



DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Part 3160

43 CFR Part 9230

[PO4820000251]

RIN: 1004-AF00

Onshore Oil and Gas Operations and Coal Trespass—Annual Civil Penalties

Inflation Adjustments

AGENCY: Bureau of Land Management, Interior.

ACTION: Final rule.

SUMMARY: This final rule adjusts the amounts of civil monetary penalties contained in the Bureau of Land Management’s (BLM) regulations governing onshore oil and gas operations and coal trespass. This final rule is required by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 and is consistent with applicable Office of Management and Budget (OMB) guidance. The adjustments made by this final rule constitute the 2025 annual inflation adjustments and account for one year of inflation spanning the period from October 2023 through October 2024.

DATES: This rule is effective on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: For information regarding the BLM’s Fluid Minerals Program, please contact John Ajak, Acting Division Chief, Fluid Minerals Division, telephone: 505-549-9654; email: jajak@blm.gov. For information regarding the BLM’s Solid Minerals Program, please contact Matthew Marsh, Acting Division Chief, Solid Minerals Division, telephone: 307-431-1113; email: mmarsh@blm.gov.

For questions relating to the regulatory process, please contact Stephen Pollard, Division of Regulatory Affairs, email: spollard@blm.gov. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

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I. Background

On November 2, 2015, the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701, Pub. L. No. 114-74) (the 2015 Act) became law,

amending the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. No. 101-410).

On an annual basis, the 2015 Act requires agencies to:

1. Adjust the level of civil monetary penalties for inflation; and
2. Report inflation adjustments in the Agency Financial Reports as directed by OMB Circular A-136, or any successor thereto.

The purpose of these adjustments is to maintain the deterrent effect of civil monetary penalties and promote compliance with the law (*see* Sec 1, Pub. L. No. 101-410).

As required by the 2015 Act, on June 28, 2016, the BLM issued an interim final rule that adjusted the level of civil monetary penalties in BLM regulations with the initial “catch-up” adjustment (RIN 1004-AE46, 81 FR 41860). In subsequent years, the BLM has issued final rules, adjusting the level of civil monetary penalties for inflation, as appropriate for 2017 to 2024.

On December 17, 2024, OMB issued Memorandum M-25-02, which explains agency responsibilities for identifying applicable penalties and calculating the annual adjustment for 2025 in accordance with the 2015 Act.

II. Calculation of 2024 Adjustments

In accordance with the 2015 Act and OMB Memorandum M-25-02, the BLM has identified applicable civil monetary penalties in its regulations and calculated the annual adjustments. A civil monetary penalty is any assessment with a dollar amount that is levied for a violation of a Federal civil statute or regulation and is assessed or enforceable through a civil action in Federal court or an administrative proceeding. A civil monetary penalty does not include a penalty levied for violation of a criminal statute, nor does it include fees for services, licenses, permits, or other regulatory review. The calculated annual inflation adjustments are based on the percentage change between the Consumer

Price Index for all Urban Consumers (CPI-U) for the October preceding the date of the adjustment and the prior year's October CPI-U. Consistent with guidance in OMB Memorandum M-25-02, the BLM divided the October 2024 CPI-U by the October 2023 CPI-U to calculate the multiplier. In this case, October 2024 CPI-U (315.66) / October 2023 CPI-U (306.671) = 1.02598. OMB Memorandum M-25-02 confirms that this is the proper multiplier. (OMB Memorandum M-25-02 at 2.)

The 2015 Act requires the BLM to adjust the civil penalty amounts in 43 CFR 3163.2 and 9239.5-3(f)(1). To accomplish this, the BLM multiplied the current penalty amounts in those paragraphs by the multiplier set forth in OMB Memorandum M-25-02 (1.02598) to obtain the adjusted penalty amounts. The 2015 Act requires that the resulting amounts be rounded to the nearest \$1.00 at the end of the calculation process.

The adjusted penalty amounts will take effect immediately upon publication of this rule. Pursuant to the 2015 Act, the adjusted civil penalty amounts apply to civil penalties assessed after the date the increase takes effect, even if the associated violation predates such increase.

This final rule adjusts the following civil penalties:

CFR Citation	Description of the Penalty	Current Penalty	Adjusted Penalty
43 CFR 3163.2(b)(1)	Failure to comply	\$1,333	\$1,368
43 CFR 3163.2(b)(2)	If corrective action is not taken	\$13,343	\$13,690
43 CFR 3163.2(d)	If transporter fails to permit inspection for documentation	\$1,333	\$1,368

43 CFR 3163.2(e)	Failure to permit inspection, failure to notify	\$26,685	\$27,378
43 CFR 3163.2(f)	False or inaccurate documents; unlawful transfer or purchase	\$66,712	\$68,445
43 CFR 9239.5-3(f)(1)	Coal exploration for commercial purposes without an exploration license	\$4,995	\$5,125

III. Procedural Requirements

A. Administrative Procedure Act

In accordance with the 2015 Act, agencies must adjust civil monetary penalties “notwithstanding Section 553 of the Administrative Procedure Act” (Sec. 4(b)(2), 2015 Act). The BLM is promulgating this 2024 inflation adjustment for civil penalties as a final rule pursuant to the provisions of the 2015 Act and OMB guidance. A proposed rule is not required because the 2015 Act expressly exempts the annual inflation adjustments from the notice and comment requirements of the Administrative Procedure Act. In addition, the 2015 Act does not give the BLM any discretion to vary the amount of the annual inflation adjustment for any given penalty to reflect any views or suggestions provided by commenters. Accordingly, the BLM will not provide an opportunity for public comment on this rule.

