



Highlights of [GAO-09-277](#), a report to the Chairman, Committee on Energy and Natural Resources, U.S. Senate

Why GAO Did This Study

In 2000, Congress authorized the U.S. Department of Agriculture's Forest Service to allow the Colorado State Forest Service to conduct certain activities, such as reducing hazardous vegetation, on U.S. Forest Service land when performing similar activities on adjacent state or private land. The Department of the Interior's Bureau of Land Management (BLM) received similar "Good Neighbor" authority in 2004, as did the U.S. Forest Service in Utah. Congress has also considered the authority's expansion to other states. GAO was asked to determine (1) the activities conducted under the authority; (2) the federal and state guidance, procedures, and controls used to conduct Good Neighbor projects; and (3) successes, challenges, and lessons learned resulting from the authority's use. To do so, GAO reviewed Good Neighbor project documentation and interviewed federal and state officials.

What GAO Recommends

GAO recommends that the Secretaries of Agriculture and the Interior (1) require that the U.S. Forest Service in Utah, BLM in Colorado, and any agencies that receive the authority in other states, develop written procedures for Good Neighbor timber sales before conducting any future sales and (2) direct the agencies to better document their experiences using the authority. The U.S. Forest Service, Interior, and the Colorado and Utah forest agencies generally agreed with the report's findings and recommendations.

To view the full product, including the scope and methodology, click on [GAO-09-277](#). For more information, contact Robin Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

FEDERAL LAND MANAGEMENT

Additional Documentation of Agency Experiences with Good Neighbor Authority Could Enhance Its Future Use

What GAO Found

Fifty-three projects were conducted under Good Neighbor authority through fiscal year 2008, including 38 in Colorado and 15 in Utah, with most of the projects (44 of 53) conducted on U.S. Forest Service land. These projects included hazardous fuel reduction on about 2,700 acres of national forest and about 100 acres of BLM land, mostly in Colorado, and the repair of fire-damaged trails and watershed protection and restoration in Utah. Together, the two agencies spent about \$1.4 million on these projects, split almost evenly between the two states. Although most projects involved contracting for services such as fuel reduction, some projects involved timber sales in which contractors purchased timber resulting from their fuel reduction activities. These timber sales occurred only in Colorado and totaled about \$26,000.

State procedures are used in conducting Good Neighbor projects that involve service contracts, while projects that include timber sales incorporate both state and federal requirements. Both Colorado and Utah have contracting requirements that generally address three fundamental principles of government contracting—transparency, competition, and oversight. For example, both states solicit competition among bidders and generally require service contracts to be awarded to the lowest-priced bidder meeting the contract criteria. State requirements were generally comparable to federal procurement requirements. When Good Neighbor projects involve timber sales, state procedures incorporate certain requirements that help the U.S. Forest Service account for state removal of federal timber. The U.S. Forest Service and Colorado are currently supplementing their joint Good Neighbor procedures to ensure that additional accountability provisions are included in future timber sale contracts. Neither BLM in Colorado nor the U.S. Forest Service in Utah has developed written procedures for conducting Good Neighbor timber sales, primarily because they have not sold timber under the authority. Such procedures could help ensure accountability for federal timber if future projects include such sales.

Federal and state officials who have used Good Neighbor authority cited project efficiencies and enhanced federal-state cooperation as its key benefits. For example, the agencies cited their ability to improve the effectiveness of fuel reduction treatments in areas that include federal, state, and private ownership. Federal and state agencies have also encountered challenges such as a lack of understanding of the authority and complicated processes for approving Good Neighbor agreements. Agency officials and others also noted several factors to consider when conducting future Good Neighbor projects, whether in Colorado, Utah, or other states that may be granted the authority—including the type of projects to be conducted and the type of land to be treated. While the agencies are not required to document their experiences in using the authority, officials contemplating future use of the authority could benefit from such documentation—including information on successes, challenges, and lessons learned to date.