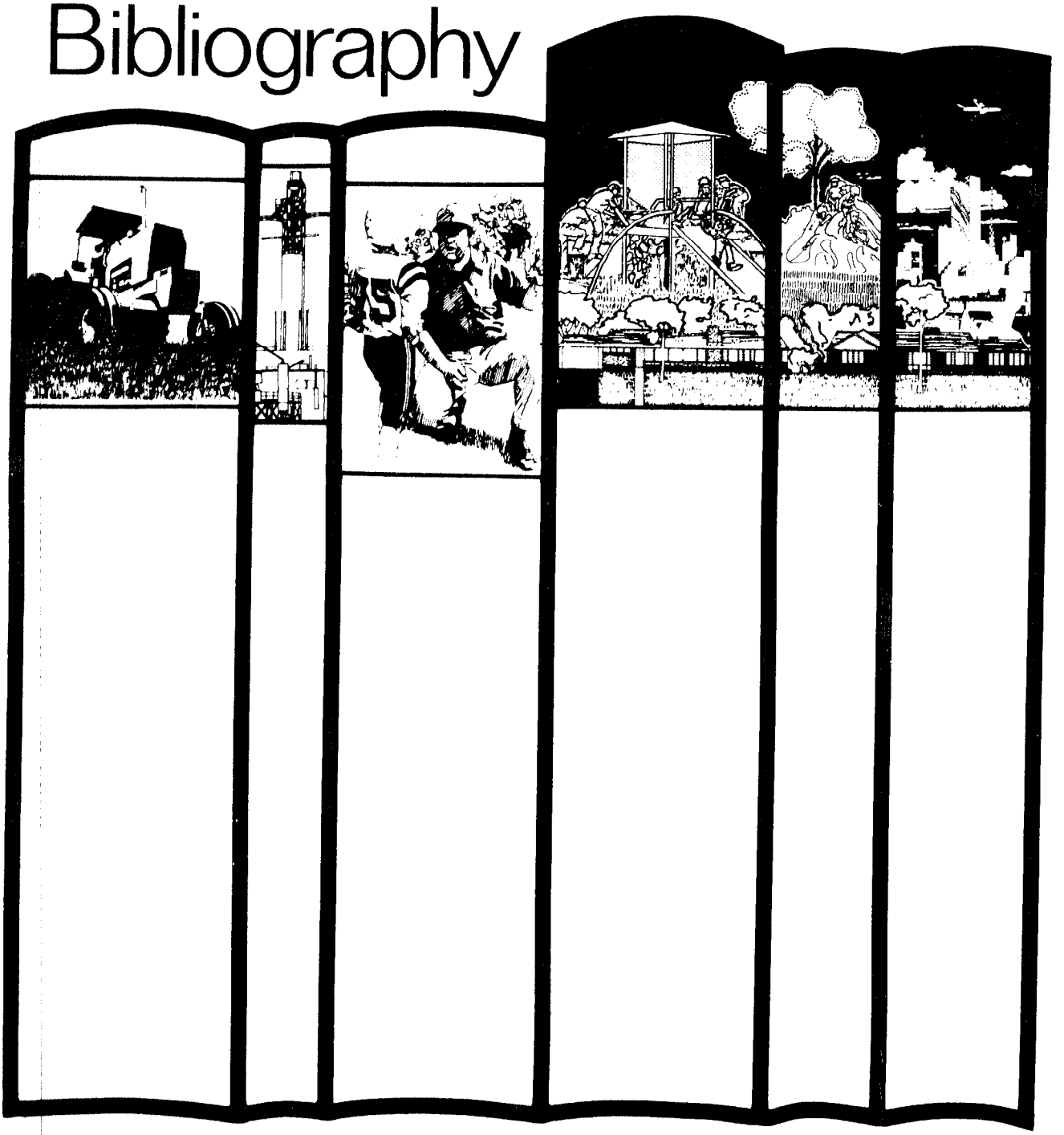
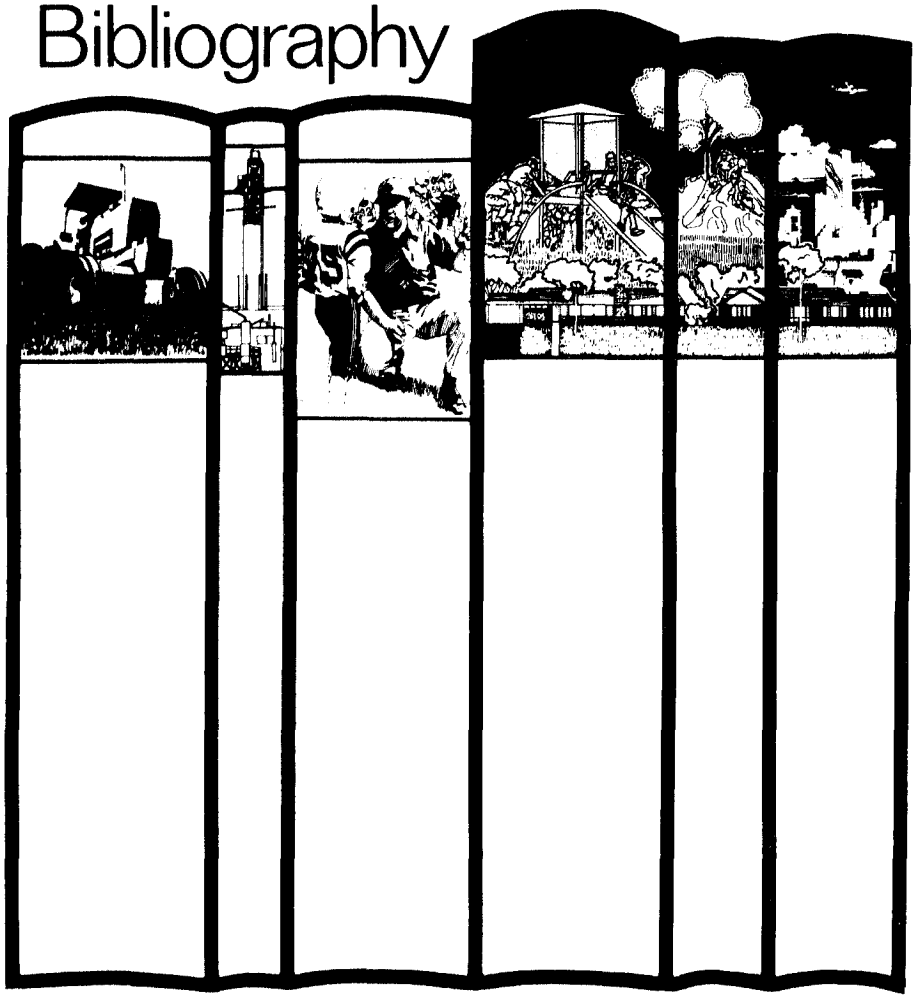
Land Use Bibliography



References To Reports And Other Documents Issued By The U.S. General Accounting Office
RCED January 1979 - December 1982

RCED-83-134

Land Use Bibliography



References To Reports And Other Documents Issued By The U.S. General Accounting Office
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U.S. GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

MAY 1983

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U.S. GENERAL ACCOUNTING OFFICE

CHARLES A. BOWSHER, COMPTROLLER GENERAL

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FOREWORD

Land; its ownership; and how its use is planned, managed, and controlled is a complex and highly controversial subject because it is the primary element necessary for determining growth and development. It involves population and economic growth; multiple use of land and resources; controversies over trade-offs between competing land uses; individual aspirations and rights versus the public good; and Federal, State, and local government rights and responsibilities.

This bibliography includes information on U.S. General Accounting Office (GAO) documents directly and indirectly related to land use planning, management, and control released between January 1979 and December 1982.

Although the Resources, Community, and Economic Development Division (RCED) is GAO's lead division for reviews of land use issues, a broad interrelationship exists between the land use area and other issue areas addressed by GAO such as energy, materials, food, transportation, and environment. This bibliography, therefore, includes information on documents issued by other GAO divisions and offices that have linkages to land use planning, management, and control.

We hope that the bibliography will be useful for general information and research purposes and for understanding issues in the land use areas that are being addressed by GAO. Questions regarding its contents should be directed to William E. Gahr, Associate Director, RCED, Room 4073, GAO Building, 441 G Street, N.W., Washington, DC 20548, (202) 275-5525. Readers interested in ordering individual documents in the land use or other areas, or in requesting bibliographic searches on a specific topic, should call GAO Document Handling and Information Services (202) 275-6241. The cards included in this book also may be used to order documents.

INTRODUCTION

This **Land Use Bibliography** contains citations and abstracts of land-related documents released by the U.S. General Accounting Office (GAO) from January 1979 through December 1982. Included are references to audit reports, staff studies, speeches, testimonies, Comptroller General decisions, and other GAO documents. This bibliography can be used for a variety of purposes, including in-depth research into a specific topic, searching for a particular document, maintaining current awareness, and general browsing.

HOW TO USE THE BIBLIOGRAPHY

The bibliography is organized in two sections: a CITATION SECTION (white pages) and an INDEX SECTION (yellow pages).

The CITATION SECTION consists of brief descriptions of the documents and often includes an informative abstract. Some or all of the following information is contained in each citation, as appropriate:

- **Title/Subtitle**
- **Type, date, and pagination of the document**
- **Author/Witness**
- **GAO Issue Areas**
- **Agencies/Organizations concerned**
- **Congressional Committees, Agencies/Members to whom the document is specifically relevant**
- **Law and/or related statutory/regulatory authorities on which the document is based**
- **GAO Contact**

The INDEX SECTION is the key for locating references to land-related documents cited in this bibliography. The section is comprised of three separate indexes that classify information according to:

Subject

Agency or organization
(Includes both Federal agencies and nongovernmental corporate bodies)

Congressional affiliation
(Includes entries under relevant congressional committees and individual Representatives and Senators)

Reference from the index entries to the corresponding citations is provided by a unique six-digit accession number assigned to each citation. The accession number should also be used to request copies of the document described in the citation section.

A sample entry is shown opposite page one of the Citation Section and at the beginning of each index.

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(Code Numbers in Parentheses)

Budget Function
(Code Numbers in Parentheses)

Congressional Relevance

Legislative Authority

Abstract

118519

[Proposed Colorado and Utah Cooperative Agreements Should Be Modified To Reduce State/Federal Duplication in Mine Plan Review].

EMD-82-87; B-207451. May 27, 1982. 6 pp.

Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); Environmental Protection Programs: Effectiveness of the Implementation of the National Environmental Policy Act (2263).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement; Colorado; Utah.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee.

Authority: Surface Mining Control and Reclamation Act of 1977. Environmental Policy Act of 1969 (National).

Abstract: GAO reviewed the Department of the Interior's environmental analyses of coal mine plans. ***Findings/Conclusions:*** The Interior's Office of Surface Mining Reclamation and Enforcement (OSM) has been making a commendable effort to streamline regulations governing mine-plan reviews as well as other aspects of coal mining. GAO believes that further potential exists with respect to the proposed Colorado and Utah cooperative agreements. These agreements create a significant potential for duplication, are inconsistent with those which Interior already has with two other States, and do not comply with the OSM proposed amendments to the regulations governing future agreements, both of which require States to provide OSM with a combined technical and environmental analysis of mine plans on Federal lands. By requiring States entering cooperative agreements to prepare combined analyses, the Interior can: (1) reduce State and Federal duplication in mine review; (2) decrease review costs; (3) lessen delays in mine-plan approval; and (4) assure that States assume more responsibility for regulating mining on Federal lands. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Director of OSM to (1) modify the proposed cooperative agreements to require Colorado and Utah to prepare a combined technical and environmental analysis of each mine plan on Federal lands; or (2) reduce payment to Colorado and Utah as well as to any other States that do not prepare combined technical and environmental analyses to cover the increased OSM costs.

Document Date

Pagination

Author

GAO Contact

Agency/Organization Concerned

Findings/Conclusions

Recommendations to Agencies

090894

[The Nation's Unused Wood Resources]. July 30, 1981. 11 pp.
Testimony before the House Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.
Refer to EMD-81-6, March 3, 1981, Accession Number 114500.

Contact: Energy and Minerals Division.
Organization Concerned: Environmental Protection Agency; Forest Service; Department of Energy; Department of Agriculture; Department of Defense; General Services Administration.
Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee.
Authority: Clean Air Act.
Abstract: In congressional testimony, GAO summarized its report on unused wood resources and presented agency responses to the report's recommendations. The report illustrated that large quantities of wood are wasted each year and that Federal policies are contributing to the lost potential of the wood's use as fuel or products. The recommendations addressed the need for the Federal Government to: (1) resolve supply questions by verifying the amount and accessibility of the wood residues; and (2) promote consumption by using the wood in Federal facilities and demonstrating other wood energy and product technologies. The agencies agreed with the general intent of the recommendations, but there were varying levels of disagreement over particular recommendations affecting individual agency policies and programs.

091107

[Geological Survey's Oil and Gas Royalty Collection System]. August 11, 1981. 9 pp.
Testimony before the Senate Committee on Energy and Natural Resources; by John F. Simonette, Associate Director, GAO Accounting and Financial Management Division.
Refer to FGMSD-79-24, April 13, 1979, Accession Number 109080.

Contact: Accounting and Financial Management Division.
Organization Concerned: Geological Survey.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources.
Abstract: Testimony was given on a GAO review of the U.S. Geological Survey's (USGS) oil and gas royalty collection system which has been beset by longstanding problems. USGS is responsible for collecting royalty income due from oil and gas produced on Federal and Indian lands; these collections have increased substantially with increases in oil and gas prices and could total $22 billion by fiscal year 1990. GAO reported in 1979 that USGS was having difficulty accounting for and collecting Federal royalty income, and more recent work suggests that these problems persist. GAO stated that all royalty income is not being collected and, as a result, hundreds of millions of dollars may be going uncollected each year. To improve its financial management capabilities, USGS is developing a new royalty accounting system which GAO finds encouraging. However, GAO stated that USGS has not taken timely action on the recommendations made in its 1979 report, which included enforcing timely payment of royalties and imposing interest charges on late payments. GAO emphasized that the financial management problems being experienced by USGS in its royalty income collection process can only be corrected through a sustained, high-priority effort.

108383

[Relief Denied Timber Purchaser Performing Additional Work Without Advance Written Agreement]. B-188304. January 18, 1979. 2 pp.
Letter to Western Timber Association; by Milton J. Socolar, General Counsel.

Contact: Office of the General Counsel: Personnel Law Matters II.
Organization Concerned: Zip-O Log Mills, Inc.; Forest Service; Western Timber Association.

108408

DOD's Commendable Initial Efforts To Solve Land Use Problems Around Airfields. LCD-78-341; B-133316. January 22, 1979. 29 pp.
Report to Harold Brown, Secretary, Department of Defense; by Richard W. Gutmann, Director, GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Operation and Maintenance of Government Facilities in the Most Cost-Effective Manner (0713); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Logistics and Communications Division.
Budget Function: National Defense: Department of Defense - Military (Except Procurement and Contracting) (051.0).
Organization Concerned: Department of Defense; Department of the Navy; Department of the Air Force.
Congressional Relevance: *House* Committee on Government Operations; *House* Committee on Appropriations; *Senate* Committee on Armed Services; *Senate* Committee on Governmental Affairs.
Abstract: GAO evaluated the effectiveness of the air installation compatible use zones program by which the military services encourage compatible land use around airfields. ***Findings/ Conclusions:*** The air installations' studies have provided useful information for local governments to plan compatible land uses and for the Government to act on pending incompatible development. The air bases' efforts in cooperating with communities, reporting on the need for compatible land use, and making operational changes have, in most cases, been successful in lessening the impact of flight activities on base environs and in furthering land use needs. The approaches of both the Navy and the Air Force to acquiring property interests are sound in principle. Both policies must weigh the risks of dependence on local control of land use against the costs of purchasing land or land rights. ***Recommendation To Agencies:*** The Secretary of Defense should (1) direct the Secretaries of the Navy and the Air Force to review the data used to establish noise zones to make the zones more accurate and credible, and to revise and to reissue individual studies where operations have changed; and (2) review the respective land acquisition policies of the Navy and the Air Force and the extent of their reliance on local zoning and other restrictions, to assure that services' plans and practices are consistent with Defense policy.

108425

[Purchase and Distribution of Sample Lava Rocks at a National Monument]. B-193769. January 24, 1979. 3 pp.
Decision re: National Park Service: Southwest Regional Office; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: General Government Matters.
Organization Concerned: Department of the Interior; National Park Service: Southwest Regional Office.
Authority: P.L. 95-74. 91 Stat. 289. 50 Comp. Gen. 534. 54 Comp. Gen. 976.
Abstract: The question was raised as to whether the purchase of sample rocks for distribution to visitors at the Capulin Mountain National Monument would be considered a proper use of the Department of the Interior's appropriated funds. The rock samples would not constitute gifts, but would be distributed in order to

deter visitors from removing lava rock from along park roads and trails. Hence, the purchase of the sample rocks may be considered to be a necessary and proper use of the appropriation which permits the expenditure of funds to maintain the park.

108531

[Availability of Appropriations To Maintain Highland Scenic Highway]. B-164497(3). February 6, 1979. 5 pp.
Decision re: Appropriations Availability; Highland Scenic Highway; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: General Government Matters.
Organization Concerned: Forest Service; Department of Agriculture.
Authority: Federal-Aid Highway Act of 1973 (P.L. 93-87; 87 Stat. 250). P.L. 95-465. 23 U.S.C. 203. 16 U.S.C. 528. 23 U.S.C. 203. 23 U.S.C. 207. 16 U.S.C. 551.
Abstract: The Department of Agriculture has requested a decision on whether funds appropriated to the Forest Service for construction and maintenance of forest development roads and trails are available to maintain the Highland Scenic Highway which is located in the Monongahela National Forest. Funds that were appropriated for such purposes are not available to maintain the Highland Scenic Highway because the road does not satisfy the definition and statutory purpose of a forest road or trail.

108559

[Acquisition of Kealia Pond on the Island of Maui, Hawaii]. B-118307. February 6, 1979. 3 pp. plus 1 enclosure (11 pp.).
Letter to Elvis J. Stahr, President, National Audubon Society; by Elmer B. Staats, Comptroller General.

Contact: Community and Economic Development Division.
Organization Concerned: Department of the Interior; Department of the Army: Corps of Engineers; Department of the Interior: Bureau of Sport Fisheries and Wildlife; National Audubon Society; Hawaii Audubon Society.

108574

Better Understanding of Wetland Benefits Will Help Water Bank and Other Federal Programs Achieve Wetland Preservation Objectives. PAD-79-10; B-114833. February 8, 1979. 39 pp. plus 7 appendices (19 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Food: Federal Government Food Production System (1711); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306); Water and Water Related Programs: Benefit-Cost Analyses (2506).
Contact: Program Analysis Division.
Budget Function: Natural Resources and Environment: Water Resources (301.0); Natural Resources and Environment: Pollution Control and Abatement (304.0); Natural Resources and Environment: Other Natural Resources (306.0); Agriculture: Farm Income Stabilization (351.0).
Organization Concerned: Agricultural Stabilization and Conservation Service; Department of the Army: Corps of Engineers; Environmental Protection Agency; Rural Electrification Administration; Soil Conservation Service; Department of the Interior; Water Resources Council; United States Fish and Wildlife Service.
Congressional Relevance: *House* Committee on Agriculture; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry; Congress; *Sen.* Robert J. Dole; *Sen.* Herman Talmadge.
Authority: Clean Water Act of 1977 (P.L. 95-217). Water Pollution Control Act Amendments of 1972 (Federal) (P.L. 92-500). Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.). Environmental Policy Act of 19691 (National) (42 U.S.C. 4321 et seq.). Rivers and Harbors Appropriations Act of 1899 (33 U.S.C. 403). Water Bank Act (P.L. 91-559). 33 C.F.R. 323. Executive Order 11990. P.L. 87-732.
Abstract: In response to a congressional request, GAO reviewed the opportunities available to agencies which have management responsibilities related to wetland preservation. ***Findings/ Conclusions:*** The review found that the Department of Agriculture's Water Bank Program can be made more effective by changing the Water Bank Act to increase the Secretary of Agriculture's flexibility in administering the program. This should help preserve some wetlands and enhance their value. Further improvement should result from better information about the program's operation. Traditionally, emphasis has been on the value of wetlands to waterfowl and other wildlife; other wetland values such as flood control, pollution and sediment control, and groundwater supply have been neglected. Other Federal wetland protection programs also suffer from a lack of information. This hampers congressional decisionmaking on funding priorities among the programs. A coordinated data collection effort between the several responsible Federal agencies is required. ***Recommendation To Congress:*** The Water Bank Act should be modified by: (1) including at least shrub and wooded swamp types so that the Secretary of Agriculture would be able to protect any wetland, not just nesting and breeding areas; (2) making provision for the impending change by the Department of the Interior of its wetland classification system; and (3) permitting the Secretary to take actions to reduce the termination rate by adjusting the payment rate during the period of an agreement in order that the payment might keep pace with changes in land values and rental rates resulting from inflation. Congress may also wish to consider the necessity of protecting wetlands with high values for nonwaterfowl benefits. ***Recommendation To Agencies:*** A coordinated approach to wetland preservation should be developed through the establishment of an interagency task force which would include the Departments of Agriculture and the Interior, the Environmental Protection Agency, and the Army Corps of Engineers. This task force should focus on: (1) an improved characterization of wetlands; (2) an assessment of different mechanisms; and (3) an assessment of the impact of Federal public work projects and cost-sharing programs. Agriculture should resolve some of the outstanding issues regarding the administration of the Water Bank program by: (1) developing and formulating criteria for assessing the likelihood of drainage or other actions which may destroy or degrade wetlands and determining the value of adjacent upland cover for the purpose of setting priorities; (2) determining the penalties and payment rate changes to minimize terminations, consistent with a favorable benefit-cost ratio; (3) incorporating the effect of terminations in assessing the program's benefit-cost ratio; (4) determining the conditions under which temporary releases for haying and grazing are justified, and basing payment forfeitures on the time required to recover the cover; (5) determining the payment rate differential when the wetlands are already protected by drainage easements; and (6) identifying the most beneficial wetlands needing protection and actively seeking farmer participation.

108603

[Review of the Cost of the Redwood National Park Expansion]. CED-79-34; B-182143. January 15, 1979. ***Released*** February 15, 1979. 14 pp.
Report to House Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; by Elmer B. Staats, Comptroller General.

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment (300.0); General Government: Other General Government (806.0).
Organization Concerned: National Park Service; Department of Justice.
Congressional Relevance: *House* Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; *House* Committee on Interior and Insular Affairs; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources.
Authority: Redwood National Park Act (P.L. 90-545; P.L. 95-250).
Abstract: Redwood National Park, in northern California, was established in two legislative increments. Since March 1978, the National Park Service and the Department of Justice have been involved in a complicated process to determine the cost of the acquisition. A review was made, from August through December 1978, to examine: the status of the 1978 legislative taking, including steps involved in settling the claims of previous owners; the original cost estimate for the additional acres taken; and trends in the redwood lumber industry, focusing on the reasons for decreased production and increased prices. ***Findings/Conclusions:*** Settlement of the compensation claims will be complex; the ultimate question of value probably will be resolved in U.S. District Court after protracted litigation. The initial cost estimate for the expansion was developed without benefit of comparable sales prices and did not include such costs as severance and interest. Loss of trees due to park expansion was countered by industry adjustments which resulted in decreased production to provide for long-term, sustained operations. Little public information is available regarding industry price structure or practices. Industry sources attribute dramatic price increases to the forces of supply and demand.

108650

Alternatives To Protect Property Owners From Damages Caused by Mine Subsidence. CED-79-25; B-190462. February 14, 1979. ***Released*** February 26, 1979. 37 pp. plus 2 appendices (4 pp.).
Report to Rep. Paul Simon; Rep. Morris K. Udall; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Bureau of Mines; Department of the Interior.
Congressional Relevance: *Rep.* Paul Simon; *Rep.* Morris K. Udall.
Authority: Anthracite Mine Damage Control Act of 1955 (30 U.S.C. 571 et seq.). Appalachian Regional Development Act of 1965. Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.). Pennsylvania Bituminous Mine Subsidence and Land Conservation Act of 1966.
Abstract: Property owners and local governments face possible severe structural damage and expensive repairs to homes, buildings, roads, and utility lines when abandoned underground mines collapse. According to a Department of Housing and Urban Development contractor, the annual cost of surface subsidence damage (sinking of the ground surface) is estimated at $30 million. ***Findings/Conclusions:*** GAO found that there is no Federal, State, or local mechanism to obtain comprehensive data on the nature, frequency, and severity of subsidence occurrences. This data would be helpful to better understand subsidence and develop remedies to solve the problem. The Bureau of Mines estimated that over 8 million acres have been undermined in the United States in extracting coal, metals, and nonmetals. Subsidence has affected over 2 million acres, or 25 percent, of the undermined area. The Bureau also estimated that, on the basis of anticipated underground production of coal, metals, and nonmetals and no significant changes in past practices, mining methods, or scientific subsidence controls, an additional 2.5 million acres will be undermined by the year 2000. Underground mine subsidence damage has been most widespread in Pennsylvania and Illinois. Pennsylvania State officials told GAO that only about 3 percent of those living in subsidence prone areas are insured and many subsidence damage incidents have not been reported for fear of loss in property value. Federal, State, and local officials generally agree that active mines will lead to future subsidence, but not necessarily cause subsidence damage. Mine subsidence can be controlled or avoided by not mining the resource, mining the resource using techniques causing subsidence in a planned or calculated manner, or mining the resource and leaving an adequate amount of coal for surface support. ***Recommendation To Agencies:*** The Secretary of the Interior should: develop information on total extraction mining methods and applications with controlled subsidence; promote using such methods where possible when discharging mining oversight responsibilities with States and coal mine operators; establish a centralized mechanism for collecting, analyzing, and coordinating data essential for assessing subsidence's nationwide impact; and develop remedies to solve the problem considering alternatives GAO identified.

108662

Mining Law Reform and Balanced Resource Management. EMD-78-93; B-118678. February 27, 1979. 52 pp. plus 2 appendices (10 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.
Refer to CED-80-82A, July 16, 1980, Accession Number 112766.

Issue Area: Materials: Access to Materials (1809); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Bureau of Land Management; Environmental Protection Agency; Bureau of Mines; Energy Research and Development Administration; Geological Survey; Forest Service; National Academy of Sciences; National Science Foundation; Council on Environmental Quality; Public Land Law Review Commission; Arizona Economic Information Center; Department of Agriculture; Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Governmental Affairs: Energy, Nuclear Proliferation and Federal Services Subcommittee; *Senate* Committee on Energy and Natural Resources; Congress; *Sen.* William Proxmire.
Authority: Alaska Native Claims Settlement Act. Land Policy and Management Act. Mineral Lands Leasing Act. Multiple-Use Sustained-Yield Act of 1960. B-184196 (1976). Reorganization Plan No. 3 of 1946.
Abstract: An assessment of trends in hardrock mining in the United States is provided and recommendations are made to reform the Mining Law of 1872 so that current needs and values associated with public land mineral resources can be accommodated. This report is particularly concerned with promoting reform that will provide for social and environmental necessities while not adversely affecting mineral availability in the United States. ***Findings/ Conclusions:*** Objectives of resource development and environmental protection can be reasonably compatible. However, adequate protection of environmental quality must be included in the cost of doing business. The most feasible approach to mining law reform includes legislation containing provisions to assure compliance with today's needs relating to equity, environmental quality, and sound land-use planning, while retaining provisions to encourage exploration. ***Recommendation To Congress:*** The Mining Law of 1872 should be amended to meet the goals of timely mineral resource development, fair market value return for public resources,

protection of environmental quality, and informed land-use decisionmaking. To meet these goals legislation which is consistent with the multiple-use philosophy embodied in the 1976 Federal Land Policy and Management Act as well Forest Service land management statutes should: (1) reaffirm the concept of reviewing all existing land classifications decisions in concert with the Federal Land Policy and Management Act of 1976; (2) authorize the exercise of maximum private initiative to explore public lands; (3) grant discretionary authority to the Secretaries of Agriculture and Interior to manage the development of mineral deposits on public lands; (4) provide for competitive bidding in cases where the Government knows that a valuable mineral deposit exists; (5) direct the development of a set of environmental regulations specifically tailored for proper control of exploration activities; and (6) provide for Federal retention of title to the surface, allowing the claimant to use that portion of the surface required for mining activities, and encouraging multiple uses either simultaneously or at the termination of mining and reclamation activities.

108786

Federal Response to the 1976-77 Drought: What Should Be Done Next? CED-79-26; B-190188. January 31, 1979. ***Released*** February 1, 1979. 21 pp.

Report to House Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Water and Water Related Programs (2500).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Water Resources (301.0).
Organization Concerned: Department of Agriculture; Department of Commerce; Department of the Interior; Small Business Administration.
Congressional Relevance: *House* Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; *Rep.* Leo J. Ryan.
Authority: Emergency Drought Relief Act (P.L. 95-18). Community Emergency Drought Relief Act of 1977 (P.L. 95-31). Supplemental Appropriation Act, 1977 (P.L. 95-26). Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.). Small Business Act (15 U.S. C. 631 et seq.). P.L. 94-305. 43 U.S.C. 502. 43 U.S.C. 503.
Abstract: The Federal response to the drought of 1976-77 was examined to ascertain the nature and extent of the relief and assistance, the extent to which the programs and projects accomplished their goals, the costs involved, and the lessons learned for future relief and assistance programs. The various drought relief programs were implemented primarily by the Departments of Agriculture, Commerce, and the Interior, and the Small Business Administration (SBA). ***Findings/Conclusions:*** Some of the emergency legislation was enacted too late and certain drought programs were not implemented in a timely manner, preventing drought victims from receiving assistance. Numerous loans involving millions of dollars were approved for projects which had little, if any, impact in lessening the effects of the drought. The eligibility and repayment criteria for the various programs was inconsistent and confusing and resulted in the inequitable treatment of drought victims. Inadequate coordination among the agencies resulted in overlapping responsibilities and duplication of effort. ***Recommendation To Congress:*** Congress should direct the Secretaries of Agriculture, Commerce, and the Interior, and the Administrator of SBA to assess the problems encountered in providing emergency relief during the 1976-77 drought. Based on the results of this assessment, a national plan should be developed for providing future assistance in a more timely, consistent, and equitable manner. Issues to be considered in the development of such a plan should be: the identification of respective roles of agencies involved to avoid overlap and duplication; the need for legislation to more clearly define those roles; and the need for standby legislation to permit more timely response to drought-related problems.

108798

[Allegation of Errors in Appraisal and Advertisement of Timber Sales]. B-191906(2). March 13, 1979. 4 pp.

Decision re: Little River Lumber Co.; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: Forest Service; Dickson Forest Products, Inc.; Little River Lumber Co.; St. Regis Paper Co.: Wheeler Division; Forest Service: Black Hills National Forest, Custer, SD.
Authority: Organic Act of 1897 (16 U.S.C. 471 et seq. (1976)). Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528). Forest Management Act. 36 C.F.R. 223.4. 4 C.F.R. 20.2(b)(1). U.C.C. §1-203. 16 U.S.C. 472a.
Abstract: A company protested what it alleged were fundamental errors in the appraisal and subsequent advertisement of timber sales in the Black Hills National Forest. The protester argued that there were errors in the method used to measure roundwood and in conversion of the volume measured to thousand board feet. These alleged errors resulted in an overstated total volume of timber and required purchasers to pay for roundwood at the escalated rate for sawtimber. The protester was informed by the agency that the following issues involved in its protest had been resolved: (1) the Whitewood Index will be used to escalate stumpage on all sales advertised after July 12, 1978; (2) a new Roundwood Volume Table has been developed for use on all sales sold after August 21, 1978; and (3) a new contract provision, with a different method for measuring sawtimber volume, will be included in all timber sale contracts after August 21, 1978. In view of these changes, many of the issues the protester raised were moot. The remaining issues in the protest will be studied by the Forest Service or reviewed during the protester's appeal. Therefore, GAO declined to consider the same issues since these scientific and technical issues are primarily within the discretion of the contracting agency.

108830

Why the National Park Service's Appropriation Request Process Makes Congressional Oversight Difficult. FGMSD-79-18; B-192036. March 1, 1979. 26 pp. plus 2 appendices (3 pp.).

Report to Rep. Sidney R. Yates, Chairman, House Committee on Appropriations; by Elmer B. Staats, Comptroller General.

Issue Area: Accounting and Financial Reporting: Reporting Systems' Adequacy To Disclose the Results of Government Operations and To Provide Useful Information (2811).
Contact: Financial and General Management Studies Division.
Budget Function: Financial Management and Information Systems: Accounting Systems in Operation (998.1).
Organization Concerned: National Park Service; Department of the Interior.
Congressional Relevance: *House* Committee on Appropriations; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* Sidney R. Yates.
Authority: 31 U.S.C. 628. 16 U.S.C. 451. 2 GAO 12.5.
Abstract: The use of contingency reserves by the National Park Service as discretionary funds was reviewed. ***Findings/Conclusions:*** The Service uses contingency reserves obtained for emergency purposes and unforeseen events to pay for a variety of routine projects not specifically considered by the Congress. In fiscal 1977, for example, the Service obtained $10 million for contingencies from the operations appropriation but used about $7 million for projects that could have been reasonably estimated and justified to the Congress through the normal budget review process. This method

of obtaining contingency reserves without adequate disclosure to the Congress is unacceptable and should be discontinued. ***Recommendation To Congress:*** Congress should eliminate the Service's operating contingency reserves and provide funds for estimated emergency and unforeseeable events on the basis of a separate line-item in the budget. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the National Park Service to: (1) discontinue the practice of obtaining funds through including a percentage add-on to appropriation requests and present requests for contingency reserves as a separate line-item in the budget; (2) include all reasonably anticipated costs in its budget request and reduce the reserves now used by limiting them to emergency and unforeseen items; and (3) establish guidelines to properly account for reserve funds and require the regions to submit complete and accurate annual reports on reserve fund expenditures.

108930

[Disposition of Reclamation Fee]. B-190462. March 29, 1979. 4 pp.
Decision re: Department of the Interior; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: General Government Matters.
Organization Concerned: Department of the Interior.
Authority: Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87; 91 Stat. 445). Claims Collection Act(Federal) (31 U.S.C. 951 et seq.). 4 C.F.R. 104.3(c). 55 Comp. Gen. 1438. A-12900 (1942). B-188000 (1977). 31 U.S.C. 67.
Abstract: The Department of the Interior requested a decision as to underpayments and overpayments of $1 or less in reclamation fees which are required quarterly from coal mine operators. Interior asked if it could forego collection and refunding of these small amounts because the costs of collection activity and refund processing significantly exceed the sums involved. Because of the great scope of the reclamation program and the rarity of trivial underpayments or overpayments, Interior need not pursue these. Furthermore, refunds of overpayments of $1 or less should not be made by the Government in any event, unless they are specifically claimed.

108960

[Endangered Species Program]. April 3, 1979. 8 pp. plus 1 attachment (8 pp.).
Testimony before the Senate Committee on Environment and Public Works: Resource Protection Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: Department of the Interior.
Congressional Relevance: *Senate* Committee on Environment and Public Works: Resource Protection Subcommittee.
Authority: Environmental Policy Act of 1969 (National) (42 U.S.C. 4332). Endangered Species Act of 1973 (16 U.S.C. 1532; 16 U.S.C. 1536). 5 U.S.C. 7.
Abstract: Major management improvements are needed in the following processes used by the Department of the Interior to prevent the endangerment and extinction of plants and animals: (1) listing species as endangered or threatened; (2) consulting with other Federal agencies; and (3) recovering listed species. Suggested amendments to be made to the Endangered Species Act of 1973 are discussed. In order to provide adequate protection to threatened species while minimizing the impact on Federal, State, or private projects, GAO recommended that: (1) listings should be limited to species which are endangered throughout all of their existing ranges rather than those endangered only in some locations; (2) permanent exemptions should cover ongoing construction projects; and (3) protection to species should be increased. This final recommendation would require Federal agencies to adequately consider the impact their projects and programs will have on species for which notices of intent to review or proposed listing regulations have been published in the Federal Register.

108994

[Request for Reconsideration of Denial of Claim for Road Clearing Work]. B-193399. April 5, 1979. 3 pp.
Decision re: Sierra Pacific Industries; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Sierra Pacific Industries; Department of Agriculture; Forest Service.
Authority: 54 Comp. Gen. 497. B-176649 (1973). Timber Investors v. United States, Ct. Cl. 61-75 (1978).
Abstract: A firm requested reconsideration of the denial of its claim for road-clearing work done in connection with a timber sale under a Department of Agriculture contract. The basis of the firm's request was that the legal principle of mutual mistake allows reformation of the contract and payment of the claim. In a recent decision, the Court of Claims noted that a mutual mistake justifying reformation would exist where the purchaser and the Forest Service believed that the estimates showed unreasonably inaccurate estimates due to a mistake on the Forest Service's part. The court also noted that even though the prospectus warned potential bidders that estimates were not guaranteed, mutual mistake existed because the Government is not insulated from liability where contract estimates are grossly erroneous due to negligence by the Forest Service. Accordingly, the prior decision was reversed and the claim was authorized to be paid upon verification by the agency of the costs incurred by reason of the excess acreage which was cleared. However, payment was to be limited to an amount which would not result in displacement of the second high bidder.

109048

[Protest of IFB Cancellation After Bid Opening]. B-193300. April 10, 1979. 3 pp.
Decision re: Willamette Timber Systems, Inc.; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: Willamette Timber Systems, Inc.; Bureau of Land Management: Eugene District, OR; Department of the Interior.
Authority: B-192111 (1978). B-192480 (1978). B-190702 (1977).
Abstract: The Bureau of Land Management, Department of the Interior, issued an invitation for bids (IFB) for tree planting in the Eugene District of Oregon, for which seven bids were received. When they were opened, however, it was discovered that they all exceeded not only Interior's estimates but also the available funds. Interior consequently canceled the IFB. A firm protested the cancellation and alleged that Interior's rejection of bids and cancellation of the IFB represented an attempt to "fix prices on reforestation contracts" and to "drive prices down" to meet the cost estimate. The protester also maintained that Interior's estimate was unreasonably low; that resolicitation would force bidders to lower their bid prices; and that, to reach these lower prices, contractors would violate labor and tax laws, dispose of trees improperly, and default on their contracts. The protester also requested that GAO audit Interior's tree planting practices and contractor performance under prior contracts. Interior acknowledged that the canceled IFB departed from prior contract specifications in requiring that seedlings be planted 6 to 8 feet apart and that planting holes be dug with a shovel; these restrictions were imposed in order to improve

on the high first-year failure rate experience under earlier solicitations. Interior has resolicited the contract under looser specifications because of the short planting season, in order to accomplish the reseeding within the funds available. GAO upheld the right of contracting officers to cancel solicitations when all bids received exceeded available funds, and since that was the obstacle in the present case and Interior demonstrated good faith by revising the specifications and reissuing the solicitation, the protest was denied.

109080

Oil and Gas Royalty Collections--Serious Financial Management Problems Need Congressional Attention. FGMSD-79-24; B-118676. April 13, 1979. 46 pp. plus 1 appendix (14 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.
Refer to Testimony, August 11, 1981, Accession Number 091107.

