

in alphabetical order, and remove the definition *RIK*, in paragraph (a) as set forth below.

- b. Revise paragraph (d)(2) to read as set forth below.
- c. Remove paragraph (d)(3).
- d. Add “6th Avenue and Kipling Street,” after “Denver Federal Center,” and remove “-0165” after “80225” in paragraph (e).

§ 1218.51 How to make payments.

(a) *Definitions.*

ACH—Automated Clearing House. A type of EFT using the ACH bank-to-bank network.

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EFT—Electronic Funds Transfer. Any paperless transfer of funds initiated through an electronic terminal. For ONRR purposes, EFT includes Fedwire and ACH transfers, such as *Pay.gov*.

Fedwire—A type of EFT using the Federal Reserve Wire network.

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Pay.gov—A type of EFT using the ACH network that is initiated by a payor on the *Pay.gov* Web site.

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(d) * * *

(2) For a Federal nonproducing lease rental or deferred bonus payment, send it to: Office of Natural Resources Revenue, P.O. Box 25627, Denver, CO 80225-0627.

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- 19. Revise § 1218.560 to read as follows:

§ 1218.560 How do I submit Form MMS-4444?

You may obtain a copy of Form MMS-4444 and instructions from ONRR. This form is posted at <http://www.onrr.gov/FM/Forms/default.htm>. Submit the completed, signed form to the address designated on Form MMS-4444 instructions.

[FR Doc. 2012-10360 Filed 5-1-12; 8:45 am]

BILLING CODE 4310-T2-P

DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

30 CFR Part 1218

[Docket No. ONRR-2011-0010]

RIN 1012-AA03

Debt Collection and Administrative Offset for Monies Due the Federal Government

AGENCY: Office of Natural Resources Revenue.

ACTION: Final rule.

SUMMARY: The Office of Natural Resources Revenue (ONRR) is promulgating regulations to establish procedures governing collection of delinquent royalties, rentals, bonuses, and other amounts due under leases and other agreements for the production of oil, natural gas, coal, geothermal energy, other minerals, and renewable energy from Federal lands onshore, Indian tribal and allotted lands, and the Outer Continental Shelf. The regulations include provisions for administrative offset and clarify and implement the provisions of the Debt Collection Act of 1982 (DCA) and the Debt Collection Improvement Act of 1996 (DCIA).

DATES: *Effective Date:* June 1, 2012.

FOR FURTHER INFORMATION CONTACT: For comments or questions on procedural issues, contact Hyla Hurst, Regulatory Specialist, ONRR, telephone (303) 231-3495. For questions on technical issues, contact Sarah L. Inderbitzin, Office of Enforcement, ONRR, telephone (303) 231-3748.

SUPPLEMENTARY INFORMATION:

I. Background

The ONRR is responsible for collecting, accounting for, and disbursing billions of dollars per year in bonus, rental, royalty, and other revenues derived from leases and other agreements for the production of oil, natural gas, coal, geothermal energy, other minerals, and renewable energy from Federal lands onshore, Indian tribal and allotted lands, and the Outer Continental Shelf. The ONRR also is responsible for enforcement of royalty and other payment obligations under applicable statutes, regulations, leases, agreements, and contracts.

The ONRR undertakes current debt collection activities under the DCA (Pub. L. 97-365), as amended by the DCIA (Pub. L. 104-134, Title III, Ch. 10, 110 Stat. 1321-359—1321-380 (codified at 31 U.S.C. 3711, 3716-18, and 3720A)). The DCIA was enacted primarily to increase collection of nontax debts owed to the Federal Government. Among other provisions, the DCIA centralized the administrative collection of much delinquent nontax debt at the U.S. Department of the Treasury's Financial Management Service (Treasury) to increase the efficiency of collection efforts. Government agencies are required to transfer nontax debt that has been delinquent for 180 days to Treasury for further collection action, including administrative offset.

This final rule (1) implements statutory provisions of the DCA, as amended by the DCIA, and (2) supplements the Government-wide debt

collection standards promulgated by the Departments of the Treasury and Justice, known as the Federal Claims Collection Standards (FCCS) (31 CFR parts 900-904), as necessary and appropriate for ONRR operations. The DCIA grants the Secretary discretionary authority in many aspects of debt collection, and this final rule defines the parameters of this authority. This final rule also makes some nonsubstantive technical or clarifying changes to the proposed rule.

In the interim between development of the proposed rule and the final rule, the Secretary of the Interior separated the responsibilities previously performed by the former Minerals Management Service (MMS) and reassigned those responsibilities to three separate organizations. As part of this reorganization, the Secretary renamed MMS's Minerals Revenue Management (MRM) the Office of Natural Resources Revenue and directed that ONRR transition to the Office of Policy, Management and Budget, effective October 1, 2010. This change required the reorganization of title 30 of the Code of Federal Regulations. In a direct final rule (effective October 1, 2010), ONRR removed the royalty and other revenue reporting, payment, valuation, and appeal regulations from 30 CFR, chapter II, and recodified them in the new chapter XII. Thus, the 30 CFR citations in this final rule are to part 1218 rather than to part 218, as they were in the proposed rule. Neither these nor any of the plain language changes discussed below effect any substantive change in meaning.

II. Comments on the Proposed Rule

The proposed rule was published on June 8, 2010 (75 FR 32343). We received comments on the proposed rule from one nonprofit organization and one trade association. We have analyzed these comments, which are discussed below:

A. General Comments

General comments on the proposed rule fall into five categories: (1) Plain language, (2) Treasury fees, (3) Treasury offsets, (4) Chronology of collection efforts, and (5) Early resolution of bills and demands.

(1) Plain Language

Public Comments: The nonprofit organization commented that the entire regulation should be rewritten in plain language.

ONRR Response: In order to be consistent with other debt collection regulations, ONRR specifically adopted regulatory language implementing the DCA and DCIA that other agencies and

the Department of the Interior (Department) have already promulgated. See, e.g., Department of the Interior, National Indian Gaming Commission, debt collection regulations at 25 CFR part 513, and the Department of Health and Human Services debt collection regulations at 45 CFR parts 30 and 33. In the proposed rule, ONRR used plain language where it was appropriate and did not change the substantive meaning of those regulations. Although we decline to rewrite the entire rule as the commenter suggested, we have used plain language in the final rule in instances where plain language is appropriate and does not change the substance of the rule. For example, in § 1218.702(a), we replaced “The ONRR will collect debts from you in accordance with the regulations in this subpart * * *.” with “The ONRR will collect debts from you under the regulations in this subpart * * *.”

