will require substantial effort.[13] SIFMA and WMBA requested that the compliance date for these provisions be extended until November 30, 2011, and FIF requested an extension until January 2012.

The Commission believes that providing a limited extension of the compliance date to November 30, 2011, for (1) all of the requirements of Rule 15c3–5 for fixed income securities, and (2) the requirements of Rule 15c3–5(c)(1)(i) for all securities, is reasonable to assure market participants have sufficient time to develop and implement the required risk management controls for activities where the application of these types of controls may not be widespread. Accordingly, the Commission is extending the compliance date to November 30, 2011, for (1) all of the requirements of Rule 15c3–5 for fixed income securities, and (2) the requirements of Rule 15c3–5(c)(1)(i) for all securities.

II. Conclusion

For the reasons cited above, the Commission, for good cause, finds that notice and solicitation of comment regarding the extension of the compliance date set forth herein are impractical, unnecessary, or contrary to the public interest.[14] The Commission notes that the compliance date is quickly approaching, and that a limited extension of the compliance date for the reasons cited above will facilitate the orderly implementation of Rule 15c3–5. In light of time constraints, full notice and comment could not be completed prior to the July 14, 2011 compliance date. Broker-dealers with market access will have additional time to comply with the provisions of Rule 15c3–5 discussed above beyond the compliance date originally set forth in the Rule 15c3–5 Adopting Release. Further, the Commission recognizes that it is imperative for broker-dealers with market access to receive notice of the extended compliance date, and providing immediate effectiveness upon publication of this release will allow them to adjust their implementation plans accordingly.[15]

The Commission identified certain costs and benefits associated with the Rule in the Rule 15c3–5 Adopting Release. The extension of the compliance date for Rule 15c3–5 will delay benefits of the Rule, but the Commission believes that the limited extension is necessary and appropriate because it will provide broker-dealers with market access additional time to develop, test, and implement certain of the required risk management controls and supervisory procedures under the Rule. The extension also will delay the costs of complying with the Rule.[16] The Commission believes that the extension does not impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act, because the extension will give broker-dealers with market access additional time to develop, test, and implement certain of the risk management controls and supervisory procedures that are required under the Rule.

Dated: June 27, 2011.
By the Commission.

Elizabeth M. Murphy,

Secretary.

[FR Doc. 2011–16467 Filed 6–29–11; 8:45 am]

BILLING CODE 8011–01–P

[13] *Id.*

[14] *See* Section 553(b)(3)(B) of the Administrative Procedure Act (5 U.S.C. 553(b)(3)(B)) (stating that an agency may dispense with prior notice and comment when it finds, for good cause, that notice and comment are ''impractical, unnecessary, or contrary to the public interest''). This finding also satisfies the requirements of 5 U.S.C. 808(2), allowing the rules to become effective notwithstanding the requirement of 5 U.S.C. 801 (if a Federal agency finds that notice and public comment are ''impractical, unnecessary or contrary to the public interest,'' a rule ''shall take effect at such time as the Federal agency promulgating the rule determines''). Also, because the Regulatory Flexibility Act (5 U.S.C. 601—612) only requires agencies to prepare analyses when the Administrative Procedures Act requires general notice of rulemaking, that Act does not apply to the actions that we are taking in this release.

[15] The compliance date extensions set forth in this release are effective upon publication in the **Federal Register**. Section 553(d)(1) of the Administrative Procedure Act allows effective dates that are less than 30 days after publication for a ''substantive rule which grants or recognizes an exemption or relieves a restriction.'' 5 U.S.C. 553(d)(1).

[16] The Commission identified in the Rule 15c3–5 Adopting Release certain ongoing costs associated with Rule 15c3–5. Because of the extension of the compliance date, certain costs may be avoided from July 14, 2011 to November 30, 2011.

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management, Regulation and Enforcement

30 CFR Parts 250 and 253

[Docket ID: BOEM–2010–0070]

RIN 1010–AD74

Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Civil Penalties

AGENCY: Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), Interior.

ACTION: Final rule.

SUMMARY: The Outer Continental Shelf Lands Act (OCSLA) requires the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) to review the maximum daily civil penalty assessment for violations of regulations implementing the OCSLA at least once every 3 years (43 U.S.C. 1350). Similarly, a review and adjustment process is required at least once every 4 years for the maximum daily civil penalty assessment allowable under the Oil Pollution Act (OPA) of 1990 for violations of regulations governing financial responsibility (28 U.S.C. 2461). These reviews ensure that the maximum penalty assessments reflect any increases in the Consumer Price Index (CPI) as prepared by the Bureau of Labor Statistics, U.S. Department of Labor, and therefore keep up with inflation. BOEMRE conducted these reviews in October 2010 for the OCSLA regulations and in January 2011 for the OPA regulations. BOEMRE determined that the maximum daily civil penalty assessment for violations of its OCSLA regulations should be increased to $40,000, and the maximum daily civil penalty assessment for violations of its financial responsibility regulations should be increased to $30,000.

DATES: *Effective Date:* This rule becomes effective on August 1, 2011.