Issue Area: Accounting and Financial Reporting: Conformity With Comptroller General's Principles, Standards, and Related Requirements (2801); Accounting and Financial Reporting: Systems To Insure That Amounts Owed the Federal Government Are Fully and Promptly Collected (2803); Accounting and Financial Reporting: Sound Cash Management (2805); Accounting and Financial Reporting: Reporting Systems' Adequacy To Disclose the Results of Government Operations and To Provide Useful Information (2811).
Contact: Financial and General Management Studies Division.
Budget Function: Financial Management and Information Systems: Accounting Systems in Operation (998.1).
Organization Concerned: Bureau of Land Management; Geological Survey; Bureau of Indian Affairs; Department of Energy.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources; Congress.
Authority: Accounting and Auditing Act of 1950 (31 U.S.C. 66a). Department of Energy Organization Act (91 Stat. 578). Mineral Lands Leasing Act. 10 C.F.R. 212. 25 C.F.R. 171. 25 C.F.R. 172. 30 C.F.R. 225. 43 C.F.R. 3106. 30 U.S.C. 181. 30 U.S.C. 187. 30 U.S.C. 192. 30 U.S.C. 275. 43 U.S.C. 29.
Abstract: A significant portion of domestically produced oil and natural gas comes from Federal and Indian lands leased to the private sector. During 1977, the Geological Survey collected about $1.2 billion in royalties on these lands from the oil and gas industry. Extensive congressional interest in Government debt collection procedures prompted a review of the system and related controls used by the agency in collecting these royalties. ***Findings/ Conclusions:*** Serious deficiencies in the way the Geological Survey maintained records of amounts due the Government under the leases resulted in losses of millions of dollars. Statements of lease accounts contained numerous errors and omissions. Failure to perform an adequate number of lease account reconciliations and audits meant that the agency had to rely on unverified data from the oil and gas industry to compute and collect royalties due. Lack of interest charge provisions resulted in delayed receipt of payments. Understaffing was a chronic condition. Many factors beyond the control of the agency contributed to the breakdown in the collection system. ***Recommendation To Agencies:*** For the short range, the Secretary of the Interior should require the Director of the Geological Survey to: inform field personnel of the need to determine the reasonableness of inventory and sales data shown on production reports, making accounting personnel aware of any discrepancies; include on lease account records codes identifying reasons for account adjustments on lease; provide for and charge appropriate administrative fees and interest on delinquent accounts; and encourage companies with computer capabilities to provide direct tape input of report data. For the long range, the Director should: modify or redesign the collection system to reduce the volume of reports submitted by the industry for processing; consider lessee dependability and prior reporting and paying record in selecting accounts for reconciliation and audit; provide for cross-service audit agreements with the Department of Energy; and designate one office as responsible for establishing agencywide collection policies.

109121

Onshore Oil and Gas Leasing--Who Wins the Lottery? EMD-79-41; B-118678. April 13, 1979. 16 pp. plus 1 appendix (2 pp.).
Report to Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0); Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Public Land Law Review Commission; Bureau of Land Management; Department of the Interior: Office of Audit and Investigation; Bureau of Land Management: Wyoming State Office.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Rep.* Morris K. Udall.
Authority: Mineral Lands Leasing Act (30 U.S.C. 181). Mineral Leasing Act for Acquired Lands (30 U.S.C. 351). 18 U.S.C. 1001.

Abstract: GAO reviewed the Bureau of Land Management's (BLM) use of lotteries for determining recipients of onshore oil and gas leases. Federal oil and gas leases for onshore Federal lands are issued either competitively or noncompetitively, as provided by U.S. statutes and Department of the Interior regulations. Land within a "known geologic structure" (KGS) must be leased competitively; lands not within a KGS may be leased for 10 years by the first qualified applicant. Because of difficulties in determining the first qualified applicant, a simultaneous filing procedure was instituted in 1960 for re-leased lands; multiple applications for a single lease are resolved by a lottery drawing. ***Findings/Conclusions:*** GAO analyzed drawings in New Mexico and Wyoming to determine the chances of winning a number of leases in a single drawing, but did not find that lottery awards exceeded frequency probability. Some families won several leases, but they had applied for most tracts offered. Ten families were surveyed in each State and were found to have filed 7,990 applications at $10 each; their wins were statistically probable. Loose controls make lottery manipulation possible, but GAO did not find evidence of any abuse. The BLM Wyoming State Office is automating its procedures, but checking for duplicate applications still must be done manually, with one person performing six functions in the selection process. These weaknesses will be eliminated in July 1979 when the system is finished; meanwhile, drawings continue. Also, many tracts have not been explored because of the low fees charged. BLM has extended leases routinely even when there has been no production, and has almost approved assignments and subleases, encouraging subdivision into small parcels. Lessees must drill on their tracts to qualify for extensions, but many have waited until the day their leases expired, and much of this drilling has been unrealistically shallow. Other problems are that most lottery applicants have been speculators, the program has been costly to administer, some nuisance holders have failed to sell or explore their tracts, and leases are too small to be commercially profitable. ***Recommendation To Agencies:*** The Secretary of the Interior should require tighter controls on the lottery drawing by distributing responsibility among several people and assuring independent verification of winners, and see that lottery entrants are alphabetized for simpler verification and for future audits of drawings results. The Secretary should also consider raising application fees and rental rates to discourage speculation, and set a schedule for exploratory drilling to begin as a condition for granting leases.

109123

Allegations Regarding the Small Business Set-Aside Program for Federal Timber Sales. CED-79-8; B-125053. April 5, 1979. ***Released*** April 19, 1979. 10 pp. plus 9 appendices (111 pp.).

Report to Rep. Al Ullman; Rep. Robert B. Duncan; Sen. Paul Laxalt; Sen. Pete V. Domenici; Sen. Malcolm Wallop; by Elmer B. Staats, Comptroller General.

Issue Area: General Procurement (1900); Domestic Housing and Community Development: Assisting Community Development Through Loans and Grants to Businesses (2110).
Contact: Community and Economic Development Division.
Budget Function: Community and Regional Development: Community Development (451.0).
Organization Concerned: Small Business Administration; Department of the Interior; Forest Service; Bureau of Land Management.
Congressional Relevance: *Rep.* Al Ullman; *Rep.* Robert B. Duncan; *Sen.* Paul Laxalt; *Sen.* Pete V. Domenici; *Sen.* Malcolm Wallop.
Authority: Small Business Act .
Abstract: The small business set-aside program for sales of Federal timber is administered jointly by the Small Business Administration (SBA), the Forest Service, and the Bureau of Land Management (BLM). Various allegations concerning the set-aside program were reviewed to determine their validity. ***Findings/Conclusions:*** The current timber size standard used to determine eligibility to participate in the set-aside program has no factual basis and is not justified. The current size standard allows firms to grow to a significant economic size and still remain eligible for set-aside assistance. Firms which are close to the 500 employee ceiling make special efforts to keep employment below 500 and so remain eligible for set-aside sales. The procedures for calculating the small business share of Federal timber sales do not accurately reflect the demand for timber by the large and small firms. Several market areas where major changes in the industry structure had occurred were analyzed. Set-aside sales, although of higher quality, returned less revenue than open sales. In addition, the volume of timber allocated to the exclusive bidding of small firms is far greater than the relative demand for timber would be in absence of the set-aside program. Consequently, local small firms have bid much less aggressively among themselves for set-aside sales. The allegation that the set-aside program adversely affects certain communities dependent upon lumber mills owned by large companies was not found to be true in the two communities examined. Although both were declining, there were factors other than the set-aside program responsible for their decline. Some small owners who wish to sell their businesses have difficulty obtaining maximum value because of the allocation of the timber supply by the set-aside program.

109126

[NPS and HCRS Recreation Technical Assistance Programs]. CED-79-68; B-176823. April 12, 1979. 4 pp. plus 3 enclosures (24 pp.).

Report to Sen. Robert C. Byrd, Chairman, Senate Committee on Appropriations: Interior Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Intergovernmental Policies and Fiscal Relations: Federal, State, Area-Wide, and Local Coordination (0402); Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Interior; Heritage Conservation and Recreation Service; National Park Service.
Congressional Relevance: *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* Robert C. Byrd.
Authority: DOI Secretarial Order 3017. S. Rept. 95-1063.
Abstract: The National Park Service (NPS) and the Heritage Conservation and Recreation Service (HCRS) both are authorized to provide recreation technical assistance to State and local governments, the private sector, and Indians. NPS is primarily responsible for the National Park System, with the technical assistance program under the Office of Cooperative Activities responsible for publications, international programs, and Federal/State activities. HCRS comprises primarily the programs of the former Bureau of Outdoor Recreation and was conceived as the focal point for Federal recreation planning, evaluation, and coordination of protection and preservation efforts. HCRS technical assistance program activities are performed by the Division of Implementation Assistance at about $2.6 million annually. Since NPS and HCRS perform similar functions, there is potential for duplication, with a natural loss of efficiency. ***Findings/Conclusions:*** The technical assistance roles of both agencies have not been clearly defined, nor has either agency developed relevant criteria or guidelines for its field offices to follow. Only a small amount of assistance is either requested or provided by NPS, but, although most NPS regions receive no specific funding for this purpose, they provide limited aid through other programs. Assistance to Indians by NPS is not always recreational, nor are planned projects always constructed; in fact, some funds earmarked for this use go to support in-house activities. Duplication between NPS and HCRS extends to management training and the publication of certain recreation periodicals. NPS also conducts inspections of 46 former Federal recreation demonstration areas which have been transferred to State and local governments; these are similar in form and purpose to HCRS inspections on several hundred properties nationwide. For 24 of these locations, the agencies have overlapping responsibilities. ***Recommendation To Agencies:*** The Secretary of the Interior should transfer responsibilities for providing recreation technical assistance from NPS to HCRS, including training, publications, and inspections. The Secretary should also direct HCRS to prepare clear criteria and guidelines for planning, developing, implementing, and evaluating its recreation technical assistance activities.

109132

[The MX Advanced ICBM Weapon System]. PSAD-79-76; B-163058. April 18, 1979. 4 pp.

Report to Harold Brown, Secretary, Department of Defense; by Walton H. Sheley, Jr., (for J. H. Stolarow, Director), GAO Procurement and Systems Acquisition Division.

Issue Area: General Procurement: Definition of Agency Missions and Goals as a Prerequisite for Major Acquisitions (1908).
Contact: Procurement and Systems Acquisition Division.
Budget Function: National Defense (050.0); National Defense: Weapons Systems (051.1).
Organization Concerned: Department of the Interior; Department of Defense; Bureau of Land Management; Department of the Air Force.
Abstract: A review was made of Air Force activities and plans relating to the selection and acquisition of land for basing the MX advanced intercontinental ballistic missile weapon system. The review objective was to determine whether the Air Force has a realistic plan and is progressing toward timely site selection and land acquisition. ***Findings/Conclusions:*** Public land acquisition for a project the size of MX has a large potential for major program delay, because the withdrawal process is complex, time-consuming, and politically sensitive. The Air Force has yet to coordinate its schedule with BLM to determine if the planned dates for withdrawal necessary for timely deployment could be met. Air Force officials indicated that they did not want to discuss the land withdrawal specifics with BLM officials until the MX program is approved for full scale development. BLM officials stated that the longer the Air Force waits to coordinate a land withdrawal plan, the greater the need will be for special action by the Congress or

the Administration. This action may not be acceptable to the public, especially in the affected States. ***Recommendation To Agencies:*** The Secretary of Defense should take immediate steps to establish a memorandum of agreement with the Secretary of the Interior that would set forth a time-phased action plan. This plan will allow land to be withdrawn for the MX system in accordance with Federal regulations in time to support the planned deployment date. The memorandum should formally establish the cooperative measures and specific responsibilities necessary for implementing the plan. Where land withdrawal requirements cannot be met within the time available, agreement should be reached on the extent to which the requirements can be relaxed. Those requirements that cannot be relaxed or met within available resources should be reported to Congress.

109149

Coal Slurry Pipelines: Progress and Problems for New Ones. CED-79-49; B-151071. April 20, 1979. 3 pp. plus 5 appendices (27 pp.).
Report to House Committee on Public Works and Transportation; House Committee on Interstate and Foreign Commerce; Senate Committee on Environment and Public Works; Senate Committee on Energy and Natural Resources; Senate Committee on Commerce, Science and Transportation; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Role of Fossil Fuels in Meeting Future Energy Needs (1609); Water and Water Related Programs (2500).
Contact: Community and Economic Development Division.
Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Water Resources (301.0); Transportation: Other Transportation (407.0).
Organization Concerned: Department of the Interior; Environmental Protection Agency; Interstate Commerce Commission.
Congressional Relevance: *House* Committee on Interstate and Foreign Commerce; *House* Committee on Public Works and Transportation; *Senate* Committee on Commerce, Science and Transportation; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Environment and Public Works.
Abstract: For several years Congress has debated the merits of giving coal slurry pipeline developers Federal eminent domain power to acquire the right-of-way needed to construct their pipelines. Several proposed pipeline systems, coupled with Federal and State legislation proposals to allow eminent domain power for land acquisition, have generated considerable public controversy. ***Findings/Conclusions:*** According to industry sources, at least four additional western pipelines may be built by the mid-1980's without Federal legislation, but further pipeline development in the Eastern States hinges on passage of State or Federal eminent domain legislation. Both Federal and private sources have studied the issues surrounding coal slurry pipeline development. Plans for seven proposed pipelines continue without eminent domain. Industry officials from four of these pipelines believe their lines can be built without Federal eminent domain. While there is enough water available, it may be difficult to obtain in Western States because of prior reservations and legislative restrictions. Pollution will probably not be a major problem since most coal slurry water will be reused in power generating stations. However, additional study may be necessary before it can be used for other purposes or discharged into rivers and streams. While site specific problems may arise, most sources envision no transportation capacity problems. The Environmental Protection Agency has proposed new emission standards for coal fired power plants which could result in new or changing coal slurry route proposals. The Interstate Commerce Commission has lifted some if its earlier restrictions. This should help the railroads maintain their competitive position.

109192

[General Accounting Office Reviews of Department of Agriculture Activities]. April 25, 1979. 20 pp. plus 1 appendix (3 pp.).
Testimony before the Senate Committee on Appropriations: Agriculture and Related Agencies Subcommittee; by Elmer B. Staats, Comptroller General.

Contact: Office of the Comptroller General.
Organization Concerned: Department of Agriculture.
Congressional Relevance: *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee.
Authority: Soil and Water Resources Conservation Act of 1977. Clean Water Act of 1977.
Abstract: The Department of Agriculture engages in a variety of food and conservation programs. Domestic food assistance programs, which make up the bulk of Agriculture's budget, include the special supplemental food program for women, infants, and children; the summer food service program; and the food stamp program. There are a variety of benefit gaps and overlaps and administrative inconsistencies in the 13 major domestic food assistance programs. Conservation programs administered by the Department of Agriculture include the water bank program, activities under the Soil and Water Resources Conservation Act, erosion control programs, and the nonpoint source pollution control program. Although progress has been made in collocating field offices at the local level, there is substantial potential for additional collocation. Review of Agricultural Stabilization and Conservation Service management activities showed that the Service's work measurement and workload forecasting systems cannot yet be relied on for reliable projections of personnel needs. Too many agencies are involved in the management of international food assistance programs. The Farmers Home Administration should develop cost projections for subsidized and guaranteed loan programs and should incorporate them into its budget requests. The feasibility and utility of developing a mission budgeting structure in a step-by-step way that would retain the information and visibility now provided by the current appropriation account structure is being explored by GAO.

109287

[The Set-Aside Program for Federal Timber Sales]. May 7, 1979. 18 pp. plus 1 attachment (5 pp.).
Testimony before the Senate Select Committee on Small Business; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: Small Business Administration; Forest Service.
Congressional Relevance: *Senate* Select Committee on Small Business.
Abstract: A review was conducted involving the set-aside program for Federal timber sales. Five areas were reviewed: the Small Business Administration's (SBA) size standard for determining eligibility to participate in the set-aside program; procedures for calculating the small business share of Federal timber sales which are reserved for eligible bidders; revenues received from set-aside sales compared with those received from open sales; the set-aside program's economic impact on communities where ineligible mills are dependent on Federal timber sales; and deviations from normal and expected business practices which may be caused by the set-aside program. In most instances there was a significant difference between the quality of set-aside and open sales; the set-aside sales were generally of higher quality. The fact that set-aside sales are generally of a higher quality than open sales also helps explain why SBA found that set-aside sales returned more dollars per thousand board-feet than did open sales.

109288

[Intensive Timber Management]. CED-79-88; B-125053. April 27, 1979. ***Released*** May 4, 1979. 6 pp. plus 2 enclosures (18 pp.).
Report to Sen. Bob Packwood; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Materials: Renewing and Extending the Availability of Materials (1814); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Forest Service.
Congressional Relevance: *Sen.* Bob Packwood.
Authority: Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601). Forest Management Act (16 U.S.C. 1600 et seq.). 16 U.S.C. 576.
Abstract: The Forest Service reforestation and timber stand improvement program was evaluated, with an assessment of progress in implementing a 1978 action plan for improving administration of these programs. ***Findings/Conclusions:*** The Forest Service continues to experience difficulty in determining the magnitude of reforestation and timber stand improvement needs and the economic value of accomplishing this work. The reported size of these needs appears to be overstated as substantial reductions have been made in management needs since 1975, thus lessening the urgency for increased appropriations. Due to the practice of giving priority to the least costly projects, the agency now is faced with rapidly rising costs and difficult projects which cannot readily be classified as cost effective. Because of increasing project costs, shortages in nursery stock, and lack of sufficient site preparation, the agency has been unable to complete the reforestation and improvement acres targeted by Congress. The action plan to overcome these weaknesses will require several years to implement fully and is already behind schedule. Any expansion in program levels would not be appropriate until weaknesses are overcome and the action plan is implemented nationwide. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct the Chief of the Forest Service to decide on the minimum economic criteria for reforestation and timber stand improvement investments, prepare economic analyses of management projects, implement controls to insure that the most beneficial work is done, strengthen guidelines and review procedures for inventorying and reporting lands in need of reforestation and improvement, and give higher priority to more timely implementation of the action plan.

109442

[Comments on the FY 1977 Report of the Forest Service in Connection With the Forest and Rangeland Renewable Resources Planning Act]. PAD-79-34; B-125053. May 22, 1979. 3 pp.
Report to Sen. Herman E. Talmadge, Chairman, Senate Committee on Agriculture, Nutrition, and Forestry; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Management of Federal Lands (2306); Evaluation Guidelines and Methodology: Federal Evaluation Management and Policy (2605); Program and Budget Information for Congressional Use: Identifying, Specifying and Monitoring Information Needs (3402).
Contact: Program Analysis Division.
Budget Function: Natural Resources and Environment (300.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Forest Service; Department of Agriculture.
Congressional Relevance: *Senate* Committee on Agriculture, Nutrition, and Forestry; *Sen.* Herman E. Talmadge.
Authority: Forest and Rangeland Renewable Resources Planning Act of 1974.
Abstract: In response to a congressional request, GAO reviewed the 1977 annual report of the Forest Service to determine if the report met legislative requirements. The 1978 annual report was also considered. ***Findings/Conclusions:*** The Forest Service's annual reports could be improved by relating accomplishments to specific activities performed in each program, comparing these accomplishments to goals previously set forth, and evaluating the benefits of the accomplishments against the costs of each program activity. The annual report is not presently prepared as an integral part of program planning, budgeting, and management. Meaningful program evaluation and cost-benefit reporting will only be achieved when this information assumes an essential role in management reporting processes. The annual report should be a logical byproduct of such an ongoing process. However, the Forest Service programs are complex multiobjective programs that may very well tax the current state of program evaluation.

109449

Enewetak Atoll--Cleaning Up Nuclear Contamination. PSAD-79-54; B-165546. May 8, 1979. 20 pp. plus 3 appendices (19 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Science and Technology (2000).
Contact: Procurement and Systems Acquisition Division.
Budget Function: National Defense: Department of Defense - Military (Except Procurement and Contracting) (051.0).
Organization Concerned: Department of Defense; Department of the Interior; Department of Energy; Department of State; Office of Micronesian Status Negotiations; Marshall Islands Political Status Commission.
Congressional Relevance: Congress.
Abstract: In 1972, the United States announced it was prepared to release Enewetak Atoll to the Trust Territory of the Pacific Islands assuming it would eventually be cleaned up and resettled. This project is underway and is expected to be completed in 1980 at a cost of $100 million to $105 million. ***Findings/Conclusions:*** If the United States accomplishes all of its objectives for cleaning up the Atoll, the Enewetak people must not either knowingly or unintentionally violate U.S.-recommended living pattern restrictions if they are to avoid overexposure to radiation. As the time for resettlement approaches, the people are less willing to defer, perhaps for as long as 100 years, establishing residences on Enewetak's second largest island until certain radioactive elements no longer pose a radiation hazard. Unsettled test-related issues which remain could result in difficulties for the United States if not resolved soon. These issues include, loss of land, loss of land use, loss of cash crops, radiological monitoring, and the possibility that recommended living pattern restrictions will not be observed. Significant radiological aspects of the project have not been independently assessed. ***Recommendation To Agencies:*** The Office of Micronesian Status Negotiations should make every effort to arrive at an agreement with the Marshall Islands Political Status Commission and the people of Enewetak concerning nuclear test-related issues yet unresolved, such as: lost land or land use; lost cash crops found to be unacceptably contaminated with radioactive elements; what the responsibility of the United States would be should the people of Enewetak choose not to observe recommended living pattern restrictions; the courses of action to be taken should the people of Enewetak receive excessive doses of radiation; and the future status of the entombed radioactivity-contaminated soil and debris on the islands and how future monitoring and inspection will be accomplished. The Secretary of the Interior should initiate an independent technical assessment of the Enewetak cleanup project.

109493

[Protest Involving Contract Awarded by Item]. B-194214. May 25, 1979. 3 pp.

Decision re: Webfoot Reforestation; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Transportation Law.

Organization Concerned: Webfoot Reforestation; Forest Service; Department of Agriculture.

Authority: 55 Comp. Gen. 168. B-192221 (1979).

Abstract: A firm protested the rejection by the Forest Service of its bid for a contract to plant trees in five ranger districts of Gifford Pinchot National Forest, Washington. The invitation for bids (IFB) identified 23 areas for reforestation and provided for separate offers for each, with the provision that bidders for work on more than one area could qualify their bids by setting a maximum acreage and dollar limit on the amount of work for which they could be obligated. The protester's bid was determined to be nonresponsive because it confined the extent of the bidder's prospective performance to two areas, without specifying monetary or area limits. The protester was the apparent low bidder on only one area, but because of the determination of nonresponsiveness, the Forest Service awarded the contract to a competitor. The concept of bid responsiveness requires an unequivocal offer to provide the requested items in conformance with the terms and specifications of the IFB. In cases of deviation from the manner of bidding specified, GAO has determined the issue according to the possibility of prejudicial effects on other bidders. GAO believed that the protester's bid should have been accepted for the area for which it was eligible because its bid qualification could be satisfied with no hardship to the Government and the bidder was able to perform the contract without modification. Also, there would be no prejudice to other bidders. Although the protester should have received the contract, GAO could recommend no corrective action, since the competitor winning the award had already moved its work crews and equipment into the area and commenced contract performance, scheduled for completion in only 30 days. GAO advised the Secretary of Agriculture that appropriate action must be taken to prevent a recurrence of this situation in future procurements. It was recommended that bidders be permitted to limit their bids to items as well as acreage or monetary value because the present limitation restricts competition to firms with unlimited resources or those willing to bid only on areas whose total acreage or distribution is within their capacity.

109517

Coal Trespass in the Eastern States--More Federal Oversight Needed. EMD-79-69; B-151071. May 25, 1979. ***Released*** May 30, 1979. 34 pp. plus 2 appendices (9 pp.).

Report to Rep. John D. Dingell, Chairman, House Committee on Interstate and Foreign Commerce: Energy and Power Subcommittee; by Elmer B. Staats, Comptroller General.

Refer to Testimony, June 1, 1979, Accession Number 109525; and EMD-82-10, December 4, 1981, Accession Number 117235.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Bureau of Land Management: Eastern States Office; Department of the Interior.

Congressional Relevance: *House* Committee on Interstate and Foreign Commerce: Energy and Power Subcommittee; *Rep.* John D. Dingell.

Authority: Land Policy and Management Act (P.L. 94-579). 28 U.S.C. 2415(b). 28 U.S.C. 2416(c).

Abstract: The illegal mining of Federal coal, particularly in Alabama, has caused recent public and congressional concern. Published estimates of potential losses to the Government, based on the value of the coal, range from $135 million to over $1 billion throughout the Eastern States. ***Findings/Conclusions:*** Despite an awareness of coal trespass in Alabama and Maryland, and the likelihood of additional cases in other Eastern States, the Bureau of Land Management's (BLM) Eastern States Office has not taken aggressive and timely steps to investigate and prosecute trespassers due to an initial failure to recognize the significance of the trespasses; and a lack of adequate staff, investigative procedures, and guidance from agency headquarters. Although BLM had indications of trespass in Alabama as early as 1975, the Secretary of the Interior was not informed of the problem until January 1979. As of April 1979, recovery of damages had been sought in only 1 of the 50 identified cases. GAO noted that statutory limitations may adversely affect the Government's collection efforts. BLM has not completed the essential mapping of Federal minerals underlying Federal, State, and private lands in any of the Eastern States, and it has no program for obtaining other resource data. In general, BLM lacks "presence," public awareness programs, and administrative control over the surface lands in the Eastern States, making management of coal reserves difficult. ***Recommendation To Agencies:*** The Secretary of the Interior, through BLM and its Eastern States Office, should develop an overall plan to safeguard and otherwise manage Federal coal in the Eastern States, including immediate steps to: establish an effective investigative approach and an appropriately staffed work group to deal with existing trespass cases on a timely basis; follow through on the Federal coal mapping program; and establish an aggressive trespass identification program and an expanded public awareness program. The Secretary should determine the best interest of the Government in either expending the additional resources necessary to properly manage the coal or seeking an equitable means of divesting the agency of this responsibility.

109525

[Coal Trespass in the Eastern United States]. June 1, 1979. 10 pp.

Testimony before the House Committee on Interstate and Foreign Commerce: Energy and Power Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Refer to EMD-79-69, May 25, 1979, Accession Number 109517.

Contact: Energy and Minerals Division.

Organization Concerned: Department of the Interior; Bureau of Land Management: Eastern States Office.

Congressional Relevance: *House* Committee on Interstate and Foreign Commerce: Energy and Power Subcommittee.

Abstract: In a recently released report, GAO evaluated the extent to which the Department of the Interior and its Bureau of Land Management (BLM) have investigated reported cases involving trespass of federally owned coal in the Eastern States. In addition to a general failure to take aggressive and timely investigative action, the BLM Eastern States Office neglected to advise the Secretary of the Interior and senior officials promptly of suspected serious cases in Alabama. Agency response to coal trespass cases has been largely reactive, apparently triggered more by news reports and congressional inquiries than by a recognition of the problem. BLM has experienced difficulty in the timely completion of maps identifying Federal mineral ownership underlying Federal, State, and private lands, and has no program for obtaining other resource data, such as aerial photographs. In general, the agency lacks "presence" in the Eastern States, an overall management plan, and a public awareness program. BLM needs to find the means to effectively manage coal under these lands or seek some appropriate means of divesting itself of this ownership responsibility.

109590

[Land and Water Conservation Fund Assistance for the Pioneer Courthouse Square Project]. CED-79-89; B-176823. June 4, 1979. ***Released*** June 11, 1979. 3 pp. plus 1 enclosure (9 pp.).

Report to Rep. Sidney R. Yates, Chairman, House Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Recreational Resources (303.0); Natural Resources and Environment: Recreational Resources (303.0).

Organization Concerned: Heritage Conservation and Recreation Service; Department of the Interior.

Congressional Relevance: *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Rep.* Robert B. Duncan; *Rep.* Sidney R. Yates.

Authority: Land and Conservation Fund Act of 1965. Housing and Community Development Act of 1974.

Abstract: The Land and Water Conservation Fund is the largest Federal program providing money specifically for outdoor recreation and is administered by the Heritage Conservation and Recreation Service. The Pioneer Courthouse Square Project, Portland, Oregon, qualifies as an outdoor recreation project within the meaning of appropriate legislation. ***Findings/Conclusions:*** Since Portland had a binding commitment with a private concern to purchase the land at a low price, the proposed amendment to permit reappraisal of the land parcel was unnecessary. Funds from the Urban Mass Transportation Administration do not conflict with funding from Land and Water Conservation funds because the requested funds are for rapid transit improvements outside the square and are not dependent upon how the city develops the park. Legislation authorizes the use of community development funds to pay the required non-Federal or local match of another grant program that, like Pioneer Square, is part of the locality's community development program. A complete review of the Land and Water Conservation Act restriction and grant program authorizations is needed if Congress is to fully evaluate the local matching requirements it initially envisioned for Land and Water Conservation Fund projects. ***Recommendation To Agencies:*** The Secretary of the Interior should inform the appropriate congressional committees of the circumstances in which it believes Land and Water Conservation Fund local matching requirements may be satisfied in whole or in part with funds from other Federal sources and the justification for them.

109646

[Costs for Repairing Damages to the National Mall in Washington, D.C. as a Result of the American Farmers Demonstration]. CED-79-100; B-125035. June 14, 1979. 2 pp. plus 4 enclosures (14 pp.).

Report to Sen. Jesse A. Helms; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: National Park Service; National Park Service: United States Park Police; District of Columbia.

Congressional Relevance: *Sen.* Jesse A. Helms.

Abstract: GAO assessed the cost of repairing damage to the National Mall in Washington, D.C., as a result of the American farmers' demonstration. ***Findings/Conclusions:*** A review of National Park Service records showed that it will cost approximately $239,000 to repair the damages to the mall. This amount will be reduced by approximately $18,000 as a result of donations received from various groups and individuals. Much higher earlier estimates included rough estimates of law enforcement costs and were made before an inspection of the National Mall could be conducted because it was covered by snow, tractors, and other vehicles.

109649

Policy Needed To Guide Natural Gas Regulation on Federal Lands. EMD-78-86; B-178205. June 15, 1979. 51 pp. plus 3 appendices (20 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy (1600); Energy: Effect of Federal Efforts on Energy Conservation Action (1607); Energy: Effect of Federal Financial Incentives, Tax Policies, and Regulatory Policies on Energy Supply (1610); Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614).

Contact: Energy and Minerals Division.

Budget Function: Energy (270.0); Energy: Energy Supply (271.0); Energy: Energy Conservation (272.0); Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Office of Management and Budget; Department of Energy; Department of the Interior; Federal Energy Regulatory Commission.

Congressional Relevance: *Senate* Committee on Governmental Affairs: Permanent Subcommittee on Investigations; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations; *Joint* Economic Committee; Congress.

Authority: Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1801). Natural Gas Policy Act of 1978 (P.L. 95-621; 92 Stat. 3351). Department of Energy Organization Act (42 U.S.C. 7101). Natural Gas Act (15 U.S.C. 717). Outer Continental Shelf Lands Act (43 U.S.C. 1331). 30 C.F.R. 250.12(d)(1). 30 C.F.R. 250.35.

Abstract: The management by the Department of the Interior of the exploration, development, and production of natural gas from Federal lands in the Outer Continental Shelf (OCS) was studied. The Gulf of Mexico was chosen for the study because this region, which supplies almost all of the natural gas obtained from OCS areas, is responsible for about 18 percent of the Nation's natural gas consumption. ***Findings/Conclusions:*** The Department of Energy (DOE) and the Department of the Interior have taken little or no action to develop an overall natural gas policy. The only Government requirement affecting the pace of exploration and development is the law which requires a lessee to produce economical quantities of natural gas within 5 years or relinquish its lease. There are no requirements controlling how rapidly the natural gas should be extracted. The Department of the Interior could not gauge whether lessees in the Gulf of Mexico had been diligent with respect to the level of production that could be achieved with the facilities installed. ***Recommendation To Congress:*** The Congress should not appropriate funds for the Geological Survey's OCS Reservoir Shut-In/Diligence Program until the policy and regulations have been issued and the Survey's program has been justified. Congress also should repeal those portions of legislation which require the Government to establish, enforce, and report on production rates on Federal lands. ***Recommendation To Agencies:*** DOE should fulfill the requirement mandated by Congress to develop a policy establishing the role of natural gas in meeting the Nation's energy needs. The policy should specifically address the role of natural gas from the Federal domain. DOE should establish and issue regulations in cooperation with Interior and the Federal Energy Regulatory Commission to govern the diligence of lessees in the exploration, development, and production of natural gas on the Federal domain. The regulations should require that lessees who have not submitted a development plan by the end of the third year of the primary term must submit a statement on problems that have

prevented its preparation, actions the lessee is taking to overcome the problems, and the estimated time needed to take the actions. The regulations should provide for application of currently authorized sanctions against lessees who fail to meet the diligence requirements, both during the primary term and afterwards. DOE should include a schedule for issuing the policy and regulations in his written statement to the House Committee on Government Operations and the Senate Committee on Governmental Affairs. Interior should defer efforts to review additional Gulf of Mexico fields in order to identify opportunities to increase production until policy and implementing regulations for natural gas production have been established. Interior should provide DOE full assistance in the implementation of the above suggestions to DOE.

109668

[National Park Service's Urban Recreation Areas Program]. CED-79-98; B-148736. June 19, 1979. 12 pp.
Report to Cecil D. Andrus, Secretary, Department of the Interior; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Interior; National Park Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee.
Authority: (P.L. 95-625; 92 Stat. 3534; 92 Stat. 3538; 92 Stat. 3501). (P.L. 95-344; 92 Stat. 474). 92 Stat. 3492.
Abstract: A GAO review of the National Park Service's Urban National Recreation program focused on the first three areas designated by Congress: Golden Gate, California; Gateway, New Jersey and New York; and Cuyahoga Valley, Ohio. The study assessed the extent to which the program met its objectives of satisfying the recreational needs of urban populations, and protecting and preserving significant natural and scenic settings near large cities. ***Findings/Conclusions:*** The areas reviewed were providing recreation as they were designed to do, but low-income, inner-city residents were not using them very much, and costs could climb if nearby State and local recreation lands should be donated to the Government. City park and recreation officials felt that the areas were inaccessible to urban dwellers dependent on public transit because of distance, irregular service, and cost. Congress has approved a pilot urban transportation project to reduce reliance on private automobiles for park access. Also, the National Park Service approved eight transportation improvement projects for fiscal year 1979 for the three areas, mostly for cost-sharing programs to extend local public transit service into the parks. A new Federal law provides grants to hard-pressed communities to rehabilitate inner-city recreation areas with an emphasis on neighborhood activities. About 40 percent of the lands in the three areas reviewed originally belonged to State and local governments; these governments may donate their remaining adjacent recreational lands to the Federal Government or seek Federal funding if they encounter financial strain in maintaining their facilities. Solutions may emerge from the current examination by Congress and Department of the Interior, for achieving a Federal/State/local partnership to preserve additional open space convenient to urban communities, patterned on the planning for the Pinelands National Reserve, New Jersey, embodying the Areas of National Concern approach. ***Recommendation To Agencies:*** The Secretary of the Interior should have the National Park Service include in its evaluation of the transportation improvement program an appraisal of increased use of urban national recreation areas generated by the program for low-income, inner-city residents, and the per capita costs of the increases. Continued State and local ownership of contiguous recreation lands should also be encouraged.

109728

Issues Facing the Future of Federal Coal Leasing. EMD-79-47; B-169124. June 25, 1979. 148 pp. plus 8 appendices (94 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).
Organization Concerned: Department of the Interior; Department of Energy.
Congressional Relevance: *House* Committee on Appropriations; *House* Committee on Government Operations; *Senate* Committee on Appropriations; *Senate* Committee on Governmental Affairs: Permanent Subcommittee on Investigations; Congress.
Authority: Federal Coal Leasing Amendments Act of 1976. Land Policy and Management Act. Surface Mining Control and Reclamation Act of 1977. Department of Energy Organization Act. Kleppe v. Sierra Club, 427 U.S. 390 (1976). NRDC v. Berklund, 458 F. Supp. 925 (D.D.C. 1978).
Abstract: As the new Federal coal leasing program is implemented, the following complex issues must be considered: (1) how should a tradeoff analysis be performed when coal leasing goals conflict with environmental, socioeconomic, and economic goals; (2) who should pay the cost of achieving a balance among goals; and (3) can a less regulated private sector achieve timely, orderly, and efficient coal development without jeopardizing environmental and social concerns. The Department of the Interior has primary responsibility for leasing public coal lands, but the Department of Energy (DOE) is required to develop regulations related to the management of energy resources. Because of the split responsibility between Interior and DOE in the development of effective regulations related to the management of energy resources, the Leasing Liaison Committee was formed to assist in interagency coordination. ***Findings/Conclusions:*** Interior has not made an analysis of existing leases to determine those that have environmental problems, or those that are not near transportation facilities. In evaluating alternative land uses, Interior is not considering regional coal production goals or other resource needs. One of the most important responsibilities Interior has in implementing a new leasing program will be to select, evaluate, and then sell specific tracts which are responsive to the need for Federal coal. ***Recommendation To Agencies:*** The Secretary of the Interior should analyze, for the submission to DOE, production potential of existing leases by determining which are included in logical mining units and which will be eliminated by unsuitability criteria, inaccessibility to transportation facilities, or other factors. The economic, energy, and environmental implications of Interior's implementation of the surface owner consent requirement should be evaluated for submission to Congress. Regional production goals and demand estimates for noncoal resources should be used in evaluating land use alternatives and maximum economic recovery and logical mining unit regulations should be published. In developing coal production goals, the Secretary of DOE should use Interior's evaluation of production potential on existing leases. DOE should publish the methodology and procedures to be used in arriving at production goals. The Secretary of DOE should work closely with the Secretary of the Interior in implementing a new Federal coal management program that achieves a balance between public policy goals, with

particular attention to issuing regulations pertaining to diligent development, competition, and alternative bidding systems. The Secretary of DOE should work closely with the Secretary of the Interior to make the Leasing Liaison Committee an effective body and to make the Interior/Energy working group on coal production goals and leasing targets operational.

109738

[Validity of Payments by the Fish and Wildlife Service (FWS) to Tenants Residing on a Boatyard Acquired by the FWS in Alviso, California]. CED-79-95; B-114841. June 15, 1979. ***Released*** June 25, 1979. 4 pp. plus 1 enclosure (7 pp.).

Report to Rep. Don Edwards; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Planning for Land Use (2305).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: United States Fish and Wildlife Service; Department of the Interior.

Congressional Relevance: *Rep.* Don Edwards.

Authority: Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 96-646; 42 U.S.C. 460 et seq.). 4 C.F.R. 114-50.906. 4 C.F.R. 114-50.902. 4 C.F.R. 114-50.701. 4 C.F.R. 114-50.601-2. 4 C.F.R. 114-50.601-1. 4 C.F.R. 114-50.500.

Abstract: As part of the San Francisco Bay National Wildlife Refuge Acquisition, the Fish and Wildlife Service (FWS) purchased 5 acres of land in Alviso, California. The land acquired was being used as a boat works, and FWS determined that 99 tenants on the land would be eligible for relocation. Estimating that it would cost from $25 to $200 for each boat move, FWS believed that relocation would total about $132,000 to assist the tenants in moving their personal property. Unfortunately, FWS found it necessary to hire commercial moving firms, with the result that the relocation cost FWS $565,624. ***Findings/Conclusions:*** GAO found no evidence of excessive payments to boatowners to relocate their boats. Relocating tenants and moving the boats from the boatyard, however, was much more costly and difficult than FWS had anticipated. The extra costs were not considered by FWS in its decision to acquire the boatyard. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the Director of FWS to determine in the future whether there are complicating circumstances which could cause relocation problems and increase relocation costs before acquiring lands with tenants. Any unusual relocating problems and extra costs should then be considered in deciding whether the land should be acquired.

109747

Federal Leasing Policy--Is the Split Responsibility Working? EMD-79-60; B-118678. June 4, 1979. 18 pp.

Report to Secretary, Department of the Interior; Secretary, Department of Energy; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Department of Energy; Department of the Interior.

Authority: Department of Energy Organization Act (42 U.S.C. 7101).