(2) Treasury Fees

Public Comments: The trade association commented that Treasury has sometimes duplicated offsets and collected the same debt twice. When this occurs, the commenter notes that, although ONRR refunds the duplicate payment to the company, companies cannot recover the duplicate fee Treasury charges. The commenter believes that this rulemaking should give Treasury authority to remit the duplicate fee charged.

ONRR Response: Treasury currently charges a fee of \$17.00 per offset (beginning October 1, 2010). Treasury, not ONRR, charges and keeps this fee. The ONRR does not have authority in this rulemaking to refund fees charged by Treasury or to address Treasury’s processes. Thus, debtors need to make requests to Treasury for refunds of duplicate offset fees.

(3) Treasury Offsets

Public Comments: The trade association commented that, because an ONRR debt referred to Treasury may be offset by another Federal Government overpayment or monies due the debtor, in some cases, it is difficult to know where the offset occurs. The commenter also believes that this may result in cascading debt collection notices due to differing accounting and reporting records of debtors and the Federal Government. The commenter is concerned that a company may believe that their records are reconciled while the Federal Government continues to impose fines and fees for unknown debts. The commenter observes that the proposed rule does not identify a system to reconcile records.

ONRR Response: Treasury performs administrative offsets. The ONRR merely refers the debts to Treasury; Treasury does not provide us with the details of its offsets, and we do not have the authority to address Treasury’s offset processes in this rulemaking. Thus, debtors need to work with Treasury regarding concerns about offsets and reconciling records.

(4) Chronology of Collection Efforts

Public Comments: The trade association suggested that we add a description of the chronological order of ONRR’s debt collection process to the final rule to help clarify that process.

ONRR Response: The ONRR provided the chronological description of our internal debt referral process in the preamble to the proposed rule (75 FR 32343). However, we do not believe it is appropriate to codify such internal processes in the final rulemaking.

(5) Early Resolution of Bills and Demands

The trade association observed that a company may receive a bill or demand for many reasons. The commenter stated examples such as the original invoice being misdirected or never received, or the original debt being for another company but the operating rights owner received the bill. The commenter notes that, after significant research, some bills are found to already have been paid. The commenter believes that better communication would ensure early resolution of debts. The commenter also believes that these items could be cleared earlier in the process if ONRR addressed information provided by industry in a timelier manner.

ONRR Response: The ONRR issues bills and demands to lessees of record, operating rights holders, payors, and designees to collect royalties, rents, and other revenues due on Federal and Indian leases. The ONRR makes every effort to send bills and demands to the correct company and to resolve debts prior to referral to Treasury. However, it is the responsibility of the company who receives the bill or demand to either acknowledge the debt by timely payment or disagree with the debt by appealing the bill or demand within 30 days of its receipt of the bill or demand. In addition, before appealing, the company may contact ONRR to discuss the bill or demand. Nevertheless, contacting ONRR to discuss the bill or demand does not relieve the company of the requirement to file an appeal within 30 days under 30 CFR part 1290, if the bill or demand is not resolved prior to that date. The ONRR provides contact

information on all bills and demands. In addition, contact information for ONRR’s Financial Services program is available on our Web site at <http://www.onrr.gov/fm/ContactInfo.htm>.

The ONRR also sends bills or demands to the lessee’s or payor’s address of record, which is obtained either from ONRR’s system or from the Bureau of Land Management’s (BLM) LR2000 system. It is the company’s responsibility to keep ONRR and BLM informed of the company’s current address and contacts so that ONRR does not misdirect mailed bills and demands. Companies must update their contact information on Form MMS-4444, Addressee of Record Designation for Service of Official Correspondence (we are in the process of updating our regulations to replace MMS in our form numbers with ONRR), available on the ONRR Web site, at <http://www.onrr.gov/FM/Forms/default.htm>. The company must contact the appropriate BLM office for BLM address changes.

Public Comments: The trade association believes that debts referred to Treasury have sometimes been caused by ONRR errors, such as misapplying payments or generating duplicate interest bills. The commenter encourages ONRR to dedicate time and resources to the accuracy of its internal accounting.

ONRR Response: The ONRR commits significant time and resources to reconcile payments with receivables in its system. However, when company accounts are deficient or when a company does not specify how the payment should be applied, payments are applied to receivables using the First-In First-Out method of accounting. This process is necessary because Treasury will not accept referrals until all payments have been applied to receivables, leaving only open receivables in an account.

The ONRR acknowledges that we have issued some duplicate interest bills. However, we have initiated process improvements to prevent future occurrences.

Public Comments: The trade association commented that limited detail provided on demand notices makes it difficult for companies to respond, resulting in escalation of collection efforts. The commenter believes that better information is needed to resolve collections in a timely manner. The commenter stated the belief that additional information exists in the Statement of Account system that could assist in resolving debt. The commenter recommended that companies be given access to the additional information from the

Statement of Account for timely bill resolution.

ONRR Response: With each initial bill or order to pay, ONRR includes related reports with detailed information. When a company does not timely pay a bill or order, if the original bill or order did not contain language stating that ONRR may refer the bill or order to Treasury to collect, then ONRR sends a followup letter to the original recipient, as well as to each potentially liable lessee, with an attachment that reflects a roll-up of the original bill. It is the recipient's responsibility to contact ONRR to request lease-specific information provided on the original bill or demand. Through ONRR's Data Warehouse, found at <https://dwportal.onrr.gov>, companies can access their Statement of Account, showing the dates and balances of all open receivables for each company's account. However, the Statement of Account does not contain detailed information on the items listed in an original bill or demand. Nevertheless, companies can access detailed information in the Data Warehouse for Interest (INT) bills and Indian over-recoupment (IOR) bills. When ONRR issues an INT or IOR invoice, we place the invoice and associated invoice reports (three different reports for INT, and one for IOR) in each company's folder in the Data Warehouse.

