases to \$1,240. Thus, the new CMP maximum is \$1,240, for violations that occur on or after January 15, 2023.

## 3. New Penalty Amounts for Flood Insurance Violations Under § 622.61(b)

The existing maximum CMP for a pattern or practice of flood insurance violations pursuant to 42 U.S.C. 4012a(f)(5) occurring on or after January 15, 2022, is \$2,392. Multiplying \$2,392 by the 2022 OMB multiplier, 1.07745, yields a total of \$2,577.26. When that number is rounded as required by section 5(a) of the 1990 Act, as amended, the new maximum assessment of the CMP for violating 42 U.S.C. 4012a(f)(5) is \$2,577. Thus, the new CMP maximum is \$2,577, for violations that occur on or after January 15, 2023.

## IV. Notice and Comment Not Required by Administrative Procedure Act

The 1990 Act, as amended, gives Federal agencies no discretion in the adjustment of CMPs for the rate of inflation. Further, these revisions are ministerial, technical, and noncontroversial. For these reasons, the FCA finds good cause to determine that public notice and an opportunity to comment are impracticable, unnecessary, and contrary to the public interest pursuant to the Administrative Procedure Act, 5 U.S.C. 553(b)(B), and adopts this rule in final form.

<sup>17</sup> 12 CFR 622.61(a)(1).

<sup>18</sup> 12 CFR 622.61(a)(2).

## V. Regulatory Flexibility Act

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the FCA hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities. Each of the banks in the System, considered together with its affiliated associations, has assets and annual income in excess of the amounts that would qualify them as small entities. Therefore, System institutions are not “small entities” as defined in the Regulatory Flexibility Act.

### List of Subjects in 12 CFR Part 622

Administrative practice and procedure, Crime, Investigations, Penalties.

For the reasons stated in the preamble, part 622 of chapter VI, title 12 of the Code of Federal Regulations is amended to read as follows:

### PART 622—RULES OF PRACTICE AND PROCEDURE

■ 1. The authority citation for part 622 continues to read as follows:

**Authority:** Secs. 5.9, 5.10, 5.17, 5.25–5.37 of the Farm Credit Act (12 U.S.C. 2243, 2244, 2252, 2261–2273); 28 U.S.C. 2461 note; and 42 U.S.C. 4012a(f).

■ 2. Revise § 622.61 to read as follows:

#### § 622.61 Adjustment of civil money penalties by the rate of inflation under the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended.

(a) The maximum amount of each civil money penalty within FCA’s jurisdiction is adjusted in accordance with the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended (28 U.S.C. 2461 *note*), as follows:

(1) Amount of civil money penalty imposed under section 5.32 of the Act for violation of a final order issued under section 5.25 or 5.26 of the Act: The maximum daily amount is \$2,741 for violations that occur on or after January 15, 2023.

(2) Amount of civil money penalty for violation of the Act or regulations: the maximum daily amount is \$1,240 for each violation that occurs on or after January 15, 2023.

(b) The maximum civil money penalty amount assessed under 42 U.S.C. 4012a(f) is \$2,577 for each violation that occurs on or after January 15, 2023, with no cap on the total amount of penalties that can be assessed against any single institution during any calendar year.

Dated: January 11, 2023.

**Ashley Waldron,**

Secretary, Farm Credit Administration Board.

[FR Doc. 2023-00715 Filed 1-12-23; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2022-1664; Project Identifier MCAI-2022-01585-R; Amendment 39-22294; AD 2022-27-09]

RIN 2120-AA64

#### Airworthiness Directives; Airbus Helicopters

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule; request for comments.

**SUMMARY:** The FAA is adopting a new airworthiness directive (AD) for certain Airbus Helicopters Model EC130T2 helicopters. This AD was prompted by a crack in the tailboom. This AD requires repetitively inspecting the vibration level on the tail rotor drive shaft and, depending on the results, taking corrective action. This AD also requires reporting information and prohibits installing certain rotor drive shafts unless the inspection is done, as specified in a European Union Aviation Safety Agency (EASA) AD, which is incorporated by reference. The FAA is issuing this AD to address the unsafe condition on these products.

