

United State Department Interior

BUREAU OF LAND MANAGEMENT

Oregon State Office

P.O. Box 2965

Portland, Oregon 97208



In Reply Refer to:

2812 (OR-958.1) P

April 23, 2004

EMS TRANSMISSION 04/23/04

Instruction Memorandum No. OR-2004-068

Expires: 9/30/2005

To: District Managers: Salem, Eugene, Roseburg, Coos Bay, Medford and Lakeview

From: Associate State Director, Oregon/Washington

Subject: Surety Bond Forms

Program Area: Tramroads and Logging over Oregon and California (O&C) and Coos Bay Revested Lands

Purpose: Provide Bureau of Land Management (BLM) approved forms for surety bond coverage in accordance with applicable federal regulations in 43 Code of Federal Regulations (CFR) Subpart 2812.

Policy/Action: The following bond forms are available for use in obtaining surety bond coverage for logging road permits and tripartite (third party) license agreements:

1. Individual Bond - O&C Logging Road Right-of-Way, form OR 2812-12 (April 2004). This form is for use in providing surety bond coverage for a single permit or tripartite license agreement.
2. Blanket Bond - O&C Logging Road Right-of-Way, form OR 2812-13 (April 2004). This form is for use in providing blanket surety bond coverage for multiple permits and/or license agreements and blanket coverage for the Salem, Eugene, Roseburg, Coos Bay, Medford and Lakeview BLM Districts.

Form Preparation and Submittal

The principal (right-of-way applicant, permittee, independent contractor) and the surety company must complete the appropriate surety bond form and submit the original bond form and certificate of Power of Attorney or Authorized Agent of the surety company to the appropriate BLM office for acceptance. Form OR 2812-12 should be delivered to the office processing the

application, permit, or license agreement. Form OR 2812-13 should be delivered to the Oregon State Office (OR958) for review and decision per existing Oregon/Washington (OR/WA) delegation of

authority.

All offices should maintain an adequate supply of bond forms for customer use. Forms are available electronically under the “Forms” link on the OR/WA BLM Intranet Information Mall. The contents of form OR 2812-12 and form OR 2812-13 may not be modified in any manner.

Bonding Amount

The level of surety bond coverage will be determined in accordance with applicable regulations (see below) and stipulated in the individual permit or tripartite agreement. In no event should the level of bonding be less than the regulatory minimum. Increase or decrease bond riders may be used to adjust the level of bond coverage to coincide with the anticipated use of authorized BLM roads. Information provided on form OR 2812-8 (revised Nov. 1995), O&C Logging Road Right-of-way Permit Application, or form OR 2812-6 (July 1995), Report of Road Use, should be used as a guide in determining the appropriate level of bond coverage. Where blanket bond coverage is provided, the bond level should not exceed the aggregate amount of individual bonds for all permits or license agreements held by a principal.

Approval Procedures

A surety bond must be approved by the BLM prior to the principal exercising rights authorized under a logging road permit or tripartite license agreement. All surety bonds received by a BLM office must be inspected for completeness. A written decision accepting or rejecting the surety bond will be issued by the BLM Authorized Officer to both the principal and surety. If a surety bond is rejected, an appropriate appeals provision must be included in the decision in accordance with 43 CFR 2812.9, Appeals.

Records Retention

- Surety bond documents (original bond, power of attorney, riders, decision, etc.) fall within the record retention guidelines in BLM Manual 1220 – Records and Information Management GRS/BLM Combined Records Schedules, Schedule 4 – Property Use and Disposal Records, Item 15, Rights-of-Way and Reciprocal Use files (2800).

Disposition of Existing Forms

- Any remaining inventory of previous surety bond forms applicable to Tramroads and Logging over O&C and Coos Bay Revested Lands should be destroyed.

Timeframe: Available for immediate use.

Background: 43 CFR Section 2812.5-3, entitled “Bonds in connection with existing roads”, states the following:

An applicant for permit or a permittee desiring to use an existing road owned or controlled by the United States, shall prior to such use post a bond on a form prescribed by the Director. The amount of the bond shall be determined by the authorized officer but in no event less than five hundred dollars (\$500) per mile or fraction thereof. The bond shall be executed by an approved corporate surety, or the permittee may deposit an equivalent amount in cash or negotiable securities of the United States and the bond shall be conditioned upon compliance with subpart 2812 and the terms and conditions of the permit.

Manual/Handbook Sections Affected: H-2812-1 – Logging Road Right-of-Way Handbook (August 1993).

Coordination: Development of forms OR 2812-12 and OR 2812-13 have been coordinated with BLM District program personnel and representatives from the surety industry.

Contact:

John Styduhar, Senior Realty Specialist, Oregon State Office, 503-808-6454.

Districts with Unions are reminded to notify their unions of this Instruction Memorandum and satisfy any bargaining obligations before implementation. Your servicing Human Resources Office or Labor Relations Specialist can provide you assistance in this matter.

Signed by
Judy Ellen Nelson

Authenticated by
Heather Gisch
Computer Specialist

Attachment(s)

- 1 - [form OR 2812-12](#) (April 2004) (1 p)
- 2 - [form OR 2812-13](#) (April 2004) (1 p)

Distribution

WO-350

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OREGON STATE OFFICE

Bond No.

INDIVIDUAL BOND - O&C LOGGING ROAD RIGHT-OF-WAY
(43 CFR SUBPART 2812)

KNOWN ALL MEN BY THESE PRESENTS, That

_____ of
(Principal Name)

_____, as principal, and
(Principal Address)

_____ of
(Surety Name)

_____, as surety, are held
(Surety Address)

and firmly bound unto the United States of America in the sum of

_____ dollars (\$ _____),

lawful money of the United States, for the payment of which sum we bind ourselves, each of us, our heirs, executors, administrators, successors, or assigns, jointly and severally, firmly by these presents.

WHEREAS, said principal has been granted permit and/or license agreement Number _____ for the use of tramroads under the jurisdiction of the _____ Office, Bureau of Land Management; and

WHEREAS, said principal upon the issuance of a permit and/or license agreement is required to comply with the regulations of the Secretary of the Interior (43 CFR Subpart 2812) relating to the use of such roads, including the proper maintenance and repair of the road during periods of use and, if required, payment of a road use fee to be determined by the Authorized Officer of the Bureau of Land Management; and

NOW, THEREFORE, if the said principal, or its heirs, executors, administrators, successors, or assigns, shall comply with the terms of all such permits and/or license agreements and the applicable regulations, then in that event the above obligations shall be null and void; otherwise they shall remain in full force and effect.

WHEREFORE, we hereunto set our hands and seals this _____ day of _____, 20 ____ .

By _____
(Signature of Principal)

By _____
(Signature of Surety)

(Title)

(Title) [SEAL]

The bond must bear the seal of the surety signing the bond. A copy of the Power of Attorney or the Authorized Agent of a surety company must accompany the bond.