Public Comments: The trade association recommended that ONRR provide companies electronic notification of indebtedness by email to facilitate timely resolution of debts and decrease billing errors.

ONRR Response: As stated above, all INT and IOR bills are placed in a company's folder in the Data Warehouse. When a company receives access to their folder in the Data Warehouse, the designated contact receives an email notification when an invoice is issued and placed in their folder (eInvoice). The purpose of eInvoice is to address company complaints about the large volumes of paper invoice reports sent with the bill and the difficulty of analyzing reports in that format. To address this concern, eInvoice gives companies the opportunity to download the reports that accompany INT and IOR bills in order to more efficiently analyze those reports. The FIN bills (financial term bills for rent and minimum royalty) and OTH bills (usually penalty bills or compliance bills) have no associated reports. Thus, ONRR sends paper FINs and OTHs because they do not have the volume issue we addressed for INT and IOR bills. For the same reason, ONRR does not electronically send the

followup demands issued to other liable companies, when the original recipient of a bill or demand does not pay.

B. Specific Comments on 30 CFR Part 1218—Subpart J—Debt Collection and Administrative Offset

(1) 30 CFR 1218.700 What definitions apply to this subpart?

Definitions of “BIA,” “BLM,” and “BOEMRE”

We did not receive any comments regarding these definitions. However, in this final rule, we are removing references to specific leasing or regulatory agencies that were in the proposed rule in this definitions section and elsewhere. The Bureau of Indian Affairs (BIA) and BLM names remain the same. However, the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE) is now two separate bureaus, the Bureau of Ocean Energy Management (BOEM) and Bureau of Safety and Environmental Enforcement (BSEE).

Definition of “Debtor”

Public Comments: The nonprofit organization suggested defining the pronouns “you” in the regulatory texts and “I” in the headings to refer to the debtor.

ONRR Response: The ONRR agrees that, for purposes of plain language, “you” can be defined as the “debtor,” and ONRR has made that change in the final rule. Therefore, in the final rule, “you” would be defined as the debtor in a new paragraph (u). However, we decline to also define “I” as the debtor because the term “I” is not used in the headings in this final rule.

Definition of “Delinquent”

Public Comments: The trade association suggested adding a definition of “past due” even though it appears to be covered by the definition of “delinquent.” The commenter believes that adding a definition for “past due” would support ONRR's stated goal of prescribing procedures specifically applicable to ONRR operations. As an alternative, the trade association suggested deleting “past due.”

ONRR Response: The commenter is correct that “past due” means the same as “delinquent.” Therefore, in § 1218.700, ONRR has added a definition of “past due” stating that “past due has the same meaning as ‘delinquent,’ as defined above.” We are also adding the term “past due” to the definition of “delinquent.” In addition, to make clear that debts are not delinquent unless “legally enforceable,”

we added that term to the definition and added language to clarify that debts or claims are delinquent when not paid by the time prescribed by the applicable act, law, regulation, lease, order, demand, notice of noncompliance, and/or assessment of civil penalties, contract, decision, or any other agreement. In the final rule the term is defined as follows: “*Delinquent or past due* refers to the status of a debt and means a debt that is legally enforceable and has not been paid within the time limit prescribed by the applicable act, law, regulation, lease, order, demand, notice of noncompliance, and/or assessment of civil penalties, contract, decision, or any other agreement.”

Definition of “Legally Enforceable”

Although we did not receive comments on this definition, we made a change to this term to make clear that we will refer debts or claims only for which there has been a final non-appealable agency determination that the debt, in the amount stated, is due. See discussion of the terms “debt” and “claim” below.

The rule still states that we also will determine there are no legal bars to collection by offset such as debts subject to the Bankruptcy Code (Title 11 of the United States Code). For such debts, bankruptcy law will govern the debt collection process.

Definition of “Lessee”

Public Comments: The trade association commented that the definition of “lessee” under 30 CFR part 1218 in the proposed rule is broader than the definition of “lessee” in part 1290. The association believes that different definitions under the parts would create the potential for confusion, ambiguity, and inconsistent results. The commenter also believes that the definition in 30 CFR part 1218 expands the potential liability of a party's debts to include those of another owner in the same property. Finally, the commenter believes that the regulations regarding the underpayment or nonpayment of royalties by a responsible party should not deviate from definitions set forth in the Royalty Simplification and Fairness Act (RSFA), Public Law 104–185, 110 Stat. 1700, as corrected by Public Law 104–200.

ONRR Response: The ONRR intended the definition of “lessee” under this rulemaking to be broad because this rule applies to all mineral lessees, not just Federal oil and gas leases. As we stated in the preamble to the proposed rule, “[t]he definition in subsection (o) is broader than the definition of ‘lessee’ in 30 CFR part 1206 because it is intended

to apply to holders of leases and other contracts and agreements for any type of Federal and Indian minerals and resources” (75 FR 32344). However, nothing in this rulemaking purports to change a lessee’s liability for payments. Indeed, under proposed § 1218.702(b), ONRR will transfer only “legally enforceable” delinquent debts (defined as a final, non-appealable agency determination that the debt, in the amount stated, is due, and there are no legal bars to collection by offset). If a person is not liable for the debt, then, by definition, it is not “legally enforceable” against that person. Finally, RSFA applies only to Federal oil and gas leases. Thus, the definition of “lessee” in this part needs to be broader than RSFA because the rule also applies to debts on leases other than Federal oil and gas leases.

Definition of “Other Agreement” and “Lease”

Public Comments: The trade association noted that paragraph 1218.702(b) refers to “other agreements” but does not provide a definition or illustration of agreements here or elsewhere in this subpart.

ONRR Response: With respect to the use of the term “other agreement” in the definitions of “delinquent debt” and “lessee,” it means any “agreement to pay the Department money, funds, or property,” which is not necessarily tied to the extraction, development, or use of a mineral or other resource. For example, a gas storage agreement between BLM and a lessee would be an “other agreement.” Such agreements are distinguishable from leases that authorize exploration for and production of oil, natural gas, other minerals or geothermal resources, or production of renewable energy.

