

AMENDMENTS

1994—Subsec. (a). Pub. L. 103-429 substituted “, 32917(b), and 32918” for “, and 32917(b)”.

§ 32912. Civil penalties

(a) **GENERAL PENALTY.**—A person that violates section 32911(a) of this title is liable to the United States Government for a civil penalty of not more than \$10,000 for each violation. A separate violation occurs for each day the violation continues.

(b) **PENALTY FOR MANUFACTURER VIOLATIONS OF FUEL ECONOMY STANDARDS.**—Except as provided in subsection (c) of this section, a manufacturer that violates a standard prescribed for a model year under section 32902 of this title is liable to the Government for a civil penalty of \$5 multiplied by each .1 of a mile a gallon by which the applicable average fuel economy standard under that section exceeds the average fuel economy—

(1) calculated under section 32904(a)(1)(A) or (B) of this title for automobiles to which the standard applies manufactured by the manufacturer during the model year;

(2) multiplied by the number of those automobiles; and

(3) reduced by the credits available to the manufacturer under section 32903 of this title for the model year.

(c) **HIGHER PENALTY AMOUNTS.**—(1)(A) The Secretary of Transportation shall prescribe by regulation a higher amount for each .1 of a mile a gallon to be used in calculating a civil penalty under subsection (b) of this section, if the Secretary decides that the increase in the penalty—

(i) will result in, or substantially further, substantial energy conservation for automobiles in model years in which the increased penalty may be imposed; and

(ii) will not have a substantial deleterious impact on the economy of the United States, a State, or a region of a State.

(B) The amount prescribed under subparagraph (A) of this paragraph may not be more than \$10 for each .1 of a mile a gallon.

(C) The Secretary may make a decision under subparagraph (A)(ii) of this paragraph only when the Secretary decides that it is likely that the increase in the penalty will not—

(i) cause a significant increase in unemployment in a State or a region of a State;

(ii) adversely affect competition; or

(iii) cause a significant increase in automobile imports.

(D) A higher amount prescribed under subparagraph (A) of this paragraph is effective for the model year beginning at least 18 months after the regulation stating the higher amount becomes final.

(2) The Secretary shall publish in the Federal Register a proposed regulation under this subsection and a statement of the basis for the regulation and provide each manufacturer of automobiles a copy of the proposed regulation and the statement. The Secretary shall provide a period of at least 45 days for written public comments on the proposed regulation. The Secretary shall submit a copy of the proposed regu-

lation to the Federal Trade Commission and request the Commission to comment on the proposed regulation within that period. After that period, the Secretary shall give interested persons and the Commission an opportunity at a public hearing to present oral information, views, and arguments and to direct questions about disputed issues of material fact to—

(A) other interested persons making oral presentations;

(B) employees and contractors of the Government that made written comments or an oral presentation or participated in the development or consideration of the proposed regulation; and

(C) experts and consultants that provided information to a person that the person includes, or refers to, in an oral presentation.

(3) The Secretary may restrict the questions of an interested person and the Commission when the Secretary decides that the questions are duplicative or not likely to result in a timely and effective resolution of the issues. A transcript shall be kept of a public hearing under this subsection. A copy of the transcript and written comments shall be available to the public at the cost of reproduction.

(4) The Secretary shall publish a regulation prescribed under this subsection in the Federal Register with the decisions required under paragraph (1) of this subsection.

(5) An officer or employee of a department, agency, or instrumentality of the Government violates section 1905 of title 18 by disclosing, except in an in camera proceeding by the Secretary or a court, information—

(A) provided to the Secretary or the court during consideration or review of a regulation prescribed under this subsection; and

(B) decided by the Secretary to be confidential under section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 796(d)).

(d) **WRITTEN NOTICE REQUIREMENT.**—The Secretary shall impose a penalty under this section by written notice.

(e) **USE OF CIVIL PENALTIES.**—For fiscal year 2008 and each fiscal year thereafter, from the total amount deposited in the general fund of the Treasury during the preceding fiscal year from fines, penalties, and other funds obtained through enforcement actions conducted pursuant to this section (including funds obtained under consent decrees), the Secretary of the Treasury, subject to the availability of appropriations, shall—

(1) transfer 50 percent of such total amount to the account providing appropriations to the Secretary of Transportation for the administration of this chapter, which shall be used by the Secretary to support rulemaking under this chapter; and

(2) transfer 50 percent of such total amount to the account providing appropriations to the Secretary of Transportation for the administration of this chapter, which shall be used by the Secretary to carry out a program to make grants to manufacturers for retooling, re-equipping, or expanding existing manufacturing facilities in the United States to produce advanced technology vehicles and components.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1072; Pub. L. 110-140, title I, §112, Dec. 19, 2007, 121 Stat. 1508.)

