§ 2886.14 As grant or TUP holders, what liabilities do state, tribal, and local governments have?

(a) If you are a state, tribal, or local government or its agency or instrumentality, you are liable to the fullest extent law allows at the time that BLM issues your grant or TUP. If you do not have the legal power to assume full liability, you must repair damages or make restitution to the fullest extent of your powers.

(b) BLM may require you to provide a bond, insurance, or other acceptable security to:
   (1) Protect the liability exposure of the United States to claims by third parties arising out of your use and occupancy of the right-of-way or TUP area;
   (2) Cover any losses, damages, or injury to human health, the environment, and property incurred in connection with your use and occupancy of the right-of-way or TUP area; and
   (3) Cover any damages or injuries resulting from the release or discharge of hazardous materials incurred in connection with your use and occupancy of the right-of-way or TUP area.

(c) Based on your record of compliance and changes in risk and conditions, BLM may require you to increase or decrease the amount of your bond, insurance, or security.

(d) The provisions of this section do not limit or exclude other remedies.

§ 2886.15 How is grant or TUP administration affected if the BLM land your grant or TUP encumbers is transferred to another Federal agency or out of Federal ownership?

(a) If there is a proposal to transfer the BLM land your grant or TUP encumbers to another Federal agency, BLM may, after reasonable notice to you, transfer administration of your grant or TUP for the lands BLM formerly administered to another Federal agency, unless doing so would diminish your rights. If BLM determines your rights would be diminished by such a transfer, BLM can still transfer the land, but retain administration of your grant or TUP under existing terms and conditions.

(b) The BLM will provide reasonable notice to you if there is a proposal to transfer the BLM land your grant or TUP encumbers out of Federal ownership. If you request, the BLM will negotiate new grant or TUP terms and conditions with you. This may include increasing the term of your grant to a 30-year term or replacing your TUP with a grant. These changes, if any, become effective prior to the time the land is transferred out of Federal ownership. The BLM may then, in conformance with existing policies and procedures:
   (1) Transfer the land subject to your grant or TUP. In this case, administration of your grant or TUP for the lands BLM formerly administered is transferred to the new owner of the land;
   (2) Transfer the land, but BLM retains administration of your grant or TUP; or
   (3) Reserve to the United States the land your grant or TUP encumbers, and BLM retains administration of your grant or TUP.

(c) You and the new land owner may agree to negotiate new grant or TUP terms and conditions any time after the land encumbered by your grant or TUP is transferred out of Federal ownership.

§ 2886.16 Under what conditions may BLM order an immediate temporary suspension of my activities?

(a) Subject to § 2886.11, BLM can order an immediate temporary suspension of grant or TUP activities within the right-of-way or TUP area to protect public health or safety or the environment. BLM can require you to stop your activities before holding an administrative proceeding on the matter and may order immediate remedial action.

(b) BLM may issue the immediate temporary suspension order orally or in writing to you, your contractor or subcontractor, or to any representative, agent, or employee representing you or conducting the activity. BLM