To be clear, ONRR is adding the following definition of “other agreement” in a new paragraph (p) in § 1218.700 in the final rule and making corresponding changes to the portions of the rule that refer to that term:

(p) *Other agreement* means any agreement other than a lease, and includes, but is not limited to, any agreement between you and the Department to pay the Department money, funds, or property, regardless of form.

For clarity, we have also added a definition of the term “lease” in the final rule as follows: “*Lease* means any contract, profit-share arrangement, joint venture, or other agreement issued or approved by the United States under any statutory authority, including but not limited to a mineral leasing law, that authorizes exploration for and

development or extraction of oil, gas, coal, any other mineral or geothermal resources, or power generation from renewable energy sources, on Federal or Indian tribal or allotted lands or the Outer Continental Shelf. Depending on the context, lease also may refer to the land area covered by that authorization.”

Definition of “Debt” and “Claim”

The ONRR received no public comment on the proposed definition of these terms. However, in preparing the final rule, we have concluded that further clarity in this definition is appropriate. We added to this definition that debts or claims must be “legally enforceable.” We added that term to the definition to make clear that only non-appealable final decisions of the Department are referable debts or claims because when ONRR or the ONRR Director issues an order or decision that then is appealed or is appealable to a higher level within the Department, the lessee’s or payor’s ultimate liability has not been finally established within the Department. In these circumstances, referral to the Treasury Department for further collection action under the DCA and FCCS is not appropriate. As discussed above, ONRR also has made a corresponding change to the definition of “legally enforceable” in the final rule to refer to a final non-appealable agency determination that the debt is due.

This revised definition also refers only to debts owed to or collectible by the United States, because lessees and royalty payors and holders of permits, easements, or rights-of-way for production of renewable energy do not owe money to states or other political subdivisions. We added “collectible by” to cover debts the Department collects on behalf of others, including, but not limited to, individual Indian mineral owners and Indian tribes.

(2) 30 CFR 1218.701 What is ONRR’s authority to issue these regulations?

We received no comments on this section. However, in the final rule, we have made clarifying technical revisions to paragraph (b) to make clear that the regulations adopted in this final rule will supplement and adapt the FCCS as necessary and appropriate to ONRR’s particular enforcement circumstances and sphere of responsibility.

(3) 30 CFR 1218.702 What happens to delinquent debts you owe ONRR?

We received no comments on paragraph (a). In the final rule, however, we are clarifying that ONRR will collect debts under these regulations “in addition to other applicable statutory

and regulatory authorities.” For example, the Federal Oil and Gas Royalty Management Act of 1982, as amended, 30 U.S.C. 1701–1758 (FOGRMA), provides ONRR with extensive enforcement tools including, particularly, authority to assess civil penalties. See 30 U.S.C. 1719 and 1720a. The FCCS, at 31 CFR 900.1(a), acknowledges the precedence of specific statutes and regulations that apply to a particular agency’s activities.

Public Comments: Paragraph (b) of this proposed section states that ONRR will refer debts to Treasury “within 180 days from” the date the debt became delinquent, which the trade association interprets to mean that ONRR could refer the debt much sooner than 180 days. The commenter believes this creates confusion when compared to paragraphs 1218.703(a)(6) and (8), which describe situations in which enforced collection can be avoided. The commenter also believes it creates confusion when read with paragraph 1218.704(b), which says that penalties will not be assessed until the debt is 90 days old, and that they will be assessed at the time the debt is referred to Treasury. The commenter states that it is unclear if ONRR intends to refer debts to Treasury before they are 90 days old.

ONRR Response: In instances where other collection and enforcement efforts have proven unsuccessful or may not be economical, ONRR may refer a debt to Treasury for further collection efforts. The final rule reflects the principle that ONRR’s enforcement tools are not limited to the DCA, as amended by the DCIA, and the FCCS. The Treasury regulations implementing 31 U.S.C. 3711 give agencies discretion to voluntarily refer debts that are delinquent for less than 180 days [31 CFR 285.5(d)(2) and 285.12(h)]. To be clear, the ONRR is retaining its discretion in this rulemaking to refer debts that are less than 180 days delinquent.

Our retention of that discretion does not conflict with § 1218.703(a)(6) and (8) of the proposed rule. Section 1218.702(b) deals with referral of delinquent debts whereas paragraph (a)(6) of § 1218.703 deals with how to avoid delinquency and late payment charges. In any event, we removed subparagraph § 1218.703(a)(8) in the final rule, and, instead, revised subparagraph § 1218.703(b)(1) to address the right to appeal a notice in the rare instance in which the recipient of an ONRR notice of an intent to refer a debt to Treasury has not had a previous opportunity to appeal the merits of the debt, as discussed below.

We also do not agree that proposed § 1218.702(b) created confusion with § 1218.704(b). However, the point is moot because in this final rule we have decided to remove the provision in § 1218.704(b) that deals with the assessment of penalties on delinquent debts under the DCA as amended by the DCIA. Rather, we will assess penalties at our discretion under our existing authority at 30 U.S.C. 1719.

(4) 30 CFR 1218.703 What notice will ONRR give you of our intent to refer a matter to the Department of the Treasury to collect a debt?

We did not receive any comments regarding this section. However, as discussed above, we have eliminated proposed subparagraph (a)(8) from this final rule. Subparagraph (a)(8) in the proposed rule stated that the notice we would provide of our intent to refer a debt would include “[y]our opportunity for review under 30 CFR part 1290 or part 1241, if any. See paragraph (b) of this section.” We removed this subparagraph because we added language to clarify that the notices ONRR issues under this section are not appealable unless the notice specifically gives the recipient appeal rights. This is because most debts we refer to Treasury will be “legally enforceable,” as discussed above, and, thus, would have already been subject to an appeal.