FOR FURTHER INFORMATION CONTACT: Joanne McCammon, Safety and Enforcement Branch at (703) 787–1292 or email at *Joanne.McCammon@boemre.gov.*

SUPPLEMENTARY INFORMATION:

Background

The goal of BOEMRE's Outer Continental Shelf (OCS) Civil Penalty Program is to help promote safe and environmentally sound operations on the OCS. The program is designed to encourage compliance with statutes and regulations that apply to activities on the OCS by facilitating the assessment and collection of civil penalties. OCSLA authorizes the Secretary of the Interior to assess civil penalties under certain conditions for violations of any provision of OCSLA; any term of a lease, license, or permit; or any regulation or order implementing OCSLA.

Not all violations warrant a review to initiate civil penalty proceedings. Review is only triggered by violations that an operator fails to correct after notice and an opportunity to correct, or violations that constitute a threat of serious, irreparable, or immediate harm or damage to life, property, any mineral

deposit, or the marine, coastal, or human environment. The Secretary of the Interior delegated the authority to assess civil penalties to BOEMRE.

OCSLA directs the Secretary of the Interior to adjust the maximum civil penalty amount at least once every 3 years to reflect any increase in the CPI prepared by the U.S. Department of Labor (43 U.S.C. 1350). The purpose of this adjustment is to ensure that punitive assessments keep up with inflation. If an adjustment is necessary, BOEMRE informs the public through the **Federal Register** of the new maximum civil penalty amount. BOEMRE uses Office of Management and Budget (OMB) guidelines for determining how penalty amounts should be rounded and when an adjustment is necessary.

In August 2009, BOEMRE performed computations to determine if it should increase the current maximum civil penalty amount of $35,000 per violation per day. After running the computations, BOEMRE determined that the CPI did not increase enough to warrant raising the maximum civil penalty amount at that time. BOEMRE has been monitoring the CPI, and the computations now justify raising the maximum civil penalty amount.

In computing the new maximum civil penalty amount, BOEMRE divided the October 2010 CPI of 218.9 by the previously used August 2006 CPI of 203.7. This resulted in a multiplying factor of 1.075. The previous maximum amount of $35,000 per violation per day was multiplied by the 1.075 factor and resulted in a new maximum penalty amount of $37,625. This amount is rounded to $40,000 as per OMB guidelines. The new maximum civil penalty amount is now $40,000 per violation per day.

BOEMRE is also authorized to impose civil penalties for failure to comply with financial responsibility regulations that implement OPA. OPA sets the maximum civil penalty amount per day per violation at $25,000. However, the Federal Civil Penalties Inflation Adjustment Act, as amended, established a 4-year cycle for review and adjustment of federally imposed civil monetary penalties to maintain the deterrent effect of such penalties and promote compliance with the law (28 U.S.C. 2461 note). The CPI adjustment for these penalties is calculated in the same manner as the CPI adjustment for the OCSLA penalties.

The OPA maximum civil penalty amount was last raised in 2006 to $27,500. In computing the new OPA maximum civil penalty amount, BOEMRE divided the June 2010 CPI of 216.9 by the previously used August 2006 CPI of 203.7. This resulted in a multiplying factor of 1.065. The previous maximum amount of $27,500 per violation per day was multiplied by the 1.065 factor and resulted in a new maximum penalty amount of $29,287. This amount is rounded to $30,000 as directed by the Federal Civil Penalties Inflation Adjustment Act. The new maximum civil penalty amount is now $30,000 per violation per day.

BOEMRE finds that good cause exists under the Administrative Procedure Act, 5 U.S.C. 553(b)(B), to implement this final rule without prior notice and comment for these mandatory adjustments. The periodic adjustments to the maximum penalty amount reflected in this final rule are required by statute and OMB guidelines. Similarly, the calculation of these adjustments follows the mathematical formulas set forth in OCSLA and the requirements of the Federal Civil Penalties Inflation Adjustment Act, as amended, so that the amount of the adjustment is not within BOEMRE's discretion. Accordingly, notice and comment procedures are unnecessary and contrary to the public interest.

Procedural Matters

Regulatory Planning and Review (Executive Order 12866)

OMB has not designated this final rule as significant under Executive Order 12866.

(1) These amendments are administrative and procedural. This rule would not have an effect of $100 million or more on the economy. It would not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. A cost-benefit and economic analysis is not required.

(2) This rule would not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.

(3) This rule would not alter the budgetary effects of entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients.

(4) This rule does not raise novel legal or policy issues.

Regulatory Flexibility Act

The Department of the Interior certifies that this final rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*).

The changes in the rule will affect lessees and operators of leases and pipeline right-of-way holders in the OCS. This could include about 130 active Federal oil and gas lessees. Small lessees that operate under this rule fall under the Small Business Administration's (SBA) North American Industry Classification System (NAICS) codes 211111, Crude Petroleum and Natural Gas Extraction, and 213111, Drilling Oil and Gas Wells. For these NAICS code classifications, a small company is one with fewer than 500 employees. Based on these criteria, an estimated 65 percent of these companies are considered small. This final rule, therefore, will affect a substantial number of small entities, but it will not have a significant economic effect on those entities.

