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Resources, Community, and Economic
Development Division

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Natural Resources Management Issue Area Plan

Fiscal Years 1996-97



Foreword

As the investigative arm of Congress and the nation's auditor, the General Accounting Office is charged with following the federal dollar wherever it goes. Reflecting stringent standards of objectivity and independence, GAO's audits, evaluations, and investigations promote a more efficient and cost-effective government; expose waste, fraud, abuse, and mismanagement in federal programs; help Congress target budget reductions; assess financial information management; and alert Congress to developing trends that may have significant fiscal or budgetary consequences. In fulfilling its responsibilities, GAO performs original research and uses hundreds of databases or creates its own to compile and analyze information.

To ensure that GAO's resources are directed toward the most important issues facing Congress, each of GAO's 35 issue areas develops a strategic plan that describes its key issues and their significance; the objectives and focus of its work; and the planned major job starts. Each issue area relies heavily on input from congressional committees, agency officials, and subject-matter experts in developing its strategic plan.

The Natural Resources Management issue area reviews the Department of the Interior and its bureaus, the Department of Agriculture's Forest Service, the Army Corps of Engineers, and the National Marine Fisheries Service and other oceanic programs within the Department of Commerce's National Oceanic and Atmospheric Administration. Together, these agencies are responsible for about 650 million acres, or about 30 percent, of the nation's total surface area; another 1.4 billion acres of ocean floor; and an infrastructure of buildings, roads, dams, and other facilities valued at about \$200 billion. These assets generated about \$6.7 billion in revenues in fiscal year 1994.

GAO's work in natural resources management generally focuses on improving the efficiency and effectiveness of the federal government in fulfilling its stewardship responsibilities. The principal issues are

- increasing revenues by obtaining a better return for the sale or use of natural resources on federal lands or by eliminating or reducing federal subsidies;
- improving efficiency within and coordination among the four primary federal land management agencies—the National Park Service, the Bureau of Land Management, the Fish and Wildlife Service within Interior, and the Forest Service within Agriculture;

- improving collaboration and consensus-building among federal and nonfederal stakeholders to address problems or issues related to natural resources; and
- assessing whether agencies are meeting, or changes need to be made to, existing production and conservation requirements.

In the following pages, we describe our objectives and planned work on these issues. Because unanticipated events may significantly affect this plan, our planning process allows for updating the plan and responding quickly to new emerging issues. If you have any questions or suggestions, please call me at (202) 512-7756 or one of my associates Barry T. Hill, at (202) 512-8021 or James K. Meissner at (206) 287-4810.

A handwritten signature in black ink that reads "James Duffus III". The signature is written in a cursive style with a large, looping initial "J" and a distinct "III" at the end.

James Duffus III
Director
Natural Resources Management Issues

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Table I: Key Issues

Issue	Significance
Increasing revenues: Do opportunities exist to increase revenues either by obtaining a better return on the sale or use of natural resources on federal lands or by eliminating or reducing existing subsidies?	Opportunities may exist to increase revenues by obtaining a better return on the sale or use of natural resources on federal lands as well as by eliminating or reducing existing subsidies. Operating federal land management agencies more like profitable businesses could save taxpayers billions of dollars a year and reduce the growing shortfall between maintenance and reconstruction needs and the funds available to meet these needs.
Improving efficiency: Can federal land management agencies become more efficient?	The four primary federal land management agencies—the National Park Service, the Bureau of Land Management, and the Fish and Wildlife Service within Interior and the Forest Service within Agriculture—are in the process of downsizing and restructuring. They are also beginning to consider which functions and programs to eliminate or turn over to state and local governments or the private sector. In addition, legislation has been introduced to ease regulatory controls on federal land managers and to simplify and expedite planning and other procedural requirements. The effectiveness of these efforts as well as the potential to reduce costs, increase efficiency, and improve service to the public by coordinating and integrating functions, systems, activities, and programs among the four agencies are important issues to Congress.
Coordinating federal and nonfederal approaches to managing natural resources: Do barriers exist to implementing broader approaches to meet the government's two basic stewardship mandates: (1) sustain long-term commodity production and use on federal lands and (2) conserve natural resources for future generations?	Many problems or issues relating to natural resources management transcend the existing boundaries of the four primary federal land management agencies. These agencies believe that broader approaches to problem-solving are required to address activities originating across ownership boundaries and have begun to test approaches that require, among other things, increased collaboration and consensus-building among federal and nonfederal stakeholders.
Assessing production and conservation requirements: Are federal agencies with land management responsibilities meeting existing production and conservation requirements or are changes needed?	Federal land management agencies and other federal agencies must comply with existing production and conservation laws and regulations. The extent of their compliance as well as the reasons for any noncompliance and the extent to which these agencies are held accountable are important to Congress's oversight responsibilities. Congress is also considering changes to substantive conservation requirements, including the Endangered Species Act and the wetlands provisions of the Clean Water Act.