However, in some instances, a party who is or may be secondarily liable for all or part of an obligation (such as a lessee of record under a Federal oil and gas lease who is not an operating rights holder, see 30 U.S.C. 1712(a)) may not have received notice of the original order to pay addressed to the operator or other royalty payor whose failure to pay resulted in the debt. The notice provided under paragraph (a) of this section informs the recipient that ONRR intends to refer a particular debt to Treasury, not that it has already done so. In instances such as those described here, if ONRR sends the notice of its intent to refer the debt to Treasury to a liable lessee who did not receive the original order (or decision on appeal or other notice or decision) that is the basis of the debt, ONRR would advise the lessee that it has a right to appeal under 30 CFR part 1290. If the lessee pursues an appeal, ONRR would not refer it to Treasury to collect against that lessee unless and until the appeal is resolved against that lessee. (In the meantime, however, ONRR could refer to Treasury to collect against the operating rights holder or other payor who originally received the order and is primarily liable for the debt.) Thus, we have revised § 1218.703(b)(1) in the final rule

to make clear that a notice is not appealable unless it specifically so states.

The notice will inform the lessee or payor of the potential for collection by administrative offset and administrative costs that may be assessed against you under the DCA, as amended by the DCIA, and the FCCS.

(5) 30 CFR 1218.704 What is ONRR’s policy on interest and administrative costs?

Public Comments: The trade association noted that paragraph (b) of this section would impose penalties of 6 percent per year, but the existing regulation at 31 CFR 901.9(d) says penalties are “not to exceed 6 percent.” The trade association prefers the “not to exceed” language because the commenter believes it would give ONRR the flexibility to adjust penalties based on the specific situation. This commenter also suggested that, before ONRR assesses a \$436 administrative fee under paragraph (c) of this section, ONRR should use every means to resolve the debt and minimize notices of referral to Treasury.

ONRR Response: Under the FCCS at 31 CFR 901.9(d), the 6-percent penalty described in the proposed rule will not be assessed under the DCIA because, under FOGDRA, at 30 U.S.C. 1719 and 1720a, penalties are “otherwise established * * * by statute.” Accordingly, we have revised the rule to state that ONRR will use its existing civil penalty authorities and have rewritten proposed paragraph (b) of this section to state that “ONRR will assess penalties under our authority in 30 U.S.C. 1719 and 1720a, and implementing regulations at 30 CFR part 1241.”

In addition, we made certain changes to this section of the final rule for purposes of clarity. We added a new subparagraph (a)(2)(iii) to make clear that interest will accrue on civil penalties ONRR assesses under 30 CFR 1241.71.

We also made revisions to proposed paragraph (c) regarding administrative costs. Unlike penalties and interest, we are collecting fees to recover our costs to refer a debt under the DCIA. In addition, we removed proposed paragraph (d), which provided that interest, penalties, and administrative costs “will continue to accrue throughout any appeal process,” and moved a revised portion of that paragraph regarding administrative costs to paragraph (c) for two reasons. First, in this final rule, we removed references to the accrual of interest and penalties because interest and penalties

will continue to accrue under the applicable portions of 30 CFR chapter XII cited in this final rule. Second, we added language to make clear that administrative costs may be assessed during the pendency of an appeal if the notice you received gave you the right to appeal and you exercised that right. Further, we clarified in paragraph (c) that the administrative costs that will be assessed during any appeal process are the \$436 in administrative costs ONRR will incur if your appeal is denied and ONRR must refer the delinquent debt to Treasury.

(6) 30 CFR 1218.705 What is ONRR’s policy on revoking your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way?

Public Comments: This section of the final rule provides that the ONRR Director may recommend to the agency with responsibility for issuing leases, rights-of-way, easements, permits, etc., that a person (or entity) may have its ability to engage in leasing either suspended or revoked if it “inexcusably or willfully” fails to pay. This section of the proposed rule stated that the former MMS could revoke a debtor’s ability to engage in offshore leasing. However, ONRR is now a separate agency from the remainder of the former MMS [now the Bureau of Ocean Energy Management (BOEM) and Bureau of Safety and Environmental Enforcement (BSEE)], and ONRR has no authority over leasing either offshore or onshore.

The trade association believes that ONRR should define or delete the word “inexcusably” in this section because it is subject to interpretation. In addition, the commenter believes that, because barring a lessee from engaging in Federal offshore leasing, licensing, etc., in the event of “inexcusably or willfully” failing to pay is such a “harsh penalty,” this section should clearly state the lessee’s appeal rights. Further, the commenter believes that the lessee also should have the right to seek relief through the judicial appeals process. To accomplish this end, the commenter believes that an Assistant Secretary of the Department of Interior should decide whether to bar the debtor from leasing or other activities.

Finally, the trade association states that, as written, the proposed rule provides that, when ONRR recommends to the leasing or regulatory agency that a debtor’s lease be suspended, ONRR will recommend that the suspension “should only last as long as the debtor’s indebtedness.” The commenter agrees with that limitation but believes the proposed rule does not apply that

limitation to Federal offshore leases. The commenter suggests adding that the suspension “should only last as long as the debtor’s indebtedness” to the first sentence of § 1218.705.

ONRR Response: We are declining the commenter’s suggestion that we should define “inexcusably.” Whether a particular failure to pay or series of failures to pay is sufficiently inexcusable as to warrant a recommendation of debarment from leasing depends on the particular circumstances, and it is difficult to formulate a single definition that would adequately anticipate all such situations. Each situation will have to be considered on a case-by-case basis.

Moreover, we disagree with the commenter’s suggestion that we add appeal rights regarding the Director’s recommendation to the leasing or regulatory agency to revoke a lessee’s ability to obtain a lease, license, etc. in this rulemaking. The Director’s recommendation in this rulemaking constitutes only a recommendation to the leasing or regulatory agency with authority to actually revoke, not the actual revocation. Moreover, § 1218.705 does not itself constitute debarment authority. The extent to which the leasing or regulatory agency possesses debarment authority is a function of the statutes and regulations those agencies administer, not of ONRR rules. However, if the leasing or regulatory agency refuses to issue a company a lease, permit, license, etc., based on ONRR’s recommendation, then that decision may or may not be appealable under the particular bureau’s regulations. Therefore, we are not adding appeal rights in this rulemaking for internal bureau-to-bureau communications.

Furthermore, as discussed above, in this final rule, we are removing references to specific leasing or regulatory agencies that were in the proposed rule both in this section and the definitions section. Although the names of BIA and BLM remain the same, the former Bureau of Ocean Energy Management, Regulation and Enforcement is now two separate organizations—BOEM and BSEE. The intent of this rule is to make such referrals to the appropriate leasing or regulatory agency within the Department regardless of that entity’s name.