Abstract: The Leasing Liaison Committee established to coordinate efforts between the Departments of Energy (DOE) and the Interior is leasing Federal lands. When DOE was established, responsibilities related to the leasing of Federal lands for energy resources were transferred from Interior to DOE. All authorities not specifically transferred were retained by Interior, which had sole responsibility for the issuance and supervision of Federal land leases. The Leasing Liaison Committee is composed of an equal number of representatives from each department. According to the charter, the Committee is not a policymaking body, but it may address policy issues and make recommendations to the respective Secretaries. ***Findings/Conclusions:*** The split leasing responsibility is not working smoothly. One of the basic concepts of the split was to provide DOE with the focus for energy planning and policy making. Although not specifically required by legislation, the departments have agreed to establish production goals for each Federal energy resource. These goals have become the basic area of conflict between the two with each interpreting differently how these goals are to be used. The Committee's charter gave no specific guidelines on how to resolve jurisdictional problems. ***Recommendation To Agencies:*** The Secretary of Energy should issue by January 1, 1980, final regulations defining the role, responsibilities, and interrelationship of DOE with Interior on the development and use of production goals. These regulations should define the central role of DOE in Federal energy policymaking; define the production goals as a primary component of Federal leasing policies; provide for 60-day review by Interior before publication of them; and allow for public access to the documents supporting the production goals. The Secretary of the Interior should by the same date develop regulations which are consistent with DOE final regulations related to the use of production goals. Specifically, these regulations should include Interior's primary role and responsibility in Federal land use management; define production goals as a primary component; provide for 60-day review of DOE goals before publication; and require Interior to indicate in writing to DOE whether or not it can meet production goals, and the rationale if these goals are not attainable.

109774

[Administrative Overhead and Indirect Cost Limitations of the Pittman-Robertson and Dingell-Johnson Acts]. B-118370. June 29, 1979. 6 pp.

Decision re: Limitations on Costs Assessed for State Central Services to Grantee Agencies; by Robert F. Keller, Acting Comptroller General.

Contact: Office of the General Counsel: General Government Matters.

Organization Concerned: United States Fish and Wildlife Service; Department of the Interior: Office of Audit and Investigation; Colorado: Department of Natural Resources: Division of Wildlife; Colorado: Department of Game, Fish, and Parks.

Authority: Pittman-Robertson Act (Wildlife Conservation) (16 U.S.C. 669 et seq.). Dingell-Johnson Act (Fish Restoration) (16 U.S.C. 777 et seq.). Colo. Rev. Stat. §24-1-105. Colo. Rev. Stat. §24-1-124(3)(h). Fed. Management Circular 74-4. H. Rept. 91-1272. 116 Cong. Rec. 24962 (1970). State Highway Commissioner of Colorado v. Haase, 537 P.2d 300 (Colo. 1975). S. Rept. 91-1284. Federal Aid in Fish Restoration Act Amendments of 1970 (P.L. 91-503; 84 Stat. 1099; 84 Stat. 1102).

Abstract: The Department of the Interior requested an interpretation of two Federal laws prescribing a limitation on indirect administrative costs assessed for State central services to grantee agencies under the Fish and Wildlife Service Federal Aid program. Colorado has combined several agencies including the Division of Wildlife, into a Department of Natural Resources; the Division appears to be "the State agency having primary jurisdiction over the wildlife resources of the State," as defined by Federal statute. Certain costs are assessed against the Division by its parent Department, which the Division contends are therefore outside the control

of the agency of primary jurisdiction, since the Department is at a higher level. The Division concludes that these costs, the 3-percent administrative expense limitation required to qualify for Federal aid, must apply solely to the parent Department. Interior's Office of Audit and Investigation believes that while the expenses are for services provided outside of the agency having primary jurisdiction over wildlife resources, they do not meet the second legislative criterion of being provided "by State central activities." In the consolidation of the Department, certain administrative expenses previously charged to the predecessor wildlife agency devolved upon the new Department, along with the functions which they supported. The purpose of the Federal administrative expense limitation for recipient State agencies was to discourage the draining of grant monies from land acquisition and fieldwork. GAO acknowledged that the appropriate Colorado statutes provide reasonable grounds for the Wildlife Division to meet the "primary jurisdiction" test and that the Division functions as the "State fish and game department," as the Federal law requires. The proportion of Department costs imposed on the Division of Wildlife reflecting administrative expenses are not directly attributable to Division activities, but to the operation of the parent Department. It was clearly not these costs sustained by nonoperational agencies which Congress intended to discourage. Therefore, the Division of Wildlife is not bound by the Federal expense limitation.

109825

[Federal Leasing Policy]. July 9, 1979. 8 pp.
Testimony before the House Ad Hoc Select Committee on Outer Continental Shelf; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Department of the Interior; Department of Energy.
Congressional Relevance: *House* Ad Hoc Select Committee on Outer Continental Shelf.
Abstract: The initial coordination efforts between the Departments of the Interior and Energy in leasing Federal lands were discussed. GAO addressed the following areas of coordination: (1) Energy's development of production goals for energy resources and Interior's use of these goals in the development of lease schedules; (2) Energy's attempts to issue regulations in the areas of production rates, competition, alternative bidding systems, diligence, and in-kind royalty; and (3) the effectiveness of the Leasing Liaison Committee in identifying and resolving interdepartmental problems. The analysis indicated that the initial coordination efforts between the Departments are not working smoothly. The Departments differ on the use of production goals, the framework and context of regulations, and the general responsibilities of each Department on leasing matters. GAO recommended that by January 1, 1980, the Secretaries of Energy and the Interior issue compatible regulations on production goals that clearly define the goals as a primary component of Federal leasing schedules. The goals should be the starting point for leasing energy resources and should include a sequential procedure for review and resolution of problems with the goals. The steps of review should include the Leasing Liaison Committee, the Secretaries, and the President. Also recommended was that Energy publish an analysis of each lease schedule announced by Interior identifying the schedule's potential impact on domestic energy needs; and the alternative energy resources needed if Energy's production goals could not be met by the schedule. Finally, it was recommended that the Department of Energy take positive steps to begin issuing regulations mandated by the Department of Energy Organization Act which transferred certain responsibilities for Federal lands from the Department of the Interior to the Department of Energy.

109831

[Federal Coal Leasing]. June 25, 1979. 9 pp.
Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by John W. Sprague, Associate Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Department of the Interior; Department of Energy.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee.
Authority: Surface Mining Control and Reclamation Act of 1977.
Abstract: Under a new Federal coal management program, competitive leasing will begin in January 1981. The Department of the Interior estimates that there will be over 17 billion tons of coal under existing leases. GAO believes, however, that this figure may be misleading. The vast majority of leases were issued before the Surface Mining and Reclamation Act made many land areas environmentally or economically unsuitable for mining. It is, therefore, difficult to know whether the 1981 leasing targets of the Department of the Interior will make enough coal available to meet demand in the 1985-1990 timeframe. The Secretary of the Interior should take several actions before new long-term leasing can be resumed. An analysis needs to be made of the production potential of existing leases in order to determine how much coal must be made available to satisfy demand under the emerging program. Coal production goals as well as demand estimates for other resources should be considered by the Department of the Interior in the initial development of comprehensive land use plans. This is particularly important because land use plans developed over the next several years will affect the level of resource usage on Federal lands for the remainder of this century and beyond. The Department of the Interior also needs to evaluate the impact of the surface owner consent requirement, since this will affect the economics and ultimate leasability of proposed new tracts. Final regulations are needed specifying how maximum economic recovery determinations will be made and what factors will be considered in establishing logical mining units.

109840

[Request for Contract Modification]. B-195049. July 9, 1979. 3 pp.
Decision re: Douglas Studs, Inc.; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Transportation Law.
Organization Concerned: Douglas Studs, Inc.; Forest Service.
Authority: Virginia Engineering Co. v. United States, 101 Ct. Cl. 516 (1944). B-188785 (1977).
Abstract: The Forest Service requested reformation of a timber sales contract awarded to Douglas Studs, Inc. Douglas was apparently overcharged for the timber purchase because of a miscalculation of the acreage contained in the sale. This contract may be modified on the basis of a mutual mistake. The modification should indicate the acreage actually involved and the overcharges which resulted from the error may be refunded.

109849

[Federal Leasing Policy]. July 11, 1979. 9 pp.
Testimony before the Senate Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Department of the Interior.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee.

Authority: S. 1308 (96th Cong.). B-118678 (1970).

Abstract: The Government needs to lease its resources in a manner which encourages exploration and development of the most prospective lands. A 5-year leasing schedule would allow the industry, affected States, and other groups a chance to express their views as to where leasing should occur and over what timeframe. However, the implementation of a schedule for onshore oil and gas leasing may be difficult at best for various reasons, including the vast amount of leases and acreage already under lease with varying expiration dates, the absence of geophysical and geological data, and scattered ownership patterns. Expanding the use of competitive leasing could help discourage speculation and help assure fair market value return to the Government for the resources given over. However, it may be more appropriate, at least in the near term, to make improvements in the noncompetitive system to discourage speculation and encourage development. Moving toward the type of leasing system envisioned by the proposed legislation would require the Department of the Interior to: (1) put a freeze on a good portion of any future leasing until such time as enough lands could be gathered together to develop an appropriate lease schedule; (2) begin gathering data already available from industry on existing leases; (3) acquire available data from industry on areas with the best potential not under lease; and (4) where data are not available, begin obtaining such data through a systematic exploration and development program which for some areas may require exploratory drilling.

109861

Endangered Species--A Controversial Issue Needing Resolution. CED-79-65; B-118370. July 2, 1979. 94 pp. plus 12 appendices (29 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Environmental Protection Programs: Social and Economic Effects on the Public and Private Sectors (2209); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment (300.0).

Organization Concerned: Department of the Interior; Environmental Protection Agency; Council on Environmental Quality; United States Fish and Wildlife Service; Tennessee Valley Authority.

Congressional Relevance: *Senate* Committee on Environment and Public Works; Congress.

Authority: Endangered Species Act of 1973 (16 U.S.C. 1531). Land and Water Conservation Fund Act of 1965. Endangered Species Conservation Act of 1969. Environmental Policy Act of 1969 (National). P.L. 91-135. P.L. 89-669.

Abstract: GAO reviewed the endangered species program as administered by the U.S. Fish and Wildlife Service (FWS). Its goals are to prevent endangerment and extinction of plant and animal species caused by man's influence on existing ecosystems and to return threatened and endangered species to the point where they are no longer threatened or endangered. ***Findings/Conclusions:*** The listing process is the cornerstone of the endangered species program because it sets in motion all the other provisions of the art, including the protective regulations, consultation requirements, and recovery funding. However, deficiencies in FWS's listing process threaten effective implementation of the entire endangered species program. The consultation process still has conflicts involving ongoing and planned Federal projects and programs. Further improvements could avoid unnecessary project delays and adverse impacts on endangered and threatened species and their critical habitats. Improvements are needed in the FWS recovery program, land acquisitions, state participation, and Federal enforcement and prosecution. ***Recommendation To Congress:*** Congress should not increase funding for consultation with other Federal agencies to resolve potential conflicts between endangered-threatened species and Federal projects and programs until FWS demonstrates that it needs the resources. In addition, Congress should no longer fund endangered species land acquisitions inconsistent with FWS policies and program criteria. Congress should further amend the Endangered Species Act to limit the act's protection to species endangered or threatened throughout all or a significant portion of their ranges; state clearly that the Endangered Species Committee is authorized to grant permanent exemptions from the act's protective provisions to Federal projects committed to or under construction before November 1, 1978 and to all Federal programs not involving construction; and require Federal agencies to consider a project's or program's impact on species suspected of being endangered or threatened, but not yet listed officially. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the Director of FWS to: apply the same listing policies and criteria to all biologically eligible species; decide the types of information needed to list species as endangered or threatened and reclassify or remove from the list species whose futures are reasonably secure; develop adequate procedures to identify, review, and act on petitions to change the status of species; establish a system to exchange information on listed, proposed, and candidate species among Federal agencies and states; identify and include in regulations the minimum biological data required to render biological opinions; approve and implement the draft recovery priority system to be used as a guide for recovery planning and resource allocations; reassess the process of developing, approving, implementing, and evaluating recovery plans and take the actions necessary to make the process more timely; see that land purchases are consistent with FWS policies and program criteria; reassess what actions can be taken to increase state participation in the endangered species program; and strengthen enforcement and prosecution.

109935

[Review of the Proposed Closure of Fort Monroe, Virginia]. LCD-79-318; B-172707. July 20, 1979. 5 pp. plus 1 enclosure (3 pp.).

Report to Rep. Lucien N. Nedzi, Chairman, House Committee on Armed Services: Military Installations and Facilities Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Facilities and Material Management (0700).

Contact: Logistics and Communications Division.

Budget Function: National Defense: Defense-Related Activities (054.0).

Organization Concerned: Department of the Army; Advisory Council on Historic Preservation; Department of the Interior.

Congressional Relevance: *House* Committee on Armed Services: Military Installations and Facilities Subcommittee; *Rep.* Lucien N. Nedzi.

Authority: Historic Sites, Buildings and Antiquities Act. A.R. 5-10. A.R. 405-90. F.P.M. 101-47.402-4.

Abstract: GAO reviewed the Army's plan to transfer of Command Headquarters from Fort Monroe, Virginia, to Fort Eustis, Virginia, in 1984, and the inactivation of other Army units at Fort Monroe. ***Findings/Conclusions:*** The decision to close Fort Monroe should be deferred until the Army has made a comprehensive estimate of all costs involved. Since the Fort is registered as a national historic landmark, the Army is legally obligated to proceed with the ordnance removal process in a manner consistent with the preservation of items of historical significance. The work would probably require hand shoveling by experienced ordnance and archeological personnel. GAO considers an Army estimate of $2.5 million for clearance of the moat to be too low. The Army must also determine which of the Fort's structures require special preservation, and whether the Fort will remain under Government control and thus subject to U.S. Government-funded caretaker costs. Because of these undetermined cost items, the Army stated that it could not at this

time take a position on whether the decision to close Fort Monroe is economically justified. ***Recommendation To Agencies:*** The Army must obtain sufficient information in order to determine whether it is feasible or even possible to clear Fort Monroe of ordnance. In order to estimate the work involved and the total costs and savings, the Army must: (1) determine the extent and depth of unexploded ordnance; (2) consider the availability of archeologists to assist in clearing the area to preserve artifacts; and (3) identify the buildings to be maintained and the ultimate custodian of the Fort. Until the Army has completed its study of all the costs involved, including costs to decontaminate the entire Fort, the Secretary of Defense should defer a decision on closing Fort Monroe.

109953

[Federal Geothermal Leasing Program]. July 20, 1979. 6 pp.
Testimony before the Senate Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Geological Survey; Forest Service; Department of the Interior.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; *Senate* Committee on Energy and Natural Resources.
Authority: Geothermal Steam Act of 1970.
Abstract: Federal lands are leased for geothermal development. To date there has been no commercial production from Federal leases. Leasing and permitting delays are not in themselves the only or even the primary reasons for the slow pace of geothermal development. Estimates indicate that the Federal Government owns approximately 55 percent of the country's total geothermal resources. The Geological Survey has classified only 10 Federal leases as producible and 2 as producing. Legislation has been introduced which would expand the current acreage limit. Methods used to identify and designate land as known geothermal resource areas need improvement. The competitive interest requirement, although a sound idea, needs more consideration and possibly revision. There are some disagreements regarding the authority of the Department of the Interior to issue leases on withdrawn and acquired lands that need to be clarified.

110017

Foreign Investment in U.S. Agricultural Land--How It Shapes Up. CED-79-114; B-114824. July 30, 1979. 99 pp. plus 3 appendices (9 pp.).
Report to Sen. Herman E. Talmadge, Chairman, Senate Committee on Agriculture, Nutrition, and Forestry; by Elmer B. Staats, Comptroller General.

Issue Area: Food: Federal Government Food Production System (1711); Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture.
Congressional Relevance: *House* Committee on Appropriations; *House* Committee on Government Operations; *Senate* Committee on Agriculture, Nutrition, and Forestry; *Senate* Committee on Appropriations; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee; *Sen.* Herman E. Talmadge.
Authority: Agricultural Foreign Investment Disclosure Act of 1978 (P.L. 95-460; 92 Stat. 1263). S. 192 (96th Cong.). S. 208 (96th Cong.). H.R. 3106 (96th Cong.).
Abstract: An analysis was made of agricultural land purchases from January 1977 through June 1978 in 148 counties in 10 States: Arkansas, California, Georgia, Illinois, Iowa, Kansas, Montana, Pennsylvania, Texas, and Washington. ***Findings/Conclusions:*** Of the 3 million acres purchased, it was found that 248,146 acres, or about 8 percent, were bought in 55 counties by 173 foreign purchasers from at least 30 countries. Most of the foreign purchasers were from the Netherlands Antilles, Belgium, West Germany, France, and Switzerland. The activity appeared to be concentrated in certain counties; nine counties, each having foreign purchases totaling more than 5,000 acres, accounted for 163,257 acres of the 248,146 acres of foreign purchases. These counties were Jefferson (Arkansas); Fresno, Kern, and San Joaquin (California); Hall (Georgia); Rosebud and Yellowstone (Montana); Bowie (Texas); and Kittitas (Washington). Foreign investors who buy U.S. real property have U.S. tax advantages involving primarily capital gains that are not available to U.S. citizens who may wish to invest in that same property. Foreign investment bears watching, GAO believes, and it would be beneficial to eliminate the tax advantage to foreign investors. GAO found that most foreign-bought land was bought by Western Europeans for investment security and capital preservation and appreciation; most has continued in its same use; and some property improvements have been made. Nonlocal U.S. and foreign businesses bought 24 percent of the land in the counties reviewed; GAO believed that this fact indicates that the Department of Agriculture should be concerned about erosion of the U.S. family farm structure.

110020

[Alleged Improper Bidding Procedures]. B-194471. August 2, 1979. 3 pp.
Decision re: McGrew Brothers Saw Mills, Inc.; Lakeside Corp.; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Lakeside Corp.; McGrew Brothers Saw Mills, Inc.; Forest Service: Winema National Forest, OR.
Authority: 36 C.F.R. 223.7(a). Forest Service Manual 2431.59.
Abstract: A firm protested the award of a Forest Service timber sales contract on the basis of a provision in the Forest Service Manual regarding timber sales in the Pacific Northwest Region where the contract was awarded. The firm alleged improper bidding procedures were allowed at a sales auction conducted among bidders who submitted written bids and who desired to participate in the auction. During the auction the awardee decreased its oral bid price on one of the timber species offered. This decrease was not below its original written bid price, and the resulting aggregate price bid by the awardee on all species was greater than the previous aggregate price it had bid. The auction participants made no objection to this manner of bidding. The awardee entered a counter protest against cancellation of the sale. The Forest Service believes that the Secretary of Agriculture has the authority to reject all bids, that the protest provision of the Forest Service Manual must be given due consideration, and that to permit bidding in the manner that occurred would be prejudicial to other bidders by creating confusion in the bidding process. GAO maintained that all bids may be canceled and a procurement resolicited only if a compelling reason for doing so exists. A compelling reason is one which shows that bidders were prejudiced by the defective procedure, and that competition was affected. The manner of bidding in this case had no effect on competition in that it was not objected to by the participants, and it did not stop participation in the auction; GAO found that no prejudice occurred. While GAO appreciated the Forest Service's concern in having its auction policy followed, to do so at this time would emphasize form over substance. The awardee's protest was sustained and the protester's was denied.

110079

[Transfer of Property Owned by the District of Columbia Redevelopment Land Agency]. B-152603. August 7, 1979. 3 pp.

Letter to Architect of the Capitol; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: General Government Matters.

Organization Concerned: District of Columbia: Redevelopment Land Agency; Architect of the Capitol.

Authority: District of Columbia Self-Government and Governmental Reorganization Act (P.L. 93-198; 87 Stat. 778). Additional House Office Building Act of 1955 (40 U.S.C. 175; 69 Stat. 41). District of Columbia Redevelopment Act of 1945 (60 Stat. 793). 43 Comp. Gen. 485.

Abstract: An inquiry was made asking whether the District of Columbia Redevelopment Land Agency (RLA) could be compelled to transfer certain property to which it holds title to the Architect of the Capitol without reimbursement or transfer of funds. Legislation provides that "property owned by the United States" may be conveyed to the Architect of the Capitol without reimbursements or the transfer of funds. However, more recent legislation provides that RLA has title to the property, not the U.S. Government, and that the previous legislation does not apply to the property in question. For these reasons, RLA cannot be compelled to transfer the property to the Architect of the Capitol without reimbursement or transfer of funds.

110275

Legal and Administrative Obstacles to Extracting Other Minerals From Oil Shale. EMD-79-65; B-118678. September 5, 1979. 22 pp. plus 3 appendices (11 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Materials: Administering a Coordinated Materials Policy (1812); Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; Department of Energy.

Congressional Relevance: *House* Committee on Appropriations; *House* Committee on Government Operations; *House* Committee on Interior and Insular Affairs; *Senate* Committee on Appropriations; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Governmental Affairs; *Senate* Committee on Governmental Affairs: Permanent Subcommittee on Investigations; *Senate* Committee on Energy and Natural Resources; Congress.

Authority: Mineral Lands Leasing Act. Multiple Mineral Development Act.

Abstract: Federal mineral leasing laws and resultant administrative procedures frustrate multiple extraction of intermingled minerals on public lands. These valuable minerals can be acquired under one of two mining systems: (1) the General Mining Law of 1872 allows unfettered access to exploration and development of public lands valuable for minerals (locatable minerals); and (2) the Mineral Lands Leasing Act designates some of the minerals which can be mined under specified terms of a lease issued by the Secretary of the Interior (leasable minerals). Both laws assume that minerals occur in identifiable geological deposits. There were few problems as long as identifiable, or discrete, deposits were mined or little attention was paid to less valuable intermingled minerals. As more complex deposits are mined and advances in the technology of recovery increase the value of the mixed mineral deposits, it becomes more difficult to determine whether minerals should be developed under the 1872 law or the 1920 law. Statutory ambiguity plus procedural problems have prevented basic evaluation of the nonfuel potential of sodium/aluminum-rich oil shale. The Department of the Interior has formulated oil shale disposition policies which jeopardize future development of sodium/aluminum-rich oil shale. ***Findings/Conclusions:*** Conflicts will arise when public lands contain a mixture of valuable minerals, each subject to separate legal conditions for development. These conflicts occur on lands under one of the following three sets of circumstances: (1) lands containing a mixture of leasable minerals, each subject to separate provisions of the Mineral Lands Leasing Act; (2) unappropriated lands containing intermingled locatable and leasable minerals, economic development of which depends on simultaneous extraction; and (3) lands on which a mineral claimant has existing rights under the 1872 law but which also contain leasable minerals. The Multiple Mineral Development Act advanced the principle of multiple-mineral development on public lands. This law permitted the multiple development of both leasable and locatable mineral deposits on the same tract, but the Act did not solve the problem of a single developer of both locatable and leasable minerals. Congress recognized that mineral mixtures were not covered under the Multiple Mineral Development Act by passing the Uraniferous Lignite Act in 1955, which allowed simultaneous development of uranium (a locatable mineral) and coal (a leasable mineral) when the two were mixed together. Unfortunately, this law applied to only one particular mineral mixture. ***Recommendation To Congress:*** Congress should amend the Mineral Lands Leasing Act to allow the Department of the Interior to lease lands as a whole which contain mineral deposits of more than one leasable mineral. The General Mining Law should be amended to allow concurrent development on lands containing locatable and leasable minerals which would not otherwise be developed separately. ***Recommendation To Agencies:*** In order to assist the Congress in the development of comprehensive legislation for multiple-mineral development, the Secretaries of the Interior and Energy should jointly consider how the Western oil shale lands could be developed to allow optimum recovery of all the minerals contained in the deposits. They should submit, within 60 days of the date of this report, to the Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs an agenda of pertinent issues, as well as an outline and timetable for a report on the technological, economic, and environmental problems associated with multiple-mineral development of oil shale. The report should also indicate implications in multiple-mineral oil shale development to be considered in the rational development of other types of intermingled mineral deposits.

110281

[Comments on H.R. 3671 (96th Congress)]. EMD-79-B3; B-178726. September 5, 1979. 4 pp.

Report to Rep. Harley O. Staggers, Chairman, House Committee on Interstate and Foreign Commerce; by Elmer B. Staats, Comptroller General.

Contact: Energy and Minerals Division.

Congressional Relevance: *House* Committee on Interstate and Foreign Commerce; *Rep.* Harley O. Staggers.

Authority: H.R. 3671 (96th Cong.).

Abstract: Legislation is proposed which would create a Government corporation to establish and administer a national program for the exploration and development of energy mineral deposits. The bill proposes to accelerate the development of domestic energy sources, particularly synthetic fuels, through the formation of a Government corporation. Two issues are essential to provide both the decisive action and balanced program the Nation needs: (1) synthetic fuels to provide liquid fuels and feedstocks for the medium- to long-term, and (2) conservation both now and for the future. ***Findings/Conclusions:*** The bill is mainly designed to

provide a Government corporation to accelerate synthetic fuels development; it provides for additional authority which is beyond the scope of powers being considered under the President's proposal and other bills now before Congress. The bill includes authority for the corporation to: explore Federal land for mineral deposits, including oil, natural gas, geothermal power, coal and shale oil; develop and market materials derived from these deposits; acquire land under the power of eminent domain; and use any patented methods, formulas, and scientific information on pending patents. The corporation would thus compete with private industry. A Government corporation which encourages private investment in synfuels is appropriate. In the past, GAO has commented on the advisability of a Government corporation exploring for energy and minerals on Federal lands, and has not favored its creation. This has included concern that such a corporation would not be subject to the same degree of congressional control as noncorporate agencies. While synthetic fuel development is clearly an important and worthwhile national goal, conservation should take just as high or even higher priority. The ultimate goal should be to move to renewable energy sources. A Government corporation which would compete with private industry is another matter which requires further analysis.

110312

[Omnibus Geothermal Legislation]. September 6, 1979. 14 pp.

Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.

Organization Concerned: Department of Energy; Forest Service; Department of the Interior; Department of Agriculture; Electric Power Research Institute; Interagency Streamlining Task Force; Interagency Geothermal Coordinating Council.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Senate* Committee on Energy and Natural Resources; *Rep.* Steven D. Symms; *Rep.* Morris K. Udall; *Rep.* James D. Santini; *Sen.* Henry M. Jackson.

Authority: Geothermal Steam Act of 1970. Trade Expansion Act of 1962. Energy Tax Act of 1978. H.R. 4471 (96th Cong.). H.R. 740 (96th Cong.).

Abstract: After studying the manner in which Federal lands are leased for geothermal development, GAO concluded that economic and technical constraints are the major impediments to geothermal development. Because leasing rates of Federal lands under Forest Service jurisdiction are a potential matter of concern for future geothermal development, GAO believes the Secretary of Agriculture needs to set a higher priority for leasing of promising Forest Service geothermal lands. Two bills being introduced propose recommendations and revisions to existing legislation to remove unnecessary barriers to the development of geothermal resources. Significant changes in the proposed legislation are the provisions for increasing Federal acreage limits, setting time limits for leasing and permitting decisions, and authorizing phased leasing procedures. Both bills propose increases in the lessee acreage limitation per state, with a combined oil, gas, and geothermal lease acreage per state. GAO believes that the present limitation is unduly restrictive and that an increase is needed. An increase limited to an overall 51,200 acres as stated in one of the bills would be appropriate. One bill allows 1 year for all action to be completed on a geothermal lease application; the other bill allows up to 3 years. GAO believes that time limits in the energy regulatory process may increasingly be needed as part of the regulatory reform process, and suggested that the committee carefully consider the clauses addressing the outcome of delays occurring beyond the set time limits. GAO agrees that the concept of phased leasing could speed up environmental review. The provisions calling for alternative bidding systems in 10 percent of the lease sales and possible competitive leasing of unknown geothermal resource areas would add additional time to the leasing process and are not needed at this time. Before further financial incentives are enacted, Congress should be apprised of the impact each incentive would have on all phases of geothermal development and the estimated annual costs of each incentive.

110332

[GSA Real Property Disposal Procedures and Controls of Related Personal Property]. LCD-79-321; B-165511. September 12, 1979. 3 pp. plus 1 enclosure (9 pp.).

Report to R. G. Freeman, III, Administrator, General Services Administration; by Donald J. Horan, (for Richard W. Gutmann, Director), GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Effectiveness of Policies, Procedures and Practices for Identifying/Disposing of Surplus Property (0715).

Contact: Logistics and Communications Division.

Budget Function: General Government: General Property and Records Management (804.0).

Organization Concerned: General Services Administration; Department of Health, Education, and Welfare.

Authority: Property and Administrative Services Act.

Abstract: The Administrator of the General Services Administration (GSA) is charged with promoting maximum use of excess real property by executive agencies and disposing of property no longer required by Federal agencies. The Administrator has the authority to decide how Federal excess and surplus real property will be managed. He has delegated the authority to a Commissioner who in turn has delegated it to the regional administrators. A review was made of these procedures at three GSA regions, and records and procedures at other Federal agencies were also reviewed to determine whether property had been properly accounted for. ***Findings/Conclusions:*** Several problems arise from the GSA lack of control of related personal property. First, excess personal property is not reported to the appropriate GSA property division for inventory control and reporting to other Federal agencies for screening of possible Government needs. Second, apparently much of the property GSA transfers to local organizations is not needed for their purposes. Third, the lack of accurate inventories of transferred-related personal property and the obligation to identify and check its use greatly complicates the compliance surveys of the sponsoring Federal agencies. Any undue delay in the property disposal adds to the cost of protection and maintenance, increases the risk of vandalism and deterioration, and compounds the pressures from competing parties for the property. In one region, the delays were excessive on a high proportion of disposals examined. The same region did not maintain a complete record of all real property it conveyed to other Federal agencies for transfer to local public agencies for public benefit uses. ***Recommendation To Agencies:*** The Administrator of GSA should revise the regulation to assure that personal property is disposed of as related personal property only if the Real Property Division has obtained a determination from the Personal Property Division that such disposal is in the best interest of the Government. The GSA regions should be required to have related personal property inventoried and a record maintained by the regions, the sponsoring Federal agency, and the recipient as accountable property. The Administrator should also establish a reasonable time standard for the disposal of excess and surplus real property, and require the regions to meet this standard unless excepted in specific cases by the Central Office for good cause. The Administrator should direct the GSA regions to maintain accurate and complete inventory records of real property transferred for public benefit uses.

110393

Preserving America's Farmland--A Goal the Federal Government Should Support. CED-79-109; B-114833. September 20, 1979. 65 pp. plus 4 appendices (7 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).

Contact: Community and Economic Development Division.

Budget Function: Agriculture: Agricultural Research and Services (352.0).

Organization Concerned: Department of Agriculture; Council on Environmental Quality; Environmental Protection Agency; Soil Conservation Service; Farmers Home Administration; Department of Housing and Urban Development; Department of Transportation.

Congressional Relevance: *House* Committee on Agriculture; *Senate* Committee on Agriculture, Nutrition, and Forestry; Congress.

Authority: Food and Agriculture Act of 1977 (P.L. 95-113; 91 Stat. 913). H.R. 4569 (96th Cong.). Environmental Policy Act of 1969 (National) (42 U.S.C. 4321). Housing Act (12 U.S.C. 1701). Rural Development Act of 1972 (7 U.S.C. 1010a). Soil and Water Resources Conservation Act of 1977 (P.L. 95-192; 91 Stat. 1407). Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87; 91 Stat. 445). Land Conservation Act (Cal. Gov't Code §51200 et seq.). H.R. 3510 (94th Cong.). H.R. 11020 (95th Cong.). H.R. 11122 (95th Cong.). H.R. 4569 (95th Cong.). H.R. 5882 (95th Cong.). H.R. 5883 (95th Cong.). H.R. 7235 (95th Cong.). H.R. 8789 (95th Cong.). S. 984 (94th Cong.). S. 1616 (95th Cong.). S. 2757 (95th Cong.).

Abstract: Farmland is essential to the Nation's abundant agricultural production which has not only fed U.S. citizens well, but has been a positive contributor to the balance of payments and to humanitarian commitments to developing countries. Since the 1973-1974 grain purchases by the Soviet Union which eliminated surpluses and sharply increased commodity prices, there has been a growing concern about the loss of farmland. GAO examined how farmland can be preserved and what role the Federal Government should play to protect it. ***Findings/Conclusions:*** Replacement or expansion of land in the farmland base involves significant tradeoffs and limitations on water, energy environment, and cost. The proportion of agricultural production dependent on energy- and cost-intensive irrigation systems is rapidly increasing. Preserving farmland has been given little consideration or low priority and has usually been outweighed by other interests in Federal projects. Furthermore, Federal or federally assisted projects often result in the direct and/or indirect taking of prime and other farmland. One problem may be the conflict between the information regarding the importance of preserving prime farmland which is furnished to agencies, and USDA publications which cite large potential cropland reserves and production capabilities. State and local methods to preserve the land have had limited impact on its loss, and none of the methods used are likely to insure that land will be kept in agricultural production. There are insufficient data and a lack of uniform criteria to help Federal agencies evaluate the impact of losing farmland and to balance this loss against other national interests, including food production and food prices. A widely publicized national policy identifying the national interest in and goals for protecting and retaining farmland could: (1) guide and support land-use planning and decisions by the Federal, State, and local governments; (2) encourage intergovernmental coordination and cooperation in managing the land; and (3) promote public investment patterns that will minimize adverse impacts on farmland. ***Recommendation To Congress:*** Congress should: (1) formulate a national policy on protecting and retaining farmland; (2) set a national goal as to the amount and class of farmland that should be preserved; (3) periodically assess the impact of farmland losses on the established goal; and (4) delineate the Federal Government's role in guiding and helping State and local efforts to retain farmland. If Congress decides to provide Federal support to States and political subdivisions to carry out farmland preservation programs as proposed in bills now before Congress, it should specifically set out the criteria which such programs have to meet. This criteria should provide, among other things, that agricultural areas be geographically defined and preferably correspond to areas that contain the most prime farmland, and that agricultural use and prime farmland be clearly and specifically defined. ***Recommendation To Agencies:*** The Secretary of Agriculture should: (1) develop additional data on, and make analyses of, the significance of losing prime and other farmland; (2) insure, through periodic reviews, that all USDA agencies evaluate the loss of prime and other farmland in their project approval processes in consonance with the Secretary's October 1978 land-use policy statement; and (3) require that additional analyses be made of the USDA potential cropland estimates in terms of how much land is likely to be converted considering current land use, production tradeoffs, development problems and costs, and other economic values, such as changes in the relationship of production and development costs to commodity prices, and that the results be published. The Secretary of Agriculture and the Chairman of the Council on Environmental Quality should undertake a joint effort to develop criteria to guide Federal departments and agencies in determining and evaluating the impact of their proposed projects and actions that affect prime and other farmland losses with other national interests. The Chairman of the Council on Environmental Quality should instruct Federal departments and agencies to include in their environmental impact statements and other environmental review documents a discussion of their analyses relating to the criteria recommended above.

110420

[Federal Coal Leasing]. September 20, 1979. 12 pp.

Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by John W. Sprague, Associate Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.

Organization Concerned: Department of the Interior; Department of Energy; Bureau of Land Management.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee.

Authority: Federal Land Policy and Management Act of 1976.

Abstract: The Department of the Interior has taken various steps toward implementing the new Federal Coal Management Program, the most significant step being the issuance of final regulations on coal and land use planning. Workshops are being conducted to acquaint elected officials, the coal industry, and the public with details of the new program. Studies are also being conducted to look into problems with development and production, and the application and impact of unsuitability criteria and coal mapping programs. Under the new regulations, the Department of Energy is responsible for developing regional production goals and Interior is responsible for establishing leasing targets to meet those goals. The Bureau of Land Management is supposed to halt, suspend, or condition further consideration of coal development on land that has reached its "impact threshold" which may be provided for in the land use plan. The Coal Resources Occurrence/Coal Development Potential maps which classify coal lands into three groups of development potential are a step in the right direction. However, there is concern whether the data collected will be used properly and that the maps being used presently are outdated. Since the Federal Government owns a substantial share of the Nation's coal reserves, Federal coal leasing policy can play a significant role meeting the Nation's energy, economic, and security needs.

110425

Issues Surrounding the Surface Mining Control and Reclamation Act. CED-79-83; B-190462. September 21, 1979. 39 pp. plus 1

appendix (6 pp.).
Report to Chairman, Senate Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; Chairman, House Committee on Interior and Insular Affairs: Energy and the Environment Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Energy and the Environment Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee.
Authority: Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87; 30 U.S.C. 1201 et seq.).
Abstract: It is the intent of the Surface Mining Control and Reclamation Act of 1977 that the States be responsible for regulating surface coal mining and undertaking reclamation of abandoned mines. However, the States have found it difficult to meet the law's timetable for developing programs, because the Department of the Interior was late in issuing program regulations. ***Findings/Conclusions:*** The coal operators and the States claim that the Interior regulations are too stringent, and are designed to take away regulatory responsibility from the States. Interior believes its regulations allow the States and coal operators flexibility while assuring that the standards are achieved and uniformly maintained. An Abandoned Mine Reclamation Fund was established under the act to be financed from fees levied on current coal mining operators. About half of the more than $200 million collected from the coal operators for this fund are currently idle, waiting for State and surface mining and regulatory and reclamation programs to be developed and approved by Interior. ***Recommendation To Congress:*** It is recommended that Congress consider these three alternatives concerning the Abandoned Mine Reclamation Fund: continue the present policy to encourage the States to achieve primacy by providing a strong economic incentive to induce the States to complete the process of gaining Interior approval of their State regulatory programs; amend section 405(c) of the act to grant Interior the authority to approve a State's abandoned mine reclamation program whether or not that State has an approved State regulatory program so that the States can start reclaiming and restoring land and water resources harmed by past coal mining; and amend section 405(c) of the act to allow Interior to provide "seed" money from the reclamation fund for preliminary engineering design work on projects that the States plan to undertake.

110469
How Should Alaska's Federal Recreational Lands Be Developed? Views of Alaska Residents and Visitors. CED-79-116; B-125035. September 27, 1979. 16 pp. plus 3 appendices (37 pp.).
Report to House Committee on Interior and Insular Affairs; Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Office of Management and Budget; National Park Service; United States Fish and Wildlife Service; Forest Service; Bureau of Land Management.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Senate* Committee on Energy and Natural Resources.
Abstract: In order to sample user opinions of how millions of acres of developed and undeveloped Federal recreation land in Alaska should be used, a poll of 1,081 visitors to Alaska's Federal parks and recreation areas and 279 Alaskan residents responded to a questionnaire on (1) their experiences in nine of Alaska's long-established Federal parks, wildlife refuges, forests, and public lands; (2) the types, location, and amount of recreational development they would like to see on Alaska's Federal lands; and (3) their familiarity with recreational information published by Federal agencies and the usefulness of this information. ***Findings/Conclusions:*** The poll showed satisfaction on the part of visitors to established Federal recreational areas. Respondents clearly favored development of new areas to further development of existing facilities, an approach with which agency officials agreed. The majority of respondents favored either a user-charge system or Federal funding to pay for future recreational development. A large percentage of visitors responding to the questionnaire said they were not aware of but would have used numerous recreational information publications offered by Federal agencies. Agency officials generally agreed with the report findings; their comments, where appropriate, are included in a summary of responses arranged by agency and recreation area.

110574
[Review of National Park Service Concession Management]. September 13, 1979. 2 pp.
Report to Glen Bean, Regional Director, National Park Service; by John E. Murphy, (for Robert W. Hanlon, Regional Manager), GAO Field Operations Division: Regional Office (Denver).

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Field Operations Division: Regional Office (Denver).
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: National Park Service.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources: Parks and Recreation Subcommittee.
Abstract: GAO reviewed the management of concession facilities by the National Park Service. ***Findings/Conclusions:*** Several reports prepared by the National Park Service have pointed out that severe fire, safety, and structural deficiencies exist in some of the concessioner-operated facilities at Yellowstone National Park. One report states that the deficiencies found at the lodges, each of which have the capability to house about 1,000 persons, endanger the life safety of visitors and employees. The superintendent at the Park stated that he has corrected some of the problems noted in the reports, but that he has decided to allow the concessioner to continue operations regardless of the uncorrected fire and safety problems. An independent inspection conducted by GAO confirmed the existence and seriousness of the deficiencies cited in the National Park Service reports. Therefore, the National Park Service should take action necessary to correct the fire and safety deficiencies that exist at Yellowstone National Park.

