Subpart D—Non-Civil Penalty Enforcement

§ 1503.301 Warning notices and letters of correction.

(a) If TSA determines that a violation or an alleged violation of a TSA requirement does not require the assessment of a civil penalty, an appropriate official of the TSA may take administrative action in disposition of the case.

(b) An administrative action under this section does not constitute a formal adjudication of the matter, and may be taken by issuing the alleged violator—

(1) A ''Warning Notice'' that recites available facts and information about the incident or condition and indicates that it may have been a violation; or

(2) A ''Letter of Correction'' that confirms the TSA decision in the matter and states the necessary corrective action the alleged violator has taken or agrees to take. If the agreed corrective action is not fully completed, legal enforcement action may be taken.

(c) The issuance of a Warning Notice or Letter of Correction is not subject to appeal under this part.

(d) In the case of a public transportation agency that is determined to be in violation of a TSA requirement, an appropriate TSA official will seek correction of the violation through a written ''Notice of Noncompliance'' to the public transportation agency giving the public transportation agency reasonable opportunity to correct the violation or propose an alternative means of compliance acceptable to TSA.

(e) TSA will not take legal enforcement action against a public transportation agency under subpart E unless it has provided the Notice of Noncompliance described in paragraph (d) of this section and the public transportation agency fails to correct the violation or propose an alternative means of compliance acceptable to TSA within the timeframe provided in the notice.

(f) TSA will not initiate civil enforcement action for violations of administrative and procedural requirements pertaining to the application for, and the expenditure of, funds awarded pursuant to transportation security grant programs under Public Law 110–53.

Subpart E—Assessment of Civil Penalties by TSA

§ 1503.401 Maximum penalty amounts.

(a) *General.* TSA may assess civil penalties not exceeding the following amounts against a person for the violation of a TSA requirement.

(b) *In general.* Except as provided in paragraph (c) of this section, in the case of violation of title 49 U.S.C. or 46 U.S.C. chapter 701, or a regulation prescribed or order issued under any of those provisions, TSA may impose a civil penalty in the following amounts:

(1) $10,000 per violation, up to a total of $50,000 per civil penalty action, in the case of an individual or small business concern, as defined in section 3 of the Small Business Act (15 U.S.C. 632); and

(2) $10,000 per violation, up to a total of $400,000 per civil penalty action, in the case of any other person.

(c) *Certain aviation related violations.* In the case of a violation of 49 U.S.C. chapter 449 (except sections 44902, 44903(d), 44907(a)–(d)(1)(A), 44907(d)(1)(C)–(f), 44908, and 44909), or 49 U.S.C. 46302 or 46303, or a regulation prescribed or order issued under any of those provisions, TSA may impose a civil penalty in the following amounts:

(1) $10,000 per violation, up to a total of $50,000 per civil penalty action, in the case of an individual (except an airman serving as an airman), any person not operating an aircraft for the transportation of passengers or property for compensation, or a small business concern, as defined in section 3 of the Small Business Act (15 U.S.C. 632).

(2) $25,000 per violation, up to a total of $400,000 per civil penalty action, in the case of a person operating an aircraft for the transportation of passengers or property for compensation (except an individual serving as an airman).

(d) *Inflation adjustment.* TSA may adjust the maximum civil penalty amounts in conformity with the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. 2461 (note). Minimum and maximum civil penalties within the jurisdiction of TSA are adjusted for inflation as follows: