

uniform and effective royalty management system will prevail among the States. The records and accounts under paragraph (2) shall be sufficient to allow the Secretary to monitor the performance of any State under this section.

(e) Revocation; issuance of demand or order by Secretary

If, after notice and opportunity for a hearing, the Secretary finds that any State to which any authority or responsibility of the Secretary has been delegated under this section is in violation of any requirement of this section or any rule thereunder, or that an affirmative finding by the Secretary under subsection (b) can no longer be made, the Secretary may revoke such delegation. If, after providing written notice to a delegated State and a reasonable opportunity to take corrective action requested by the Secretary, the Secretary determines that the State has failed to issue a demand or order to a Federal lessee within the State, that such failure may result in an underpayment of an obligation due the United States by such lessee, and that such underpayment may be uncollected without Secretarial intervention, the Secretary may issue such demand or order in accordance with the provisions of this chapter prior to or absent the withdrawal of delegated authority.

(f) Compensation to State for costs of delegation; allocation of costs

Subject to appropriations, the Secretary shall compensate any State for those costs which may be necessary to carry out the delegated activities under this Section.¹ Payment shall be made no less than every quarter during the fiscal year. Compensation to a State may not exceed the Secretary's reasonably anticipated expenditure for performance of such delegated activities by the Secretary. Such costs shall be allocable for the purposes of section 191(b) of this title to the administration and enforcement of laws providing for the leasing of any onshore lands or interests in land owned by the United States. Any further allocation of costs under section 191(b) of this title made by the Secretary for oil and gas activities, other than those costs to compensate States for delegated activities under this chapter, shall be only those costs associated with onshore oil and gas activities and may not include any duplication of costs allocated pursuant to the previous sentence. Nothing in this section affects the Secretary's authority to make allocations under section 191(b) of this title for non-oil and gas mineral activities. All moneys received from sales, bonuses, rentals, royalties, assessments and interest, including money claimed to be due and owing pursuant to a delegation under this section, shall be payable and paid to the Treasury of the United States.

(g) Judicial review

Any action of the Secretary to approve or disapprove a proposal submitted by a State under this section shall be subject to judicial review in the United States district court which includes the capital of the State submitting the proposal.

(h) Existing delegation

Any State operating pursuant to a delegation existing on August 13, 1996, may continue to op-

erate under the terms and conditions of the delegation, except to the extent that a revision of the existing agreement is adopted pursuant to this section.

(Pub. L. 97-451, title II, §205, Jan. 12, 1983, 96 Stat. 2459; Pub. L. 104-185, §3(a), Aug. 13, 1996, 110 Stat. 1702.)

CODIFICATION

August 13, 1996, referred to in subsec. (d), was in the original "the date of enactment of this section", which was translated as meaning the date of enactment of Pub. L. 104-185, which amended this section generally, to reflect the probable intent of Congress.

August 13, 1996, referred to in subsec. (h), was in the original "the date of enactment of this Act", which was translated as meaning the date of enactment of Pub. L. 104-185, which amended this section generally, to reflect the probable intent of Congress.

AMENDMENTS

1996—Pub. L. 104-185 amended section generally, substituting present provisions for provisions which stated in subsec. (a), authorization of Secretary to delegate to States except permission of Indian tribe required with respect to Indian lands; subsec. (b), prerequisites; subsec. (c), promulgation of regulations defining joint functions; subsec. (d), promulgation of standards and regulations with respect to delegation; subsec. (e), revocation; and subsec. (f), compensation to State for costs of delegation.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-185 applicable with respect to production of oil and gas after the first day of the month following Aug. 13, 1996, see section 11 of Pub. L. 104-185, set out as a note under section 1701 of this title.

APPLICABILITY OF 1996 AMENDMENT

Amendment by Pub. L. 104-185 not applicable to any privately owned minerals or with respect to Indian lands, see sections 9 and 10 of Pub. L. 104-185, set out as a note under section 1701 of this title.

§ 1736. Shared civil penalties

An amount equal to 50 per centum of any civil penalty collected by the Federal Government under this chapter resulting from activities conducted by a State or Indian tribe pursuant to a cooperative agreement under section 1732 of this title or a State under a delegation under section 1735 of this title, shall be payable to such State or tribe. Any payments under this section shall be reduced by an amount equal to any payments provided or due to such State or Indian tribe under the cooperative agreement or delegation, as applicable, during the fiscal year in which the civil penalty is received, up to the total amount provided or due for that fiscal year.

(Pub. L. 97-451, title II, §206, Jan. 12, 1983, 96 Stat. 2460; Pub. L. 113-76, div. G, title I, §121, Jan. 17, 2014, 128 Stat. 314.)

AMENDMENTS

2014—Pub. L. 113-76 substituted "Any payments under this section shall be reduced by an amount equal to any payments provided or due to such State or Indian tribe under the cooperative agreement or delegation, as applicable, during the fiscal year in which the civil penalty is received, up to the total amount provided or due for that fiscal year." for "Such amount shall be deducted from any compensation due such State or Indian tribe under section 1732 of this title or such State under section 1735 of this title."