110667
[Navy Guam Land Use Plan Does Not Address Possible Alternatives]. LCD-80-12; B-164217. October 18, 1979. ***Released*** October 25, 1979. 3 pp. plus 1 enclosure (1 p.).
Report to Del. Antonio B. Won Pat; by Richard W. Gutmann, Director, GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management (0700).
Contact: Logistics and Communications Division.
Budget Function: National Defense (050.0).
Organization Concerned: Department of the Navy; Department of Defense; Department of the Air Force.
Congressional Relevance: *Del.* Antonio B. Won Pat.
Abstract: A review was made of the accuracy of the Guam Land Use Plan which the U.S. Navy prepared. The Navy stated that the plan represents the military's required land use goals on Guam. ***Findings/Conclusions:*** The potential needs for the relocation of Defense operations and housing and personnel support facilities did not appear to be economically justifiable. Since the Navy failed to address all relocation alternatives, the published plan identifies desired, rather than required, military land holdings and does not accurately reflect Defense land requirements as identified in the Navy study. As a result, the plan should not be used as the sole basis for joint civilian-military land use planning on Guam.

110742

The U.S. Mining and Mineral-Processing Industry: An Analysis of Trends and Implications. ID-80-04; B-125067. October 31, 1979. 77 pp. plus 2 appendices (10 pp.).
Report to Congress; by Robert F. Keller, Acting Comptroller General.

Issue Area: Materials: Access to Materials (1809).
Contact: International Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Bureau of Mines; Department of the Interior; Department of the Treasury; Department of Commerce; Department of State; Tennessee Valley Authority; Occupational Safety and Health Administration.
Congressional Relevance: Congress.
Authority: Clean Air Act Amendments of 1970. Mining and Minerals Policy Act of 1970. Webb-Pomerene Act (Export Trade).
Abstract: In an analysis of trends in the U.S. mineral industry, GAO studied the U.S. and foreign government actions that involve economic access to minerals, development and financing costs, labor costs, and energy availability and price. ***Findings/ Conclusions:*** The closing of several zinc-processing facilities has reduced domestic capacity by almost 50 percent, and imports of zinc metal have increased 89 percent. Imports of chromium and manganese ores for use in making ferroalloys have declined, while imports of ferroalloys have increased substantially. Despite forecasts of annual growth in copper demand, no major new smelter or refinery capacity is likely before 1985; meanwhile, imports of refined copper over the last 10 years have risen from 6 percent to over 19 percent of U.S. consumption. Although demand for aluminum is forecast to grow at about 7 percent annually through 1985, U.S. aluminum production capacity is growing at only 1.4 percent annually, and imports of aluminum are expected to double by the year 2000. GAO compared U.S. and foreign government actions that influence these trends, and found that the U.S. Government: (1) limits the use of Federal lands for mineral exploration; (2) imposes strict environmental requirements which add significant costs to the development of domestic mineral projects (while some countries are either more lenient in their enforcement or provide assistance to defray costs); (3) restricts the use of joint ventures to pool resources and share risks; and (4) adds to the cost of labor by imposing worker health and safety requirements. There is much uncertainty regarding the future price and availability of energy supplies needed for the mineral industry due to the absence of a clear U.S. Government energy policy. ***Recommendation To Congress:*** In order to assure that the overall national interest is served, congressional committees should focus on developing a mechanism for objectively considering the consequences of Government actions and for resolving conflicts among policies.

110750

[Use of Other Federal Grant-In-Aid Programs To Meet the Local Matching Requirement of the Land and Water Conservation Fund]. CED-80-23; B-176823. November 1, 1979. 2 pp. plus 2 enclosures (3 pp.).
Report to Rep. Robert B. Duncan; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Heritage Conservation and Recreation Service; Appalachian Regional Commission; Department of Housing and Urban Development; Department of Commerce; Department of the Interior: Office of the Solicitor.
Congressional Relevance: *Rep.* Robert B. Duncan.
Authority: Housing and Community Development Act of 1974. Land and Water Conservation Fund Act of 1965 (P.L. 88-578).
Abstract: The Land and Water Conservation Fund Act of 1965 (LWCF) provides grants to States and local governments for planning, acquiring, and developing outdoor recreation projects. The Act restricts LWCF grants to 50 percent of the project cost, requires the State or local government to finance the remaining share, and prohibits the use of other Federal grant funds to satisfy the local matching share requirement. However, the Housing and Community Development Act of 1974 subsequently authorized the use of its grants to pay the required local match of other community development programs, thereby authorizing an exception to the LWCF Act. ***Findings/Conclusions:*** Thus far, it appears that 500 projects have received financial assistance from other Federal programs, and Federal contributions have amounted to about 79 percent of the projects' costs. ***Recommendation To Congress:*** In order to fully evaluate the local matching share requirements initially envisioned for LWCF projects, the appropriate congressional committees should review the LWCF Act restriction and grant program authorizations such as those contained in the Housing and Community Development Act.

110765

[Propriety of Paying Invoices Not Covered by Purchase Order]. B-196004. November 2, 1979. 2 pp.
Decision re: DeLoss Construction Co.; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: DeLoss Construction Co.; Bureau of Land Management.
Authority: 40 Comp. Gen. 447. B-183915 (1975). B-183878 (1975).
Abstract: The Bureau of Land Management (BLM) contracted with a firm to modify the habitat of an endangered fish species. Two previous attempts to perform the job had been made but were delayed. The firm, which had been the contractor for the first two attempts, performed the job successfully. However, due to an administrative error, BLM proceeded under the prior purchase order rather than issuing a new one for the third attempt. Moreover, after the project was completed, BLM received an invoice from the firm claiming an amount well in excess of the procurement authority. Although the United States cannot be bound beyond the actual authority conferred upon its agents by statute or regulation, the courts and GAO have held that in appropriate circumstances payment may be made for services rendered on a quantum meruit basis. It was determined that the Government received a benefit from the performance of the contractor, that the amount of the invoice was reasonable, and that an implied ratification could be inferred from the recommendation for payment by an agent of BLM. The legal improprieties in the contract were not regarded as barring relief. Accordingly, payment on a quantum meruit basis for

the amount claimed was allowed if otherwise proper.

110773

How To Speed Development of Geothermal Energy on Federal Lands. EMD-80-13; B-178205. October 26, 1979. 4 pp. plus 5 appendices (44 pp.).

Report to Sen. James A. McClure; Sen. Wendell H. Ford; Sen. Frank Church; Sen. Mark O. Hatfield; Sen. Henry M. Jackson, Chairman, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Office of Management and Budget; Department of the Interior; Department of Energy; Department of Agriculture; Bureau of Land Management; Forest Service; Interagency Geothermal Coordinating Council.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Senate* Committee on Appropriations; *Senate* Committee on Energy and Natural Resources; *Sen.* James A. McClure; *Sen.* Wendell H. Ford; *Sen.* Frank Church; *Sen.* Mark O. Hatfield; *Sen.* Henry M. Jackson.

Authority: Geothermal Steam Act of 1970. S. 1388 (96th Cong.). S. 1330 (96th Cong.). H.R. 5187 (96th Cong.). H.R. 4471 (96th Cong.).

Abstract: In an investigation of the Federal geothermal leasing program, GAO specifically examined the amount of geothermal lands owned and leased by the Federal Government and activities on these lands; reasons for the relatively slow development of geothermal energy; whether the Geothermal Act of 1979 contains provisions which are major impediments to geothermal development; geothermal development on Federal lands in California; and whether or not a major industry could be established on private and State-owned lands if the Federal Government did not encourage development on Federal lands. ***Findings/Conclusions:*** Although the Geothermal Steam Act was enacted over 8 years ago, there is still no commercial geothermal production from a Federal lease. Delays in Federal leasing and economic and technological considerations are the major reasons for the slow pace of development. Of the 815,000 acres of the federally owned, known geothermal resource area (KGRA) offered to be leased for geothermal development, over 444,000 acres were under lease in June 1979. Another 2.25 million acres of other potentially valuable geothermal resource lands have also been leased. Most of this land has been under the jurisdiction of the Bureau of Land Management (BLM). The Forest Service has made less progress in leasing its lands, especially in California. Although industry has shown considerable interest in leasing such California lands, no lease sales have been held and no leases have been issued. There was no indication that the pace of geothermal development was being deliberately slowed. However, about 2,000 noncompetitive lease applications were awaiting action as of June 30, 1979; half of this was Forest Service land. Over one-half million acres of land on which leases have been relinquished or terminated are not being made available for re-leasing. Provisions of the Geothermal Steam Act of 1970 concerning the acreage limitation and the method of designating KGRA's may act as impediments to future development. To expedite development GAO believes that the Government should give developers the option of accepting leases based on phased environmental assessments for exploration and development. ***Recommendation To Agencies:*** The Secretary of Agriculture should assure that geothermal leasing is given appropriate priority within the Forest Service. Both the Forest Service and BLM should process lease applications in a more timely manner, and BLM should make available for re-leasing lands on which leases have been relinquished or terminated. The Secretaries of Agriculture, Energy, and the Interior should implement those changes that can be made administratively. In addition, the Interagency Geothermal Coordinating Council should monitor the actions taken on these recommendations by the respective Departments and include in its 1980 annual report a summary of the specific steps taken.

110906

Alternatives for Achieving Greater Equities in Federal Land Payment Programs. PAD-79-64; B-167553. September 25, 1979. 51 pp. plus 3 appendices (8 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Refer to PAD-81-82, July 10, 1981, Accession Number 116070.

Contact: Program Analysis Division.

Budget Function: General Purpose Fiscal Assistance: General Revenue Sharing (851.0).

Organization Concerned: Public Land Law Review Commission; Bureau of Land Management.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Interior and Insular Affairs; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.

Authority: P.L. 94-565.

Abstract: A variety of land payment programs have evolved over the years to compensate States and counties for tax exemptions on Federal land within their jurisdiction. GAO reviewed programs in eight Western States where 80 percent of the Federal land payments are made and found many inequities and inconsistencies. ***Findings/Conclusions:*** The basic aim of Congress in enacting these programs was to compensate States and counties for lost tax revenues and the economic burdens of tax-exempt Federal land. As laws were designed and implemented, most programs pay States and counties a percentage of the annual receipts generated from the public lands, rather than on the basis of equivalent taxes that would have been paid if the land were privately owned. Because the payment bears no relationship to tax equivalency, States and counties do not receive equitable payments. Many States and counties are overpaid compared to tax equivalency, while others receive little or no payment. The Public Land Law Commission recommended in 1970 that counties receive one payment rather than a number of payments under the various receipt-sharing programs. Congress decided not to repeal the Federal land payment programs. Nevertheless, some counties that already received more in land payments than they would have in taxes for the same land received an additional bonus. In revising Federal land payments laws, Congress may find it useful to consider alternatives to the type of receipt-sharing approach now used, such as fee-per-acre, other types of revenue sharing, fee for service, and tax equivalency. ***Recommendation To Congress:*** Congress should delete special provisions for Oregon and California grant lands and Coos Bay Wagon Road grant lands, and include payments under those exempted statutes to correct the Public Law 94-565 problem of paying counties a minimum of 10 cents an acre when the county is already being compensated under receipt-sharing programs. This action is necessary to avoid making acreage payments to counties that already receive unusually large receipt-sharing payments under special legislation for revested lands. If Congress decides to continue receipt-sharing payments and acreage payments under Public Law 94-565, it should take action to correct fundamental weaknesses in Public Law 94-565. The weaknesses in the law that allow States to influence the size of payments and that require BLM to use State data which have been unreliable could be corrected by amending Public Law 94-565 so that: (1) its payments are disassociated from receipt-sharing payments; (2) deductions for receipt-sharing payments are allocated to counties where receipts were earned; or (3)

deductions for receipt-sharing payments are allocated to counties based on population or some other allocation method. ***Recommendation To Agencies:*** To make corrections in past payments, the Bureau of Land Management should take steps to validate receipt-sharing deductions for fiscal years 1977 and 1978 payment computations to all States except for the eight States GAO reviewed. GAO has already given the Bureau correct data on those States.

110912

[Liability for Damage Resulting From Use of One Agency's Real Property by Another]. B-194861. November 20, 1979. 4 pp.
Decision re: Cost of Restoration of Damaged Property; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: General Government Matters.
Organization Concerned: Forest Service; Forest Service: DeSoto National Forest, MI; Department of the Army: Army Finance and Accounting Center.
Authority: Department of Defense Appropriation Act, 1964. Department of Defense Appropriation Act, 1966. 32 Comp. Gen. 179. 44 Comp. Gen. 693. 44 Comp. Gen. 695. P.L. 95-457. B-159559 (1968). S. Rept. 625 (89th Cong.). 43 U.S.C. 315q. 77 Stat. 258.
Abstract: The Department of the Army asked whether funds were available to reimburse the Forest Service for the cost of restoration of property it damaged during training exercises. The Army felt that Congress had sufficiently demonstrated that it intended to permit such interdepartmental reimbursements, and quoted language was apparently put in a Senate Report on appropriations to accomplish this. However, subsequent reports have not repeated this intent. The longstanding general rule which applies to such matters, the interdepartmental waiver doctrine, holds that in the absence of statutory authority one executive department may not be reimbursed for real property damaged by another executive department. The doctrine is based upon the premise that ownership of property is in the Government and not in a particular department. GAO held that, since there was no specific statutory authority permitting exception to the general rule, reimbursement was not allowable.

110982

Phosphates: A Case Study of a Valuable, Depleting Mineral in America. EMD-80-21; B-114812. November 30, 1979. 52 pp. plus 7 appendices (19 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Materials: Information System Deficiencies (1808); Materials: Access to Materials (1809); Materials: Extending Availability of Non-Renewable Resources (1811).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0); Agriculture: Agricultural Research and Services (352.0); Agriculture: Import-Export Issues (352.1).
Organization Concerned: Department of the Interior; Department of Agriculture; Environmental Protection Agency; Department of State; Bureau of Mines; Tennessee Valley Authority; Executive Office of the President; Office of Science and Technology Policy.
Congressional Relevance: Congress.
Authority: Endangered Species Act of 1973. Legislative Reorganization Act of 1970. H.R. 2743 (96th Cong.).
Abstract: Phosphate is a primary plant nutrient which is absolutely vital to sustaining the Nation's agricultural output, and phosphate rock is the only practical source of phosphorous on a commercial scale. In order to assess the outlook for phosphate, GAO reviewed phosphate-mining techniques, the effects of environmental regulation on the industry, and methods being used to estimate the quantity of domestic phosphate reserves and resources. ***Findings/ Conclusions:*** As presently mined, high-grade phosphate deposits are being depleted. Over one-half of all phosphate production in the United States occurred in the last 12 years, and it is far from certain that the Nation's reserves will be adequate beyond the year 2000. In order to plan for the availability of phosphates in the future, a reliable information system is needed. The Bureau of Mines relies too heavily on unverified, proprietary data without judging their reliability. World-reserve estimates have fluctuated wildly from year to year and are even less reliable than domestic estimates. Environmental and land-use concerns are another factor which must be considered in planning phosphate availability. While past availability depended only on whether or not it was profitable to produce the mineral, it is being increasingly subordinated to environmental impact and competing desires for nonmining uses of public lands. Government policies which seek to minimize environmental damage diminish potential phosphate reserves significantly. A third factor essential to planning is an assessment of the world market outlook; the present trends of global production and imports indicate that availability is bound to have economic and probably strategic implications for the United States and its allies. Finally, while the Nation has traditionally relied on market forces to deal with shortages and has generally expected private industry to meet new demands, there is now a need for the Government to plan for the long-term requirements of the country. ***Recommendation To Congress:*** Congress should require immediate work to start on the recommended review and be particularly alert to the Department of the Interior's response to this report, as required by the Legislative Reorganization Act of 1970. In the same fashion, Congress should also carefully monitor the actions of the Office of Science and Technology Policy (OSTP) in assisting formulation of a comprehensive research and development program for phosphates. If OSTP persists in its negative attitude and abdication of responsibility, Congress should consider an alternative placement of responsibility for coordination of materials research and development issues of national concern. ***Recommendation To Agencies:*** The Secretary of the Interior should make a thorough review of the Nation's long-range phosphate position and report to Congress on the future availability of phosphates. This phosphate assessment should be completed no later than December 31, 1981, and include the following: (1) a comprehensive assessment of the phosphate reserves of the Nation and the world, with the Secretary judging the the need, if any, for Government verification of proprietary (source) records to the extent that the assessment is based on unverified data; (2) a determination of the extent that environmental concerns and land-use decisions are likely to restrict phosphate development; (3) a review and evaluation of alternatives to dependency on imports and assessment of their costs; and (4) a Department of Agriculture estimate of future needs for phosphates in agriculture and possible food production alternatives to depending on foreign fertilizer sources. OSTP in the Executive Office of the President should coordinate and make sure that an integrated research and development program for phosphates is begun and that OSTP contribute as appropriate to the comprehensive review and report.

111044

Coal Creek: A Power Project With Continuing Controversies Over Costs, Siting, and Potential Health Hazards. EMD-80-16; B-149244. November 26, 1979. ***Released*** December 27, 1979. 64 pp. plus 2 appendices (10 pp.).
Report to Rep. Richard M. Nolan, Chairman, House Committee on Agriculture: Family Farms, Rural Development, and Special Studies Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Effect of Federal Financial Incentives, Tax Policies, and Regulatory Policies on Energy Supply (1610).

Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Rural Electrification Administration; Cooperative Power Association; United Power Association.
Congressional Relevance: *House* Committee on Agriculture: Family Farms, Rural Development, and Special Studies Subcommittee; *Rep.* Richard M. Nolan.
Authority: Power Plant Siting Act (Minnesota).
Abstract: The Coal Creek power project is a joint venture by two rural electric power cooperatives financed by Rural Electrification Administration insured and guaranteed loans. Changing economic, environmental, and regulatory factors, public opposition expressed in court suits and acts of vandalism, and certain management decisions have resulted in increases in estimated costs from $537 million in 1973 to over $1.2 billion in 1979. A GAO report examined the large increase in costs; the transmission line siting process in North Dakota and Minnesota; and the potential adverse health, welfare, and environmental effects from extra high voltage, direct-current transmission lines. ***Findings/Conclusions:*** The wisdom of certain management decisions with regard to the construction and development of the project could not be determined at the time of the study. It was believed, however, that there was inadequate initial planning for a project of the magnitude envisioned and that the decision to proceed with the project should have been reevaluated as conditions changed following a 1973 feasibility study and the oil embargo of that year. Regarding the siting issue, GAO found that (1) the enactment of power plant and transmission siting laws in both North Dakota and Minnesota probably exacerbated discontent over the project; (2) there were differences in state applications of siting procedures which affected the balance of environmental, agricultural, and cost priorities; (3) while the actual loss of land for crop use was not extensive, factors such as aesthetics, access to rights-of-way and disruption of normal farming practices also needed to be considered; and (4) siting costs, delays, and public resentment against the project could have been reduced through more openness with the public. GAO found no conclusive evidence that being near direct-current transmission lines is a direct threat to human health. The rural electric cooperatives have been required to conduct a 2-year study of ozone generated by the transmission line to determine its effect, if any, on the atmosphere.

111061

[The Fish and Wildlife Service's Management of the Sachuest Point and Ninigret National Wildlife Refuges in Rhode Island]. CED-80-26; B-196756. November 23, 1979. ***Released*** December 10, 1979. 4 pp.
Report to Rep. Fernand J. St Germain; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment (300.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior; United States Fish and Wildlife Service: Sachuest Point National Wildlife Refuge, RI; United States Fish and Wildlife Service: Ninigret National Wildlife Refuge, RI; Middletown, RI: Town Council; Department of the Navy: Naval Auxiliary Landing Field, Charlestown, RI; Charlestown, RI; Environmental Protection Agency; General Services Administration; Heritage Conservation and Recreation Service; Rhode Island.
Congressional Relevance: *Rep.* Fernand J. St Germain.
Abstract: A Congressman questioned whether the U.S. Fish and Wildlife Service had the resources to manage two wildlife refuges in Rhode Island properly. ***Findings/Conclusions:*** At one site, the Service has implemented a managment and development plan which would protect the habitat for wildlife while providing passive public recreation. Actions taken to enhance the area as a wildlife habitat included: (1) renovation of an existing Navy building for use as a visitor contact station, refuge office, and storage facility; (2) increasing the tidal flow throughout the marsh areas by placing culverts under a road to one of the beaches; (3) removal of privately owned cottages that had lined the beach; (4) removal of a solid waste collection and transfer station; and (5) planting grass and food shrubs. The Service took steps to provide the maximum level of public recreation consistent with wildlife preservation. Title to the land involved in the second area had precluded implementation of a management and development plan. When the title has been obtained, the Service plans to manage the land in a natural state for the benefit of migratory waterfowl and other wildlife. Development would be limited to cleaning up and restoring the area to its natural condition. The area would be open to the public during non-nesting periods for wildlife-oriented recreation. Limited use of control regulations, fencing, and posting were planned to protect the wildlife habitat and the general ecology of the area. A cooperative effort to effectively mesh the management proposals of the town, the Environmental Protection Agency, and the Service was initiated.

111077

[Fish and Wildlife Service Is Incurring Unnecessary Costs for Property Forfeited or Voluntarily Abandoned at Ports of Entry]. B-196758. December 6, 1979. 5 pp.
Report to Lynn A. Greenwalt, Director, United States Fish and Wildlife Service; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: United States Fish and Wildlife Service; National Oceanic and Atmospheric Administration: National Marine Fisheries Service; Animal and Plant Health Inspection Service; United States Customs Service.
Authority: Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.). Marine Mammal Protection Act of 1972. Migratory Bird Treaty Act. Fish and Wildlife Improvement Act of 1978. P.L. 94-359.
Abstract: GAO reviewed the Fish and Wildlife Service's (FWS) procedures for disposing of property which is forfeited or abandoned because of a lack of a permit or documentation required for its import into the United States. This property includes some live endangered species and other restricted items. ***Findings/ Conclusions:*** FWS was incurring unnecessary costs at ports of entry because policies and procedures had not been implemented for the disposal of abandoned and forfeited property as provided for by law. In June 1979, proposed regulations for implementing the disposal of property were drafted by FWS. However, no action has been taken on the proposed regulations. Under the proposal, no item would be stored for more than 1 year. Implementation of the proposal procedures would significantly reduce the inventory of abandoned and forfeited property with a corresponding decrease in the storage facilities required. In addition, U.S. Customs Service officials have stated that they could store some items, especially if they were to be disposed of within a year. Although use of Customs facilities would further reduce FWS costs, this possibility had not been explored or discussed. Security and accountability procedures were inadequate. Procedures have not been established to require minimum security standards for storage facilities, uniform accountability for seized personal property, or annual accountability reviews. As a result, merchandise has disappeared from FWS

storage facilities. ***Recommendation To Agencies:*** The Director of the U.S. Fish and Wildlife Service should implement regulations or guidelines setting forth the procedures for the disposal of property voluntarily abandoned or forfeited at ports of entry. She should enter into a cooperative agreement with the U.S. Customs Service to utilize existing storage facilities where available. Finally, the Director should establish policies and procedures to require (1) minimum security standards for physical storage facilities similar to those mandated by Customs, (2) uniform accountability for seized personal property, and (3) periodic physical inventories of stored items.

111135

[Implementation of the Agricultural Foreign Investment Disclosure Act of 1978]. CED-80-37; B-196874. December 18, 1979. *Released* December 20, 1979. 3 pp. plus 1 enclosure (9 pp.). *Report* to Sen. Herman E. Talmadge, Chairman, Senate Committee on Agriculture, Nutrition, and Forestry; by Elmer B. Staats, Comptroller General.

Issue Area: Food: Agricultural Data Collection, Statistical, and Analysis Programs (1754).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture.
Congressional Relevance: *Senate* Committee on Agriculture, Nutrition, and Forestry; *Sen.* Herman E. Talmadge.
Authority: Agricultural Foreign Investment Disclosure Act of 1978 (P.L. 95-460).
Abstract: The Agricultural Foreign Investment Disclosure Act of 1978 requires foreign investors in U.S. agricultural land to register with the Department of Agriculture (USDA). A request was made for verification of the accuracy of registrations received by USDA by determining how many of the foreign investors identified in a previous report had actually registered. ***Findings/Conclusions:*** All but 47 of the 224 transactions identified in the report had been registered as of October 22, 1979. The 47 unregistered transactions represented only 3 percent of the total acreage identified in the report. However, a number of problems with the implementation of the Act were noted. The more significant problems include: half of the unregistered owners said they were unaware of the Act and its requirements; since a USDA report analyzing the registration information is late, it does not include all of the information; it would be difficult and costly to determine the extent of registration; there is no cost-effective way of ensuring that the information is accurate; certain program procedures and regulations are vague because they had to be hurriedly assembled; the availability to the public of the investors' identities may be a deterrent to registration; continuing publicity is essential to help ensure that investors are kept aware of the Act's requirements; and, while allowing a formal grace period before assessing penalties may encourage registration, it would require a change in the law.

111136

[Implementation of the Agricultural Foreign Investment Disclosure Act of 1978]. CED-80-38; B-196874. December 18, 1979. *Released* December 20, 1979. 3 pp. plus 1 enclosure (9 pp.). *Report* to Rep. Charles E. Grassley; by Elmer B. Staats, Comptroller General.

Issue Area: Food: Agricultural Data Collection, Statistical, and Analysis Programs (1754).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture.
Congressional Relevance: *Rep.* Charles E. Grassley.
Authority: Agricultural Foreign Investment Disclosure Act of 1978 (P.L. 95-460).
Abstract: The Agricultural Foreign Investment Disclosure Act of 1978 requires foreign investors in U.S. agricultural land to register with the Department of Agriculture (USDA). A request was made for verification of the accuracy of registrations received by USDA by determining how many of the foreign investors identified in a previous report had actually registered. ***Findings/Conclusions:*** All but 47 of the 224 transactions identified in the report had been registered as of October 22, 1979. The 47 unregistered transactions represented only 3 percent of the total acreage identified in the report. However, a number of problems with the implementation of the Act were noted. The more significant problems include: half of the unregistered owners said they were unaware of the Act and its requirements; since a USDA report analyzing the registration information is late, it does not include all of the information; it would be difficult and costly to determine the extent of registration; there is no cost-effective way of ensuring that the information is accurate; certain program procedures and regulations are vague because they had to be hurriedly assembled; the availability to the public of the investor's identities may be a deterrent to registration; continuing publicity is essential to help ensure that investors are kept aware of the Act's requirements; and, while allowing a formal grace period before assessing penalties may encourage registration, it would require a change in the law.

111185

Uncertainties Over Federal Requirements for Archeological Preservation at New Melones Dam in California. CED-80-29; B-125045. December 21, 1979. 45 pp. plus 1 appendix (6 pp.). *Report* to Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Interior; National Park Service; Heritage Conservation and Recreation Service; Department of the Army: Corps of Engineers.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Rep.* Morris K. Udall.
Abstract: GAO examined efforts to preserve the archeological and historical resources at the New Melones Dam Project in California. These efforts have been clouded by the lack of Federal guidance on the adequacy of archeological preservation and who should direct the program. ***Findings/Conclusions:*** The responsible agencies, the National Park Service, the Heritage Conservation and Recreation Service (HCRS), and the Army Corps of Engineers, have not developed criteria to use in deciding the extent of mitigation efforts needed to satisfy requirements of archeological salvage laws. The lack of guidance has also left a void regarding whether mitigation efforts should be centered on physical protection, such as preservation, avoidance and salvage, or the costly effect of accumulating information from all sources that may reflect on the past history of the project area. Also, the lack of Federal guidance on who should decide the adequacy and who should direct the mitigation program has clouded the direction of the cultural resources work at New Melones. HCRS has been developing its own research priorities and now apparently plans to assume the direction of the ongoing mitigation program and change it from the approach planned by the Corps. Neither the contractor nor the Corps was aware of how HCRS expected to reorient the program and this has led to delays on decisions on the final phases of the contract. Since this has been a rapidly changing program, with agencies responding differently,

the magnitude of the problem is not known. In view of this, no legislative or administrative recommendations are being made until a more indepth review is completed.

111187

[Analysis of Potential Alternative Sites for the Proposed New San Diego Naval Hospital]. HRD-80-37; B-183256. January 2, 1980. 3 pp. plus 1 enclosure (17 pp.).

Report to Rep. Jamie L. Whitten, Chairman, House Committee on Appropriations; by Elmer B. Staats, Comptroller General.

Issue Area: Facilities and Material Management: Non-Line-of-Effort Assignments (0751); Health Programs: Health Care Costs (1208).

Contact: Human Resources Division.

Budget Function: Health: Health Planning and Construction (551.3).

Organization Concerned: Department of the Navy; Department of Defense.

Congressional Relevance: *House* Committee on Appropriations; *Rep.* Jamie L. Whitten.

Authority: Military Construction Authorization Act, 1978 (P.L. 95-82). Military Construction Authorization Act, 1980 (P.L. 96-125). B-183256 (1976).

Abstract: A request was made for an evaluation of the advantages and disadvantages of the sites the Navy is considering for the new Naval Regional Medical Center in San Diego, California. The three primary site alternatives are Florida Canyon, Helix Heights, and Balboa Park. The Secretary of the Navy approved the decision to acquire, through condemnation, the Florida Canyon property. ***Findings/Conclusions:*** The question of ownership of the property on which the hospital is to be located is of utmost importance. With the Navy having a major presence in terms of military facilities and personnel in San Diego, there is every reason to expect that there will be an indefinite, continuing need for a Naval hospital to serve the area. Also, given the magnitude of the required capital investment for the project and the probable need for continued additional capital investments over the life of the medical center, fee-simple ownership should be a basic requirement. Therefore, while the Florida Canyon site has the most advantages and fewest disadvantages of the three alternatives, if the terms of final land acquisition call for the Navy to accept a lease, rather than ownership, as contemplated by the Navy and the city of San Diego, the Navy should reconsider its present opposition to the Balboa Park site. ***Recommendation To Agencies:*** The Secretary of the Navy should proceed with condemnation action to acquire fee-simple ownership of the Florida Canyon property needed for construction of the new Naval Medical Center. As a first step in the action, the Secretary should begin negotiations with the city of San Diego to acquire the property under a friendly condemnation through payment or land exchange, but not under a leasing arrangement as contemplated in the Navy's earlier memorandum of understanding with the city. If fee-simple ownership cannot be acquired, construction at the southern end of the Balboa Park site should be considered.

111256

Federal Drive To Acquire Private Lands Should Be Reassessed. CED-80-14; B-196787. December 14, 1979. ***Released*** January 14, 1980. 50 pp. plus 4 appendices (122 pp.).

Report to Rep. Phillip Burton, Chairman, House Committee on Interior and Insular Affairs: National Parks and Insular Affairs Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Planning for Land Use (2305).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: National Park Service; United States Fish and Wildlife Service; Forest Service; Department of Agriculture; Department of the Interior.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: National Parks and Insular Affairs Subcommittee; *Rep.* Phillip Burton.

Authority: Water Pollution Control Act Amendments of 1972 (Federal). Hunting Stamp Tax Act (16 U.S.C. 718; 48 Stat. 451). Land and Water Conservation Fund Act of 1965. Migratory Bird Conservation Act. Wetlands Loan Extension Act of 1976. Wild and Scenic Rivers Act. Wilderness Act. Weeks Act (Protection of Watersheds). P.L. 88-606. B-114841 (1968). Forest Service Manual ch. 5440.

Abstract: A request was made for an examination of the policies and practices of the three Federal agencies with major land management and acquisition programs: the Forest Service under the Department of Agriculture, and the Fish and Wildlife Service and the National Park Service under the Department of the Interior. ***Findings/Conclusions:*** The three agencies generally followed the practice of acquiring as much land as possible without regard to need and alternatives to purchase. Consequently, lands unessential to project objectives have been purchased, and often before planning how it was to be used and managed. Government acquisition of private lands for protection, preservation, and recreation is costly and usually prevents the land from being used for resource development, agriculture, and family dwellings. Furthermore, the cost of many projects has doubled, tripled, and even quadrupled from original estimates and authorizations. The Federal Government has no overall policy on how much land it should protect, own, and acquire. Alternatives to ownership could be used to protect land, such as easements, zoning, and other regulatory controls which have proven to be feasible and successful. The use of alternatives would reduce costs to the Federal Government, as well as reduce the loss of tax revenue to localities, allow residents to retain their homes, and keep agricultural land in production with the scenic values protected. While in some instances land must be purchased if they are essential to project objectives, these alternatives could be used where appropriate. ***Recommendation To Congress:*** Congress should require the Secretaries of Agriculture and the Interior to report on the progress made in implementing the GAO recommendations. This should include a determination on the extent to which project plans for new and existing projects have been prepared which at least: evaluate the need to purchase lands essential to achieving project objectives; detail alternative ways to preserve and protect lands; and identify the impact on private landowners and others. ***Recommendation To Agencies:*** The Secretaries of Agriculture and the Interior should jointly establish a policy for Federal protection and acquisition of land. The Secretaries should explore the various alternatives to land acquisition and provide policy guidance to land-managing agencies on when lands should be purchased or when alternatives should be used to preserve, protect, and manage national parks, forests, wildlife refuges, wild and scenic rivers, recreation areas, and others. Further, the Secretaries should evaluate the need to purchase additional lands in existing projects. The evaluation should include a detailed review of alternative ways to preserve and protect lands needed to achieve project objectives. At every new project, before private lands are acquired, project plans should be prepared which: identify specifically the land needed to meet project purposes and objectives; consider alternative land protection strategies; weigh the need for the land against the costs and impacts on private landowners and State and local governments; show close coordination with State and local governments and maximum reliance on their existing land use controls; and determine minor boundary changes which could save costs, facilitate management, or minimize bad effects.

111270

[Request for Opinion]. B-194799. January 14, 1980. 4 pp.

Decision re: Federal Highway Administration; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Forest Service; Fred H. Slate Co.; Federal Highway Administration.
Authority: 36 C.F.R. 223.1(b). B-171131 (1971). B-185427 (1977). B-114839 (1979). 23 U.S.C. 204. 16 U.S.C. 476.
Abstract: The Federal Highway Administration (FHWA) requested an opinion on the propriety of the Forest Service reimbursing it for costs incurred in settling a highway construction claim. FHWA and the Forest Service have been cooperating in the construction of forest highways. Road contractors operating within the national forests are contractually required to purchase merchantable timber found on the road right-of-ways. The Forest Service appraises the timber and sets the price which the contractor must pay. The construction claim in this case arose when a firm discovered it had paid more for the timber than it was currently worth. The Forest Service had included an "overbid" factor which inflated the price. The factor was normally used in long duration timber sales to increase the Government's likelihood of receiving full market value in an inflationary market. FHWA felt that the inflated price was a mutual mistake of fact and justified reforming the firm's contract correcting the error. It contended that it lacked expertise in timber appraisals and relied on the Forest Service expertise. It therefore effectively reformed the erroneous payment made to the Forest Service. The Forest Service contended that the claim should not have been paid and that, even if it was assumed that it should have been, the contractor was overpaid. Because of this, it believed that it should not have to reimburse FHWA for the cost of settling the claim. GAO held that the Forest Service was not required to reimburse FHWA for the cost of settling the claim because the record did not indicate the existence of any agreement or mutual understanding between the agencies concerning what occurred. Both agencies were held to have performed their respective statutory duties.

111458

[Oil and Gas Potential in the Arctic National Wildlife Range]. EMD-80-56; B-197440. January 22, 1980. ***Released*** February 4, 1980. 4 pp.

Report to Sen. Mark O. Hatfield, Ranking Minority Member, Senate Committee on Energy and Natural Resources; Sen. Henry M. Jackson, Chairman, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Land Use Planning and Management Activities of Alaskan Lands (2311).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Alaska; Department of the Interior; Geological Survey.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources; *Sen.* Mark O. Hatfield; *Sen.* Henry M. Jackson.
Abstract: An opinion was asked as to whether a U.S. Geological Survey report supports many analysts' contentions that the rocks of the Arctic National Wildlife Range have a potential for producing oil and gas. ***Findings/Conclusions:*** It is the GAO opinion that the data provided in the report do not support the position that the potential for oil and gas definitely exists in the Range. This potential, however, should not be construed to mean that reservoirs exist, that they will be found, or that they will be large enough to be economically produced. The existence of large oil or gas resources can only be confirmed by drilling. In addition to the data in the report, several other geological factors and discoveries in the region lend support to the contentions of potential resources.

111489

[Propriety of Reforming Lump-Sum Timber Sale Contract]. B-197469. February 5, 1980. 4 pp.

Decision re: Needles Forest Products; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Needles Forest Products; Forest Service.
Authority: Everett Plywood and Door Corp. v. United States, 419 F.2d 425 (Ct. Cl. 1969). B-188548 (1979). B-195049 (1979). B-173644 (1971).
Abstract: The Forest Service requested an opinion on the propriety of reforming a lump-sum timber sale contract to reflect the actual volume of merchantable timber involved. The Forest Service believed that it negligently misinterpreted a material fact when it substantially overstated the volume of merchantable timber on the sale. During the advertisement of the sale, a prospective buyer told the Forest Service that there was less merchantable timber present than advertised. There was no indication in the record that the eventual buyer was informed that the amount of timber had been questioned. The purchaser informed the Forest Service that the sale did not contain the amount of timber advertised and that it would not make further payments on its outstanding balance to the Government. Although estimates of merchantable timber are not regarded as material aspects of timber sale contracts, GAO held that this case represented an exception because of two factors: (1) the provision of the contract which stated the amount of merchantable timber present, and (2) the failure of the Forest Service to inform the purchaser of the question concerning the amount raised by the third party. Ambiguities in timber sales contracts are to be construed in favor of the purchaser if the purchaser's interpretation is reasonable. Accordingly, GAO held that the contract be reformed to show the actual amount of the merchantable timber and the corresponding lump-sum payment including a refund to the purchaser.

111546

[Delays in Developing and Implementing the District of Columbia Government's Elements of a Comprehensive Plan for the National Capital]. GGD-80-18; B-197703. February 12, 1980. 9 pp. plus 1 enclosure (1 p.).

Report to Marion S. Barry, Jr., Mayor, District of Columbia; by Allen R. Voss, Director, GAO General Government Division.

Issue Area: Environmental Protection Programs (2200).
Contact: General Government Division.
Budget Function: General Purpose Fiscal Assistance: Other General Purpose Fiscal Assistance (852.0).
Organization Concerned: National Capital Planning Commission; District of Columbia.
Congressional Relevance: *House* Committee on District of Columbia; *House* Committee on Appropriations: District of Columbia Subcommittee; *House* Committee on the Budget; *Senate* Committee on Governmental Affairs: Governmental Efficiency and the District of Columbia Subcommittee; *Senate* Committee on Appropriations: District of Columbia Subcommittee; *Senate* Committee on Budget.
Authority: Self-Government and Governmental Reorganization Act (District of Columbia). Comprehensive Plan Goals and Policies Act of 1978 (District of Columbia).
Abstract: The comprehensive plan for the National Capital will guide the District of Columbia's future development including land use, housing, transportation, health, social services, and the environment. The proposed completion date for the plan was originally

set for September 1978 but has been extended to late 1980 because of delays. Before Home Rule, the National Planning Commission was responsible for development of such a plan. That group proposed a plan in 1967 but, as of 1974, only 4 of 19 plan elements had been adopted because of executive work sessions which overburdened Commission members and Commission staff working on other matters. Under Home Rule, the Mayor of the District of Columbia was made responsible for coordinating planning activities and preparing and implementing the District's elements of a new comprehensive plan. ***Findings/Conclusions:*** The District has experienced delays in developing its comprehensive plan elements. According to District officials, the development steps were time-consuming and caused the delays. Timely development was impeded also by: (1) other duties and responsibilities of the office, (2) planning process complexities set out in the Home Rule Act, and (3) the lack of adequate staff. GAO felt that the District should establish and monitor formal completion timetables and determine definitively the number of elements to be included in the plan. The District and the National Planning Commission differ on the timing of the Commission's review of plan elements. Because of this, the goals and policies element approved by the District in October 1978 had not yet been implemented. The disagreement has not been resolved and could delay implementation of other plan elements. ***Recommendation To Agencies:*** The Mayor of the District of Columbia should work with the National Capital Planning Commission and the Council to reach agreement on the timing of the Commission's review of plan elements. The Mayor of the District of Columbia should give top priority to implementing the goals and policies and land use elements. The Mayor of the District of Columbia should establish and monitor a realistic schedule for completing the District's comprehensive plan elements. This schedule should: (1) include appropriate benchmarks; and (2) review timeframes for each phase of the plan's development.

