

State is liable for the Threat Assessment Fee.

(3) Nothing in this subpart prevents a State from collecting any other fees that a State may impose on an individual who applies to obtain or renew an HME.

(c) *Handling of fees.* (1) A State must safeguard all Threat Assessment Fees, from the time of collection until remittance to TSA.

(2) All Threat Assessment Fees are held in trust by a State for the beneficial interest of the United States in paying for the costs of conducting the security threat assessment, required by 49 U.S.C. 5103a and 49 CFR part 1572. A State holds neither legal nor equitable interest in the Threat Assessment Fees, except for the right to retain any accrued interest on the principal amounts collected pursuant to this section.

(3) A State must account for Threat Assessment Fees separately, but may commingle such fees with other sources of revenue.

(d) *Remittance of fees.* (1) TSA will generate and provide an invoice to a State on a monthly basis. The invoice will indicate the total fee dollars (number of applicants times the Threat Assessment Fee) that are due for the month.

(2) A State must remit to TSA full payment for the invoice, within 30 days after TSA sends the invoice.

(3) TSA accepts Threat Assessment Fees only from a State, not from an individual applicant for an HME.

(4) A State may retain any interest that accrues on the principal amounts collected between the date of collection and the date the Threat Assessment Fee is remitted to TSA, in accordance with paragraph (d)(2) of this section.

(5) A State may not retain any portion of the Threat Assessment Fee to offset the costs of collecting, handling, or remitting Threat Assessment Fees.

(6) Threat Assessment Fees, remitted to TSA by a State, must be in U.S. currency, drawn on a U.S. bank, and made payable to the "Transportation Security Administration."

(7) Threat Assessment Fees must be remitted by check, money order, wire,

or any other payment method acceptable to TSA.

(8) TSA will not issue any refunds of Threat Assessment Fees.

(9) If a State does not remit the Threat Assessment Fees for any month, TSA may decline to process any HME applications from that State.

§ 1572.405 Procedures for collection by TSA.

This section describes the procedures that an individual, who applies to obtain or renew an HME for a CDL, must follow if a TSA agent collects and transmits the Information Collection Fee, Threat Assessment Fee, and FBI Fee.

(a) *Imposition of fees.* (1) The following Information Collection Fee is required for a TSA agent to collect and transmit fingerprints and applicant information, in accordance with 49 CFR part 1572: \$38.

(2) The following Threat Assessment Fee is required for TSA to conduct a security threat assessment, under 49 CFR part 1572, for an individual who applies to obtain or renew an HME: \$34.

(3) The following FBI Fee is required for the FBI to process fingerprint identification records required under 49 CFR part 1572: The fee collected by the FBI under Pub. L. 101-515.

(4) An individual who applies to obtain or renew an HME, or the individual's employer, must remit to the TSA agent the Information Collection Fee, Threat Assessment Fee, and FBI Fee, in a form and manner approved by TSA, when the individual submits the application required under 49 CFR part 1572.

(b) *Collection of fees.* A TSA agent will collect the fees required under this section, when an individual submits an application to the TSA agent, in accordance with 49 CFR part 1572.

(c) *Remittance of fees.* (1) Fees required under this section, which are remitted to a TSA agent, must be made in U.S. currency, drawn on a U.S. bank, and made payable to the "Transportation Security Administration."

(2) Fees required under this section must be remitted by check, money order, wire, or any other payment method acceptable to TSA.

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(3) TSA will not issue any refunds of fees required under this section.

(4) Applications, submitted in accordance with 49 CFR part 1572, will be processed only upon receipt of all applicable fees under this section.

Subpart F—Fees for Security Threat Assessments for Transportation Worker Identification Credential (TWIC)

§ 1572.500 Scope.

(a) *Scope.* This part applies to—

(1) Individuals who apply to obtain or renew a Transportation Worker Identification Credential and must undergo a security threat assessment under 49 CFR part 1572; and

(2) Entities that collect fees from such individuals on behalf of TSA.

(b) *Terms.* As used in this part:

TSA agent means the entity approved by TSA to collect and transmit fingerprints and applicant information, and collect fees in accordance with this part.

§ 1572.501 Fee collection.

(a) *When fee must be paid.* When an applicant submits the information and fingerprints required under 49 CFR part 1572 to obtain or renew a TWIC, the fee must be remitted to TSA or its agent in accordance with the requirements of this section. Applications submitted in accordance with 49 CFR part 1572 will be processed only upon receipt of all required fees under this section.

(b) *Standard TWIC Fee.* The fee to obtain or renew a TWIC, except as provided in paragraphs (c) and (d) of this section, is made up of the total of the following segments:

(1) The Enrollment Segment covers the cost for TSA or its agent to enroll applicants. The Enrollment Segment fee is \$43.25.

(2) The Full Card Production/Security Threat Assessment Segment covers the costs for TSA conduct security threat assessment and card production. The Full Card Production/Security Threat Assessment Segment fee is \$72.

(3) The FBI Segment covers the cost for the FBI to process fingerprint identification records. The FBI Segment fee is the amount collected by the FBI

under Pub. L. 101-515. If the FBI amends this fee, TSA or its agent will collect the amended fee.

(c) *Reduced TWIC Fee.* The fee to obtain a TWIC when the applicant has undergone a comparable threat assessment in connection with an HME, FAST card, other threat assessment deemed to be comparable under 49 CFR 1572.5(e) or holds a Merchant Mariner Document or Merchant Mariner License is made up of the total of the following segments:

(1) The Enrollment Segment covers the cost for TSA or its agent to enroll applicants. The Enrollment Segment fee is \$43.25.

(2) The Reduced Card Production/Security Threat Assessment Segment covers the cost for TSA to conduct a portion of the security threat assessment and card production. The Reduced Card Production/Security Threat Assessment Segment fee is \$62.

(d) *Card Replacement Fee.* The fee to replace a TWIC that has been lost, stolen, or damaged is \$60.00.

(e) *Form of fee.* The TSA vendor will collect the fee required to obtain or renew a TWIC and will determine the method of acceptable payment, subject to approval by TSA.

(f) *Refunds.* TSA will not issue any refunds of fees required under this section.

(g) *Inflation adjustment.* The fees prescribed in this section, except the FBI fee, may be adjusted annually on or after October 1, 2007, by publication of an inflation adjustment. A final rule in the FEDERAL REGISTER will announce the inflation adjustment. The adjustment shall be a composite of the Federal civilian pay raise assumption and non-pay inflation factor for that fiscal year issued by the Office of Management and Budget for agency use in implementing OMB Circular A-76, weighted by the pay and non-pay proportions of total funding for that fiscal year. If Congress enacts a different Federal civilian pay raise percentage than the percentage issued by OMB for Circular A-76, the Department of Homeland Security may adjust the fees to reflect the enacted level. The required fee