



Aviation Group Client Update

Date: April 17, 2013

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PHMSA ISSUES FINAL RULE REVISING MAXIMUM AND MINIMUM PENALTIES

The Pipeline and Hazardous Materials Safety Administration (PHMSA) issued a [Final Rule](#) updating the references in its regulations to reflect the maximum and minimum civil penalties for a knowing violation, which Congress revised on July 6, 2012. Effective as of October 1, 2012, the maximum civil penalty for a knowing violation is \$75,000 or \$175,000 for a violation that results in death, serious illness, or severe injury to any person or substantial destruction of property. In addition, there is no longer a minimum civil penalty amount, except for training violations, which have a minimum civil penalty amount of \$450.

Pursuant to the Final Rule, PHMSA has made the following changes in 49 C.F.R. Section 107.329, Appendix A to subpart D of 49 C.F.R. part 107, and 49 C.F.R. Section 171.1:

- Revised the maximum civil penalty from \$55,000 to \$75,000 for a person who knowingly violates the Federal hazardous material transportation law or a regulation, order, special permit, or approval issued under that law.
- Revised the maximum civil penalty from \$110,000 to \$175,000 for a person who knowingly violates the Federal hazardous material transportation law or a regulation, order, special permit, or approval issued under that law that results in death, serious illness, or severe injury to any person or substantial destruction of the property.
- Removed the \$250 minimum civil penalty and revised the minimum penalty amount to \$450 for a violation related to training.

These revisions reflect changes in the law and are part of PHMSA's general statements of agency policy and procedure. Therefore, PHMSA was not required to provide a notice and comment period before issuing the Final Rule.

The Final Rule is effective **April 17, 2013**. If you have any questions regarding these revisions or compliance with the federal hazardous materials transportation law or regulations, please contact our office.

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