Finally, we also disagree with the commenter’s suggestion that we should add the phrase “should only last as long as the debtor’s indebtedness” to the first sentence of proposed § 1218.705. That section, as rewritten in plain English in this final rule states that the Director

may recommend that the leasing or issuing agency, under statutory or regulatory authority applicable to that agency, revoke your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way if you inexcusably or willfully fail to pay a debt. The Director will recommend that revocation of your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way should last only as long as your debt remains unpaid or unresolved.

For clarity, we removed the word “onshore” in the first sentence to make it clear that the Director’s recommendation may apply to any Federal or Indian leases. We are not adding the additional language to the first sentence because the second sentence of that section already contains the limitation the commenter suggests.

III. Procedural Matters

1. Summary Cost and Royalty Impact Data

This is a technical rule formalizing and enhancing current ONRR debt collection practices and procedures consistent with the statutory mandates under the DCA and DCIA. The changes explained above will have no royalty impacts on industry, state and local governments, Indian tribes and individual Indian mineral owners, and the Federal Government. Industry will incur additional administrative costs under this rulemaking.

A. Industry

(1) *Royalty Impacts.* None.

(2) *Administrative Costs.* The ONRR will assess \$436 for recovery of administrative costs for each referral of debt to Treasury. We calculated the \$436 administrative costs based on our estimate of the average actual costs we incur to refer debts to Treasury.

(3) *Penalties.* The ONRR will assess penalties under existing authority at 30 U.S.C. 1719 and 1720a and 30 CFR part 1241. This final rule therefore will have no impact on penalties.

B. State and Local Governments

(1) *Royalty Impacts.* None.

(2) *Administrative Costs—State and Local Governments.* The ONRR determined that this rule will have no administrative costs for state and local governments.

(3) *Penalties.* None.

C. Indian Tribes and Individual Indian Mineral Owners

(1) *Royalty Impacts.* None.

(2) *Administrative Costs.* The ONRR determined that this rule will have no

administrative costs to Indian tribes and individual Indian mineral owners.

(3) *Penalties.* None.

D. Federal Government

(1) *Royalty Impacts.* None.

(2) *Administrative Costs.* The rule will have insignificant or no net administrative costs to the Federal Government. The final rule provides for a fee that we will recover from industry for administrative costs to the Government incurred as a result of collection activities.

(3) *Penalties.* None.

2. Regulatory Planning and Review (Executive Orders 12866 and 13563)

Executive Order 12866 provides that the Office of Information and Regulatory Affairs (OIRA) will review all significant rules. The Office of Information and Regulatory Affairs has determined that this rule is not significant.

Executive Order 13563 reaffirms the principles of Executive Order 12866 while calling for improvements in the Nation’s regulatory system to promote predictability, to reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. Executive Order 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. Executive Order 13563 emphasizes further that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements.

3. Regulatory Flexibility Act.

The Department of the Interior certifies that this 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.*). This rule will affect large and small entities but will not have a significant economic effect on either. Based on historical data, we estimate that the rule will affect approximately 85 small entities per year.

4. Small Business Regulatory Enforcement Fairness Act (SBREFA)

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

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

This is a technical rule formalizing and enhancing current ONRR debt collection practices and procedures consistent with the statutory mandates under the DCA and DCIA. Industry will incur fees for administrative costs for failure to pay a delinquent debt to the Federal Government. Industry may avoid these administrative costs by accurately and timely paying debts owed to the Federal Government.

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

c. Does 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.

5. *Unfunded Mandates Reform Act*

This rule does not impose an unfunded mandate on state, local, or tribal governments, or the private sector of more than \$100 million per year. This 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. 1531 *et seq.*) is not required.

This is a technical rule formalizing and enhancing current ONRR debt collection practices and procedures consistent with the statutory mandates under the DCA and DCIA. Under this rule, ONRR will impose fees to cover the administrative costs of recovering delinquent debts. Recovery of administrative costs is consistent with the DCA, DCIA, and 31 U.S.C. 9701.

6. *Takings (Executive Order 12630)*

Under the criteria in Executive Order 12630, this rule does not have any significant takings implications. This rule will apply to Federal and Indian leases only. It will not apply to private property. A takings implication assessment is not required.

7. *Federalism (Executive Order 13132)*

Under the criteria in Executive Order 13132, this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. This is a technical rule formalizing and enhancing current ONRR debt collection practices and procedures. A Federalism Assessment is not required.

8. *Civil Justice Reform (Executive Order 12988)*

This rule complies with the requirements of Executive Order 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.

9. *Consultation With Indian Tribes (Executive Order 13175)*

Under the criteria in Executive Order 13175, we have evaluated this rule and determined that it will have no potential effects on federally recognized Indian tribes.

10. *Paperwork Reduction Act*

This rule does not contain information collection requirements, and a submission to OMB is not required under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

11. *National Environmental Policy Act*

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act of 1969 (NEPA) is not required because this rule is categorically excluded under: “(i) Policies, directives, regulations, and guidelines: that are of an administrative, financial, legal, technical, or procedural nature.” See 43 CFR 46.210(i) and the DOI Departmental Manual, part 516, section 15.4.D. We have also determined that this rule is not involved in any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA. The procedural changes resulting from these amendments will have no consequences with respect to the physical environment. This rule will not alter in any material way natural resource exploration, production, or transportation.

12. *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), also known as the Information Quality Act. The Department of the Interior has issued guidance regarding the quality of information that it relies on for regulatory decisions. This guidance is available on DOI’s Web site at <http://www.doi.gov/ocio/iq.html>.

13. *Effects on the Energy Supply (Executive Order 13211)*

This rule is not a significant energy action under the definition in Executive

Order 13211. A Statement of Energy Effects is not required.

List of Subjects in 30 CFR Part 1218

Administrative offset, Administrative practice and procedure, Bonuses, Collections, Debt, Federal and Indian mineral leases, Royalties, Rentals.

Dated: April 19, 2012.

Amy Holley,

Acting Assistant Secretary for Policy, Management and Budget.

