

Civil Penalties

For violations of certain aviation laws and regulations occurring before December 12, 2003, the FAA has authority to issue orders assessing a civil penalty of up to \$50,000. For violations of certain laws and regulations occurring after such date, the FAA has authority to issue orders assessing a civil penalty of up to \$400,000 against persons other than individuals and small business concerns and against individuals and small business concerns the authority to issue orders assessing a civil penalty of up to \$50,000.

An air carrier is subject to a penalty of up to \$11,000 for a single violation of the aviation law or an FAA regulation occurring before December 12, 2003. Other entities are subject to a penalty of up to \$1,100 for such violations. For a single violation of the aviation law or an FAA regulation occurring on or after December 12, 2003, entities that are not small business concerns are subject to a penalty up to \$25,000 and small business concerns are subject to a penalty up to \$10,000. There is no dollar limitation on assessments for violations of the Hazardous Materials Transportation Safety Act or the Hazardous Materials Transportation Regulations, and the penalty for each violation of these requirements ranges from \$250 to \$30,000.

Before a penalty is assessed, an entity may appeal the notice proposing a civil penalty. A hearing before one of the Department of Transportation's administrative law judges (ALJ) is available. Any decision by an ALJ may be appealed to the FAA Administrator.

For civil penalties in excess of the dollar limitation on FAA's assessment authority (for other than hazardous materials violations), the FAA has authority to compromise a penalty. This type of action is initiated when the FAA sends a civil penalty letter to an entity. The letter advises that the FAA believes the entity has violated a statute or regulation. The letter also states that the FAA is willing to accept a penalty of a specified amount in resolution of the matter. An entity may pay this amount or another agreed-upon amount, including an amount less than \$50,000 and no adjudicated finding of violation is made a part of the entity's enforcement record. If an entity does not agree to the compromise, the case is referred to a United States Attorney for prosecution in United States district court. There a penalty is assessed, if appropriate, and findings of violation, which serve as part of a certificate holder's enforcement record, can be made.

Final decisions by the Administrator or the district court may be appealed to a United States court of appeals.