111735

[Protest Concerning Agency's Cancellation of Timber Sale]. B-195810. March 7, 1980. 3 pp.
Decision re: Hudspeth Sawmill Co.; by Harry R. Van Cleve, (for Milton J. Socolar, General Counsel).

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: Forest Service; Hudspeth Sawmill Co.
Authority: National Forest Reserve Transfer Act (16 U.S.C. 472(a)(i)). 4 C.F.R. 20. 36 C.F.R. 223.5. 36 C.F.R. 223.7. 36 C.F.R. 233. Hudspeth v. United States, Civ. Act. No. 79-1179 (D.C. Cir. 1979). B-182794 (1975). B-194279 (1979). B-194284 (1979). B-194471 (1979).
Abstract: A firm protested the propriety of the Forest Service's cancellation of a timber sale. The protester had previously been declared the high bidder. Included in the firm's bid was the requirement that the Forest Service build the roads. However, after advertising for bids for road construction and failing to obtain a reasonable bid, the Forest Service notified the protester that unless it rescinded its election to have the Forest Service build the roads and accepted the road construction requirements itself, the timber sale would be canceled. Accordingly, the protester filed suit seeking declaratory and injunctive relief to restrain the Forest Service from canceling the sale. The Federal District Court, however, dismissed the protester's suit with prejudice. The protester then appealed the dismissal. After the dismissal of the court suit, the Forest Service notified the protester that it was canceling the sale. Accordingly, the firm filed a protest with GAO. GAO held that it would not consider the protest as it is currently before a court of competent jurisdiction. However, the issue may be appropriate for future consideration by GAO depending on the outcome of the protester's suit.

111836

[Protest Against Contract Award]. B-196099. March 18, 1980. 5 pp.
Decision re: Presentations South, Inc.; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Presentations South, Inc.; Barry Howard & Associates, Inc.; Bureau of Land Management: Red Rock Canyon Recreation Lands Visitor Center; Department of the Interior.
Authority: 4 C.F.R. 20.2(b)(1). 55 Comp. Gen. 656. 56 Comp. Gen. 635. F.P.R. 1-3.805-1(b). B-181543 (1975).
Abstract: A firm protested the award of a contract for design and fabrication of interpretive components for a national recreation area visitor center. The contract was processed as a competitively negotiated supply procurement. The protester contended that (1) the awardee had, by virtue of past performance on a related contract, received an unfair competitive advantage; (2) under the circumstances, the procuring agency was obligated to notify all potential offerors of the fact that the awardee was planning to submit an offer; (3) the awardee's proposed extensive use of subcontractor effort should have disqualified the firm from receiving the award; and (4) the procurement should have been conducted as a construction project rather than a design project. It is recognized that certain firms may enjoy a competitive advantage by virtue of their incumbency or other circumstances. Such an advantage is not improper unless it results from preference or unfair action by the Government, and no such preference was evident in the instant case. The protester's perception of the procuring agency's obligation to disclose the awardee's participation in the procurement was incorrect since the procuring agency had no advance knowledge of the awardee's intention. Further, once proposals were received, it would have been improper to disclose the number or identity of the offerors participating. Since the solicitation placed no restrictions on subcontracting, the awardee's proposed use of subcontractor effort was not a valid basis for protest. The protester's objection to the decision to conduct the procurement as a supply project rather than a construction project was not considered on its merits since any protest of the method of the procurement should have been filed before the date set for receipt of bids. Accordingly, the protest was denied.

111848

Impact of Making the Onshore Oil and Gas Leasing System More Competitive. EMD-80-60; B-197863. March 14, 1980. ***Released*** March 17, 1980. 4 pp. plus 4 appendices (59 pp.).
Report to Rep. Richard B. Cheney; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Department of Energy.
Congressional Relevance: *Rep.* Richard B. Cheney.
Authority: S. 1637 (96th Cong.).
Abstract: Legislation has been introduced in the Senate by the administration to expand competitive leasing of Federal onshore oil and gas resources. ***Findings/Conclusions:*** While the bill, S. 1637, has several commendable features, it is nonetheless based on insufficient data and analyses and poses such great uncertainties that it should not be enacted in its present form. While S. 1637 does have features directed at improving diligence, its main thrust appears to be the assurance of maximum front-end revenues to the Government at a time when efforts to stimulate increased production of oil and gas from domestic resources and from public lands would seem

of high priority. While the bill's impact on production is difficult to forecast because of its vagueness, uncertain areas, and the latitude granted the Department of the Interior, it appears likely that it would lead to considerably less land under lease, delays in making land available for leasing, and less incentive and opportunity for independent oil companies and others to continue their role of searching for and exploring land for prospective oil and gas. New lands actually having the most potential for new discovery may lie outside the so-called producing geological provinces and would not be leased competitively. Caution should be exercised before making any sweeping changes to the present system. Although it contains flaws and inequities, it has basically succeeded in making an important contribution to domestic oil and gas production by making land available and continually accessible for exploration and development. In addition, there should be a clear understanding and agreement both in the administration and in Congress on the objectives sought and likely impacts to result.

111863

[President's Fifth Special Message]. OGC-80-8; B-196797. March 20, 1980. 2 pp.
Report to Congress; by Elmer B. Staats, Comptroller General.

Contact: Office of the General Counsel.
Budget Function: Impoundment Control Act of 1974 (990.2).
Organization Concerned: Health Resources Administration; Farmers Home Administration; Social Security Administration; Office of Human Development Services; Department of the Treasury: Office of Revenue Sharing.
Congressional Relevance: Congress.
Authority: Congressional Budget and Impoundment Control Act of 1974.

Abstract: The President's fifth special message for fiscal year 1980 proposed a revision to a previously transmitted rescission proposal decreasing the amount rescinded by $6.4 million. ***Findings/ Conclusions:*** The special message also proposed two new deferrals of budget authority totaling $20 million and revisions to two previously transmitted deferrals increasing the amount deferred by $15.9 million. The information provided in the rescission and deferral proposals was correct and the actions proposed were clearly and accurately stated.

111867

[Review of a Land and Water Conservation Fund Commitment for a Public Park on Neville Island, Pennsylvania]. CED-80-85; B-197327. March 18, 1980. ***Released*** March 25, 1980. 4 pp.
Report to Rep. Doug Walgren; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Hillman Co.; Allegheny County, PA; Department of the Interior.
Congressional Relevance: *Rep.* Doug Walgren.
Authority: Land and Water Conservation Fund Act of 1965 (P.L. 88-578).
Abstract: GAO was requested to examine the commitment of funds for a public park on Neville Island, Pennsylvania. Specifically, it was asked to determine if a basis existed for the allegations that the firm which donated the land to the county or county officials knew that toxic chemicals were buried on the proposed park site and whether the firm or the county misrepresented the condition of the site when application was made to secure Federal funding. GAO was also asked to inquire into who was responsible for the cleanup costs required to make the park site usable. ***Findings/Conclusions:*** There was no evidence at the Federal or State level that the county misrepresented the park-site conditions when it applied for the Federal funds. Records supported the statement by Federal and State officials that they were not aware of any toxic chemical wastes buried at the site until more than 2 years after application was made for Federal funding. A further review of the county records and files pertaining to the acceptance of land and subsequent development of the park indicated that many parties were irresponsible, lax, misguided, or unprofessional in attempting to deal with the problem of toxicity at the park site. A county official preferred not to give an opinion as to whether the firm misrepresented the conditions of the land when it was donated to the county. Currently, State officials believe that either the firm or the county would be liable for any costs associated with cleaning up the park site. As of February 1980, Federal funds had not been disbursed. State officials stated that funds would not be disbursed until the health hazard was resolved and the Department of the Interior granted approval for payment. Interior officials stated that they would decide what to do about the $900,000 Federal commitment after considering: (1) the remedial measures recommended by the engineering firm which investigated the on-site toxic chemical problem; and (2) the specific actions taken by Pennsylvania and the county.

111920

Budget Formulation: Many Approaches Work but Some Improvements Are Needed. PAD-80-31; B-197755. February 29, 1980. ***Released*** March 31, 1980. 13 pp. plus 10 appendices (178 pp.).
Report to Rep. Jack Brooks, Chairman, House Committee on Government Operations; by Elmer B. Staats, Comptroller General.

Issue Area: Program and Budget Information for Congressional Use (3400).
Contact: Program Analysis Division.
Budget Function: Impoundment Control Act of 1974 (990.2).
Organization Concerned: Department of Health, Education, and Welfare; Department of the Interior; Department of Defense; Office of Management and Budget; Department of the Army; Department of the Air Force; Department of State; Bureau of Land Management; Health Care Financing Administration.
Congressional Relevance: *House* Committee on Government Operations; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; *Rep.* Jack Brooks.
Abstract: GAO conducted a series of case studies of the budget formulation process in 10 Federal programs in the Departments of Defense, the Interior, and Health, Education, and Welfare. ***Findings/Conclusions:*** The case studies revealed a variety of budget formulation styles. In some cases, budget requests were developed through "bottom-up" methods that involved field offices and no prior guidance or fixed request amounts from higher levels. In other cases, budgets were developed through "top-down" methods in which the request amount was set in advance at top levels and which entailed little or no field office work. Often, the approach followed related to the type of program, and no one approach appeared the best for all programs. Formulation weaknesses and potential problems requiring action were identified in the planning process, zero-base budgeting (ZBB) procedures, and in agencies' methods of reporting to Congress. ***Recommendation To Congress:*** Congress should appropriate initial funding each year for the Bureau of Land Management's emergency fire program that covers the total estimated funding requirement of the program for the year. Congress should direct the Secretary of the Interior, in consultation with the Department of Agriculture, to develop for executive branch and congressional budget use an overall "Federal" program land acquisition plan for executive branch and congressional

budget use that identifies priorities on the geographic areas and kinds of land to be acquired. ***Recommendation To Agencies:*** The Director of the Office of Management and Budget should improve budget reporting by including in the budget, in a single table and discussion, a comprehensive reporting by agency and account of the budget authority and outlay increases/decreases, with subtotals for each, associated with executive proposed legislation. The Director of the Office of Management and Budget should consider establishing with individual agencies rotating schedules for full ZBB analyses of selected programs and activities. The schedules could be linked to cycles of executive branch or congressional reviews. The Director of the Office of Management and Budget should improve budget reporting by revising budget request procedures for the Bureau of Land Management's emergency fire program to provide for initial appropriation requests that fully reflect the total estimated yearly funding requirements of the program. The Director of the Office of Management and Budget should improve budget reporting by including in the Budget Appendix and related justifications provided to appropriations committees a Medicare summary table that would fully disclose the key funding and legislative proposals. The Director of the Office of Management and Budget should monitor and review agency plans for ZBB and provide guidance on: (1) the programs and activities which agencies should perform full analyses of minimum levels, as opposed to using percentage-based minimums; and (2) the programs and activities that should be pulled from zero-based budgeting ranking "core" treatment and subjected to detailed analyses. The Secretary of the Interior should direct Bureau of Land Management officials, as they develop a comprehensive multiyear plan for use in budget formulation, to consult with cognizant congressional committees to achieve agreement on a common set of planning and budgeting categories for use in both authorizing and appropriating processes. Efforts should be devoted to develop a single set of categories as the principal ones of authorizing and appropriations control.

111980

A Framework and Checklist for Evaluating Soil and Water Conservation Programs. PAD-80-15; B-114833. March 31, 1980. 91 pp. plus 5 appendices (43 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Refer to CED-82-41, January 29, 1982, Accession Number 117449.

Issue Area: Food (1700); Environmental Protection Programs (2200); Land Use Planning and Control (2300); Water and Water Related Programs (2500); Program Evaluation Systems: Methods To Improve the Conduct of Federal Evaluation Systems (2606).

Contact: Program Analysis Division.

Budget Function: Natural Resources and Environment (300.0); Natural Resources and Environment: Water Resources (301.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Recreational Resources (303.0); Agriculture (350.0).

Organization Concerned: Department of Agriculture; Office of Management and Budget.

Congressional Relevance: *Senate* Committee on Agriculture, Nutrition, and Forestry; Congress; *Sen.* Robert J. Dole; *Sen.* Herman E. Talmadge.

Authority: Soil and Water Resources Conservation Act of 1977 (P.L. 95-192).

Abstract: As a part of its continuing oversight assistance, GAO developed a checklist of questions for Congress to use in the oversight of the Department of Agriculture's (USDA) soil and water conservation programs. These questions and guidelines provide a systematic framework which can be used by USDA in conducting evaluations and for reporting information which is relevant in determining that soil and water conservation programs are meeting needs in an effective and efficient manner. Although this framework was developed with particular programs in mind, it is believed that this approach can be applied to other USDA programs and to programs of other departments and agencies. ***Findings/ Conclusions:*** The evaluation framework lays out questions and guidelines for identifying program purposes and objectives based on the problems which the programs are intended to solve. The questions and guidelines are intended to be based upon decisions that must be made regarding soil and water conservation programs by Congress and its committees, the Office of Management and Budget, USDA, and other groups and individuals who must decide whether to install or adopt a conservation practice. Ideally, the guidelines and any answers would first be used for program management and then in the budget process. The questions and guidelines were designed to establish a long-term framework for evaluating the performance of soil and water conservation programs. Because the questions are so complex, the framework will have to be adopted gradually, after a systematic analysis of the value and validity of each question. This analysis should determine what data is required, how it will be gathered and used, and how much the data-gathering system will cost. ***Recommendation To Congress:*** Where evaluations are needed, Congress should work with agency officials to seek a common understanding on program objectives and acceptable performance measures and data for each program. In view of the complexity of this evaluation framework, implementation of the recommended evaluation plan will be incremental and can be expected to undergo many evolutionary changes. Therefore, Congress should review the evaluation plan and any reporting specifications so that information reported is as useful as possible in making decisions and setting budgets for these programs. ***Recommendation To Agencies:*** USDA should develop a plan leading to an evaluation system covering all soil and water conservation programs. In developing this plan, USDA should determine the relevance of the questions included in the evaluation framework. In particular, the evaluation plan should identify the importance of these questions for program management and reporting program progress. USDA should also include in its annual report required by the Soil and Water Resources Conservation Act of 1977 statements on its progress and difficulties in trying to incorporate evaluation concepts into its management and reporting processes.

112251

[GAO Reviews of Department of Agriculture and Related Agencies' Activities]. May 6, 1980. 9 pp.

Testimony before the Senate Committee on Appropriations: Agriculture and Related Agencies Subcommittee; by Elmer B. Staats, Comptroller General.

Contact: Office of the Comptroller General.

Organization Concerned: Department of Agriculture; Farmers Home Administration; Food and Drug Administration; Rural Electrification Administration; Agricultural Stabilization and Conservation Service.

Congressional Relevance: *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee.

Authority: Farmer-to-Consumer Direct Marketing Act of 1976. Agricultural Foreign Investment Disclosure Act of 1978.

Abstract: GAO has completed several reviews in the past year relating to food production and marketing, food assistance, farm and rural credit, farmland and certain administrative matters. In the food production area, the reviews covered the wheat and feed grain set-aside programs, the sugar and rice programs, and the dairy program. In the food marketing area, GAO has covered cooperatives, grain inspection, transportation regulations affecting food, direct farmer-to-consumer marketing, and the export credit sales program. Work on food assistance programs has shown the need for increasing program effectiveness and overcoming the problems of fraud, abuse, waste, and mismanagement. Concerning farm and rural credit, GAO pointed out the benefits to farmers and ranchers of consolidating the three separate banking systems under the Farm

Credit System. In a report on preserving America's farmland, GAO said that governmental control of the Nation's land use traditionally rests at the State and local levels, but that the Federal Government could be more supportive of efforts to preserve farmland. Administrative concerns included (1) a need for the Agricultural Stabilization and Conservation Service to develop better work measurement standards and to adequately document its workload forecasts, and (2) poor planning and management in the Farmers Home Administration's computer-based information system. Among other matters considered by GAO were the dilemma faced by the Food and Drug Administration and USDA regarding the use of nitrite in meat products and the Farmers Home Administration's rental assistance program. Finally, GAO continues to monitor and assist USDA in updating the food, agriculture, and nutrition inventory, which was prepared earlier.

112295

Federal Land Acquisitions by Condemnation--Opportunities To Reduce Delays and Costs. CED-80-54; B-198278. May 14, 1980. 70 pp. plus 9 appendices (39 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Law Enforcement and Crime Prevention: Non-Line-of-Effort Assignments (0551); Land Use Planning and Control: Management of Federal Lands (2306); Land Use Planning and Control: Federal Land Acquisition, Disposal, and Exchange Laws, Policies, and Procedures (2357).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Water Resources (301.0); Natural Resources and Environment: Conservation and Land Management (302.0); Administration of Justice: Federal Litigative and Judicial Activities (752.0).
Organization Concerned: Department of Agriculture; Department of the Interior; Department of Justice; Office of Management and Budget; Department of the Army: Corps of Engineers; National Park Service; United States Fish and Wildlife Service; Judicial Conference of the United States.
Congressional Relevance: *House* Committee on Appropriations; *House* Committee on the Judiciary; *Senate* Committee on the Judiciary; Congress.
Authority: Colorado River Storage Project Act (43 U.S.C. 620g). Declaration of Taking Act (Eminent Domain) (40 U.S.C. 258). Federal Magistrates Act. General Condemnation Act (Public Buildings) (40 U.S.C. 257). National Parks and Recreation Act of 1978 (P.L. 95-625). Real Property Acquisition Policy Act of 1970 (P.L. 91-646). Wild and Scenic Rivers Act (16 U.S.C. 1277). 28 C.F.R. 50.11. 44 Fed. Reg. 24790. P.L. 91-664. P.L. 95-42. P.L. 95-250. P.L. 96-82. Fed. R. Civ. P. 71a. H. Doc. 96-59. H. Rept. 94-1335. S. Rept. 96-74. S. Rept. 96-173. United States v. Blankinship, 543 F.2d 1272 (9th Cir. 1976).
Abstract: The Federal Government has a backlog of over 20,000 court cases in which it seeks to acquire by condemnation private land for public use. At the close of fiscal year 1978, the land in question was appraised at $481 million. However, actual acquisition costs will be much higher because of administrative costs, awards or settlements in excess of Government appraisals, and long delays in court. The large caseload arises from the many sizable land acquisition programs for such purposes as recreation, environmental and wildlife protection, civil and military works, and various other programs authorized by Congress. Moreover, sharply rising real estate prices and administrative expenses make it particularly desirable to expedite acquisitions. ***Findings/Conclusions:*** A major problem associated with the heavy caseload is the understaffing in U.S. Attorneys' offices, the Department of Justice's Land Acquisition Section, and land acquisition agencies. In 1978, the equivalent of only 37 full-time Assistant U.S. Attorneys were assigned to condemnation cases, and most of them on a part-time basis. To alleviate this and other problems associated with the heavy caseload, many agencies are focusing on solutions to the manpower shortages and other contributing factors. While the proposed remedial steps are sound, the overall goal, to shorten the average processing time for condemnation cases to 1 year, may be overly optimistic. ***Recommendation To Congress:*** Congress should amend the Declaration of Taking Act to allow interest on amounts finally awarded in excess of the amount deposited into the court that will compensate landowners in a more equitable manner than the rate of 6 percent per annum now authorized by the statute. ***Recommendation To Agencies:*** The Attorney General should: (1) provide for coordinating the computerized caseload tracking system with the Department of Justice's client agents; (2) supplement the published standards for preparing title evidence in land acquisitions by identifying acceptable alternative procedures that would expedite obtaining, or lowering the costs of, needed title services, and by encouraging minimum coverage of title insurance in appropriate cases; (3) arrange for a Government-wide study of the most desirable procedures for obtaining title evidence needed in Federal land acquisition programs; and (4) assist client agencies in establishing guidelines for making reliable estimates of the costs of litigating condemnation cases. Additionally, the heads of Federal land acquisition agencies should: (1) review their needs for current data on the status of condemnation cases and coordinate the needed data with the computerized caseload tracking system being developed by the Department of Justice; (2) use greater flexibility in determining whether to accept landowners' counteroffers or proceed with litigation, giving proper recognition to the estimated costs of trial; and (3) require staffs charged with land acquisition responsibilities to seek improved communications with landowners. Moreover, the Attorney General and the heads of land acquisition agencies should emphasize to their staffs: (1) the importance of making high-quality administrative reviews of appraisal reports in compliance with Government-wide standards and agency directives; (2) the need for timely updating of appraisals or reappraisals, (3) the need for carefully selecting staff or contract appraisers best qualified to testify in court and for using special expert witnesses who can strengthen the Government's case; and (4) the need for reviewing classification standards and position descriptions for the grade levels of professional staff appraisers and determining whether adjustments are needed to attract and retain qualified personnel. Further, the Secretary of the Interior should have the National Park Service strengthen its appraisal report reviews, and the Judicial Conference of the United States should initiate action to amend Rule 71A of the Federal Rules of Civil Procedure.

112376

[GAO Studies on Federal Land Use Policies and Alternatives]. May 22, 1980. 12 pp.
Speech before the Second Annual Land Use Conference; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: Department of Agriculture; Department of the Interior; National Park Service; Bureau of Land Management.
Abstract: Comments were provided on some of the studies GAO has completed and plans to complete on Federal land use policies. During the past few years, GAO has issued a number of reports on Federal land use policies and programs. Among these are: (1) a report on Alaska tourism; (2) a surface mining and reclamation report; (3) a report on the rivers added to the National Wild and Scenic Rivers System; and (4) a report on the practices of Federal agencies acquiring land, alternative land control methods, and the impact on private landowners. However, GAO has not limited itself to past program reviews. Ongoing investigations of the Federal Government's land use policies and programs include: a review of Federal acquisition practices and management of the Nation's

land; a study concerned with the need for an independent land acquisition committee composed of Federal, State, and private representatives; a study of the Federal role in conserving the Nation's wildlife; and a review directed toward determining how well public lands are being managed by the Bureau of Land Management and the Forest Service.

112428

[Authority To Pay Grantees for Architectural and Engineering Costs]. B-197699. June 3, 1980. 3 pp.

Decision re: Heritage Conservation and Recreation Service; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: General Government Matters.

Organization Concerned: Heritage Conservation and Recreation Service.

Authority: Urban Park and Recreation Recovery Act of 1978 (P.L. 95-625; 16 U.S.C. 2501; Stat. 3538). (P.L. 96-38; 93 Stat. 106). 32 Comp. Gen. 141. 56 Comp. Gen. 31. 16 U.S.C. 2503.

Abstract: An agency official asked whether the agency has the authority to pay grantees for architectural and engineering costs incurred by grantees prior to, or in conjunction with, the preparation of pre-application grant costs. These costs, which constitute a major factor in establishing estimated project costs and in determining the amount of Federal assistance requested, were incurred after the date of the approval of the first appropriation for the program. The purpose of the program is the rehabilitation of critically needed urban recreation areas and programs. It would stimulate local governments to revitalize their park and recreation systems. In a review of the legislative history, GAO found no indication of congressional intent to limit allowable grant costs in this matter. The Secretary of the agency has the authority to permit payment for pre-application costs if he considers them appropriate and in the public interest. GAO has no objection to payment of the costs in question.

112442

[Reformation of Land Purchase Contracts]. B-197623. June 4, 1980. 3 pp.

Decision re: Reformation of Land Purchase Contracts--Lower St. Croix National Riverway; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: General Government Matters.

Organization Concerned: National Park Service; Minnesota; Wisconsin; Department of Justice.

Authority: Lower Saint Croix River Act of 1972 (P.L. 92-560; 16 U.S.C. 1274(a)(9)). Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4651(3)). Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.). 30 Comp. Gen. 220. 58 Comp. Gen. 559. 58 Comp. Gen. 563. United States v. Miller, 317 U.S. 369 (1943). United States v. Reynolds, 397 U.S. 14 (1970). United States v. Virginia E. & P. Co., 365 U.S. 624 (1961). 16 U.S.C. 1277.

Abstract: GAO was requested to approve a plan by the National Park Service which reopens some 465 land purchase contracts at the Lower St. Croix Wild and Scenic Riverway. The Park Service determined that these tracts were acquired on the basis of appraisals which were made on an erroneous legal premise. As a result, the affected landowners were offered approximately 25 percent less compensation than that to which they were legally entitled. Consequently, the Department of the Interior wishes to reappraise each tract and negotiate the amount of additional payment due to each landowner. GAO held that, in acquiring property, the United States is obligated to pay the landowner just compensation. By statute, the United States must also give the landowner an appraisal of the acquired land which uses proper appraisal techniques and standards, and represents the Government's best estimate of the compensation due the landowner. Therefore, since the Park Service's appraisals were based on an erroneous legal premise, GAO held the Park Service may reopen negotiations on those parcels of land which have already been acquired and reappraise the tracts in order to pay the owners just compensation for their land.

112589

[Impact of an All Competitive Onshore Oil and Gas Leasing System]. EMD-80-79; B-198902. June 2, 1980. ***Released*** June 18, 1980. 6 pp. plus 1 enclosure (4 pp.).

Report to Sen. Wendell H. Ford, Chairman, Senate Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; Sen. Mark O. Hatfield, Ranking Minority Member, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Management of Federal Lands (2306).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0).

Organization Concerned: Department of the Interior; Department of Energy.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy Resources and Materials Production Subcommittee; *Senate* Committee on Energy and Natural Resources; *Rep.* Don Young; *Rep.* Steven D. Symms; *Rep.* James D. Santini; *Sen.* Wendell H. Ford; *Sen.* Mark O. Hatfield.

Authority: Outer Continental Oil Shelf Lands Act (43 U.S.C. 1335). S. 1637 (96th Cong.). 30 U.S.C. 187a. 30 U.S.C. 226.

Abstract: GAO was asked to evaluate an amendment to S. 1637, 96th Congress. The key issue surrounding the amendment is that it abolishes the current competitive and noncompetitive leasing systems of the Department of the Interior and establishes a new all-competitive leasing system in their place. However, the amendment does not change Interior's authority and responsibility regarding mineral management. ***Findings/Conclusions:*** In evaluating the amendment to S. 1647, GAO found that: (1) the amendment would have a negative impact on the timely development and production of oil and gas through delays in the leasing process and the adverse impact on some incentives to development; (2) the amendment would not necessarily ensure a competitive situation or fair market value recovery; (3) the amendment did not specify whether presale or postsale evaluations would be needed under the new leasing system; (4) if evaluations are used to measure fair market value, the workload would be substantial; (5) the amendment would increase competitive bid lease offerings receipts with or without a system of fair market value appraisal; (6) the amendment would reduce the amount of land subject to a rental; (7) the amendment would eliminate filing fee receipts and could reduce royalties through its possible reduction in oil production; and (8) some slippage in land rental receipts could occur because of the quarterly offerings. Thus, GAO concluded that its previously recommended changes to the existing system are the preferred course of action.

112597

[Award of a 10-Year Concession Contract by National Park Service]. B-194280. June 18, 1980. 4 pp.

Letter to Van Ness, Feldman, & Sutcliffe; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel: Procurement Law II.

Organization Concerned: Gray Line Water Tours, Inc.; Van Ness, Feldman, & Sutcliffe; Fort Sumter Tours, Inc.; National Park Service.
Authority: 49 Comp. Gen. 88. H. Rept. 89-591. S. Rept. 89-765. B-176431 (1972). 16 U.S.C. 20d.
Abstract: A firm asked whether a 10-year concession contract issued by the National Park Service for the boat service concession at Fort Sumter National Monument was improperly awarded. The firm contended that the awardee's terms included higher rates to the public and a lower franchise fee to the Government than proposed by the firm. The record showed that the awardee was the incumbent concessioner. Also, notice of the intention to negotiate the new contract advised that preference was to be given to the awardee in view of the awardee's satisfactory performance as the incumbent contractor. Offers from firms that were interested in the contract were to be submitted within 30 days of the notice's publication. Further, the Fact Sheet published in conjunction with the notice prescribed the rates to be charged the public, and it stated that any alternative rate schedules submitted by offerors would not be considered in the proposal's evaluations due to the fact that such rates are necessarily subject to change during the term of the contract. Thus, the prime evaluation factors would be managerial competence and financial ability. GAO held that there is no suggestion in legislative history that a contract should not be renewed with a concessioner whose performance has been satisfactory simply because another firm offered to perform the service on better financial terms. To the contrary, previous legislation clearly establishes the importance of the continuity of operations and operators in awarding concession contracts. In this case, the protester's proposal was evaluated, and its proposed rates to the public and franchise fee were noted. However, consistent with the terms of the Fact Sheet it was determined that these factors did not override the preference established in the statute to continue contracting with the awardee. Thus, GAO could not say that there was an abuse of discretion.

112643

Problems Continue in the Federal Management of the Coastal Zone Management Program. CED-80-103; B-198979. June 25, 1980. 16 pp. plus 2 appendices (25 pp.).
Report to Philip M. Klutznick, Secretary, Department of Commerce; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Commerce; National Oceanic and Atmospheric Administration: Office of Coastal Zone Management.
Congressional Relevance: *House* Committee on Merchant Marine and Fisheries; *House* Committee on Merchant Marine and Fisheries: Oceanography Subcommittee; *Senate* Committee on Commerce, Science and Transportation.
Abstract: Conflicting demands by industrial, commercial, and residential developers and those who wish to preserve, protect, and restore valuable resources in coastal States and territories continue in the 19 States having federally approved management programs. GAO reviewed the Coastal Zone Management (CZM) Program in 1976 and reported that the National Oceanic and Atmospheric Administration (NOAA), which administers the program, did not always understand State problems and progress. The report stated that NOAA had been long on encouraging States but short on effective monitoring and problem solving. Because States were entering a new phase in the program, GAO proposed that NOAA increase assistance in monitoring State programs, resolving special problems, and strengthening Federal/State coordination. The Department of Commerce agreed with the GAO proposals and started corrective action. A followup was made on the Federal management of the CZM program. ***Findings/Conclusions:*** GAO found that many of the same problems cited in the previous report continue to exist. The program continues to need increased assistance in monitoring States, evaluating their performance and accomplishments, and providing greater problem solving assistance. Only one State had an approved program when the previous report was issued. As of May 1980, 19 States have federally approved programs; however, 4 States are currently out of the program and the chances of about 4 other States achieving an approvable program are questionable. Federal management officials are responsible for annual program evaluations of approved States' CZM programs. These evaluations were performed without appropriate evaluation guidelines and criteria. GAO found serious omissions in the presentation of certain factual data in evaluation reports. In response to questions in a GAO questionnaire, a number of States said that increased Federal assistance and aid would be appreciated and would help them to deal with problems such as resolving local government issues and coordinating with other Federal agencies. ***Recommendation To Agencies:*** The Secretary of Commerce should require the Administrator, NOAA, to improve the overall Federal management and administration of the Nation's coastal zone program by: (1) working closely with the States, helping them in resolving special problems and providing guidance for coordinating with other Federal agencies; (2) establishing and implementing formal program monitoring procedures, including appropriate measures to help identify underlying causes of delays in the development and implementation of State programs and work with the States in overcoming such problems; and (3) establishing appropriate evaluation guidelines and criteria to help insure a more systematic approach in CZM evaluation of States' performance and accomplishments.

112695

Land Use Issues. CED-80-108. June 27, 1980. 28 pp. plus 2 appendices (2 pp.).
Staff Study by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control (2300).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment (300.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior; Department of Agriculture; Environmental Protection Agency; Department of Housing and Urban Development; Bureau of Land Management.
Authority: Alaska Native Claims Settlement Act. Alaska Statehood Act. Forest and Rangeland Renewable Resources Planning Act of 1974. National Parks and Recreation Act of 1978 (P.L. 95-625). Payment In Lieu of Taxes Act (P.L. 94-565). Public Rangelands Improvement Act of 1978 (P.L. 95-514). P.L. 90-542. S. 1680 (96th Cong.).
Abstract: The realization that land and its resources are limited has resulted in a shift in the approach to planning for and management of land use. In the past, land could be used for any purpose unless its use was prohibited by regulation or local zoning laws. This traditional approach often resulted in widespread abuse and waste. Urban sprawl, soil erosion, unrestored strip mined areas, and the destruction of historic, cultural, and esthetic sites are but a few examples of the traditional approach. Today, more and more government entities use comprehensive planning to resolve the problems of managing the Nation's land and related resources. However, major problems still exist over how best to use the land. With this in mind, GAO undertook an assessment of the problems that

merit attention in land use planning, management, and control. ***Findings/Conclusions:*** In its assessment, GAO found that the Federal Government plays a significant role in land use decisions by providing assistance for infrastructure investments. Thus, the Government has a responsibility to plan for the use of its land and can directly control the planning and use of about one-third of the Nation's land resources. However, many interrelationships between various land uses exist, and these interrelationships must be given appropriate consideration in the planning process. Managing public lands and renewable resources is a difficult process involving trade-offs between the conflicting issues of development and conservation. GAO also found that the Congress needs to consider other major issues such as: (1) the Federal Government's efforts to meet the outdoor recreation needs of Americans; (2) the managing and coordinating of land use in Alaska; (3) the effectiveness of the land use aspects of environmental planning programs; (4) making urban land use planning more effective; (5) the effectiveness of Federal efforts to control unauthorized uses of Federal land; (6) the equity and fairness of Federal programs to compensate State and local governments for Federal land tax immunity; and (7) the effectiveness of existing public land acquisition, disposal, and exchange authorities.

112696

[Alternatives for the Disposal and Cleanup of Hazardous Waste]. July 2, 1980. 13 pp.

Testimony before the House Committee on Interstate and Foreign Commerce: Oversight and Investigations Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: Environmental Protection Agency.
Congressional Relevance: *House* Committee on Interstate and Foreign Commerce: Oversight and Investigations Subcommittee.
Abstract: Disposal of hazardous waste by land, injection into deep wells, and high temperature burning are discussed. Land disposal is the most commonly used method of disposing of hazardous substances because it is the least expensive method. It is limited by the amount of land available for disposal purposes and safety considerations such as proximity to drinking water sources. Deep well disposal is the subsurface injection of liquid wastes into permeable rock or other geological formations below potable groundwater supplies or other natural resources at depths ranging from less than 1000 to over 8000 feet. It requires a strong commitment by Government and industry to establish strict controls over the drilling technology used, monitor the well in the drilling and operating phases, and limit the types of substances that can be injected. The burning of hazardous wastes in incinerators may be another solution to the disposal problem. However, it is expensive and may not be energy efficient. Disposal facilities providing services on a regional or area-wide basis as an alternative to individual company on-site facilities offer economic and environmental advantages in the development of waste facilities. In 1979, the Environmental Protection Agency (EPA) revised its research strategy to reemphasize hazardous waste identification, uncontrolled waste site problems, hazardous waste technology, hazardous waste risk assessment, energy and mineral wastes, and non-hazardous wastes. It continues to consolidate information on closed and abandoned sites, but has yet to complete the type of national inventory and site assessment program that has been recommended. The recently published EPA hazardous waste regulations deal largely with prescribed recordkeeping and reporting requirements and good management practices, which are not highly technical. More specific standards will be promulgated in phases II and III of the regulations. Phase II will be issued in the fall of 1980, but phase III will not be completed for several years.

112736

[Protest Against IFB Cancellation]. B-196856. July 8, 1980. 6 pp.

Decision re: McCain Trail Construction Co.; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: McCain Trail Construction Co.; Forest Service.
Authority: F.P.R. 1-2.305. F.P.R. 1-2.404-1. Keco Industries, Inc. v. United States 492 F.2d 1200 (Ct. Cl. 1974). B-197300 (1980). B-192480 (1978). B-190702 (1977). B-193929 (1979). B-188770 (1979). B-185864 (1976).
Abstract: A firm protested the cancellation of an invitation for bids and requested that it be awarded bid preparation costs. The solicitation called for bids for the construction of trails and bridges in a National forest. It provided that the award would be made on one of four options depending on the funding available. The agency planned to fund the project by reprograming funds, but learned that these funds could not be reprogramed. Although the revised estimates indicated that even the least elaborate option would exceed the available funding, bids were opened. All exceeded the agency's available funding and the solicitation was canceled. The firm contended that it should have been awarded the contract since its reduced bid was a late modification and the Government's decision to cancel was arbitrary and capricious because there was no compelling reason for taking such action. Since both the firm's original and modified bid exceeded available funding, the proposed modification could not have been accepted, and the agency had sufficient reason to reject the bids. GAO found that, since the agency did not act arbitrarily by issuing the solicitation when its estimates exceeded available funds, the firm was not entitled to bid preparation costs. Accordingly, the protest and the claim were denied.

112766

Changes in Public Land Management Required To Achieve Congressional Expectations. CED-80-82A; B-199056. July 16, 1980. 34 pp.

Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Refer to EMD-78-93, February 27, 1979, Accession Number 108662; and CED-80-82, July 16, 1980, Accession Number 112911.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Materials: Access to Materials (1809); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; Department of Agriculture; Office of Management and Budget; Bureau of Land Management; Department of the Treasury; Forest Service.
Congressional Relevance: *Senate* Committee on Governmental Affairs: Federal Spending Practices and Open Government Subcommittee; Congress.
Authority: Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.). Forest Management Act. Land Policy and Management Act (43 U.S.C. 1701). Wilderness Act. Mining Resources Act. H.R. 6257 (96th Cong.). 16 U.S.C. 559.
Abstract: GAO reviewed the methods by which the Bureau of Land Management (BLM) and the Forest Service manage public lands and associated resources. Fundamental public land management policies and procedures have been prescribed by three comprehensive statutes. These policies require balancing three competing and usually conflicting basic objectives: using and developing resources, protecting and conserving resources, and maintaining the quality of

the environment. They also require ensuring appropriate balance and diversity among resource uses. ***Findings/Conclusions:*** Both agencies are having difficulty achieving the congressional expectations of producing the natural resources the Nation needs, while protecting the environment and conserving sufficient resources for the future. Production goals must account for limitations resulting from wilderness studies, environmental protection laws and programs, and lawsuits and administrative appeals. Because these events are usually unforeseen and are reflected in long-range goals, it is important for agencies to set annual goals reflecting such events as they occur. BLM does not have, nor is it legislatively required to have, long-range programs and quantified production goals for renewable resources. Consequently, it has no realistic basis for determining the production levels necessary to meet its share of the Nation's needs. The Forest Service is required to assess the Nation's public and private renewable resources and to develop a long-range program and goals for its lands. Many existing plans are inadequate because they are based on incomplete or obsolete resource inventory data or do not identify specific actions required to meet production goals while achieving environmental protection objectives. Under both agencies, natural resources have been damaged, stolen, and abused because of insufficient staffing and funding to protect them. Staff funds for both agencies have not kept pace with the number of responsibilities and tasks assigned to them. A continuing budgetary emphasis on certain resource management programs has hampered the balanced use and development of resources. ***Recommendation To Congress:*** Congress should, in consultation with BLM, amend the Land Policy and Management Act to require a long-range renewable resource program development process for BLM. Congress should also revise the 1872 Mining Law in accordance with recommendations made in the GAO report of February 27, 1979; consider modifying section 393 of the Land Policy and Management Act to authorize BLM employees to ticket persons violating Federal resource protection laws; and enact legislation which authorizes the Forest Service to sell or, in some instances, give away small, scattered land holdings which are too costly or impractical to administer properly. Further, Congress should review BLM and Forest Service staffing and funding levels and provide for a more realistic balance between the agencies' responsibilities and capabilities by either reducing responsibilities or appropriating more funds. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct the Forest Service to place greater emphasis on conflicts, interactions, and trade-offs among potential resource uses in future assessment and program updates. The Secretaries of Agriculture and the Interior should direct the Forest Service and BLM to set yearly production goals during the annual program and budget process which reflect changes in production capabilities as they occur. The Secretary of the Interior should direct BLM to adopt a policy for all resources similar to its policy on timber of guaranteeing access to potential developers by obtaining easements and rights-of-way. The Secretaries should direct the Forest Service and BLM to develop staffing and funding needs necessary to regulate users of public lands and maintain facilities and resources and present the needs to the Departments of Agriculture and the Interior for review and approval. Further, the Secretaries should direct BLM and the Forest Service to carefully monitor and evaluate management improvements which result from new workyear personnel ceilings after they have been in effect for a reasonable period and aggressively seek higher ceilings from the Office of Management and Budget if, in their judgments, the new ceilings fail to provide BLM and the Forest Service sufficient staff to adequately carry out their assigned land management responsibilities.