Table I: Key Issues

Objectives	Focus of work
<p>—Evaluate ways to obtain a better return on the sale or use of natural resources on federal lands, recover reasonable program costs, and provide a revenue base that can be used to better manage federal lands and resources.</p>	<p>—Potential sources of additional revenues, including fees, and the purposes, beneficiaries, and impacts of subsidies</p>
<p>—Identify opportunities to eliminate or reduce subsidies that are no longer needed, benefit the wrong parties, or degrade or encourage abuse of natural resources.</p>	<p>— Impacts of managing federal lands more like a profitable business and of emphasizing the combinations of land uses that are most valuable while safeguarding nonmarketable resources</p>
<p>—Assess ways to operate federal land management agencies more like profitable businesses.</p>	
<p>—Recommend ways for federal land management agencies to reduce costs, increase efficiency, and improve service to the public.</p>	<p>— Duplication of systems, functions, activities, and programs among agencies and opportunities to link proposed reforms</p>
<p>—Provide alternative approaches to downsize federal land management agencies.</p>	<p>— Agencies' efforts to identify functions and programs to eliminate or turn over to state and local governments or the private sector</p>
<p>—Identify opportunities to simplify and expedite federal land management planning and procedural requirements.</p>	<p>— Agencies' efforts to provide their land managers greater flexibility in complying with planning and procedural requirements</p>
<p>—Recommend ways to improve federal land management agencies' ability to account for the \$6 billion a year appropriated to them and to measure program benefits as required by law.</p>	<p>—Agencies' compliance with the Chief Financial Officers Act and the Government Performance and Results Act</p>
<p>—Identify potential ways to improve federal and nonfederal collaboration to address problems or issues that transcend existing ownership boundaries.</p>	<p>—Barriers to federal and nonfederal collaboration and consensus-building and options for overcoming them</p>
<p>—Evaluate options to accomplish basic stewardship mandates while easing regulatory controls on private landowners and other nonfederal parties.</p>	<p>— Alternatives to command-and-control regulations to accomplish basic stewardship mandates, including incentives, education, and technical assistance</p>
<p>—Assess approaches to improve the scientific and socioeconomic data available to help Congress make informed public policy decisions on natural resources management.</p>	<p>— Adequacy of available scientific and socioeconomic data, including gaps, duplication, or overlap</p>
<p>—Identify opportunities to improve agency compliance with existing production and conservation requirements.</p>	<p>— Changes in programs, systems, activities, and projects to improve compliance with existing laws and regulations</p>
<p>—Determine the impact of existing individual conservation or protection laws or regulations on federal land managers' ability to meet their basic stewardship mandates.</p>	<p>— Sources of conflicts among laws and regulations and options to mitigate or eliminate the conflicts</p>

Table II: Planned Major Work

Issue	Planned major job starts
Increasing revenues	—Assess efforts by the Forest Service to obtain a better return for special uses of its lands. — Assess potential sources of additional revenues, including increasing fees and decreasing subsidies.
Improving Efficiency	— Assess efforts by the four primary federal land management agencies to downsize, streamline, and restructure. — Assess the potential for consolidating functions, systems, activities, or programs among the four agencies. — Evaluate the effectiveness of the four agencies' ongoing efforts to identify functions and programs to eliminate or to turn over to others. — Assess agencies' compliance with the Chief Financial Officers and Government Performance and Results Acts. — Identify potential savings in the administration's fiscal year 1997 budget for the four agencies.
Coordinating federal and nonfederal approaches to managing natural resources	— Evaluate the administration's efforts to identify and address barriers to implementing broader approaches to environmental and natural resources management. — Identify barriers to the four agencies' efforts to increase cooperation with other federal agencies and ways to overcome those barriers. — Identify barriers to federal and nonfederal collaboration and consensus-building and ways to overcome them. — Identify data and systems problems within the Department of the Interior and the Forest Service and ways to solve them.
Assessing production and conservation requirements	— Identify ways to protect endangered species while easing the act's impact on managing federal lands and on private property rights. — Analyze reasons for, impact of, and ways to mitigate the nation's declining commercial fish populations. — Assess the viability of maintaining a commercial timber program. — Identify internal threats to the national parks and ways to address them.

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