¹ So in original. Probably should not be capitalized.

SUBCHAPTER III—GENERAL PROVISIONS

§ 1751. Secretarial authority**(a) Prescription of rules and regulations**

The Secretary shall prescribe such rules and regulations as he deems reasonably necessary to carry out this chapter.

(b) Conformity with rulemaking provisions

Rules and regulations issued to implement this chapter shall be issued in conformity with section 553 of title 5, notwithstanding section 553(a)(2) of that title.

(c) Contracts with non-Federal Government inspectors, auditors, etc.; coordination of auditing and enforcement functions

In addition to entering into cooperative agreements or delegation of authority authorized under this chapter, the Secretary may contract with such non-Federal Government inspectors, auditors, and other persons as he deems necessary to aid in carrying out his functions under this chapter and its implementation. With respect to his auditing and enforcement functions under this chapter, the Secretary shall coordinate such functions so as to avoid to the maximum extent practicable, subjecting lessees, operators, or other persons to audits or investigations of the same subject matter by more than one auditing or investigating entity at the same time.

(Pub. L. 97-451, title III, §301, Jan. 12, 1983, 96 Stat. 2460.)

§ 1752. Reports

The Secretary shall submit to the Congress an annual report on the implementation of this chapter. The information to be included in the report and the format of the report shall be developed by the Secretary after consulting with the Committees on Natural Resources of the House of Representatives and on Energy and Natural Resources of the Senate. The Secretary shall also report on the progress of the Department in reconciling account balances.

(Pub. L. 97-451, title III, §302, Jan. 12, 1983, 96 Stat. 2461; Pub. L. 103-437, §11(a)(2), Nov. 2, 1994, 108 Stat. 4589; Pub. L. 105-362, title IX, §901(j)(1), Nov. 10, 1998, 112 Stat. 3290.)

AMENDMENTS

1998—Pub. L. 105-362 struck out subsec. (a) designation and struck out subsec. (b) which read as follows: “Commencing with fiscal year 1984, the Inspector General of the Department of the Interior shall conduct a biennial audit of the Federal royalty management system. The Inspector General shall submit the results of such audit to the Secretary and to the Congress.”

1994—Subsec. (a). Pub. L. 103-437 substituted “Natural Resources” for “Interior and Insular Affairs” after “Committees on”.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103-7 (in which a report required under this section is listed on page 111), see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

STUDY OF THE ADEQUACY OF ROYALTY MANAGEMENT FOR MINERALS ON FEDERAL AND INDIAN LANDS

Pub. L. 97-451, title III, §303, Jan. 12, 1983, 96 Stat. 2461, directed Secretary to study question of adequacy of royalty management for coal, uranium and other energy and nonenergy minerals on Federal and Indian lands, include proposed legislation if Secretary determined that such legislation was necessary to ensure prompt and proper collection of revenues owed to the United States, the States and Indian tribes or Indian allottees from the sale, lease or other disposal of such minerals, with study to be submitted to Congress not later than one year from Jan. 12, 1983.

§ 1753. Relation to other laws**(a) Supplemental nature of chapter**

The penalties and authorities provided in this chapter are supplemental to, and not in derogation of, any penalties or authorities contained in any other provision of law.

(b) Responsibilities of Secretary related to minerals on Federal and Indian lands

Nothing in this chapter shall be construed to reduce the responsibilities of the Secretary to ensure prompt and proper collection of revenues from coal, uranium and other energy and non-energy minerals on Federal and Indian lands, or to restrain the Secretary from entering into cooperative agreements or other appropriate arrangements with States and Indian tribes to share royalty management responsibilities and activities for such minerals under existing authorities.

(c) Authority and responsibilities of Inspector General and Comptroller General unaffected

Nothing in this chapter shall be construed to enlarge, diminish, or otherwise affect the authority or responsibility of the Inspector General of the Department of the Interior or of the Comptroller General of the United States.

(d) Lands and land interests entrusted to Tennessee Valley Authority unaffected

No provision of this chapter impairs or affects lands and interests in land entrusted to the Tennessee Valley Authority.

(Pub. L. 97-451, title III, §304, Jan. 12, 1983, 96 Stat. 2461; Pub. L. 105-362, title IX, §901(j)(2), Nov. 10, 1998, 112 Stat. 3290.)

AMENDMENTS

1998—Subsec. (c). Pub. L. 105-362 substituted “Nothing” for “Except as expressly provided in section 1752(b) of this title, nothing”.

§ 1754. Funding

Effective October 1, 1983, there are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter, including such sums as may be necessary for the cooperative agreements, contracts, and delegations authorized by this chapter: *Provided*, That nothing in this chapter shall be construed to affect or impair any authority to enter into contracts or make payments under any other provision of law.

(Pub. L. 97-451, title III, §306, Jan. 12, 1983, 96 Stat. 2462.)

§ 1755. Statute of limitations

Except in the case of fraud, any action to recover penalties under this chapter shall be