112799

[Request for Contract Reformation]. B-195051. July 17, 1980. 3 pp. *Decision* re: Reformation of Alaska Short-Term Timber Sale Contracts; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Transportation Law.
Organization Concerned: Department of Agriculture; Forest Service.
Authority: 39 Comp. Gen. 363. Ackerlind v. United States, 240 U.S. 531 (1916).
Abstract: GAO was asked whether it was appropriate to reform existing short-term timber sale contracts in Alaska. The contracts, awarded by the Forest Service between 1965 and 1978, would be reformed by modifying the contract clause for the determination of rates payable to the Government for harvested timber to comport with the actual practice followed in that region. The record showed that the rates charged for logs under contracts executed before mid-1965, were those market rates in effect at the time the logs were assembled into rafts. However, timber sale solicitations were revised by the Forest Service in 1965 to provide for the application of rates in effect when the logs were scaled or measured for their amount of sound wood volume after arrival at the mill. An audit of the Alaskan timber sale program revealed that, despite the 1965 revision, the earlier practice of determining the rates of logs at the time of assembling into rafts has continued with the result that substantial sums may be due the Government from purchasers under these contracts because of increases in the market price of timber. GAO held that it was evident that the Alaska contracts did not express the actual agreement of the parties. The facts showed that the parties understood that the pre-1965 arrangement would continue, notwithstanding the inclusion of the revised rate provision. The new provision was not enforced when instituted in 1965 and was never enforced during the 1965-1978 period. It was only after the recent audit that the issue of enforcement of the provision was raised. Under the circumstances, GAO held that reformation was appropriate.

112867

[Oil and Gas Potential in the William O. Douglas Arctic Wildlife Range]. EMD-80-104; B-199626. July 18, 1980. ***Released*** July 25, 1980. 10 pp.
Report to Sen. Mark O. Hatfield, Ranking Minority Member, Senate Committee on Energy and Natural Resources; Sen. Henry M. Jackson, Chairman, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Department of Energy; Geological Survey; Alaska.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources; *Sen.* Mark O. Hatfield; *Sen.* Henry M. Jackson.
Authority: Naval Petroleum Reserves Production Act of 1976.
Abstract: An examination was undertaken of the Interior Department's study of the oil and gas potential of the William O. Douglas Arctic Wildlife Range to assure that all pertinent data is being provided without modification or change. The initial input to Interior's study came from a 12-member Geologic Assessment Committee composed of 11 U.S. Geological Survey employees, and 1 member from the State of Alaska Government, all reportedly experts with considerable experience in Alaskan geology. There was no industry representation, although many of the members were former industry employees. This Committee, using available data and personal expertise about the Range and adjacent areas, formed a consensus of opinion about the geological parameters necessary to determine the probability of the existence of oil and gas in areas felt

to have some potential within the Range. The Geologic Assessment Committee designated 10 likely stratigraphic areas which it felt had some potential for oil and gas. The Committee then assessed the probability of the various geologic factors affecting a hydrocarbon deposit. A consensus was reached, and all of these factors were run through the computer using the same program that was employed in assessing the national petroleum reserves in Alaska. ***Findings/Conclusions:*** GAO was hampered in its review by the Interior Department's refusal to provide copies of all documentation. However, from its examination of the available data and records, GAO found that the Committee convened by the U.S. Geological Survey consisted of an impressive body of expertise, and they appear to have been given full independence in performing their appraisal. Many changes were made to the study data along the way, some documented, and some not documented. But the changes were made by the Committee members in an attempt to refine the data, and most of the Committee members were satisfied with the estimates developed. It was also the view of most of the Committee members that the Range has very high oil and gas potential. This was not reflected in the Department of the Interior's news release on its study. Thus, GAO does not believe that the closing of the range to oil and gas exploration is supportable. The information developed by the Survey Committee supports a decision for exploration to acquire more data before a decision is reached.

112911

Changes in Public Land Management Required To Achieve Congressional Expectations. CED-80-82; B-199056. July 16, 1980. 85 pp. plus 5 appendices (121 pp.).

Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Refer to CED-80-82A, July 16, 1980, Accession Number 112766.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Materials: Access to Materials (1809); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306); Program and Budget Information for Congressional Use: Obtaining and Providing Information and Assisting in its Use (3403).

Contact: Community and Economic Development Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment (300.0); Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Treasury; Department of the Interior; Department of Agriculture; Office of Management and Budget; Bureau of Land Management; Forest Service.

Congressional Relevance: Congress.

Authority: National Forest Management Act of 1976. Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.). Forest and Rangeland Renewable Resources Planning Act of 1974. Land Policy and Management Act (43 U.S.C. 1701). Wild and Scenic Rivers Act. National Environmental Policy Act of 1969. Federal Employees Part-Time Career Employment Act of 1978 (P.L. 95-437). 36 C.F.R. 252. 43 C.F.R. 3802. 16 U.S.C. 551.

Abstract: The Bureau of Land Management does not have, nor is it legislatively required to have, long-range programs and quantified production goals for renewable resources such as timber, grazing forage, minerals, and energy. As a result, it has no realistic basis for determining the production levels necessary to meet its share of the Nation's needs. The Forest Service is required to assess renewable resources, both public and private, and to develop a long-range program and goals for its lands. Production goals must account for limitations such as wilderness studies, environmental protection laws and programs, wild and scenic river designations, lawsuits and administrative appeals. It is important for the agencies to set annual goals which reflect such events as they occur. Meeting these goals will require comprehensive forest and rangeland management plans. ***Findings/Conclusions:*** The Bureau of Land Management is reluctant to adopt certain features of the program planning process required of the Service. It believes certain of those requirements, particularly multi-decade budgeting, may not be cost effective or useful. GAO has no objection to a modified program process for the Bureau as long as it accomplishes the essential objectives and meets congressional needs. The plan should be reviewed by Congress and set forth in legislation. The Bureau and Forest Service have finalized more comprehensive land management planning and resource inventory procedures. If the procedures are followed, they should result in more specific plans based on more complete inventory data, improvements which GAO has advocated for several years. The new procedures are a step in the right direction and deserve the opportunity to be tested through application. Both the Bureau and the Forest Service efforts to effectively manage their lands and resources have been seriously impaired by limited and variable staff and funds availability. GAO feels that personnel ceilings are an ineffective substitute for responsible management and should be abandoned, but it believes that they will not be abandoned in the foreseeable future. The Office of Management and Budget maintains that its new system of workyear ceilings will alleviate management problems associated with current yearend ceilings and permit agencies to hire additional part-time employees. Practical application and careful measuring of resultant improvements by the agencies will be the best test of the new ceilings. ***Recommendation To Congress:*** Congress should, in consultation with the Bureau, amend the Land Policy and Management Act to require a long-range renewable resource program development process for the Bureau. The plan should meet the major objectives of the Service's resources planning act and provide for long-range, quantified resource production goals. Congress should also revise the 1872 Mining Law in accordance with recommendations made in an earlier GAO report. It should grant discretionary authority to the Secretaries of the Interior and Agriculture to either permit or prevent development of mineral deposits on public lands, establish the means for responsible and equitable exercise of this discretionary authority, and provide for Federal retention of title to the surface. It should consider modifying the Land Policy and Management Act to authorize Bureau employees to ticket persons violating Federal resource protection laws, similar to the authority 16 U.S.C. 559 grants to Service employees. It should enact legislation which authorizes the Forest Service to sell or, in some instances, give away small, scattered land holdings which are too costly or impractical to administer properly. Further, Congress should review Bureau and Service staffing and funding levels and provide for a more realistic balance between the agencies' responsibilities and capabilities by either reducing responsibilities or appropriating more funds. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct the Forest Service to place greater emphasis on limitations, conflicts, interactions, and trade-offs among potential resource uses in future assessment and program updates. The Secretaries of Agriculture and the Interior should direct the Service and the Bureau to set yearly production goals during the annual programing and budgeting process which reflect unforeseen changes in production capabilities as they occur. They should also direct the Bureau and the Service to carefully monitor and evaluate management improvements which result from the Office of Management and Budget's new workyear personnel ceilings after they have been in effect for a reasonable period; and seek higher ceilings if, in their judgment, the new ceilings fail to provide the Bureau and the Service sufficient staff to adequately carry out their assigned land management responsibilities. Further, the Secretaries should take actions to improve access to Bureau lands and to strengthen staffing and funding support for Bureau and Service user regulatory and maintenance programs and present the needs to the Departments for review and approval. The Secretary of the Interior should direct the Bureau to

adopt a policy for all resources similar to its policy on timber of guaranteeing access to potential developers by obtaining easements and rights-of-way.

112916

[Federal Leasing Policy]. July 24, 1980. 13 pp.

Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee.
Authority: Mineral Lands Leasing Act.
Abstract: Comments were presented on the proposed expansion of the competitive onshore oil and gas leasing system and the impacts which access to Federal lands and delays in the permitting process have on the onshore leasing system. Over the years, the Federal leasing system for onshore oil and gas has been criticized. The controversy has generally centered around the merits of a competitive leasing system. A more competitive system has been viewed as a way to increase Federal receipts and also to correct other problems perceived in the present lottery-type system. However, there has been concern that an all-competitive system would be detrimental to independent oil producers who have dominated the development of the small onshore tracts. GAO believes that a systematic approach to leasing Federal resources in a manner which encourages exploration and development is necessary. However, achieving this through an onshore oil and gas leasing system would be difficult because of the vast amount of leases and acreage already under lease with varying expiration dates of up to 10 years, the absence of geophysical and geological data, and scattered ownership patterns. Thus, the impact of proposed changes by the Department of the Interior are difficult to forecast confidently. In fact, the more competitive and all competitive leasing systems proposed could very likely result in considerably less land under lease, delays in making land available for leasing, and less incentive and opportunity for independent oil companies and others to continue their traditional role of searching out and exploring lands for prospective oil and gas. In addition, the offering of larger competitive lease tracts coupled with the use of bonus bidding or other alternatives could significantly alter the dynamics and structure of participation in the system in favor of the major oil companies. Other problems associated with the type of competitive leasing system proposed are: the potential for delays due to the lack of requisite data for track selection or consolidation; the likelihood that many ranked wildcat lands will not be leased competitively and potential production will be lost; the lengthy time it will take to promulgate the rules, regulations, and standards required under the various competitive leasing systems; and the lack of assurance that the Government will receive a fair market value recovery on land competitively leased.

113015

[Nonresident and Nonfarm Operator Ownership of Farmland]. CED-80-125; B-199642. August 6, 1980. ***Released*** August 8, 1980. 10 pp.

Report to Sen. Gaylord Nelson, Chairman, Senate Select Committee on Small Business; by Baltas E. Birkle, (for Henry Eschwege, Director), GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Federal Programs for Non-Public Lands and Related Resources (2307).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Department of Commerce; Economics, Statistics, and Cooperatives Service; Bureau of the Census.
Congressional Relevance: *Senate* Select Committee on Small Business; *Sen.* Gaylord Nelson.
Abstract: GAO was asked to investigate the question of nonresident and nonfarm operator ownership of farmland. Specifically, GAO was to review the Department of Agriculture (USDA) and the Bureau of Census reports on the ownership and control of farmland in the United States. ***Findings/Conclusions:*** In its review of the USDA report, GAO examined the Economics, Statistics, and Cooperative Service's methodology for compiling data on farm real estate transfers published in the USDA report. However, because of the survey design, it was not possible to say whether the reported statistics are accurate for a specific period of time. Additionally, the survey design does not incorporate a data confidence level and a desired precision level. Nor do the sampling procedures require that the sampling universe be completely identified and that a selection procedure be used in which each member of the universe has a known probability of being selected. Other data used in the reports on farmland purchases nationwide were provided by the Bureau of the Census and the U.S. landownership survey compiled by USDA. Inquiries indicated that the Bureau of Census data do not provide information on all farmland owners since its data deal only with farmland owned by farm operators and do not provide data on farmland owned by others. Also, the USDA survey did not identify any USDA data that relate trends in the cost of farmland to trends in farmland ownership. Thus, GAO was unable to determine how serious a problem nonfarmownership of farmland is compared to foreign ownership. According to the USDA landownership survey, about 23 percent of the privately owned land in the United States is owned by persons living outside the county where the land is located. About .03 percent is owned by persons living outside the country.

113018

Misuse of Airport Land Acquired Through Federal Assistance. LCD-80-84; B-197798. August 13, 1980. 31 pp. plus 4 appendices (8 pp.).

Report to Neil E. Goldschmidt, Secretary, Department of Transportation; by Richard W. Gutmann, Director, GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Effectiveness of Policies, Procedures and Practices for Identifying/Disposing of Surplus Property (0715).
Contact: Logistics and Communications Division.
Budget Function: Transportation: Other Transportation (407.0).
Organization Concerned: Department of Transportation; Federal Aviation Administration.
Authority: Surplus Property Act. Federal Airport Act. Airport and Airways Development Act of 1970. S. 1648 (96th Cong.). 50 U.S.C. 1622b.
Abstract: A review was undertaken to determine whether public airport lands, acquired by direct grants of funds and by donations of Federal real property, are properly controlled and used in accordance with deed restrictions and applicable laws. ***Findings/Conclusions:*** Many sponsors at the airports reviewed were using land acquired with Federal assistance for other than airport purposes. The nonairport uses involved revenue-producing activities. Long-term leases of 20 to 40 years exist and, in some cases, renewal options can extend nonairport use for an additional 60 years. Nonairport land uses included: an industrial park complex, private residences, recreation areas, municipal government facilities, other commercial businesses, and agriculture. Although FAA has established a program for monitoring the development and use of these properties, it has had a very low priority and FAA field offices have not implemented it. FAA has failed to ensure that

adequate staffing and other resources are provided to conduct the program. Similar problems and questionable land uses have been reported to FAA management repeatedly over the past decade. ***Recommendation To Agencies:*** To curb the unauthorized use of federally obligated airport land, the Secretary of Transportation should require the Administrator of FAA to: determine the extent of improper and unauthorized uses of land at federally obligated airports and encourage airport sponsors to take corrective actions as needed. If the sponsors are unwilling to do so, FAA should reclaim donated land that is not being used or developed for the purpose conveyed in and in accordance with the conveyance agreement. Further, FAA should obtain reimbursement or ensure proper reinvestment by an airport sponsor in other airport improvements where land purchased with grant assistance is not being used appropriately. To increase program effectiveness, the Secretary of Transportation should direct FAA headquarters to become more actively involved in the control and administration of the program by requiring its regional offices to: follow established program policies and procedures; evaluate program needs and provide appropriate staff resources to carry out an effective monitoring and enforcement program; and establish and maintain accurate, complete, and current records to document airport lands with a Federal interest and the related compliance status of airport sponsors.

113088

Better Management of National Park Concessions Can Improve Services Provided to the Public. CED-80-102; B-196522. July 31, 1980. ***Released*** August 15, 1980. 94 pp. plus 8 appendices (36 pp.).
Report to Sen. Dale L. Bumpers, Chairman, Senate Committee on Energy and Natural Resources: Parks and Recreation Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: National Park Service; Department of the Interior; General Host Corp.
Congressional Relevance: *House* Committee on Appropriations; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources: Parks and Recreation Subcommittee; *Senate* Committee on Appropriations; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* Dale L. Bumpers.
Authority: 16 U.S.C. 1. 16 U.S.C. 20.
Abstract: Pursuant to a congressional request, GAO discussed the management of concession operations by the National Park Service (NPS). ***Findings/Conclusions:*** Concessioner performance evaluation would be more effective if visitors' opinions and comments were used in appraising concessioner performance. Existing concessioners already have a competitive advantage over others who want to operate in the parks; they do not need additional legal advantages. By using single concessioners to provide the services in a park, NPS has limited its options for requiring improvement without seriously disrupting service to the public. As a result, NPS does not take necessary corrective actions. Concession rates are not always studied, justified, or documented before approval; and the quality of facilities is given little or no consideration in approving the rates. ***Recommendation To Congress:*** Congress should amend the Concessions Policy Act to allow possessory interest only in those instances where no other alternative is available and then only under the following conditions: (1) possessory interest should be valued by the Government at no more than the original cost to construct or improve the facility less amortization over a period no longer than the estimated useful life of the facility or the term of the contract, whichever is shorter; and (2) if the contract is terminated by NPS or the concessioner and the facility has not been fully amortized. Congress should eliminate preferential rights for new and additional services. Congress should amend the Concessions Policy Act of 1965 to eliminate the right of preference for contract renewal. Congress should finance construction of needed facilities to accommodate park visitors whenever possible. ***Recommendation To Agencies:*** The Secretary of the Interior should require the NPS Director to assure that evaluation inspections and follow-ups required by the Concessioner Evaluation Program are carried out and provide additional staff where necessary. When an effective system of obtaining and considering visitor comments has been established, consideration should be given to reducing the number of inspections now required. The Secretary of the Interior should require the NPS Director to establish a firm policy to permit concessioners to participate in NPS planning processes only during the public participation phase. The Secretary of the Interior should require the NPS Director to take steps to ensure that the field offices follow NPS Environmental Assessments and Statements Guideline NPS-12. Also, the impacts of proposed actions should be assessed before approving projects that could affect the parks' environment. The Secretary of the Interior should require the NPS Director to develop and publish in the Federal Register standards for evaluating satisfactory business experience and financial position of parties interested in operating a concession in the national parks. The Secretary of the Interior should require the NPS Director to require concessioners to notify NPS when they no longer want to operate in the park and want to transfer their operation to a third party. NPS should then issue a prospectus to solicit parties interested in taking over the operation. In addition to the normal distribution, NPS should also send the prospectus to parties identified by the concessioner. Interested parties should send their proposals and qualifications to NPS. NPS should then determine the parties best qualified and give their names to the concessioner so that it can negotiate the transfer. The Secretary of the Interior should require the NPS Director to take steps necessary to supply the concessions management field staff with individuals that have the financial background and experience needed to set equitable franchise fee rates and deal effectively with the other areas of concessions contracts. The Secretary of the Interior should require the NPS Director to develop specific criteria and procedures to help concessions management staff make appropriate adjustments to franchise fee rates, if the new rate setting system allows adjustments to rates based on pertinent economic factors. The Secretary of the Interior should require the NPS Director to develop a new franchise fee rate system that reflects the value of privileges granted under concession contracts. The new system should be easily understood with a minimum amount of subjective analysis required so that NPS concession personnel may apply it properly. The system should be thoroughly supported and documented. In the future, the system should be reviewed periodically to determine if changes are needed. The Secretary of the Interior should direct the NPS Director to expand the responsibilities of the task force established to develop alternatives to resolve problems NPS has identified with the concessioner comparability studies. The task force should be instructed to evaluate the new approval procedures more comprehensively. The task force study should examine the problems GAO identified with procedures and should solicit the views of the NPS field offices that have used the new procedures. The Secretary of the Interior should require the NPS Director to develop and implement, as part of the Concessioner Evaluation Program, procedures to obtain visitor comments and opinions on the quality of concession facilities and services. Comments should be considered in determining if concessioners are performing satisfactorily. The Secretary of the Interior should require the NPS Director to ensure that a qualified sanitarian is available to conduct required health inspections at concession facilities. The Secretary of the Interior should require the NPS Director to conduct annual health inspections on concession facilities that continually operate

under unsanitary conditions and post the inspection results at the facility so that visitors can be aware of its condition. If these measures do not improve conditions, the concessioner's contract or permit should be terminated. The Secretary of the Interior should require the NPS Director to require that comprehensive annual safety inspections be conducted early in the operating season so that visitors and employees are not exposed to deficiencies during most of the operating season. The Secretary of the Interior should require the NPS Director to ensure that all required health and safety inspections are conducted in a timely manner and that followups are made to assure that deficiencies have been corrected. The Secretary of the Interior should require the NPS Director to take action to ensure that park visitors and NPS and concession employees are adequately protected against health and safety deficiencies at concession operations. Contracts of concessioners that habitually violate health and safety standards should be terminated. The policy for terminating concession contracts under such circumstances should be incorporated into NPS regulations. The Secretary of the Interior should require the NPS Director to emphasize to the field offices the need to adequately document action taken on requests for convention and group use of concession facilities. The Secretary of the Interior should direct the NPS Director to provide adequate training for its personnel responsible for implementing concessioner rate approval procedures. The Secretary of the Interior should require the NPS Director to develop a training program to instruct NPS personnel to implement effectively the Concessioner Evaluation Program. The Secretary of the Interior should require the NPS Director to see that NPS safety personnel receive the training necessary to identify safety deficiencies.

113105

[Financial Management Practices at the Flathead National Forest]. CED-80-131; B-199886. August 14, 1980. ***Released*** August 25, 1980. 5 pp.

Report to Sen. John Melcher; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Federal Lands (2306); Accounting and Financial Reporting: Non-Line-of-Effort Assignments (2851).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of Agriculture; Forest Service: Flathead National Forest, Hungry Horse, MT.

Congressional Relevance: *Sen.* John Melcher.

Authority: 16 U.S.C. 490.

Abstract: An investigation was made of four allegations concerning certain financial management practices at Flathead National Forest in Hungry Horse, Montana. It was alleged that (1) the brush disposal fund supported personnel positions within the Forest Service which were not related to brush disposal; (2) the overhead assessment rate applied to direct brush disposal costs increased from 7 percent in 1960 to 45 percent in 1979; (3) the salaries of three employees in one of the Forest's districts were being incorrectly financed from general administration funds; and (4) the Forest's Supervisor's office retained 49 percent of the money it received to manage the Bob Marshall Wilderness. ***Findings/Conclusions:*** Legislation provides that national forest timber purchasers may be required to deposit the estimated cost to the United States of disposing of brush and other debris resulting from their cutting operations in a special fund which is appropriated and remains available until expended. "Estimated cost" has been interpreted to mean all necessary costs, including costs of personnel and activities not directly related to specific programs or projects. No indication was found that the brush disposal program was being disproportionately assessed for its share of general administration expenses. A comparison of the actual forest level brush disposal overhead costs in 13 Northern Region forests between 1975 and 1978 showed that these costs at Flathead Forest were generally less than at other forests. Direct, exacting comparisons between 1966 data and current data were not practical, because the method of tracking overhead has been changed significantly since 1966. No evidence was found indicating that the salaries of the three employees were systematically or routinely being financed from general administration funds. Wilderness activities are funded as part of the total recreation program; funds are not specifically designated for the Bob Marshall Wilderness. Although it was not a question of wilderness funds being diverted to some unrelated purpose, it was true that 49 percent of the recreation monies received during fiscal year 1980 did not get down to the district level.

113142

A Shortfall in Leasing Coal From Federal Lands: What Effect on National Energy Goals? EMD-80-87; B-199376. August 22, 1980. 80 pp. plus 7 appendices (23 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Management of Federal Lands (2306).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0).

Organization Concerned: Department of the Interior; Department of Energy; Department of Agriculture; Bureau of Land Management; Forest Service; Geological Survey.

Congressional Relevance: Congress.

Authority: Department of Energy Organization Act (42 U.S.C. 7101 et seq.). Federal Coal Leasing Amendments Act of 1975 (30 U.S.C. 181 et seq.). Land Policy and Management Act (43 U.S.C. 1701 et seq.). Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.).

Abstract: Serious problems which involve not leasing enough coal, not selecting the best coal areas for lease, and not having needed coal data are indicated in the Department of Interior's lease sale in the Green River-Hams Fork region of Colorado and Wyoming. Unless these problems are corrected early, Federal lands may not contribute significantly to meeting the Nation's need for more coal. Because much of the Nation's most accessible and economically minable coal lies on Federal or interspersed non-Federal lands in the West, leasing policies hold an important key to whether this gap can and will be filled. The Department of the Interior establishes coal leasing targets by considering the difference between its mine production estimates and the Energy Department's demand estimates to determine the amount of coal production that must be generated from new Federal leasing. Factors such as mine life, Federal/non-Federal coal ownership ratio, coal recovery ratio, and the level of uncertainty are all taken into consideration. ***Findings/Conclusions:*** For the 1981 Green River-Hams Fork sale, at least three times more coal needs to be leased than is presently called for in the leasing target. Interior will not be able to make available sufficient amounts of additional coal to make up for the 1981 leasing shortfall. Immediate action is necessary to assure that enough coal is made available to meet the region's projected coal demand. Exclusion of formal expressions of leasing interest during land use planning may unnecessarily restrict coal development and force it to less economically and possibly even less environmentally suitable locations. Selection of low-quality coal areas not only could result in leasing less economically suitable coal, but also could limit the amount of higher quality coal that could be leased in the future. Industry is currently interested in mining some areas that may not be considered for leasing until 1987 or later. The request for and use of industry input would give better focus on where land use planning should be done. The Geological Survey does not have sufficient information to identify and evaluate tracts

to meet the Bureau of Land Management's planning schedules. Their condensed timeframe for coal data acquisition may severely restrict the number of tracts that could be delineated and considered for leasing and may limit competition. The private sector could do more pre-lease drilling if encouraged. A decision by Interior at the time licenses are granted would give industry added incentive to invest in exploration activity. ***Recommendation To Agencies:*** Interior should initiate immediate plans for a follow-on sale to meet the region's projected coal demand. The Departments of Energy and the Interior should jointly review leasing targets. Interior should require that the Bureau of Land Management (BLM) request expressions of interest in possible lease tracts for all land use planning areas that contain Federal coal; ensure that land use planning for coal is not limited to known recoverable coal resource areas when development interest is indicated by industry and coal data are available elsewhere; and decide whether or how threshold development levels will be used. Interior should require the Director of the Geological Survey (USGS) to develop long-range plans for coal exploration activities in direct support of tract delineation and obtain formal public input; appoint permanent tract delineation team leaders; and clarify procedures for making reserve estimates and establish formal quality control procedures in the reserve estimate computation process. Interior should require the Director of BLM to coordinate with USGS before determining the time to be allotted for USGS work in activity planning, allowing at least one drilling season for the tract delineation process. Interior should develop explicit procedures under which land exchange applicants could drill candidate exchange tracts and inform those who obtain an exploration license whether they will or will not be allowed to bid on the tract if it is offered for lease. The Secretary of Agriculture should require the Chief of the Forest Service to direct his staff to rely on USGS standards for coal reserve estimates for land-use planning and to coordinate with USGS concerning proposed drilling sites so that USGS can plan drilling and other exploration activities to prepare for future leasing and the preparation of land use plans.

113152

[Alleged Unauthorized Use of Appropriated Moneys by Interior Employees]. CED-80-128; B-198488. August 13, 1980. ***Released*** August 21, 1980. 10 pp.

Report to Sen. Mark O. Hatfield, Ranking Minority Member, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Non-Line-of-Effort Assignments (2351).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement.

Congressional Relevance: *Senate* Committee on Energy and Natural Resources; *Sen.* Mark O. Hatfield.

Authority: Regulation of Lobbying Act (2 U.S.C. 261). Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201). Treasury, Postal Service and General Government Appropriation Act, 1979 (P.L. 95-429). 20 Comp. Gen. 485. P.L. 95-465. P.L. 96-126. S. 1403 (96th Cong.). S. Rept. 95-276. B-116331 (1961). B-178648 (1973). B-128938 (1976). B-164497(5) (1977). 18 U.S.C. 1913.

Abstract: GAO investigated the possible unauthorized use of appropriated funds by the Department of the Interior's Office of Surface Mining (OSM). Also investigated were allegations that OSM misused appropriated moneys by conducting illegal lobbying activities to defeat pending legislation in the House of Representatives. The proposed legislation would: (1) postpone for 12 months the date for submitting State surface mining programs for Federal approval; (2) postpone the date for implementing the surface mining control program on Federal lands to coincide with the date for implementing the State program; and (3) add language to the act which specifies that a State program need only comply with the provisions of the act itself and not with the regulations issued by OSM pursuant to the act. ***Findings/Conclusions:*** GAO found documents in the files of OSM indicating that OSM was actively involved in trying to defeat the proposed legislation. However, most activities did not violate the lobbying restrictions. The former Assistant to the Director for Congressional and Legislative Affairs memorandums indicate that OSM was directly lobbying Members of Congress to defeat the legislation, action that is not considered to be in violation of Federal law. The memorandums also indicate that OSM met with interested groups. This also does not constitute a violation of Federal law. Some information suggested that OSM urged interested groups to lobby their Representatives to prevent the legislation from going any further in the House. However, while some of the records reviewed and some interviews conducted tend to support the conclusion that some OSM employees may have engaged in unlawful activities to promote public opposition to the legislation, GAO did not believe that the information was sufficient to conclude that violative activities did take place.

113155

[Problems in Collecting and Setting Aside Adequate Knutson-Vandenburg Funds To Do Planned Work]. August 13, 1980. 8 pp.

Report to R. Max Peterson, Chief, Forest Service; by Donald J. Vandesand, (for Oliver W. Krueger, Senior Group Director), GAO Community and Economic Development Division.

Issue Area: Food: Federal Government Food Production System (1711).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Forest Service.

Authority: Knutson-Vandenburg Act (16 U.S.C. 576b). Forest Service Manual 2477.22. B-125053 (1974).

Abstract: GAO undertook a review of the problems in collecting and setting aside adequate funds authorized by the Knutson-Vandenburg (K-V) Act. In a previous report, GAO found that the Forest Service was having difficulty in collecting and setting aside enough money under the K-V act to finance reforestation and timber stand improvement work needed in harvest areas. GAO limited its review to an analysis of procedures at 16 district and 6 national forest offices in Region 6. ***Findings/Conclusions:*** In its review, GAO found that: (1) some Forest Service officials are not adequately considering the expected impact of inflation when making K-V estimates; (2) in some cases Forest Service officials are not using any inflation factor; (3) K-V plans have not always been revised on a timely basis and the amount of monies that can be deposited in the K-V fund to cover any upward revisions has been administratively limited to the total receipts to be collected from the volume of unharvested timber under a contract; and (4) K-V balances may not be accurate since the K-V deficits may only be on paper because of problems in developing work plans and cost estimates and the fact that procedures permit K-V plans to be updated and some additional funds to be deposited in the K-V account, thus reducing the deficit. ***Recommendation To Agencies:*** The Forest Service should revise their instructions to specifically require that: (1) the regions determine appropriate inflation rates for their areas and require the districts to use the rates when preparing K-V plans; (2) the K-V plans identify the time period in which the planned work is expected to occur so that appropriate inflation rates can be applied; (3) require that K-V plans and funds needed to be set aside be updated once harvesting begins and annually thereafter until harvesting is completed, and then once after harvesting but before formal sale closure; and (4) remove or revise the volume limitation

to allow for all needed K-V funds to be set aside. Also, the Chief of the Forest Service should: (1) review the rates periodically to ensure that they continue to be appropriate and that each region's rate is equitable as compared with the rates in other regions; (2) require headquarters and regional officials to include in their administrative reviews an assessment of the regions' and districts' applications of the inflation rates; (3) emphasize to all Forest officials the importance of coordinating the annual K-V plans and funds needed to be set aside; and (4) determine the feasibility of allowing more time after the end of the fiscal year for determining the annual K-V fund balances.

113192

Improvements Are Needed in USDA's Soil and Water Resources Conservation Act Reports. CED-80-132; B-199776. September 3, 1980. 10 pp.

Report to Bob Bergland, Secretary, Department of Agriculture; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Water and Water Related Programs: Effective Water Conservation and Reuse Programs (2504).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Water Resources (301.0); Natural Resources and Environment: Conservation and Land Management (302.0); Agriculture (350.0).
Organization Concerned: Department of Agriculture.
Authority: Soil and Water Resources Conservation Act of 1977.
Abstract: GAO reviewed the Department of Agriculture's (USDA) efforts to promote better water management and conservation, focusing on whether USDA reports required by the Soil and Water Conservation Act of 1977 will contain useful and accurate information for making future water program decisions. ***Findings/Conclusions:*** The reports do not fully comply with the act's intent. Initial evaluations by USDA included fewer than half of its current soil and water conservation programs. Evaluation of current programs is incomplete. Field personnel have problems developing information for the reports. Implementing water conservation techniques would: require less energy because the amount of water pumped to irrigate crops would be reduced; reduce agricultural water pollution problems; improve fish habitats; and alter streamflows. Institutional and social constraints greatly affect how much water can be saved. The inability to readily transfer water rights is inefficient because it can lock water into relatively low-value historical uses. By not using a water right, a farmer can lose the right, a situation which often causes some farmers to use excessive water. Low-priced water is a major constraint on water conservation because it offers users no incentive to save. Long-standing social attitudes and customs about water development and use are regarded by many Federal and State water experts as major constraints to implementing water conservation. The Soil and Water Resources Conservation Act clearly intended USDA to evaluate, on a continuing basis, each of its 34 current soil and water conservation programs and to periodically report the results to Congress. Failure to comply with the act's intent is due primarily to the early USDA decision to limit the analysis to certain programs. USDA would also increase the usefulness of its reports by including additional pertinent data. ***Recommendation To Agencies:*** The Secretary of Agriculture should amend the USDA continuing soil and water resources appraisal process to include in the 1980 reports and all future reports to Congress an assessment of the effects of water conservation; including both advantages and disadvantages on achievable water savings, and a determination of the impact of institutional and social constraints on achievable water savings.

113244

[Allegations That Congressman Seiberling Received Preferential Treatment Regarding Land Transactions in the Cuyahoga Valley National Recreation Area]. CED-80-135; B-199379. August 27, 1980. *Released* September 8, 1980. 5 pp. plus 2 enclosures (2 pp.).

Report to Rep. John F. Seiberling; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Planning for Land Use (2305).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; National Park Service: Cuyahoga Valley National Recreation Area, OH.
Congressional Relevance: *Rep.* John F. Seiberling.
Authority: P.L. 93-555.
Abstract: Allegations were made that Congressman Seiberling received preferential treatment from the National Park Service (NPS) regarding land he owned and previously owned in the Cuyahoga Valley National Recreation Area (CVNRA). Specifically, it was alleged that he was allowed to keep his home in the recreation area subject to certain restrictions (a scenic easement) while others were required to sell their homes to the Park Service. ***Findings/Conclusions:*** GAO reviewed the legislation authorizing CVNRA, segment maps showing the location of each property in the area, and the land acquisition plan showing the interest to be acquired in properties. GAO also reviewed land acquisition records and interviewed NPS officials to obtain their reasons for allowing some landowners to keep their homes while others were required to sell. The review showed that Congressman Seiberling and his wife donated a scenic easement on the property containing his residence to the Akron Metropolitan Park District in February 1972, which was 33 months before CVNRA was established in December 1974. NPS plans to acquire the easement, which is in an area where the Service is acquiring easements from adjacent property owners rather than full title. On the basis of this review, it did not appear to GAO that NPS had given or planned to give Congressman Seiberling preferential treatment.

113293

[Protest of Agency Failure To Extend Bid Acceptance Period]. B-199005. September 12, 1980. 3 pp.

Decision re: Timberline Foresters; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Timberline Foresters; Forest Service; Kimball Forestry Consultants; Forest Service: Shoshone National Forest, WY.
Authority: 4 C.F.R. 20.2. 42 Comp. Gen. 604. 42 Comp. Gen. 607. 48 Comp. Gen. 19. 57 Comp. Gen. 865. 57 Comp. Gen. 867. F.P.R. 1-1.708-2. F.P.R. 1-2.404-1(c). B-193614 (1979). B-194461 (1979). B-195716 (1979). B-197610 (1980).
Abstract: A firm protested the Forest Service's failure to request an extension of the acceptance period of its bid and the award of the contract at a higher price. The invitation for bids was a total small business set-aside for timber inventory in three districts of the Shoshone National Forest. The record showed that the protester limited its bid acceptance period to 30 calendar days, as permitted by the solicitation, instead of the standard 60-day acceptance period. Following bid opening, the Forest Service unsuccessfully sought information upon which to make a responsibility determination about the apparent low bidder and later referred the matter to the Small Business Administration (SBA). Meanwhile, the protester's bid expired. Upon advice from SBA that the apparent low bidder had failed to timely apply for a Certificate of Competency, the Forest Service awarded the contract to another firm, since the protester's bid had expired. The protester contended that it was neither notified that the Forest Service anticipated delay in making the

award nor given an opportunity to extend its acceptance period prior to the expiration of its bid. GAO held that the contracting officer was not required to advise the protester of any delay in the award or to request an extension of the acceptance period prior to the expiration of its bid. By limiting its bid acceptance period to 30 days, the protester not only took the risk that the Government might not be able to make award within that time, but also avoided the risk of increased performance costs. The protester's bid could not properly have been extended because that would have afforded the protester an unfair advantage over the other bidders that offered longer acceptance periods. Thus, the protest was without merit and was denied.

113298

Protection and Prompt Disposal Can Prevent Destruction of Excess Facilities in Alaska. LCD-80-96; B-196565. September 12, 1980. 22 pp.

Report to Cecil D. Andrus, Secretary, Department of the Interior; Neil E. Goldschmidt, Secretary, Department of Transportation; Harold Brown, Secretary, Department of Defense; by Richard W. Gutmann, Director, GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Effectiveness of Policies, Procedures and Practices for Identifying/Disposing of Surplus Property (0715); Land Use Planning and Control: Non-Line-of-Effort Assignments (2351).

Contact: Logistics and Communications Division.

Budget Function: General Government: General Property and Records Management (804.0).

Organization Concerned: Department of the Interior; Department of the Treasury; Department of Transportation; Department of Defense; Bureau of Land Management; General Services Administration; Department of the Air Force; Department of the Army; Federal Aviation Administration; United States Coast Guard.

Authority: Alaska Native Claims Settlement Act. Federal Management Circular 73-5.

Abstract: Federal agencies have not protected and maintained facilities which they have built on lands withdrawn from the public domain in Alaska and no longer need. Long delays in the disposal process and the lack of protection have allowed property improvements to suffer extensive deterioration and vandalism. The Bureau of Land Management determines if the land is suitable for return to the public domain. If it has been changed substantially by improvements, the Bureau requests the General Services Administration (GSA) to dispose of the property. GAO reviewed five cases with improvements costing over $23 million. ***Findings/Conclusions:*** Some deteriorated facilities have become safety and health hazards and continually project an image of Government waste. GAO found that the facilities had been extensively damaged by vandals and the elements. Untimely actions by the holding agencies and the Bureau delay the disposal of excess properties. Some agencies have abandoned properties before reporting them as excess, and others have taken years to decide whether properties not in use should be declared excess. The Bureau has not actively pursued the processing of property disposals, as their resources are allocated to the problems of conveying lands to native Alaskans and to the State of Alaska. GAO believes that a major factor contributing to delays in the disposal process is a lack of incentives to ensure timely action. Bureau regulations do not require that disposals be completed within a specified time, and the Bureau is not responsible for protecting and maintaining property when delays occur. The cost of protecting excess properties may be prohibitive, unnecessary, and a burden on the holding agency. In such cases, the property should be destroyed according to regulations. ***Recommendation To Agencies:*** The Secretaries of Defense and Transportation should require their agencies in Alaska to determine the condition of current and future excess properties under their jurisdiction and comply with the Federal Property Management Regulations by protecting and maintaining properties pending transfer to another agency or disposal. They should destroy properties having no commercial value and properties where the estimated cost of continuing protection and maintenance will exceed the estimated proceeds from their sale. They should not abandon the properties. The Secretaries should promptly notify the Bureau when property is going to be excess, and when they will excess the property. The Secretary of the Interior should require the Bureau of Land Management to establish and follow a specified time schedule for determining whether excess property should be returned to the public domain or transferred to GSA for disposal.

113310

[Settlement of Alleged Breach of Contract]. B-191329. September 16, 1980. 8 pp.

Decision re: Buckhorn Rural Water Corp.; by Harry R. Van Cleve, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law II.

Organization Concerned: Buckhorn Rural Water Corp.; National Park Service.