**DATES:** This AD is effective January 30, 2023.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of January 30, 2023.

The FAA must receive comments on this AD by February 27, 2023.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to [regulations.gov](https://www.regulations.gov). Follow the instructions for submitting comments.

- *Fax:* (202) 493-2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

*AD Docket:* You may examine the AD docket at [regulations.gov](https://www.regulations.gov) under Docket

No. FAA-2022-1664; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this final rule, any comments received, and other information. The address for Docket Operations is listed above.

*Material Incorporated by Reference:*

- For EASA material that is incorporated by reference in this final rule, contact EASA, Konrad-Adenauer-Ufer 3, 50668 Cologne, Germany; telephone +49 221 8999 000; email [ADs@easa.europa.eu](mailto:ADs@easa.europa.eu); internet [easa.europa.eu](https://easa.europa.eu). You may find the EASA material on the EASA website at [ad.easa.europa.eu](https://ad.easa.europa.eu).

- You may view this material at the FAA, Office of the Regional Counsel, Southwest Region, 10101 Hillwood Pkwy., Room 6N-321, Fort Worth, TX 76177. For information on the availability of this material at the FAA, call (817) 222-5110. It is also available at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2022-1664.

*Other Related Service Information:*

For Airbus Helicopters service information identified in this final rule, contact Airbus Helicopters, 2701 North Forum Drive, Grand Prairie, TX 75052; telephone (972) 641-0000 or (800) 232-0323; fax (972) 641-3775; or at [airbus.com/helicopters/services/technical-support.html](https://airbus.com/helicopters/services/technical-support.html). You may also view this service information at the FAA contact information under *Material Incorporated by Reference* above.

**FOR FURTHER INFORMATION CONTACT:**

Kristi Bradley, Program Manager, COS Program Management Section, Operational Safety Branch, Compliance & Airworthiness Division, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone (817) 222-5110; email [kristin.bradley@faa.gov](mailto:kristin.bradley@faa.gov).

**SUPPLEMENTARY INFORMATION:**

**Comments Invited**

The FAA invites you to send any written data, views, or arguments about this final rule. Send your comments to an address listed under **ADDRESSES**. Include "Docket No. FAA-2022-1664; Project Identifier MCAI-2022-01585-R" at the beginning of your comments. The most helpful comments reference a specific portion of the final rule, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this final rule because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other

information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [regulations.gov](https://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this final rule.

**Confidential Business Information**

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this AD contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this AD, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this AD. Submissions containing CBI should be sent to Kristi Bradley, Program Manager, COS Program Management Section, Operational Safety Branch, Compliance & Airworthiness Division, FAA, 10101 Hillwood Pkwy., Fort Worth, TX 76177; telephone (817) 222-5110; email [kristin.bradley@faa.gov](mailto:kristin.bradley@faa.gov). Any commentary that the FAA receives that is not specifically designated as CBI will be placed in the public docket for this rulemaking.

**Background**

EASA, which is the Technical Agent for the Member States of the European Union, has issued EASA Emergency AD 2022-0251-E, dated December 14, 2022 (EASA AD 2022-0251-E), to correct an unsafe condition on Airbus Helicopters Model EC 130 T2 helicopters with modification 079809 incorporated in production.

This AD was prompted by a report of a crack in the tailboom. During the preceding flight, the pilot experienced a humming sound and vibrations in the pedals. A subsequent balancing of the tail rotor drive shaft revealed an excessive vibration level. The FAA is issuing this AD to address an excessive vibration level on the tail rotor drive shaft, which could result in failure of the tail rotor drive shaft and subsequent loss of yaw control of the helicopter.

You may examine EASA AD 2022-0251-E in the AD docket at [regulations.gov](https://www.regulations.gov) under Docket No. FAA-2022-1664.