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110-140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
32912(a)	15:2008(b)(2).	Oct. 20, 1972, Pub. L. 92-513, 86 Stat. 947, §508(b)(1)-(3) (1st sentence); added Dec. 22, 1975, Pub. L. 94-163, §301, 89 Stat. 913; Oct. 10, 1980, Pub. L. 96-425, §§6(c)(1), (3), 8(f), 94 Stat. 1827, 1828, 1829.
32912(b)	15:2008(b)(1).	Oct. 20, 1972, Pub. L. 92-513, 86 Stat. 947, §508(d), (e)(1), (2), (4); added Nov. 9, 1978, Pub. L. 95-619, §402, 92 Stat. 3255, 3256.
32912(c)(1) ..	15:2008(d).	
32912(c)(2), (3).	15:2008(e)(1).	
32912(c)(4) ..	15:2008(e)(2).	
32912(c)(5) ..	15:2008(e)(4).	
32912(d)	15:2008(b)(3) (1st sentence).	

§ 32913. Compromising and remitting civil penalties

(a) GENERAL AUTHORITY AND LIMITATIONS.—The Secretary of Transportation may compromise or remit the amount of a civil penalty imposed under section 32912(a) or (b) of this title. However, the amount of a penalty imposed under section 32912(b) may be compromised or remitted only to the extent—

- (1) necessary to prevent the insolvency or bankruptcy of the manufacturer of automobiles;
- (2) the manufacturer shows that the violation was caused by an act of God, a strike, or a fire; or
- (3) the Federal Trade Commission certifies under subsection (b)(1) of this section that a reduction in the penalty is necessary to prevent a substantial lessening of competition.

(b) CERTIFICATION BY COMMISSION.—(1) A manufacturer liable for a civil penalty under section 32912(b) of this title may apply to the Commission for a certification that a reduction in the penalty is necessary to prevent a substantial lessening of competition in the segment of the motor vehicle industry subject to the standard that was violated. The Commission shall make the certification when it finds that reduction is necessary to prevent the lessening. The Commission shall state in the certification the maximum amount by which the penalty may be reduced.

(2) An application under this subsection must be made not later than 30 days after the Secretary decides that the manufacturer has violated section 32911(b) of this title. To the maximum extent practicable, the Commission shall make a decision on an application by the 90th day after the application is filed. A proceeding under this subsection may not delay the manufacturer's liability for the penalty for more than 90 days after the application is filed.

(3) When a civil penalty is collected in a civil action under this chapter before a decision of the Commission under this subsection is final, the payment shall be paid to the court in which the action was brought. The court shall deposit the payment in the general fund of the Treasury on the 90th day after the decision of the Commission becomes final. When the court is holding payment of a penalty reduced under subsection (a)(3) of this section, the Secretary shall direct the court to remit the appropriate amount of the penalty to the manufacturer.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1073; Pub. L. 103-429, §6(41), Oct. 31, 1994, 108 Stat. 4382; Pub. L. 104-287, §6(d)(1)(A), Oct. 11, 1996, 110 Stat. 3399.)

In this section, the words “whom the Secretary determines under subsection (a) of this section” are omitted as surplus.

In subsection (b), before clause (1)(A), the words “Except as provided in subsection (c) of this section” are added for clarity. The words “that violates a standard prescribed for a model year under section 32902 of this title” are substituted for “to have violated a provision of section 2007(a)(1) of this title with respect to any model year” and “to have violated section 2007(a)(2) of this title” to avoid referring, as in the source, to one provision that in turn refers to another provision. In clause (1), the words “calculated under” are substituted for “established under” for clarity. The reference to section 32904(a)(1)(A), which is a reference to the provision under which average fuel economy for nonpassenger automobiles is calculated, is added for clarity. The reference to section 32904(a)(1)(B), which is a reference to the provision under which average fuel economy for passenger automobiles is calculated, is substituted for the reference in the source to 15:2002(a) and (c), which is a reference to the provision under which the average fuel economy standard for those automobiles is established, for clarity. The words “in which the violation occurs” are omitted as surplus.

In subsection (c)(1)(A), before clause (i), the words “shall prescribe by regulation” are substituted for “shall, by rule . . . substitute” for consistency in the revised title and because “rule” and “regulation” are synonymous. The words “in accordance with the provisions of this subsection and subsection (e)” are omitted as surplus. The words “be less than \$5.00” are omitted as surplus because under the subsection the Secretary may only raise the amount imposed to \$10, or a \$5 increase. The words “in the absence of such rule” are omitted as surplus. The words “increase in the penalty” are substituted for “additional amount of the civil penalty” for clarity. In clause (ii), the words “subject to subparagraph (B)” are omitted as surplus.

In subsection (c)(1)(C), the words “the later of” and the text of 15:2008(d)(3)(A) are omitted as obsolete.

In subsection (c)(2), before clause (A), the words “After the Secretary of Transportation develops a proposed rule pursuant to subsection (d) of this section” are omitted as surplus. In clause (B), the words “written comments or an oral presentation” are substituted for “written or oral presentations” for consistency in the section. The text of 15:2008(e)(1)(B) (last sentence) and (C) is omitted as surplus because of 5:556(d).

In subsection (c)(5), before clause (A), the words “department, agency, or instrumentality” are substituted for “department or agency” for consistency in the revised title and with other titles of the United States Code.

AMENDMENTS

2007—Subsec. (e). Pub. L. 110-140 added subsec. (e).