Authority: 56 Comp. Gen. 289. United States v. General Petroleum Corp., 73 F. Supp. 225 (S.D. Cal. 1956). Colonial Metals Co. v. United States, 494 F.2d 1355 (Ct. Cl. 1974). Kalver Corp., Inc. v. United States, 543 F.2d 1298 (Ct. Cl. 1976). Nolan Bros., Inc. v. United States, 405 F.2d 1250 (Ct. Cl. 1969). B-191195 (1978). 31 U.S.C. 82d.

Abstract: An advance decision was requested as to the legality of paying for settlement of an alleged breach of contract between the National Park Service (NPS) and a utility. Whether GAO should consider the matter was also to be determined. NPS and the utility entered into an agreement under which the utility agreed to provide water service to a recreation area. Under the agreement, the utility was to construct a water line from its water lines outside the recreation area to the area's boundary, and was solely responsible for maintenance, repair, and replacement of the line and any necessary equipment, facilities, and pumps. The Government was to pay for the actual cost of construction. Additionally, the agreement provided that NPS purchase and pay for water service furnished in accordance with the Water District's applicable rate schedules or a minimum charge of $50.00 per month, whichever was greater. NPS could terminate the agreement by giving notice to the Water District at least 90 days prior to the effective date of termination. NPS continued to pay the monthly minimum fee for 9 years after the water system went into effect, but did not use the lines because the area's water needs did not materialize as anticipated. When the contract was terminated, the NPS proposed settlement was accepted by the utility. However, the utility maintained that NPS breached the contract by failing to construct a connecting line within the area so that it could purchase water from the facility. GAO considered the case because both parties had not agreed that a breach of contract occurred, or that the settlement would be final without further review. Regarding the NPS liability for the alleged breach of contract, GAO found that it was clear that NPS agreed only to pay for water actually furnished, or a $50.00 monthly charge. Since NPS did in fact pay the monthly charge over the life of the contract, GAO believed it fulfilled any obligation to purchase and pay for water which arguably existed under the contract. It was held that by reimbursing the utility for the cost of constructing the water line, paying the monthly minimum charge as agreed, and terminating the agreement as provided in the contract, NPS fully discharged all of the obligations required of it under the terms of the contract. No grounds for additional payment existed.

113409

[Additional Information Requested Following Hearing on Onshore Oil

and Gas Leasing]. EMD-80-121; B-200507. September 26, 1980. 6 pp. plus 1 enclosure (7 pp.).
Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Rep.* James D. Santini.
Abstract: GAO was asked to provide additional information following a congressional hearing on onshore oil and gas leasing. ***Findings/Conclusions:*** One area of concern was what administrative or regulatory changes would be appropriate for the onshore oil and gas leasing system. A recent GAO report recommended certain actions to tighten controls to eliminate the possibility of the lottery drawings being manipulated. If increased revenues are sought, they would likely come from rents, royalties, filing fees, or bids. Changes which would be directed at increasing production would consist of actions to reduce producer cost, increase land availability, eliminate disincentives or provide incentives to the producer, or mandate diligent development by the producer. There was also concern as to the number of noncompetitive leases that are producing, and the number of acres that have not been producing for many years. Some noncompetitive leases might draw significantly higher sums through competitive bidding, but competitive bidding is no guarantee of large receipts. Competitive tracts have known previous production, so they are often leased for enhanced recovery. The higher potential land, while highly speculative, is now probably being leased noncompetitively. The last area of concern was the success of the independent under the alternative bidding systems used in Outer Continental Shelf leasing. The limited analysis by GAO of the systems indicated little success so far in attracting greater participation by the independents. A sliding scale royalty was established to encourage small company participation, but the analysis indicated that the smaller companies favored the fixed royalty.

113412
[GAO's Basis for Its Analysis of S. 1637]. EMD-80-116; B-196523. September 25, 1980. 7 pp.
Report to Cecil D. Andrus, Secretary, Department of the Interior; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Authority: S. 1637 (96th Cong.).
Abstract: A point by point analysis is presented of the issues raised by the Secretary of the Interior concerning a recent GAO report dealing with the gas and oil leasing system. ***Findings/Conclusions:*** GAO agreed with Interior that many of the aspects of the present leasing system need modification, but opposed proposed legislation dealing with the problem because the bill's adverse effects outweighed its strong points. Although the bill's objectives were not clear, its central thrust was apparently directed toward reducing noncompetitive leasing and increasing competitive leasing. Interior made forecasts of revenue and expense, but made no projections of production impact. Thus, GAO concluded that the agency viewed production as subordinate to revenue. Rather than equate acres leased to amounts of production, GAO believes that much of the high interest land may lie outside the producing geological provinces and thus not be subject to competitive leasing under the proposed legislation. GAO has advocated tighter controls through regulations without a major overhaul of the leasing system itself. It does not believe that independent producers would fare well if the proposed legislation were enacted, because they are doing well under the present competitive system.

113642
[Bid Rejection Protest]. B-199819. October 28, 1980. 3 pp.
Decision re: Richard Bercutt; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel: Procurement Law I.
Organization Concerned: Forest Service.
Authority: 40 Comp. Gen. 432. 58 Comp. Gen. 509. F.P.R. 1-2.404-2(a). F.P.R. 1-2.404-2(b). B-186733 (1976).
Abstract: A lumberman protested the rejection of his low bid as a nonresponsive bidder under an invitation for bids (IFB) issued by the Forest Service for cull-tree felling. The Forest Service rejected his bid because, at the end of the price schedule, he specified that the work would begin after August 21, 1980. The contracting officer determined that this statement imposed a condition which affected a material provision of the solicitation and limited the rights of the Government. The protester contended that he inserted this language because the solicitation instructed offerors to state a definite time for delivery or performance unless otherwise specified in the solicitation. He maintained that the IFB did not indicate a definite time for performance of services. The IFB provided that the contractor should commence work within 10 calendar days after receipt of notice to proceed, and that the work should be completed within the allotted contract time of 25 calendar days. An essential requirement of the concept of responsiveness of a bid is the delivery or performance requirements specified in the invitation for bids. A bid which imposes a condition which limits the substantive rights of the Government is nonresponsive and must be rejected. By imposing the condition that work must commence after August 21, 1980, the protester limited the Government's right to issue an effective notice to proceed as it saw fit, and limited the completion date of the contract performance to suit his needs. The notice to proceed was issued to the awardee on July 29, and the contract work should have been substantially completed by the time the protester indicated he would start performance. A bidder may not make its bid responsive by changing a material part thereof after bid opening. To have permitted the contracting officer to waive this condition or delete his bid statement would have allowed the protester to submit a new bid, contrary to the rules of competitive bidding. The protest was denied.

113669
[Protest of Forest Service Contract Award]. B-199850. October 31, 1980. 3 pp.
Decision re: Emmit A. Kendall; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: Forest Service.
Authority: 4 C.F.R. 20.2(a). F.P.R. 1-2.406-2. B-181796 (1974). B-190277 (1978). B-197628 (1980).
Abstract: A bidder protested a Forest Service solicitation which invited bids for two schedule line items. The protester contended that he should have received an award for the item for which he was the low bidder, and disputed the Forest Service's determination that his bid was submitted on an "all or none" basis. The record showed that the solicitation allowed separate awards of each line item, and that the protester submitted the low bid for one of the line items. However, the Forest Service determined that qualifying language contained in the protester's bid made it an "all or none" bid which could only be accepted for both line items. Thus, because the protester's total price for both items exceeded the

combined prices of two other bidders' individual line item bids, he received no award. Additionally, the Forest Service rejected the bidder's attempt after bid opening to explain the qualification statement as a mistake in his bid. GAO held that the Forest Service reasonably interpreted the protester's bid. Moreover, the bidder's attempt to explain his bid qualification statement shortly after bid opening was properly rejected since the mistake was not apparent from the face of the bid. Accordingly, the protest was denied.

113744

Congressional Guidance Needed on Federal Cost Share of Water Resource Projects When Project Benefits Are Not Widespread. CED-81-12; B-166506. November 13, 1980. 38 pp. plus 2 appendices (63 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Water and Water Related Programs: Financing, Cost Sharing, and Repayment Policies for Water Resources Projects and Programs (2508).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Water Resources (301.0).

Organization Concerned: Department of Agriculture; Department of the Army: Corps of Engineers; Soil Conservation Service.

Congressional Relevance: Congress.

Abstract: Many water resource projects provide benefits to large segments of the country; however, the Corps of Engineers (CE) and the Soil Conservation Service (SCS) have built some projects that primarily benefit only a few landowners or businesses. ***Findings/Conclusions:*** GAO found that for CE and SCS projects, the non-Federal entity was seldom required to share a larger portion of project cost to compensate for the special benefits, such as land enhancement or increased local taxes. Local sponsors provide land easements, rights-of-way, and utility relocations for most projects. In feasibility studies, the estimated costs of the items are shown as the non-Federal cost share. However, GAO found that the estimated non-Federal cost share in the studies by SCS usually contain extraneous cost items which were not genuine project costs. This inflated the total project cost and also made the non-Federal share appear much higher than it actually was. Land treatment represents 55 percent of the total non-Federal share for all the projects approved by SCS through September 1979. GAO believes land treatment is important and should be strongly encouraged. However, it is misleading to include the estimated cost along with other cost items because: (1) land treatment is the individual landowner's responsibility; (2) land treatment is strictly voluntary and SCS has little or no control over implementing recommended treatment; (3) SCS does not effectively monitor or follow up on whether the measures are applied, and if so, at what cost; and (4) SCS does not include land treatment measures when estimating each project's benefit/cost ratio. ***Recommendation To Congress:*** Congress should clarify its intent regarding cost sharing for future water resource projects which provide significant special local benefits and give additional guidance to the Federal agencies involved in water resource development concerning the projects. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct the Administrator of SCS to stop including ongoing land treatment measures as part of the estimated project cost and non-Federal share in SCS feasibility studies. The estimated land treatment costs should be itemized but shown separately on a different schedule.

113749

[Protest of Bureau of Land Management Contract Award]. B-199634. November 12, 1980. 5 pp.

Decision re: Space Age Surveyors; by Harry R. Van Cleve, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law II.

Organization Concerned: Space Age Surveyors; Stuntzner Engineering and Forestry; Bureau of Land Management.

Authority: B-184402 (1976). B-187160 (1977). B-194157 (1980). B-195624 (1980).

Abstract: A surveying firm protested the award of a contract by the Bureau of Land Management to another firm for an administrative survey. The protester contended that it was technically qualified and should have received the award because its proposal price was substantially less than that of the awardee. The Bureau made the award on the basis of initial proposals without discussions. The awardee received the highest technical rating of any offeror. Even though the protester submitted the low proposal price, the Bureau determined that its proposal was technically unacceptable. An agency need not consider an offeror's low price when it submits an unacceptable technical proposal. The question here was whether the Bureau properly determined that the protester's proposal was technically unacceptable. GAO will not disturb the agency's technical evaluation unless it is clearly without a reasonable basis. The Bureau reported that the survey technique proposed by the protester was not a feasible survey method because of the dense ground cover of the area to be surveyed. The Bureau also found that the protester did not indicate how it would post true lines, assigned no crew members to this task, and generally did not demonstrate that the firm had experience in this survey method. The protester also had an inferior degree of experience in similar type projects compared to the awardee, and its proposal did not demonstrate a knowledge of the logistical problems associated with the project. Technical evaluations are based upon the degree to which an offeror's written proposal adequately addresses the evaluation factors specified in the solicitation. The protester failed to adequately address the request for proposals' evaluation factors and, thus, its protest was denied.

113751

[Protest of Forest Service Contract Award]. B-199682. November 12, 1980. 4 pp.

Decision re: Lloyd S. Hockema, Inc.; by Harry R. Van Cleve, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: General Government Matters.

Organization Concerned: Forest Service; Lloyd S. Hockema, Inc.; Hockema and Hockema, Inc.

Authority: 55 Comp. Gen. 1340. B-187322 (1977). B-190159 (1977).

Abstract: A firm protested the proposed award of a contract under an invitation for bids for timber sale roads construction by the Forest Service. The proposed awardee was the apparent low bidder on the contract, and the Forest Service had expressed its intention of awarding the contract to the firm. The invitation for bids contained a standard late bid clause and instructions for hand delivery. Nevertheless, the proposed awardee's bid was delivered to the wrong office and was not identified as containing a bid. Thus, the proposed awardee's bid was received late at the designated office. The Forest Service maintained that the bid should be considered, because the lateness was caused by agency mishandling. However, under the facts of the record, the commercial carrier of the bid did not attempt to deliver the bid to the designated room because the room address was not on the bid envelope. The Government cannot be faulted for the carrier's failure to deliver the bid to the proper place at the proper time. The bid may not be considered, and the protest was sustained.

113843

[Protest Against Forest Service Use of Competitive Procurement Procedures]. B-199654. November 24, 1980. 3 pp.

Decision re: Umpqua Surveying Co.; by Milton J. Socolar, (for

Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel: Procurement Law II.
Organization Concerned: Umpqua Surveying Co.; Forest Service.
Authority: Property and Administrative Services Act (40 U.S.C. 541 et seq.). B-184779 (1977).
Abstract: A firm protested the Forest Service's use of competitive procurement procedures under a request for proposals (RFP) for cadastral land surveying services. The protester contended that cadastral surveys, which are surveys relating to the boundaries and subdivisions of land, are by definition architectural and engineering services which must be procured in accordance with the Brooks Bill rather than by competitive RFP. GAO held that the language of the Brooks Bill and its legislative history indicate that the Bill's procedures apply whenever: (1) the controlling jurisdiction requires an architectural-engineering (A-E) firm to meet a particular degree of professional capability in order to perform the desired services; or (2) the services logically or justifiably may be performed by an otherwise professional A-E firm or its employees and are incidental to professional A-E services, which clearly must be procured by the Brooks Bill method. It is clear from the record that the Forest Service did not require that the cadastral land survey be performed by an A-E firm. Although the RFP required the contractor's land surveyors to obtain appropriate licenses and permits from the States in which work was to be performed, the RFP provisions did not require performance by an A-E firm since the land surveyor licensing requirements in the States are separate and distinct from the licensing requirements for architects and engineers. Moreover, GAO was advised by the Forest Service that the instant survey requirement was completely independent of any A-E project. Therefore, GAO held the instant survey was not considered an A-E service for the purpose of the Brooks Bill. Thus the Forest Service could properly procure the cadastral land survey under competitive statutes and regulations in lieu of the selection method prescribed in the Brooks Bill. The protest was denied.

113935

Facilities in Many National Parks and Forests Do Not Meet Health and Safety Standards. CED-80-115; B-197179. October 10, 1980. ***Released*** November 10, 1980. 27 pp. plus 6 appendices (126 pp.).
Report to Sen. Mark O. Hatfield, Ranking Minority Member, Senate Committee on Energy and Natural Resources; by Elmer B. Staats, Comptroller General.
Refer to Report, August 26, 1982, Accession Number 119308.

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; Forest Service; Department of Agriculture; National Park Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* Mark O. Hatfield.
Authority: Safe Drinking Water Act (P.L. 93-523). Safe Drinking Water Amendments 1977 (P.L. 95-190). Water Pollution Control Act Amendments of 1972 (Federal) (P.L. 92-500). Clean Water Act of 1977 (P.L. 95-217).
Abstract: The National Park and Forest Services have not protected the health and safety of their visitors and employees. Substandard water and sewer systems and hazardous lodges, dormitories, bridges, and tunnels need to be repaired, upgraded, or limited in their use. ***Findings/Conclusions:*** Health and safety inspectors found some facilities to be so hazardous that they recommended immediate closure until the facilities could be repaired or upgraded. The costs of bringing facilities up to standard range from $5,000 to $3.2 million. The Services took a broad range of actions once they became aware that a facility did not meet health and safety standards. The actions ranged from immediate closure of facilities to doing little. GAO was told of numerous actions taken to improve deficient facilities, but the improvements were often not sufficient to meet safety and health standards. During fiscal years 1979 through 1981, 50 percent of the construction funds that the Park Service recommended, and 69 percent of the recreation construction funds that the Forest Service requested were for projects other than health and safety. To correct identified health and safety deficiencies, the Park Service will have to spend about $1.6 billion, and the Forest Service needs about $109 million. There would have to be a five-fold increase in appropriations over the construction funds requested for fiscal year 1981. Two alternative funding methods are: charging higher entrance and camping fees at parks and forests, and negotiating with concessioners on a case-by-case basis to make health and safety improvements on facilities they own or manage. ***Recommendation To Congress:*** Congress should give priority to funding projects for repairing and upgrading facilities with the most serious health and safety hazards at parks and forests. Congress should repeal section 402 of Public Law 96-87 (93 stat. 666) to permit the Park Service to increase entrance fees and direct that the Services use funds resulting from increased entrance and camping fees for health and safety projects in the parks and forests where they are collected. Congress should require that the Secretaries of Agriculture and the Interior periodically report on the condition of the facilities until they are improved to meet all health and safety standards. ***Recommendation To Agencies:*** The Secretaries of Agriculture and the Interior should take immediate action to correct health and safety problems with available funds or restrict the use of facilities that do not meet health and safety standards. The Secretaries of Agriculture and the Interior should negotiate with concessioners to have them make corrections to facilities they own or operate to bring them up to applicable health and safety standards. The Secretaries of Agriculture and the Interior should request a special appropriation from the Congress to correct the most serious health and safety hazards. The Secretaries of Agriculture and the Interior should request a greater share of their construction funds for repairing and upgrading facilities to bring them up to health and safety standards.

113959

Long-Term Economic Planning Needed in Oil- and Gas-Producing States. PAD-81-09; B-199032. December 10, 1980. 139 pp. plus 8 appendices (65 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.
Refer to GAO Review, Summer 1981, Accession Number 116150.

Issue Area: Domestic Housing and Community Development (2100); Economic Analysis of Alternative Program Approaches: Interrelationships Between Federal Government Policies and Urban and Regional Economic Problems (4040).
Contact: Program Analysis Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0); Community and Regional Development: Area and Regional Development (452.0).
Organization Concerned: Department of Commerce; Department of Housing and Urban Development; Texas; Oklahoma; Louisiana; Ozarks Regional Commission; Economic Development Administration.
Congressional Relevance: *Senate* Committee on Environment and Public Works: Regional and Community Development Subcommittee; Congress.
Authority: Powerplant and Industrial Fuel Use Act of 1978 (P.L. 95-620). Housing Act of 1954 (40 U.S.C. 461; 68 Stat. 640). Public Works and Economic Development Act of 1965. Fuel Protection Act of 1979 (Louisiana).

Abstract: The fiscal and economic condition of the Southwestern States (Texas, Oklahoma, and Louisiana) has long been inextricably linked to oil and gas activities. However, the region's oil and gas reserves and production have been declining since the early 1970's, and prospects for this trend to reverse are not good. Yet continued heavy reliance on decreasing resources has caused little concern for diversification planning, perhaps largely because rising energy prices are stimulating the region's economy and generating increased public sector revenues. Although the region currently is fiscally and economically healthy, troublesome trends indicate that long-range planning is needed. ***Findings/Conclusions:*** Historically, direct mineral revenues have been a large part of the Southwestern States' budgets. In 1977, at least 1 of every 13 regional employees worked in petroleum and related industries, and 12 percent of the region's total payroll dollars was paid by these industries. Generally, the region's petroleum and related industries are heavily concentrated within certain cities and counties. Areas having a heavy concentration of petroleum and related industries become vulnerable as nonrenewable oil and gas resources are depleted. The region's vulnerability can be decreased through diversification; however, the incentive to diversify is hampered by the high profits, wages, and taxes currently provided by these industries. The likely crude oil outlook for the three States is a continuation of the current trend of decreasing production. A turnaround is more possible for natural gas production than for oil, but unlikely. However, the States do not have specific economic development policies to encourage diversification which would counterbalance their dependence on the oil and gas industry. Finally, the Federal agencies which have planning assistance programs are not addressing possible long-range fiscal and economic problems in the Southwest stemming from the region's heavy reliance on the two industries. ***Recommendation To Congress:*** Congress should consider the following oversight options to assure that the Southwest's oil and gas issue is addressed (1) through the annual authorizations and appropriations processes, the Congress can monitor the Federal agencies' progress in meeting the recommendations; and (2) to facilitate oversight, as well as to promote greater efficiency and effectiveness of planning and development efforts, the Congress could require the applicable Federal agencies to follow a common regional strategy or action plan. ***Recommendation To Agencies:*** The Secretary of Commerce should have the Economic Development Administration (EDA) use its programmatic elements to help assure that applicable Federal, State, and substate planning processes include a focus on the Southwest's oil and gas issue. The Secretary of Housing and Urban Development (HUD) should direct the Assistant Secretary for Community Planning and Development to direct area offices in Texas, Oklahoma, and Louisiana to consider the issue, in reviewing 701 applications and overall program designs of the ability of the 701 program to address regional concerns. The Secretary of HUD should direct the HUD area offices to be cognizant and supportive of the other Federal agencies' issue-oriented efforts. The Secretary of Commerce should insure that the EDA efforts are coordinated with those of the Ozarks Regional Commission.

113964

[Protest Against Forest Service Use of Competitive Negotiation Procedures]. B-199348. December 15, 1980. 2 pp.

Decision re: SRM Manufacturing Co.; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Umpqua Surveying Co.; Forest Service: Umpqua National Forest, OR; SRM Manufacturing Co.

Authority: Property and Administrative Services Act (40 U.S.C. 541 et seq.). B-184770 (1977).

Abstract: A company protested the use of competitive negotiation procedures for the procurement of preliminary road location surveying. The company argued that, since the surveying involved the development of real property, it was an architect-engineer (A-E) service and should have been procured in accordance with procedures set forth in the Brooks Bill. The legislative history of the Brooks Bill indicates that the Bill's procedures apply whenever (1) the controlling jurisdiction requires an A-E firm to meet a particular degree of professional capability in order to perform the desired services, or (2) the services logically or justifiably may be performed by a professional A-E firm or its employees and are incidental to professional A-E services which must be procured by the Brooks Bill method. Since the subject surveying did not require performance by an A-E firm and was not incidental to an A-E project, it could properly be procured under competitive statutes and regulations in lieu of the selection method prescribed in the Brooks Bill. The protest was denied.

113967

Mapping Problems May Undermine Plans for New Federal Coal Leasing. EMD-81-30; B-199746. December 12, 1980. 47 pp. plus 2 appendices (11 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Management of Federal Lands (2306).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Department of the Interior; Geological Survey; Department of Energy; Bureau of Land Management.

Congressional Relevance: Congress.

Authority: Federal Coal Leasing Amendments Act of 1975. Land Policy and Management Act.

Abstract: Problems associated with the Department of the Interior's coal mapping program as it would effect the future leasing of coal from Federal lands are reviewed, recent actions to correct mapping problems are analyzed, and alternatives to better link coal mapping and land use planning are discussed. ***Findings/Conclusions:*** Federal coal resource planning and management decisions rely on maps that are often inaccurate, unreliable, and inappropriate either to define broad planning boundaries or to support the kinds of economic, energy, and environmental trade-off decisions called for by the new Federal leasing program. Recent actions by the Geological Survey to correct the mapping problems and provide the needed data may not fill the gap. Unless a major change is made in the way basic coal data are obtained, the leasing program may not be able to make available sufficient quantities of economically minable Federal coal to meet the Nation's demands. The mapping program began as a short-term data compilation effort covering a limited portion of unleased coal lands. But, based on new mandates, the program was enlisted to provide detailed geologic maps for all Federal lands classified for possible coal leasing. Recent Geological Survey actions to improve the situation will have doubtful results because of limited resources and a lack of guidance, the decision to limit future maps to areas scheduled for leasing and thus create a major gap in information on coal development potential for lands outside lease sale areas, and lack of funding and staff to assume the projected workloads. ***Recommendation To Agencies:*** The Secretary of the Interior should better link Interior's land use planning and mapping/drilling programs and more efficiently use its in-house capability to concentrate on areas of highest interest and potential for coal leasing. To accomplish this, the Secretary should publish in the Federal Register a notice of the U.S. Geological Survey's mapping and drilling plans at the same time as the Bureau of Land Management gives public notice and requests comments on its schedule for land use planning; thus providing an appropriate time for coal companies, State governments, and the public to submit

comments for use by the Survey in refining its exploration and mapping priorities. The Secretary should also establish a sufficient mapping capability in house, including funding for drilling, to (1) revise and improve the quality of needed Coal Resource Occurrence/Coal Development Potential maps; and (2) assure the linking of future mapping and drilling efforts with the Bureau's land use planning. Additionally, the Secretary should request nonconfidential coal and economic information from coal companies, State governments, and the public at the time the Bureau gives public notice on the preparation or revision of land use plans in particular areas. This notice should include (1) specific criteria to guide coal companies, State governments, and the public in submitting coal information, and (2) procedures for how and when such information will be applied in land use planning, including qualitative and quantitative criteria to be used in making tradeoff decisions.

114025

[Proposed Forest Service Land Exchange Involving the Chattahoochee National Forest in Georgia]. December 17, 1980. 2 pp.
Report to R. Max Peterson, Chief, Forest Service; by Oliver W. Krueger, Senior Group Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Forest Service; Department of Transportation; Forest Service: Chattahoochee National Forest, GA.
Authority: Forest Management Act. Land Policy and Management Act (43 U.S.C. 1716). Weeks Act (Protection of Watersheds) (16 U.S.C. 516).
Abstract: GAO was asked to review a proposed Forest Service land exchange involving the Chattahoochee National Forest. The proposal called for the owners of private property in Chattooga, Walker, and Whitfield Counties to swap their land in exchange for Forest Service acreage within the National Forest. ***Findings/ Conclusions:*** The Forest Service land, after two appraisals, was valued at $328,000. Neither of the appraisals considered the added value to the land of a road which is being built on the Forest Service land by Whitfield County and the Department of Transportation. GAO was told that a contract had been signed with Whitfield County for the road and that the Department will contribute about $314,000 toward the construction. The appraiser has indicated that the highest and best use of the Forest Service land would be future residential development and that this portion of the land will be bisected by the road. GAO believes that, once the road is completed, the value of the Forest Service land will increase significantly. This will give the Forest Service an opportunity to acquire more private land for the National Forest system than would be obtained under the presently proposed exchange. GAO believes that the proposed exchange would not be prudent or in the best interests of the Government. ***Recommendation To Agencies:*** The Chief of the U.S. Forest Service should assure that, once the road is completed, the value of the Forest Service land be redetermined by professional appraisers not previously involved in this matter and, if appropriate, new efforts to accomplish an exchange on an appropriately adjusted basis should be undertaken. The Chief of the U.S. Forest Service should disapprove and terminate the land exchange as presently proposed.

114033

[Limits of Livestock Grazing Privilege]. B-186373. December 30, 1980. 4 pp.
Decision re: Indian Grazing Privileges on the Garrison Dam Project; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: Department of the Army: Corps of Engineers.
Authority: Flood Control Act. 56 Comp. Gen. 655. P.L. 87-695. P.L. 81-437. P.L. 85-916. P.L. 85-923. P.L. 83-776. S. 1161 (87th Cong.). H. Rept. 87-2348. B-142250 (1961). 76 Stat. 594. 63 Stat. 1026. 72 Stat. 1766. 72 Stat. 1773. 68 Stat. 1191.
Abstract: The Department of the Army requested an opinion on whether Indian grazing rights at the Garrison Dam project extended to lands which were acquired from non-Indians as well as to lands acquired from Indians. Current law permits the Three Affiliated Tribes of the Fort Berthold Reservation to graze livestock without charge on former Indian lands acquired by the United States in connection with the Garrison Dam project. GAO found that use of the phrase "former Indian land" in the statute was intended to limit the grazing privileges to land which was acquired from Indians, and did not extend those privileges to lands which were acquired from non-Indians.

114083

Trans-Alaska Oil Pipeline Operations: More Federal Monitoring Needed. EMD-81-11; B-199479. January 6, 1981. 56 pp. plus 9 appendices (83 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Federal Government Trusteeship Over Energy Sources on Federal Lands (1614); Environmental Protection Programs: U.S. Promotion of Worldwide Pollution Abatement Actions (2254); Land Use Planning and Control: Non-Line-of-Effort Assignments (2351).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Department of Energy; Alyeska Pipeline Service Co.; Bureau of Land Management; Bureau of Land Management: Office of Special Projects; Office of Management and Budget.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Oversight and Special Investigations Subcommittee; *House* Committee on Science and Technology; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Governmental Affairs; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.
Authority: 49 C.F.R. 195. P.L. 93-153.
Abstract: To see how well the pipeline monitoring of both pipeline and environmental integrity is being carried out, GAO evaluated several technical and environmental stipulations imposed on the operating company as conditions for the pipeline's right-of-way across Federal lands. ***Findings/Conclusions:*** The operating company has deviated from various technical requirements designed to prevent or detect oil leaks, and corrective action has not always been taken. It was also found that: the company is not complying with the stipulation for a system that would detect pipeline settling and thus provide an early warning leak prevention system; it has not run internal corrosion pitting surveys as frequently as required in the approved corrosion control plan; the line volume balance leak detection method is not operating at the sensitivity specified in the approved design; the effectiveness of the earthquake-monitoring system has not been thoroughly evaluated by the agency; and the monitoring office of the agency is experiencing difficulty in staffing because of executive branch hiring limitations imposed to cut costs and the agency's deemphasis on the use of consultants. Since applicable costs are charged to the operating company, these hiring limitations are unnecessary. GAO and a consultant spot-checked conditions along the length of the pipeline. The operating company has been responsive to various environmental problems

which had been identified. However, in order to fully adjudge the company's compliance with the stipulations, long-term environmental impact research is necessary. The research which has been done has been uncoordinated and inadequate. The problem is exacerbated by the fact that other agencies, including the U.S. Fish and Wildlife Service and the U.S. Geological Survey, cannot charge the cost of pipeline-related environmental studies to the operating company. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the authorized officer to establish a list of the priority research requirements necessary to evaluate the long-term environmental impact of the Alyeska Pipeline Service company's actions and conduct or arrange to have such studies conducted. Consideration should be given to the research projects previously mentioned in this report.

114171

New Means of Analysis Required for Policy Decisions Affecting Private Forestry Sector. EMD-81-18; B-199146. January 21, 1981. 40 pp. plus 1 appendix (6 pp.).
Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Materials: Administering a Coordinated Materials Policy (1812); Land Use Planning and Control (2300); Economic Analysis of Alternative Program Approaches: Economic Impact of Federal Taxation on Major Industries or Sectors of the U.S. Economy (4001).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of Agriculture; Department of the Treasury; Forest Service.
Congressional Relevance: Congress.
Authority: Agriculture and Consumer Protection Act of 1973. Cooperative Forestry Assistance Act of 1978. Soil Conservation and Domestic Allotment Act. Forest and Rangeland Renewable Resources Planning Act of 1974. Internal Revenue Code (IRC). Congressional Budget and Impoundment Control Act of 1974. Recreational Boating Safety and Facilities Improvement Act of 1980. Forest Products Act. Soil Bank Act. H.R. 4498 (96th Cong.). H.R. 4718 (96th Cong.). H.R. 5798 (96th Cong.).
Abstract: GAO examined the relationship of Federal capital gains tax treatment to overall timber production and reforestation by the private sector and the production potential of nonindustrial private forest lands. The forest industry has long contended that the timber capital gains tax provision has encouraged reforestation of the Nation's private forests. However, the tax law does not require that capital gains benefits be applied to reforesting or improving management techniques. Tax benefits are based on income from timber cut rather than on what the taxpayer spends for site establishment, reforestation, and timber management. ***Findings/ Conclusions:*** Those cutting and selling timber from public forests may well be realizing capital gains benefits without contributing to long-term investments in the land or replacement stands. No source GAO contacted could provide firm evidence to support this claim. The lack of alignment between actual timber production and distribution of capital gains benefits suggests that Congress needs much better information to evaluate the effectiveness of existing tax policy. Significant tax expenditures are being made in conjunction with Federal timber sales with no real understanding as to their distributive effect. Significantly different analytical techniques, including a private sector forestry policy model or analytical framework, must be adopted to resolve these issues. There is no adequate estimate of potential timber production on privately owned land. It is likely that only a fraction of that acreage could be managed for increased timber production. Future assessments should take into account the identification of economically and biologically productive acreage, production of timber within a reasonable distance of existing or potential markets, and whether the owner's objectives support increased timber production. Congress has authorized and is considering Federal assistance for site establishment and reforestation expenses. Better cooperation is needed among organizations that provide forestry assistance. ***Recommendation To Congress:*** Congress should support the expanded analytical capabilities which GAO called for in its recommendations to the Secretary of Agriculture. ***Recommendation To Agencies:*** The Secretary of Agriculture should take the initiative through the Forest Service to develop a new analytical framework and expand its analytical capability to deal with tax policy, financial and technical assistance, and related considerations as they affect, especially, the performance of the timber industry in the private sector. In striving to develop this capability, GAO urges the Forest Service to take full advantage of the expertise of the Department of the Treasury, particularly in analyzing tax policy options and to elicit, to the fullest possible degree, active collaboration of the private sector.

114297

[Protest Against Agency Determination of Nonresponsibility]. B-199077. February 9, 1981. 2 pp.
Decision re: Jackson Lumber Co., Inc.; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: Jackson Lumber Co., Inc.; Forest Service.
Authority: Small Business Act (15 U.S.C. 637(b)(7)).
Abstract: A firm protested the award of any contract by the Forest Service in connection with a timber sale. The protester asserted that the agency's determination that it was nonresponsible was improper since it had already been declared high bidder under a prior solicitation for the same timber. Additionally, the protester asserted that it was improperly excluded from participation under the resolicitation. The record showed that, following an auction, the protester was the high bidder. The Forest Service then advised the protester that it had been denied award because of nonresponsibility. The agency based its determination on a number of serious violations by the protester under a prior contract for timber. As a result of its determination and because the only eligible bidder other than the protester declined to accept the award, the Forest Service canceled the solicitation and readvertised. Although the protester was on the appropriate bidders list, the agency did not mail the protester a copy of the bid prospectus or the advertisement announcing the resolicitation. GAO held that it had been advised that the protester was a small business and that the agency had not referred the matter of nonresponsibility to the Small Business Administration (SBA) to consider issuing the protester a Certificate of Competency (COC). Whenever a contracting officer makes a determination that a small business is nonresponsible, he must refer the matter to SBA. Since the initial nonresponsibility determination was not referred to SBA, GAO recommended that such referral now be made. Additionally, in the event that SBA issues a COC, the contract should be awarded to the protester under the initial solicitation.

114316

Possible Ways To Streamline Existing Federal Energy Mineral Leasing Rules. EMD-81-44; B-201779. January 21, 1981. ***Released*** January 30, 1981. 6 pp. plus 4 appendices (48 pp.).
Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Management of Leased Federal Lands (1629).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0); Energy: Energy Information, Policy, and Regulation (276.0).
Organization Concerned: Department of the Interior; American

Petroleum Institute; Federal Trade Commission; Bureau of Land Management; Office of Technology Assessment.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Rep.* James D. Santini.

Authority: Mineral Lands Leasing Act (30 U.S.C. 188(b); 30 U.S.C. 226(b)). Geothermal Steam Act of 1970 (P.L. 91-581). Environmental Policy Act of 1969 (National). 43 C.F.R. 3103.3-6. H.R. 4373 (96th Cong.). H.R. 6882 (96th Cong.). S. 1637 (96th Cong.). S. 3050 (96th Cong.). 30 U.S.C. 181.

Abstract: GAO was asked to provide information to assist in preparing possible new legislation to reduce regulatory impediments in Federal energy mineral leasing rules. Additionally, GAO was asked to identify impediments stemming from present leasing rules that might be conducive to streamlining and to evaluate changes or modifications that might be implemented. ***Findings/Conclusions:*** In developing this information, GAO found that Federal mineral leasing practices differ considerably from one mineral to the next with respect to such provisions as diligence, rents, and royalties. Some minerals, such as coal and offshore oil and gas, have specific legislative provisions dictating how leasing will be handled. At the other extreme, such as for oil shale and tar sands, most leasing provisions are left entirely to the discretion of the Department of the Interior. It is understandable that some leasing provisions, such as lease size and acreage limitations, might differ among minerals since the size of desired exploratory units and economies of scale vary. However, for others, the reasons for differences are not so clear, and there may be opportunities to apply desirable provisions in one mineral leasing program to another. GAO also believes that regulatory reduction could be enhanced by a clearer statement by policymakers of what objectives will be sought through Federal leasing in the years ahead, and by down-to-earth guidance on how often inconsistent and competing policies and objectives will be balanced. This should be a priority area of study leading to clarified objectives of what is being sought through Federal leasing.

114323

Actions Needed To Increase Federal Onshore Oil and Gas Exploration and Development. EMD-81-40; B-201799. February 11, 1981. 157 pp. plus 17 appendices (46 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); Energy: Management of Leased Federal Lands (1629); Energy: Better Development of the Nation's Oil, Natural Gas, and Other Fossil Resources (1637).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of Energy; Department of the Interior; Department of Agriculture; Department of Defense; Bureau of Land Management; Geological Survey; Forest Service; United States Fish and Wildlife Service.

Congressional Relevance: *House* Committee on Merchant Marine and Fisheries: Fisheries, Wildlife Conservation and the Environment Subcommittee; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on Appropriations: Defense Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee; *Senate* Committee on Appropriations: Military Construction Subcommittee; Congress; *Rep.* Edwin B. Forsythe; *Rep.* John B. Breaux; *Rep.* Richard B. Cheney; *Sen.* William L. Armstrong.

Authority: Mineral Lands Leasing Act (30 U.S.C. 181 et seq.; 30 U.S.C. 351 et seq.). Federal Coal Leasing Amendments Act of 1975 (90 Stat. 1083). Wilderness Act (16 U.S.C. 1131 et seq.). Wild and Scenic Rivers Act (16 U.S.C. 1280). Department of Energy Organization Act (42 U.S.C. 7101). Engle Act (Minerals). Land Policy and Management Act. Environmental Policy Act of 1969 (National).

Abstract: The use of Federal lands for fossil fuels exploration has become an important issue. Managing these lands involves difficult trade-offs between the often-conflicting issues of development, conservation, and environmental protection. An examination was performed on how the exploration and development of oil and gas from Federal lands could be accelerated. ***Findings/Conclusions:*** GAO found that the use of Federal lands for fossil fuels exploration and development is hampered by: (1) the unavailability for leasing of prospectively valuable Federal oil and gas lands; (2) the imposition of stipulations on leases which restrict exploration and development; and (3) lengthy delays in the approval of Federal leases and drilling permits. GAO has determined that the first two of these issues are more significant due to the indefinite duration of actions which have closed lands, the severity of stipulations on leases, the large acreages involved, and their substantial oil and gas potential. ***Recommendation To Congress:*** Congress should determine whether it wishes to be excluded from the review and possible disapproval of decisions to close lands to mineral leasing. If not, Congress should amend section 202(e) of the Federal Land Policy and Management Act to provide that the management decisions closing lands to mineral leasing and affecting smaller sized tracts should be reported to Congress. Section 202(e) should be further amended to require that the Department of the Interior submit with each report to Congress the minerals report described in section 204(c)(2) for withdrawals and any other information required in section 204(c)(2) which Congress considers appropriate. Congress should also amend section 3 of the Engle Act so that the withdrawal information for military applications conforms with the Land Policy and Management Act's section 204(c)(2) requirements for mineral analyses. ***Recommendation To Agencies:*** The Secretary of the Interior should: (1) establish criteria upon which "no leasing" decisions must be based and also require the Bureau of Land Management to maintain records of "no leasing" decisions adequate enough to permit periodic congressional oversight; (2) require the Bureau to inventory lands which have been closed by management decision to oil and gas leasing, and then retain closure only to the extent it can demonstrate that a continuation of the decision not to lease is based on the criteria defined above; (3) direct the Bureau to give priority to evaluating the pre-Environmental Policy Act of 1969 Defense withdrawals under the Bureau's withdrawal review program; (4) direct the Geological Survey to review the oil and gas potential of the Fish and Wildlife Service's refuges in the lower 48 States; (5) direct the Bureau to develop a withdrawal review program to include the remaining 38 States; and (6) direct the Bureau to inventory and justify lands withheld from the simultaneous leasing system. The Secretary of Defense should formulate a minerals policy, consistent with current national energy needs and evaluations of oil and gas potential on affected lands, that will provide guidance to the military services in making installations available to leasing. The Secretary of the Interior should direct the Bureau of Land Management to: (1) change its guidelines implementing the Environmental Policy Act of 1969 to defer the requirement for environmental assessments for oil and gas activities until surface disturbance is proposed; (2) establish standard time frames for completion of lease processing; (3) work with surface management agencies to develop cooperative agreements and goals for lease processing; and (4) develop a standard followup system for tracking outstanding lease applications. The Secretary should direct the Geological Survey to: (1) clearly state in its guidelines what the operator is required to submit; (2) review drilling permit applications and notify an applicant within 7 days of the filing date if his application is incomplete; (3) develop standard procedures for tracking and recording actions; and (4) coordinate with operators

so that they have an archaeologist available during joint-site inspections. The Secretaries of Agriculture and the Interior should direct the Forest Service and the Bureau of Land Management, respectively, to establish standards and criteria for the use of restrictive stipulations, such as surface disturbance and "no surface occupancy" restrictions. Leasable lands should then be inventoried to determine the extent of the use of such stipulations and to verify if the stipulation use meets the standards and criteria. Stipulation uses which are determined to be unjustified should be removed.

