

United States General Accounting Office Washington, DC 20548

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January 31, 2001

The Honorable Richard G. Lugar Chairman The Honorable Tom Harkin Ranking Member Committee on Agriculture, Nutrition, and Forestry United States Senate

The Honorable Larry Combest Chairman The Honorable Charles W. Stenholm Ranking Minority Member Committee on Agriculture House of Representatives

Subject: <u>Department of Agriculture, Forest Service: Special Areas; Roadless Area</u>
Conservation

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Agriculture, Forest Service, entitled "Special Areas; Roadless Area Conservation" (RIN: 0596-AB77). We received the rule on January 16, 2001. It was published in the Federal Register as a final rule and record of decision on January 12, 2001. 66 Fed. Reg. 3244.

The final rule establishes prohibitions on road construction, road reconstruction, and timber harvesting in inventoried roadless areas on the National Forest System's lands.

Enclosed is our assessment of the Forest Service's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that the Forest Service complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO

evaluation work relating to the subject matter of the rule is Bob Robinson, Managing Director, Natural Resources and Environment. Mr. Robinson can be reached at (202) 512-3841.

signed

Kathleen E. Wannisky Managing Associate General Counsel

Enclosure

cc: Ms. Hilda Diaz-Soltero Associate Chief for Natural Resources Forest Service Department of Agriculture

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ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE ISSUED BY THE DEPARTMENT OF AGRICULTURE, FOREST SERVICE ENTITLED "SPECIAL AREAS; ROADLESS AREA CONSERVATION" (RIN: 0596-AB77)

(i) Cost-benefit analysis

The Forest Service performed a Regulatory Impact Analysis and notes that many of the benefits and costs associated with the final rule were not quantifiable but the analysis describes them qualitatively.

Some of the cost items that were quantified include lost jobs and lost incomes in certain industries. For example, for timber harvests the Forest Service estimated a projected immediate impact of a loss of 461 timber jobs and 841 total jobs, with an associated annual loss of \$20.7 million in direct income and \$36.2 million in total income. In the longer term, an additional 269 timber jobs and 431 total jobs could be affected from harvest reductions on the Tongass National Forest. The longer term income effect was estimated at \$12.4 million in direct income and \$20.2 million in total income. Also, a reduction in the timber program could affect 160 Forest Service jobs with an additional 100 affected on the Tongass in the longer term.

Similar estimates are made for other industries such as road construction, mineral resources, and recreation.

The benefits consist of protection of ecological, social, and economic values; air and water quality; and biological diversity. In addition, some game species are likely to benefit. Also, agency costs could decline because of reduced timber sales to administer and fewer miles of roads to maintain.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The Forest Service states that since the roadless rule does not directly regulate small entities, it has determined that the Regulatory Flexibility Act does not apply.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

The final rule does not contain either an intergovernmental or private sector mandate, as defined in title II, of more than \$100 million in any one year.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The final rule was issued using the notice and comment procedures found at 5 U.S.C. 553.

Following a voluntary waiver of the exemption for notice and comment requirements for public property rules, the Forest Service issued a Notice of Proposed Rulemaking in the Federal Register on May 10, 2000. 65 Fed. Reg. 30276. In response to the proposed rulemaking, the draft and final Environmental Impact Statements, and the over 500 public meetings held regarding the rule, the Forest Service received over one million comments in various forms. These comments were considered in the formulation of the final rule and are discussed in six major categories in the preamble to the final rule.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The final rule does not contain any information collections that are required to be reviewed and approved by the Office of Management and Budget under the Paperwork Reduction Act.

Statutory authorization for the rule

The final rule was promulgated under the authority contained in 16 U.S.C. 472, 529, 551, 1131, 1608, 1613 and 23 U.S.C. 201 and 205.

Executive Order No. 12866

The final rule was reviewed by the Office of Management and Budget and found to be an "economically significant" regulatory action.

Executive Order No. 13132 (Federalism)

The Forest Service considered the rule under the order and found that the rule will not have a substantial direct effect on the states, on the relationship between the national government and the states, or on the distribution of power and responsibilities among the various levels of government. Therefore, no federalism assessment was performed. However, the preamble to the final rule discusses the efforts taken to consult with and obtain the views of state, local, and tribal governments.

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