For the reasons stated in the preamble, the Office of Natural Resources Revenue amends 30 CFR part 1218 as set forth below:

PART 1218—COLLECTION OF ROYALTIES, RENTALS, BONUSES, AND OTHER MONIES DUE THE FEDERAL GOVERNMENT

- 1. Revise the authority citation for part 1218 to read as follows:

Authority: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C. 3335, 3711, 3716–18, 3720A, 9701; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, and 1801 *et seq.*

Subpart I—[Added and Reserved]

- 2. Add and reserve subpart I.
- 3. Add subpart J to read as follows:

Subpart J—Debt Collection and Administrative Offset

Sec.

- 1218.700 What definitions apply to the regulations in this subpart?
- 1218.701 What is ONRR’s authority to issue these regulations?
- 1218.702 What happens to delinquent debts you owe ONRR?
- 1218.703 What notice will ONRR give you of our intent to refer a matter to Treasury to collect a debt?
- 1218.704 What is ONRR’s policy on interest and administrative costs?
- 1218.705 What is ONRR’s policy on recommending revocation of your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way?
- 1218.706 What debts may ONRR refer to Treasury to collect by administrative offset or tax refund offset?

Subpart J—Debt Collection and Administrative Offset

§ 1218.700 What definitions apply to the regulations in this subpart?

As used in this subpart:

Administrative offset means the withholding of funds payable by the United States (including funds payable by the United States on behalf of a state government) to any person, or the withholding of funds held by the United

States for any person, in order to satisfy a debt owed to the United States.

Agency means a department, agency, court, court administrative office, or instrumentality in the executive, judicial, or legislative branch of government, including a government corporation.

Day means calendar day. To count days, include the last day of the period unless it is a Saturday, Sunday, or Federal legal holiday.

Debt and *claim* are synonymous and interchangeable. They refer to, among other things, royalties, rentals, and any other monies due to, or collectible by, the United States as well as fines, fees, assessments, penalties, and any other monies that have been determined to be legally enforceable and due to the United States from any person, organization, or entity, except another Federal agency. For the purposes of administrative offset under 31 U.S.C. 3716 and this subpart, the terms “debt” and “claims” include money, funds, or property owed to, or collectible by, the United States.

Debtor means a lessee, payor, or other person that owes a debt to the United States or ONRR, or from whom ONRR collects debts on behalf of the United States, the Department, or an Indian lessor.

Delinquent or past due refers to the status of a debt and means a debt that is legally enforceable and has not been paid within the time limit prescribed by the applicable act, law, regulation, lease, order, demand, notice of noncompliance, and/or assessment of civil penalties, contract, decision, or any other agreement.

Department means the Department of the Interior, and any of its bureaus or offices.

Director means the Director of the Office of Natural Resources Revenue, or his or her designee.

DOJ means the U.S. Department of Justice.

FCCS means the Federal Claims Collection Standards, which are published at 31 CFR parts 900 through 904.

FMS means the Financial Management Service, a bureau of the U.S. Department of the Treasury.

Lease means any contract, profit-share arrangement, joint venture, or other agreement issued or approved by the United States under any statutory authority including, but not limited to, a mineral leasing law that authorizes exploration for and development or extraction of oil, gas, coal, any other mineral or geothermal resources, or power generation from renewable energy sources, on Federal or Indian

tribal or allotted lands or the Outer Continental Shelf. Depending on the context, lease may also refer to the land area covered by that authorization.

Legally enforceable means that there has been a final non-appealable agency determination that the debt, in the amount stated, is due, and there are no legal bars to collection by offset.

Lessee means any person to whom the United States or an Indian tribe or individual Indian mineral owner issues a Federal or Indian mineral or other resource lease, easement, right-of-way, or other agreement, an assignee of all or a part of the record title interest, or any person to whom operating rights have been assigned.

ONRR means the Office of Natural Resources Revenue, an office of the Department.

Other agreement means any agreement other than a lease and includes, but is not limited to, any agreement between you and the Department to pay the Department money, funds, or property, regardless of form.

Past due has the same meaning as “delinquent” as defined above.

Payor means any person who reports and pays royalties under a lease, regardless of whether that person is also a lessee.

Person includes a natural person or persons, profit or nonprofit corporation, partnership, association, limited liability company, trust, estate, consortium, or other entity that owes a debt to the United States.

Tax refund offset means the reduction of a tax refund by the amount of a past-due, legally enforceable debt.

You and *your* refer to the debtor.

§ 1218.701 What is ONRR’s authority to issue these regulations?

(a) The ONRR is issuing the regulations in this subpart under the authority of the FCCS, the Debt Collection Act of 1982, and the Debt Collection Improvement Act of 1996, 31 U.S.C. 3711, 3716–3718, and 3720A.

(b) The regulations in this subpart adopt and supplement the FCCS as necessary.

§ 1218.702 What happens to delinquent debts you owe ONRR?

(a) The ONRR will collect debts from you under the regulations in this subpart in addition to other applicable statutory and regulatory authorities.

(b) The ONRR will transfer to the U.S. Department of the Treasury any past due, legally enforceable nontax debt that is delinquent within 180 days from the date the debt becomes delinquent so that Treasury may take appropriate

action to collect the debt or terminate the collection action under 26 U.S.C. 6402(d)(1) and (2); 31 U.S.C. 3711, 3716, and 3720A; the FCCS; and 31 CFR 285.2 and 285.5.

§ 1218.703 What notice will ONRR give you of our intent to refer a matter to Treasury to collect a debt?

(a) When the Director determines that you owe, or may owe, a legally enforceable debt to ONRR, the Director will send a written notice to you informing you that ONRR intends to refer the debt to Treasury. We will send the notice by facsimile or mail to the most current address known to us. The notice will inform you of the following:

(1) The amount, nature, and basis of the debt.

(2) The methods of offset that ONRR or Treasury may use.

(3) Your opportunity to inspect and copy agency records related to the debt.

(4) Your opportunity to enter into a written agreement with us to repay the debt.

(5) Our policy concerning interest and administrative costs under § 1218.704, including a statement that we will make such assessments against you unless we determine otherwise under the criteria of the FCCS and this part.

(6) The date by which you must remit payment to avoid additional late charges and enforced collection.