This rule will have no impact on the oil and gas industry operators that comply with Federal OCS regulations. For those operators whose noncompliance results in a civil penalty, the increase resulting from the inflation factor of 1.075 amounts to an increase of less than $241,000 spread over an average of 32 cases per year or slightly over $15,500 additional per case. This is using data over the past 10 years and averaging civil penalties paid and number of cases paid per year. This dollar amount is relatively insignificant as compared to the considerable operational costs and liability risks associated with activities on the OCS. This is true for even the smallest of OCS operators.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the actions of BOEMRE, call 1–888–734–3247. You may comment to the Small Business Administration without fear of retaliation. Allegations of discrimination/retaliation filed with the Small Business Administration will be investigated for appropriate action.

Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under the Small Business Regulatory Enforcement Fairness Act (5 U.S.C. 804(2)). This rule:

a. Will not have an annual effect on the economy of $100 million or more.

b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. The requirements will apply to all entities operating on the OCS.

Unfunded Mandates Reform Act of 1995

This final rule will not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than $100 million per year. The final rule will not have a significant or unique effect on State, local, or tribal governments or the private sector. A statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*) is not required.

Takings Implication Assessment (Executive Order 12630)

According to Executive Order 12630, the rule does not have significant takings implications. The rulemaking is not a governmental action capable of interfering with constitutionally protected property rights. A Takings Implication Assessment is not required.

Federalism (Executive Order 13132)

Under the criteria in E.O. 13132, this final rule does not have federalism implications. This final rule will not substantially and directly affect the relationship between the Federal and State governments. To the extent that State and local governments have a role in OCS activities, this final rule will not affect that role. A Federalism Assessment is not required.

Civil Justice Reform (Executive Order 12988)

This rule complies with the requirements of E.O. 12988. Specifically, this rule:

(a) Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and

(b) Meets the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

Consultation and Coordination With Indian Tribal Governments (E.O. 13175)

Under the criteria in E.O. 13175, we evaluated this final rule and determined that it has no substantial effects on federally recognized Indian tribes.

Paperwork Reduction Act (PRA) of 1995

This final rule does not contain new information collection requirements, and a submission under the PRA is not required. Therefore, an information collection request is not being submitted to OMB for review and approval under the PRA (44 U.S.C. 3501 *et seq.*).

National Environmental Policy Act of 1969

This final rule does not constitute a major Federal action significantly affecting the quality of the human environment. BOEMRE has analyzed this proposed rule under the criteria of the National Environmental Policy Act (NEPA) and the Department's regulations implementing NEPA. This proposed rule meets the criteria set forth at 43 CFR 46.210(i) for a Departmental Categorical Exclusion in that this proposed rule is ''* * * of an administrative, financial, legal, technical, or procedural nature * * *'' Further, BOEMRE has analyzed this proposed rule to determine if it meets any of the extraordinary circumstances that would require an environmental assessment or an environmental impact statement as set forth in 43 CFR 46.215 and concluded that this proposed rule, being purely procedural, does not meet any of the criteria for extraordinary circumstances.

Data Quality Act

In developing this rule, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106–554, app. C § 515, 114 Stat. 2763, 2763A–153–154).

Effects on the Nation's Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211. A Statement of Energy Effects is not required.

List of Subjects

30 CFR Part 250

Continental shelf, Investigations, Penalties, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production.

30 CFR Part 250

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Oil and gas exploration, Penalties, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulfur.

30 CFR Part 253

Continental shelf, Environmental protection, Intergovernmental relations, Oil and gas exploration, Oil pollution, Penalties, Pipelines, Public lands—mineral resources, Reporting and recordkeeping requirements, Surety bonds.

Dated: June 22, 2011.

Wilma A. Lewis,

Assistant Secretary—Land and Minerals Management.

For the reasons stated in the preamble, Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) amends 30 CFR parts 250 and 253 as follows:

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

■ 1. The authority citation for part 250 continues to read as follows:

Authority: 31 U.S.C. 9701, 43 U.S.C. 1334.

■ 2. Revise § 250.1403 to read as follows:

§ 250.1403 What is the maximum civil penalty?

The maximum civil penalty is $40,000 per day per violation.

PART 253—OIL SPILL FINANCIAL RESPONSIBILITY FOR OFFSHORE FACILITIES

■ 3. The authority citation for part 253 is revised to read as follows:

Authority: 28 U.S.C. 2461 note, 33 U.S.C. 2716.

■ 4. In § 253.51, revise paragraph (a) to read as follows:

§ 253.51 What are the penalties for not complying with this part?

(a) If you fail to comply with the financial responsibility requirements of OPA at 33 U.S.C. 2716 or with the requirements of this part, then you may be liable for a civil penalty of up to $30,000 per COF per day of violation (that is, each day a COF is operated without acceptable evidence of OSFR).

* * * * *

[FR Doc. 2011–16288 Filed 6–29–11; 8:45 am]

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