B. Regulatory Planning and Review (Executive Orders 12866, 14094 and 13563)

Executive Order (E.O.) 12866, as amended by E.O. 14094, provides that the Office of Information and Regulatory Affairs (OIRA) in the OMB will review all significant rules. OIRA has determined that this rule is not significant. (*See* OMB Memorandum M-25-02 at 4).

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the nation's regulatory system to promote predictability and to reduce uncertainty and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. E.O. 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. E.O. 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 that is consistent with these requirements to the extent permitted by the 2015 Act.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires an agency to prepare a regulatory flexibility analysis for all rules unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish a proposed rule. *See* 5 U.S.C. 603(a) and 604(a). The 2015 Act expressly exempts these annual inflation adjustments from the requirement to publish a proposed rule for notice and comment (*see* sec. 4(b)(2), 2015 Act). Because the final rule in this case does not include publication of a proposed rule, the RFA does not apply to this final rule.

D. Congressional Review Act

This rule is not a major rule under the Congressional Review Act. 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; and

(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.

E. 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. The rule does not have a significant or unique effect on State, local, or Tribal governments or the private sector. Therefore, a statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

F. Takings (E.O. 12630)

This rule does not effect a taking of private property or otherwise have takings implications under E.O. 12630. Therefore, a takings implication assessment is not required.

G. Federalism (E.O. 13132)

Under the criteria in section 1 of E.O. 13132, this rule does not have federalism implications that warrant the preparation of a federalism summary impact statement. Therefore, a federalism summary impact statement is not required.

H. Civil Justice Reform (E.O. 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.

I. Consultation with Indian Tribes (E.O. 13175 and Departmental Policy)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of their right to self-governance and tribal sovereignty. We have evaluated this rule under the Department's consultation policy and under the criteria in E.O. 13175 and have determined that it has no substantial direct effects on federally recognized Indian Tribes and that consultation under the Department's Tribal consultation policy is not required.

J. Paperwork Reduction Act

This rule does not contain information collection requirements, and a submission to OMB under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) is not required. We may not conduct or sponsor, and you are not required to respond to, a collection of information unless it displays a currently valid OMB control number.

K. National Environmental Policy Act (NEPA)

This rule does not constitute a major federal action because of the non-discretionary nature of the civil penalty adjustment as required by law (see 40 CFR 1508.1(q)(1)(ii)). The Department of Labor's Consumer Price Index sets the amount of the annual civil penalty adjustment to account for inflation as required by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015. Accordingly, BLM has no discretion in the execution of the civil penalty adjustments. Even if this were a discretionary action, which it is not, a detailed statement under NEPA would also not be required because, as a regulation of an administrative nature, this rule would otherwise be covered by a categorical exclusion. See 43 CFR 46.210(i). BLM has determined that the rule does not implicate any of the extraordinary circumstances listed in 43 CFR 46.215 that would prevent reliance on the categorical exclusion. Because this rule is not a major federal action, it is therefore not subject to the requirements of NEPA.

L. Effects on the Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211.

Therefore, a Statement of Energy Effects is not required.

List of Subjects

43 CFR Part 3160

Administrative practice and procedure; Government contracts; Indians-lands; Mineral royalties; Oil and gas exploration; Penalties; Public lands-mineral resources; Reporting and recordkeeping requirements.

43 CFR Part 9230

Penalties, Public lands

For the reasons given in the preamble, the BLM amends Chapter II of Title 43 of the Code of Federal Regulations as follows:

PART 3160 – ONSHORE OIL AND GAS OPERATIONS

1. The authority citation for part 3160 continues to read as follows:

Authority: 25 U.S.C. 396d and 2107; 30 U.S.C. 189, 306, 359, and 1751; 43 U.S.C. 1732(b), 1733, 1740; and Sec. 701, Pub. L. No. 114-74, 129 Stat. 599, unless otherwise noted.

Subpart 3163 – Noncompliance, Assessments, and Penalties

§ 3163.2 [Amended]

2. In § 3163.2:

- a. In paragraph (b)(1), remove “\$1,333” and add in its place “\$1,368”.
- b. In paragraph (b)(2), remove “\$13,343” and add in its place “\$13,690”.
- c. In paragraph (d), remove “\$1,333” and add in its place “\$1,368”.
- d. In paragraph (e) introductory text, remove “\$26,685” and add in its place “\$27,378”.
- e. In paragraph (f) introductory text, remove “\$66,712” and add in its place “\$68,445”.

Part 9230 – TRESPASS

3. The authority citation for part 9230 continues to read as follows:

Authority: R.S. 2478; 43 U.S.C. 1201

Subpart 9239 – Kinds of Trespass

§ 9239.5-3 [Amended]

4. In § 9239.5-3(f)(1), remove “\$4,995” and add in its place “\$5,125”.

This action by the Principal Deputy Assistant Secretary is taken pursuant to an existing delegation of authority.

Steven H. Feldgus,

Principal Deputy Assistant Secretary,

Land and Minerals Management

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