(7) The name, address, and telephone number of a contact person (or office) at ONRR who is available to discuss your debt.

(b)(1) You may not appeal the notice issued under this section unless the notice specifically provides you with the opportunity for review under 30 CFR parts 1290 or 1241 because you did not previously receive a notice of the order, decision on appeal, or any other notice or decision that is the basis of the debt that ONRR intends to refer to Treasury, and for which you may be liable in whole or in part under applicable law. You may not dispute matters related to your delinquent debt that were the subject of a final order or appeal decision of which you were the recipient, or to which you were a party that is the basis of your delinquent debt.

(2) This section applies whether or not you appealed the order, demand, notice of noncompliance, or assessment of civil penalties under 30 CFR parts 1290 or 1241.

§ 1218.704 What is ONRR’s policy on interest and administrative costs?

(a) *Interest.* (1) The ONRR will assess interest on all delinquent debts as prescribed by applicable statutes and regulations.

(i) Interest will accrue on debts involving Federal and Indian oil and gas leases under 30 CFR 1218.54, 1218.102, and 1218.150.

(ii) Interest will accrue on debts involving Federal and Indian solid mineral and geothermal resource leases under 30 CFR 1218.202 and 1218.302.

(iii) Interest will accrue on civil penalties ONRR assesses under 30 CFR part 1241.

(2) Interest begins to accrue on all debts from the date that the payment was due unless otherwise specified by law or lease terms.

(b) *Penalties.* The ONRR will assess penalties under our authority in 30 U.S.C. 1719 and 1720a, and implementing regulations at 30 CFR part 1241.

(c) *Administrative costs.* The ONRR initially will assess \$436 for administrative costs incurred as a result of your failure to pay a delinquent debt. We will publish a notice of any increase in administrative costs assessed under this section in the **Federal Register**. The ONRR also may assess \$436 for administrative costs that continue to accrue during any appeal process if:

(1) The notice we provide you under 30 CFR 1218.703 grants you the right to appeal and you exercise that right; and

(2) Your appeal is denied and we refer the delinquent debt to Treasury under this subpart.

(d) *Allocation of payments.* The ONRR will apply a partial or installment payment you make on a delinquent debt sent to Treasury, first to outstanding penalty assessments, second to administrative costs, third to accrued interest, and fourth to the outstanding debt principal.

(e) *Additional authority.* The ONRR may assess interest, penalty charges, and administrative costs on debts that are not subject to 31 U.S.C. 3717 to the extent authorized under common law or other applicable statutory or regulatory authority.

(f) *Waiver.* The Director may decide to waive collection of all or part of the administrative costs under paragraph (c) of this section either in compromise of the delinquent debt or if the Director determines collection of this charge would be against equity and good conscience or not in the Government's best interest.

(g) The ONRR's decision whether to collect or waive collection of administrative costs under paragraph (f) of this section is the final decision for the Department and is not subject to administrative review.

§ 1218.705 What is ONRR's policy on recommending revocation of your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way?

The Director may recommend that the leasing or issuing agency, under statutory or regulatory authority applicable to that agency, revoke your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way if you inexcusably or willfully fail to pay a debt. The Director will recommend that any revocation of your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way should last only as long as your debt remains unpaid or unresolved.

§ 1218.706 What debts may ONRR refer to Treasury to collect by administrative offset or tax refund offset?

(a) The ONRR may refer any past due, legally enforceable debt you owe to ONRR to Treasury to collect through administrative offset or tax refund offset at least 60 days after we give you notice under 30 CFR 1218.703 if the debt:

(1) Is at least \$25.00 or another amount established by Treasury; and

(2) Does not involve Federal oil and gas lease obligations for which offset is precluded under 30 U.S.C. 1724(b)(3).

(b) The ONRR may refer debts reduced to judgment to Treasury for tax refund offset at any time.

[FR Doc. 2012-10361 Filed 5-1-12; 8:45 am]

BILLING CODE 4310-T2-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG-2012-0305]

Drawbridge Operation Regulations; Niantic River, Niantic, CT

AGENCY: Coast Guard, DHS.

ACTION: Notice of temporary deviation from regulations.

SUMMARY: The Commander, First Coast Guard District, has issued a temporary deviation from the regulation governing the operation of the Amtrak Railroad Bridge across the Niantic River, mile 0.0, at Niantic, Connecticut. The deviation allows the bridge to remain in the closed position for 20 nights to facilitate completion of work on machinery and the lift span.

DATES: This deviation is effective from May 15, 2012 through August 15, 2012.

ADDRESSES: Documents mentioned in this preamble as being available in the docket are part of docket USCG-2012-0305 and are available online at www.regulations.gov, inserting USCG-2012-0305 in the "Keyword" and then clicking "Search". They are also available for inspection or copying at the Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule, call or email Ms. Judy Leung-Yee, Project Officer, First Coast Guard District, telephone (212) 668-7165, email judy.k.leung-ye@uscg.mil. If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

SUPPLEMENTARY INFORMATION: The Amtrak Railroad Bridge, across the Niantic River, mile 0.0, at Niantic, Connecticut, has a vertical clearance in the closed position of 16 feet at mean high water. The drawbridge operation regulations are listed at 33 CFR 117.215(a).

The operator of the bridge, National Passenger Railroad Corporation (Amtrak), requested a temporary deviation from the regulations to facilitate completion of machinery installation and lift span work at the new Niantic River RR Bridge. To facilitate completion of the work at the new bridge, Amtrak has requested a total of 20 nighttime closures between 11 p.m. through 6 a.m., Monday through Thursday, beginning May 15, 2012 until August 15, 2012.

The waterway users are recreational vessels and seasonal fishing boats.

Under this temporary deviation the Amtrak Railroad Bridge may remain in the closed position during the hours of 11 p.m. until 6 a.m., Monday through Thursday, beginning May 15, 2012 until August 15, 2012. The Amtrak Railroad Bridge will require 20 nighttime closures during this period. The exact calendar dates for the closures have not been established due to other related construction at the bridge. The exact closure dates will be published in the Local Notice to Mariners one week in advance of the closures.

Vessels that can pass under the bridge in the closed position may do so at all times.

The waterway users were advised of the requested bridge closure and offered no objection.