114339

[Ways To Reduce Government Spending]. January 29, 1981. 9 pp. plus 3 attachments (11 pp.).

Testimony before the Senate Committee on Appropriations; by Elmer B. Staats, Comptroller General.

Contact: Office of the Comptroller General.

Organization Concerned: Department of Defense; Department of Agriculture; Social Security Administration; Bureau of Land Management.

Congressional Relevance: *Senate* Committee on Appropriations.

Authority: S. 3026 (96th Cong.). S. 3160 (96th Cong.). S. 3246 (96th Cong.). S. 42 (96th Cong.). H. 8063 (96th Cong.).

Abstract: GAO has made both programmatic and administrative recommendations for budget savings over the past several years. There is fraud, abuse, and waste in Government. There are many things the Government could do to improve its internal controls over agency programs, collect debts owed to the Government, and take action on previous audit findings that could result in large savings to the Government. GAO has identified: (1) a case involving an alleged embezzlement of almost $2 million in medical funds from a health care program; (2) excesses in the food stamp program; (3) internal control weaknesses in a computer system which resulted in over $25 million erroneous benefit payments; and (4) illegal mining of coal on Federal lands. GAO has issued numerous reports recommending changes in income security programs. Some of the recommendations include: (1) termination of Social Security benefits for postsecondary students; (2) elimination of the minimum Social Security benefit provision for new beneficiaries; (3) a requirement of States to deposit Social Security taxes semimonthly or biweekly; and (4) calculating Social Security benefits to the nearest penny. Agencies often have weak internal control systems that make it easier for fraud, waste, and abuse to occur. GAO has supported legislation which would require greater accountability by heads of agencies for the effectiveness of their organizations' internal controls. Agencies have not aggressively tried to collect amounts owed the Government after they have been identified. Present collection methods are expensive, slow, and relatively ineffective when compared to commercial practices. The collection of debts has been hampered by: (1) a lack of prompt and aggressive collection; (2) low or no interest being imposed on delinquent accounts; and (3) inaccuracies in accounting for and reporting accounts receivable, including inadequate allowances for bad debts. Agencies also fail to act on their own auditors' findings. About 80 percent of such cases involve potential recoveries from grantees and contractors, including what they either spent for purposes not authorized by Federal laws and regulations or could not support as charged to the Government.

114397

Lands in the Lake Chelan National Recreation Area Should Be Returned to Private Ownership. CED-81-10; B-199379. January 22, 1981. ***Released*** February 23, 1981. 24 pp. plus 5 appendices (63 pp.).

Report to Sen. Ted Stevens; by Elmer B. Staats, Comptroller General.

Issue Area: Land Use Planning and Control: Planning for Land Use (2305).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: National Park Service; National Park Service: Lake Chelan National Recreation Area, WA; Department of the Interior.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Sen.* Ted Stevens.

Authority: Land and Water Conservation Fund Act of 1965. P.L. 90-544. H. Rept. 90-1870. S. Rept. 90-700.

Abstract: GAO was requested to examine the land acquisition and management practices of the National Park Service at Lake Chelan National Recreation Area. Through the law which established this area, it was congressional intent that land acquisition costs be minimal, that a private community in the recreation area continue to exist, that commercial development not be eliminated, and that additional compatible development be permitted to accommodate increased visitor use. ***Findings/Conclusions:*** The National Park Service has not acted in accordance with congressional intent. The Service has spent millions of dollars to acquire over half of the privately owned land in the recreation area. Moreover, the Service plans to acquire most of the area's remaining privately owned land. These additional land acquisitions are planned without a clear definition of the uses that are incompatible with the enabling legislation. The acquisitions are based on the premise that the Service must acquire the major areas subject to subdivision to prevent a prospective boom in recreational homesites. The Service has also prohibited new private commercial development to increase lodging accommodations and to provide needed restaurant and grocery services for both residents and visitors. ***Recommendation To Congress:*** The Senate Committee on Energy and Natural Resources and the House Committee on Interior and Insular Affairs should hold oversight hearings to determine why the National Park Service has not carried out the intent of Congress at the Lake Chelan National Recreation Area. Congress should not increase the statutory land acquisition appropriation ceiling for the North Cascades National Park and the Ross Lake and Lake Chelan National Recreation Area above the $4.5 million already approved until the Service has defined compatible and incompatible development, prepared a land acquisition plan justifying the need to acquire land from private owners, and spent the funds obtained from selling all compatible land back to private individuals. Congress should exempt land acquired pursuant to Public Law 90-544 from the 2-year limitation in 16 U.S.C. 4601-22(a). This would give the last owner(s) the right to match the highest bid price and reacquire property sold to the National Park Service. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Director of the National Park Service to develop a land acquisition plan for the Lake Chelan National Recreation Area consistent with the Service's April 26, 1979, land acquisition policy. The plan should define compatible and incompatible uses based on the legislative history; clarify the criteria for condemnation; identify the reasons for fee simple acquisition versus alternative land protection and management strategies, such as scenic easements and zoning; address recreational development plans for the area; and establish acquisition priorities. The plan should apply to both private and Service actions. The Secretary of the Interior should require the Director of the National Park Service to sell back to the highest bidder, including previous owners or other private individuals, all lands compatible with the recreation area. This would include the modest homes, the lodges, and the restaurant. The Service could attach scenic or developmental restrictions to the deeds before the properties are resold to assure that their use will be consistent with

the enabling legislation. The proceeds would be credited to the Land and Water Conservation Fund in the U.S. Treasury. Funds obtained in this manner would then be available for future acquisitions if an incompatible use is identified, subject to the $4.5 million appropriation ceiling on total acquisitions under Public Law 90-544.

114500

The Nation's Unused Wood Offers Vast Potential Energy and Product Benefits. EMD-81-6; B-201086. March 3, 1981. 92 pp. plus 4 appendices (23 pp.).

Report to Congress; by Elmer B. Staats, Comptroller General.

Refer to Testimony, July 30, 1981, Accession Number 090894.

Issue Area: Materials: Renewing and Extending the Availability of Materials (1814); Environmental Protection Programs: Social and Economic Effects on the Public and Private Sectors (2209); Land Use Planning and Control: Management of Federal Lands (2306).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of Agriculture; Department of Energy; Department of Defense; General Services Administration; Environmental Protection Agency; Forest Service.

Congressional Relevance: *House* Committee on Agriculture; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee; Congress.

Authority: Wood Residue Utilization Act of 1980 (P.L. 96-554). Public Utility Regulatory Policies Act of 1978 (92 Stat. 3117). Energy Tax Act of 1978 (P.L. 95-618). Clean Air Act Amendments of 1977 (42 U.S.C. 7401 et seq.). P.L. 95-617. P.L. 95-621. S. 1775 (96th Cong.).

Abstract: Immense quantities of wood residues are wasted in the United States in the form of decaying logging residues and dead trees, unused wood processing residues, and large, untapped acreages of small, defective, and other lower value trees. Wood residues could be an important energy source. A study was made of Federal policies that are contributing to this lost potential. ***Findings/Conclusions:*** GAO identified numerous factors standing in the way of greater use of wood residues for energy and products. These barriers include inadequate data on the volume, location, accessibility, and availability of forest residues; lack of economical and effective equipment for harvesting and transportation of residues; lack of investment capital needed for harvesting and using residues; and limited awareness and acceptance of wood energy and product technology among industrial firms, utilities, and State and local bodies. Other obstacles pertain to Federal forest management policies and programs, utility practices and regulations, and environmental concerns related to greater use of residues. The Forest Service and the Department of Energy have made little progress in developing a national wood residue plan. The agencies should make a number of residue assessments in operating areas which are defined in terms of key factors such as topographical features, transportation corridors, economic hauling distances, and landowner attitudes. The Forest Service should take the lead in accomplishing the needed assessments. The Department of Energy should be an active participant in the studies. The assessments must deal more with resource management problems than end-use technology questions. ***Recommendation To Agencies:*** The Secretaries of Agriculture and Energy should conduct a cooperative program of assessments in at least six locations around the country. The Secretaries should select the areas they believe hold the most promise for increased use of residues based on estimates of residue availability and cost and availability of competing energy sources. Specific information to be developed through assessments should include (1) the cost of making detailed residue inventories in each assessment area, with projections of costs to make such inventories regionally and nationally; (2) the volumes of wood residues that are potentially available in each area and the costs to collect and remove them using conventional equipment; (3) the specific needs for improved equipment to lower collection and removal costs; (4) the benefits and costs of, and alternative Federal roles in stimulating, greater removal and use of wood residues by modifying or initiating a number of possible forest management policies and programs on Federal, State, and private lands and encouraging private investment in new or modified facilities to use wood residues; and (5) the extent of, and alternatives for reducing, additional barriers to residue use caused by utility practices and regulations, air pollution regulations, and other factors. The Administrator of EPA, to help promote wood residue use in locations where current air pollution regulations preclude such facilities, should develop policies and procedures that (1) recognize emission trade-offs resulting from reduced burning of residues in the woods or in other locations and increased burning at proposed wood energy facilities; and (2) allow such trade-offs to be considered in deciding whether a wood-burning facility may be constructed and what type of pollution control equipment will be required. The Administrator of EPA should request legislation to amend the Clean Air Act to allow full recognition of trade-offs in facilities siting decisions. The Administrator should encourage the States to modify their policies where needed to recognize such trade-offs. The Secretary of Defense and the Administrator of General Services should assure, in implementing existing policies for conversion of their heating/power systems from oil and natural gas to alternative fuels, that wood is given equal consideration with coal in forested regions of the country. A canvass of wood conversion opportunities at all such facilities should be made to later be tested by the standard feasibility evaluation methods developed by the Forest Service and DOE. They should also issue procurement guidelines pointing out that, because of their value in meeting national energy goals, residue-based wood products be carefully considered as alternative materials for all construction and related application and related applications. The Secretary of Agriculture should (1) demonstrate Forest Service ability to conduct tree measurement sales and convert the agency's western region to the tree measurement basis as rapidly as possible; and (2) preserve logging residues for potential future use by foregoing burning whenever possible under sound forest management practices. The Secretary of Agriculture should (1) increase promotion of new reconstituted wood product technologies developed with Federal funds by allocating necessary resources to effectively disseminate information and provide technical assistance to forest products firms; and (2) adopt a more flexible policy which allows use of long-term contracts to assure that residues from National Forests will be available on a continuous basis when needed to achieve increased residue use in a given area. The Secretary of Agriculture should request legislation which would authorize the Department to grant private firms either title or an exclusive license in residue-handling equipment and reconstituted wood product technologies developed wholly or partly with Federal funds when needed to stimulate commercialization. The Secretary of Agriculture should upgrade the forest survey to provide an inventory of the potentially usable biomass of all trees and woody shrubs, logging residues, and dead trees on the nation's commercial forest lands. The Secretaries of Agriculture and Energy should (1) convert all Department facilities to wood fuels for all or part of their heating/power needs where life-cycle evaluations show them to be cost effective; and (2) identify and evaluate additional opportunities to demonstrate wood-energy technologies at Department facilities in order to enhance the prospects for future economic feasibility of such technologies. The Secretaries of Agriculture and Energy should establish a program to promote use of wood fuels among industry, utilities, and State and local bodies through increased participation in demonstration projects and provision of educational materials and direct technical assistance. The Secretaries of Agriculture and Energy should work jointly to develop standardized

methods for evaluating the costs and benefits of using wood fuels in Federal facilities, including allowance for forest management benefits, and submit these methods to the Office of Management and Budget within 6 months for dissemination to the executive branch to assure consistency in life-cycle energy evaluation. The Secretaries of Agriculture and Energy should work jointly to implement an accelerated program to develop and demonstrate residue-handling equipment in cooperation with private industry. The Secretaries of Agriculture and Energy should present to Congress within two years a national wood residues plan, including proposed residue use goals and recommendations for legislation or other actions to overcome barriers to such goals. It should be supported by data on regional variations developed through the residue assessments.

114752

[Leasing and Development of OCS Lands]. March 31, 1981. 11 pp. *Testimony* before the House Committee on Merchant Marine and Fisheries: Panama Canal and Outer Continental Shelf Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Contact: Energy and Minerals Division.
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Merchant Marine and Fisheries: Panama Canal and Outer Continental Shelf Subcommittee.
Authority: Outer Continental Oil Shelf Lands Act. Outer Continental Shelf Lands Act Amendments of 1978. Coastal Zone Management Act of 1972.
Abstract: The Outer Continental Shelf (OCS) Program began with the passage of the OCS Lands Act and, for a number of years, was a noncontroversial program restricted to the Gulf of Mexico. In response to the energy crisis and other events of the 1970's, however, aggressive plans were made to accelerate the leasing and development of OCS lands. Although leasing increased significantly, the planned leasing goals of the 1970's were never achieved. One reason is that the need to develop more information about the environmental aspects of offshore development has led to an extension in the time needed to plan for lease sales, resulting in the delay or cancellation of numerous sales. At the same time, much of the acreage initially considered by the Department of the Interior for leasing has not actually been leased, including land for which high interest was indicated during the nomination process. In addition, there is a large amount of the OCS which is excluded from leasing because of environmental issues, boundary disputes, and national defense priorities. The new administration is currently reviewing the OCS Lands Act Amendments and is considering administrative changes for streamlining the leasing process and for making more lands available for leasing. The coordination and cooperation between Federal and State agencies in approving plans and issuing permits for post-lease activities will be crucial if the exploration and development of leased OCS lands is to proceed in an orderly and timely manner. GAO believes that congressional initiatives may be needed to spark improvements and recommends that legislation be enacted to establish a reasonable time within which all Federal agencies would complete their post-lease approval and permitting processes.

114795

[Questions Concerning Proposed Utah Power and Light Company Coal Lease Exchange]. EMD-81-70; B-202645. April 2, 1981. 3 pp.
Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Utah Power and Light Co.
Authority: Mineral Lands Leasing Act.
Abstract: In reviewing the proposed Utah Power and Light Company coal lease exchange, which involves the relinquishment of preference right lease applications, GAO expressed concern as to: (1) the validity of the lease applications themselves; (2) the lack of data, particularly on coal reserves, for making the required equal value determination; and (3) the effect that giving over highly desirable coal lands in central Utah would have on opportunities for competitive leasing in the area. ***Findings/Conclusions:*** GAO believes that there is an unanswered question as to whether the Utah Power and Light Company has a valid right to be issued a preference right lease or even whether an exchange is appropriate. Congress has expressed its intent that, before accepting the lease agreements, the Secretary of the Interior would first satisfy himself that the application and permit upon which it was based met all the requirements of the applicable legislation. The lack of data on the estimated coal reserves plus the absence of a valid basis for making transportation and marketing assumptions complicate any economic evaluation and fail to assure reasonable protection of the national interest. Consummation of the proposed exchange would result in the noncompetitive leasing of the prospectively highly competitive tract, North Horn Mountain. This tract comprises one of the larger areas of unmined coal and would be the largest tract in Utah to be leased in a competitive sale planned for 1981. Offering the tract in a competitive sale would provide the power company an opportunity to obtain it without denying other interested parties the same opportunity. Assuming that the power company has a valid right to be issued preference right leases, GAO believes that viable alternatives exist for resolving the exchange issue.

114861

[Environmental and Other Problems Along the Alaska Pipeline Corridor]. EMD-81-69; B-202090. April 8, 1981. 9 pp.
Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Bureau of Land Management; Department of the Interior; Alaska.
Authority: Land Policy and Management Act (P.L. 94-579). Trans-Alaska Pipeline Authorization Act (P.L. 93-153).
Abstract: GAO reviewed the environmental impacts of Federal lands which contain the State of Alaska's haul road, parts of the Trans-Alaska Pipeline System (TAPS), and a portion of the proposed route of the Alaska Natural Gas Transportation System. The objective of the review was to determine what negative environmental impacts, if any, have occurred on Federal lands traversed by the State of Alaska's haul road and to assess the adequacy of Federal and State efforts to mitigate present environmental damage and prevent unnecessary environmental degradation in the future. ***Findings/Conclusions:*** Stipulations incorporated in the grant of the right-of-way issued to the State of Alaska for the haul road require that all operations be conducted to minimize environmental damage and to protect wildlife and human beings. However, GAO found that: (1) fish passage has been blocked; (2) erosion has threatened haul road integrity; and (3) the road is sinking as underlying permafrost melts. Improper road maintenance and inadequate culverts have contributed to these problems, some of which

have gone unresolved for more than 6 years. The Bureau of Land Management (BLM) is responsible for monitoring adherence to the haul road right-of-way grant and has worked with the State of Alaska to resolve some of the environmental problems. The State of Alaska developed a remedial action plan to correct some of the problems. However, the plan does not address all haul road deficiencies, and action on those which it does address has not been taken in a timely manner. The BLM land use plan for Federal lands adjacent to the haul road is based on the short-term assumption that the haul road north of the Yukon River will not be open to the general public until completion of the gas pipeline construction. However, a recent court decision may result in the haul road opening as early as this summer. Under the present land use plan, few haul road facilities or services will be available when the road is opened, with consequent environmental damage. ***Recommendation To Agencies:*** The Secretary of the Interior should direct BLM to work with the State of Alaska in developing a plan which provides for the correction of haul road deficiencies. The plan should prioritize the improvements needed with preferred start and completion dates for each. The Secretary of the Interior should direct BLM to revise its land use plan for Federal lands adjacent to the haul road, and to take into consideration State plans for public travel in the near future.

114880

Pension Fund Investment in Agricultural Land. CED-81-86; B-202446. March 26, 1981. ***Released*** April 2, 1981. 6 pp. plus 3 enclosures (26 pp.).

Report to Rep. Frederick W. Richmond; Rep. Leon E. Panetta; Rep. Thomas R. Harkin; Rep. Thomas A. Daschle; Rep. E. Thomas Coleman; Rep. Berkley W. Bedell; Rep. Beryl Anthony, Jr.; Rep. Daniel K. Akaka; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Food: Best Management and Planning Techniques for the Food System and Use of the Techniques in Setting Federal Food Policy (1733).

Contact: Community and Economic Development Division.

Budget Function: Agriculture: Farm Income Stabilization (351.0).

Organization Concerned: Department of Agriculture; American Agricultural Investment Management Co.

Congressional Relevance: *Rep.* William M. Thomas; *Rep.* Frederick W. Richmond; *Rep.* Leon E. Panetta; *Rep.* Thomas R. Harkin; *Rep.* Thomas A. Daschle; *Rep.* E. Thomas Coleman; *Rep.* Berkley W. Bedell; *Rep.* Beryl Anthony, Jr.; *Rep.* Daniel K. Akaka.

Authority: Agricultural Foreign Investment Disclosure Act of 1978 (P.L. 95-460). Employee Retirement Income Security Act of 1974 (P.L. 93-406).

Abstract: GAO was requested to evaluate the impact that the American Agricultural Investment Management (AAIM) Company's plan to seek investment opportunities in farmland for pension funds is likely to have on the family farm structure. Issues considered concerned: (1) the attractiveness of agricultural land as an investment for nonfarm capital; (2) whether U.S. agriculture has the necessary capital; (3) the structure of AAIM; (4) the proposed business and plans of AAIM; and (5) the potential immediate and long-range impact of pension fund investment in agricultural land. ***Findings/Conclusions:*** GAO found that: (1) although real estate in general has become a progressively more attractive investment during the last decade, agricultural land does not appear to be as attractive an investment as other commercial real estate; (2) according to the Department of Agriculture, U.S. agriculture is not lacking in capital; (3) AAIM provides advice on acquiring farm properties, manages farm properties, and invests farm operating cash in short-term debt securities; (4) AAIM plans to charge a one-time fee of 2.5 percent of the property value for advice on acquiring farm property and an annual fee of .3 percent of the value of the assets for managing farm properties and short-term debt securities; and (5) Federal, State, and local laws and regulations place certain limitations on the types of investments pension funds can make. While it is difficult to assess the likely impact of the AAIM plan to seek investment opportunities in farmland through pension fund investment, indications are that: (1) about $1 of every $4,429 of pension assets is now in direct investment in farmland; (2) pension fund fiduciaries do not intend to increase the percentage of their portfolios devoted to farmland; and (3) the fact that no pension funds are subscribing to the company's services is evidence that the pension investment plan is not attractive and does not currently have a significant impact on the structure of agriculture.

114924

The Impact of Geothermal Development on Stockraising Homestead Landowners. EMD-81-39; B-200345. April 16, 1981. 43 pp. plus 4 appendices (9 pp.).

Report to Rep. Don Young; Rep. Don H. Clausen; Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Energy: Management of Leased Federal Lands (1629); Environmental Protection Programs: Non-Line-of-Effort Assignments (2251); Land Use Planning and Control: Federal Land Acquisition, Disposal, and Exchange Laws, Policies, and Procedures (2357).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0).

Organization Concerned: Department of the Interior; Bureau of Land Management.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* Don Young; *Rep.* Don H. Clausen; *Rep.* James D. Santini; *Rep.* Morris K. Udall.

Authority: Enlarged Homestead Act. Geothermal Steam Act of 1970. Surface Mining Control and Reclamation Act of 1977. Land Policy and Management Act.

Abstract: A controversy exists at the Geysers Known Geothermal Resource Area in California, and possibly elsewhere, over compensation for geothermal development activities on lands acquired by private individuals but where the mineral interests are owned by the Federal Government. Thirty million acres of such land, thought to have limited use otherwise, have been conveyed to individuals for stockraising purposes. The Federal courts have held that geothermal resources were mineral resources and thus were subject to leasing on stockraising lands. Such leasing has begun and, as a result, some surface estate landowners lost rents and royalties anticipated for resources they thought were theirs, or otherwise felt threatened by development taking place around them. ***Findings/Conclusions:*** The Federal Government does not have the responsibility to negotiate what, if any, compensation is appropriate for owners of stockraising lands because geothermal development takes place on their lands. Whether or not Federal leasing takes place on their lands, owners of stockraising lands could be adversely affected by geothermal development activity taking place on the surrounding private, State, and Federal lands. The impacts could be greater if their land is leased. Most individual ownership parcels are considered recreational in nature. Yet even these uses may be eliminated, reduced, or impaired by geothermal activity, with a resulting loss in land value. While protection bonds have been obtained, compensation agreements have been worked out between surface owners and lessees for only five of the nine leases issued so far. GAO believes that being able to begin lease operations by merely filing a protection bond is a disincentive for the lessee to

negotiate such an agreement. The landowners are concerned that their interests are adequately protected, and even profitable, as a result of geothermal development on and around their lands. It is doubtful that they will be satisfied with compensation that is less than the annual rentals and royalties they were to receive before the decision. The rents and royalties now go to the Federal Government. The landowners, under existing legislation, are entitled to compensation only for damages to their crops and tangible improvements. ***Recommendation To Agencies:*** The Secretary of the Interior should (1) require that the Bureau of Land Management (BLM) develop specific procedures for notifying surface owners of lease sales and the issuance of leases involving their land for geothermal as well as other mineral development; (2) take what steps he can to encourage lessees/developers and surface owners to enter into agreements concerning payment for damages to crops and other tangible improvements; (3) consider the BLM interpretation of the term tangible improvement as set out in the BLM memorandum of December 21, 1979; and (4) consider the extent to which compensation for indirect damages to tangible improvements should be allowed and whether the Stockraising Homestead Act should provide compensation for a decrease in the value of land and interference with its use and enjoyment.

114973

[Views on S. 451, Farmland Protection Policy Act]. B-202612. April 16, 1981. 2 pp.

Letter to Sen. William V. Roth, Jr., Chairman, Senate Committee on Governmental Affairs; by Milton J. Socolar, Acting Comptroller General.

Contact: Community and Economic Development Division.
Congressional Relevance: *Senate* Committee on Governmental Affairs; *Sen.* William V. Roth, Jr.
Authority: S. 451 (97th Cong.).
Abstract: GAO believes that the proposed legislation should be a useful measure in helping to mitigate the losses of Federal land caused by Federal programs. However, GAO believes that a broader approach is also needed and recommends that Congress: (1) formulate a national policy for protecting and retaining prime and other farmland; (2) set a national goal as to the amount and class of farmland that should be preserved to meet current and future needs; (3) periodically assess whether the loss of farmland is eroding the maintenance of established goals; and (4) delineate the role the Federal Government can and should play in guiding and helping State and local efforts to retain farmland.

115005

[Payment for Lands Withdrawn From the Public Domain]. B-194861. April 22, 1981. 5 pp.

Decision re: Interdepartmental Waiver Doctrine--Withdrawn Lands; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: Department of the Interior; Department of the Air Force; Bureau of Land Management.
Authority: Land Policy and Management Act of 1976 (P.L. 94-579; 43 U.S.C. 1701 et seq.; 90 Stat. 2743). 43 C.F.R. 2374.2(b). 10 Comp. Dec. 222. 22 Comp. Dec. 379. 10 Comp. Gen. 288. 59 Comp. Gen. 93. 1 Fed. Reg. 609. H. Rept. 94-1163. 43 U.S.C. 1714(j).
Abstract: The Department of the Interior does not believe that the interdepartmental waiver doctrine should apply when an agency uses withdrawn public lands, effects building improvements, and then, when its need for the land ends, gives notice of its intention to relinquish it. The interdepartmental waiver doctrine means that an executive department, using the real property of another executive department, cannot pay either for the use of the property or, upon returning it, for its restoration to its original condition, unless authorized by statute. The doctrine, in Interior's view, can sometimes result in the property being disposed of contrary to congressional intent, and Interior would like to issue regulations which would prevent that. It plans to propose amendments to the public land regulations which would require that an agency, at the time a parcel of public land is withdrawn, to assure Interior that it will remove any improvements it may add if land use planning indicates that removal is desired. The regulation would give agencies an opportunity to obtain an appropriation specifically for removal of improvements and the appropriation obtained by the agency using the withdrawn land would provide the statutory authority necessary to overcome the doctrine's application. GAO agrees. Charging removal expenses to the withdrawing agencies would not impair congressional fiscal oversight. The pertinent oversight committee could better determine an activity's true cost if the removal expense were charged against the appropriation available for the conduct of the activity than if the expense were charged against the Bureau of Land Management's appropriation. The proposed regulation is proper.

115019

[Department of the Interior's Authority To Complete Studies and Reports Required by the Wild and Scenic Rivers Act]. B-198921. April 21, 1981. 3 pp.

Letter to Benjamin F. Butts, Upper Manistee River Association; by Robert H. Hunter, Assistant General Counsel, GAO Office of the General Counsel.

Contact: Office of the General Counsel.
Organization Concerned: Department of the Interior; Upper Manistee River Association.
Authority: Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.). P.L. 93-621. H. Rept. 93-1645. S. Rept. 93-738.
Abstract: GAO was asked for an opinion on whether the Department of the Interior may complete the Au Sable River and Manistee River studies and reports required by the Wild and Scenic Rivers Act, even though the act's deadline for the studies and reports has expired. The Secretary of the Interior investigates a river's suitability for addition to the system for preservation of wild and scenic rivers and prepares a report on his findings. Congress, if it believes the river is suitable for inclusion after considering a presidential recommendation, passes a bill to add the river to the system. The Secretary had a deadline of October 2, 1979, by which to submit his studies and reports on the Au Sable and Manistee Rivers. The act does not state whether consideration of a river should continue if the deadline is not met. Congress imposed time limits on the studies and reports in order to reduce delay and to increase the chances of river preservation through inclusion in the national system. It is not consistent with the purpose of the act to interpret the deadline provision as an absolute limitation on the Secretary's authority to complete the studies. Accordingly, the studies may be completed.

115066

[Forest Service Land Exchange Activities in Chattahoochee and Oconee National Forests]. April 23, 1981. 3 pp.

Report to R. Max Peterson, Chief, Forest Service; by Oliver W. Krueger, Senior Group Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Forest

Service; Forest Service: Oconee National Forest, GA; Forest Service: Chattahoochee National Forest, GA.
Congressional Relevance: *Rep.* Lawrence P. McDonald.
Authority: Weeks Act (Protection of Watersheds) (16 U.S.C. 516). Exchange Act (Forest Lands) (16 U.S.C. 485).
Abstract: At the request of a Congressman, GAO reviewed a proposed land exchange involving the Chattahoochee National Forest in Georgia to determine: (1) if applicable laws, regulations, and Forest Service procedures were followed in the proposed exchange; and (2) the adequacy of Forest Service regulations and procedures for land exchanges made under applicable legislation. ***Findings/Conclusions:*** During the review, several matters were noted which GAO wished to bring to the attention of the Forest Service. If the practice of equalizing land values by rounding them off is found to be within the intent of applicable legislation, GAO believes that the Forest Service should develop guidelines for rounding off land exchange values so that all Forest Service regional offices would follow a uniform procedure. Procedures for appraising land for exchange contain a statement of intent but do not require a statement of ownership; thus, the Forest Service might appraise lands that an exchange proponent ultimately cannot acquire. Therefore, the Forest Service should modify its statement of intent form to include a statement that the proponent either owns the land or has a firm option to buy it. The Forest Service procedures should provide specific guidelines concerning the circumstances under which two independent appraisals would be appropriate. Proposed exchanges involving controversial aspects or on which major questions are raised should receive a second independent appraisal. Currently, the Government bears the full cost of surveys and appraisals of the lands proposed for exchange. Since these exchanges are advantageous to both parties, the Forest Service may wish to revise its procedures to require other parties to reimburse it for some equitable portion of the costs. It should discuss with oversight committees whether the need for oversight warrants retaining the $25,000 limit in the applicable legislation or whether this level should be increased.

115079

Need To Reexamine the Federal Role in Planning, Selecting, and Funding State and Local Parks. CED-81-32; B-196743. April 22, 1981. 44 pp. plus 15 appendices (77 pp.).
Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Interior; Heritage Conservation and Recreation Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; Congress.
Authority: Land and Water Conservation Fund Act of 1965 (P.L. 88-578; 78 Stat. 897). Comprehensive Employment and Training Act of 1973. (P.L. 88-29; 77 Stat. 49).
Abstract: GAO assessed how well the Heritage Conservation and Recreation Service (HCRS) has administered the share of a fund established under the Land and Water Conservation Fund Act of 1965 which was spent for State and local outdoor recreation to evaluate the basis for making grants from the fund and to provide recommendations to help guide future public funding of park and recreational land facilities. ***Findings/Conclusions:*** Under the act, these plans must establish a framework for identifying recreational demands and needs and provide a basis for funding projects. Improvements are needed in State planning methods and in project selection, approval, and funding. HCRS and States also need to develop methods to evaluate the effectiveness of projects financed through the fund as a basis for subsequent planning. Many grantees are becoming increasingly dependent on other Federal programs to help finance their share of the park and outdoor recreation facilities financed through the fund. Many State and local governments continue to request acquisition and development grants even though they are having difficulty operating and maintaining their existing park systems. The present trend of increased reliance on Federal support for operation and maintenance funds to help satisfy the act's matching requirements could lead to the Federal Government's providing most of the funds for State and local government park systems. GAO believes that this Federal financial commitment was not intended under the act. GAO agrees with the proposed budget cuts, because eliminating the State share would enable States to use funds earmarked for land acquisition and development for the operation and maintenance of existing systems. ***Recommendation To Congress:*** Congress should accept the President's proposed elimination of funding to States for recreation projects from the Land and Water Conservation Fund because States are becoming dependent on Federal funding sources for planning, acquiring, developing, operating, and maintaining their outdoor recreation facilities. Congress should amend the Land and Water Conservation Fund Act to provide the Secretary with explicit authority to discontinue funding projects in whole or in part in States where it is determined that existing projects are not adequately operated and maintained. Congress should decide whether the matching requirement should be eliminated or modified so that the match must be satisfied by State or local origin funds and resources, exclusive of funds available under other Federal grant-in-aid programs. Congress should review the Land and Water Conservation Fund Act's matching requirement and the act's corollary restriction against using Federal funding sources to satisfy the match. Congress should authorize the Secretary to waive all or part of the required match for fiscally stressed grantees. ***Recommendation To Agencies:*** The Secretary of the Interior should require States to prepare comprehensive outdoor recreation plans that identify and rank the recreational needs of the State and establish project funding priorities. The Secretary of the Interior should also encourage States to collect user fees whenever practicable to lessen the burden of operation and maintenance costs on local tax revenues and Federal programs. The Secretary of the Interior should encourage State and local governments to budget the entire life-cycle costs of proposed projects showing the Federal contribution and the State or local government total obligation for the estimated useful life of the project. The Secretary of the Interior should develop uniform criteria for monitoring the flow of all Federal funds to State and local governments, including a cross-referencing index system to identify the various Federal sources and amounts going to each project. The Secretary of the Interior should withhold States' eligibility to participate in the fund program during periods when plans do not meet applicable requirements, as determined under criteria established by the Secretary. The Secretary of the Interior should monitor the States to ensure compliance with the statutory requirements for disclosing the amount and sources of Federal funds. The Secretary of the Interior should monitor State plan implementation to assure that the awarding of grants is directly linked to the planning process. The Secretary of the Interior should clarify and provide guidance to States on how the new project selection guidelines should be developed and implemented.

115126

Better Data Needed To Determine the Extent to Which Herbicides Should Be Used on Forest Lands. CED-81-46; B-197558. April 17, 1981. ***Released*** April 27, 1981. 51 pp. plus 5 appendices (14 pp.).

Report to Sen. Mark O. Hatfield; Rep. James H. Weaver, Chairman, House Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Environmental Protection Programs: Harmful Effects From Exposure to Toxic Pollutants--Reducing Risks to Humans and the Environment (2211); Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Forest Service; Department of the Interior; Bureau of Land Management.
Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry: Forestry, Water Resources and Environment Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* James H. Weaver; *Sen.* Mark O. Hatfield.
Authority: Environmental Policy Act of 1969 (National) (42 U.S.C. 4321). BLM Manual 9222. Forest Service Manual 2476.41. Forest Service Manual 2155.3.
Abstract: Vegetation management programs and practices on forest lands managed by the Department of Agriculture's Forest Service and the Department of the Interior's Bureau of Land Management were reviewed. The main areas of discussion were the use of herbicides, the controversy over herbicides, the controversy's effect on forest land managers, and the need for both agencies to take actions that would provide better information for making vegetation management decisions. ***Findings/Conclusions:*** The use of herbicides for managing unwanted vegetation on forest lands has become a public controversy. In some cases, their use has been restricted. Growing opposition stemming from unanswered questions about herbicides' health and environmental effects could result in further restrictions. Although it has been shown that nonherbicide methods can be used to control unwanted vegetation in national forests, the extent to which these methods can replace herbicides is not known. Serious information gaps exist relating to the costs of vegetation management methods and their relative effectiveness. Most forests GAO visited had some success with alternatives to herbicides. However, site-specific data were not available to identify why methods had succeeded in one area but not in another. ***Recommendation To Agencies:*** The Secretaries of Agriculture and the Interior should instruct the Chief of the Forest Service and the Director of the Bureau of Land Management, respectively, to ensure that (1) those forests and districts relying heavily on herbicides increase the use of nonherbicide methods; and (2) adequate site-specific pre-treatment and post-treatment information is gathered and evaluated. The Secretaries should also instruct the agency heads to develop more objective criteria for determining the need for release. The Secretaries of Agriculture and the Interior should instruct the Chief of the Forest Service and the Director of the Bureau of Land Management, respectively, to gather more comprehensive and complete cost data on their site preparation and release projects.

115165

[Improvements Needed in Managing Federal Coal Mapping Contracts]. EMD-81-38; B-202946. May 7, 1981. 11 pp.
Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); General Procurement: Providing Greater Assurance That Only Those Products and Services of Minimum Type, Quantity, and Quality Are Ordered To Satisfy Mission Needs (1952).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Geological Survey.
Abstract: Maps, which were intended to provide a basic source of coal resource data for the Department of Interior's land use planning system, were prepared under contracts awarded and managed by the U.S. Geological Survey (USGS). Sixteen cost-plus-fixed-fee contracts were awarded for the purpose of mapping coal deposits in seven western States. A review was made of shortcomings in contract management practices which were largely responsible for the poor quality of the maps and, if not corrected, could also jeopardize other programs that rely on contracting. ***Findings/Conclusions:*** The shortcomings included a questionable basis for awarding and amending the contracts, vague contract provisions, lack of other guidance, and inadequate cost estimating and contract monitoring. One of the contracts was awarded on a sole-source basis without adequate justification. Two other contracts were modified without seeking outside competition. Ten of the contractors were orally requested to make major changes in the scope of the contracts. These changes were the basis for later contract modifications resulting in significant cost increases. Contract monitors and program officials were not trained adequately in contract administration, and there were no written guidelines for them to follow. The statement of work did not adequately describe what data contractors were to use in preparing the maps, how data were to be analyzed and interpreted, or what procedures would be followed in reviewing the maps. Consequently, standards varied, delays occurred, and map quality suffered. A program manual was not published until more than 2 years after the initial contract was issued and after work on all the contracts was nearly completed. Cost overruns were due to costs not properly estimated, delays caused by agency planning, and frequent changes in the basic format of the maps. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Director of USGS to assure that contracts are properly monitored to preclude cost overruns and to assure effective contractor performance. The Secretary of the Interior should require the Director of USGS to assure that sufficient efforts are made to comply with Federal Procurement Regulations in securing competition on all contracts as well as major changes to contracts to the maximum practicable extent. The Secretary of the Interior should require the Director of USGS to use fixed-price contracts rather than cost-plus-fixed-fee contracts whenever possible. The Secretary of the Interior should require the Director of USGS to devise specific contract provisions and other guidance to assure mutual understanding on contract requirements and to minimize reliance on oral guidance when change orders are necessary. The Secretary of the Interior should require the Director of USGS to require personnel to organize, assemble, and manage available resource data before contracting for the same or related data in order to better gauge types of data and analyses actually needed. The Secretary of the Interior should require the Director of USGS to train contracting personnel, including designated contract monitors, in contract administration prior to their appointment.

115203

[Establishing Development Ceilings for All National Park Service Units]. AFMD-81-31; B-202445. April 10, 1981. ***Released*** May 11, 1981. 3 pp. plus 1 enclosure (1 p.).
Report to Rep. Don Young, Ranking Minority Member, House Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee.

Issue Area: Accounting and Financial Reporting: Systems To Assure That Agencies Do Not Overobligate and/or Overexpend Their Appropriations (2804).
Contact: Accounting and Financial Management Division.

Budget Function: Financial Management and Information Systems: Accounting Systems in Operation (998.1).
Organization Concerned: National Park Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* Don Young.
Abstract: GAO interviewed program, planning, and budget officials at the National Park Service to examine Park Service records relating to development ceilings and compare those records with the legislation cited to ascertain if development ceilings had been exceeded. GAO tried to determine if development ceilings were controlling the development costs of Park Service units. A development ceiling is the total authorization available for development of a particular park unit. ***Findings/Conclusions:*** Development ceilings have not been an effective tool for Congress to use in controlling costs because: (1) ceilings have not been established for most parks; (2) where ceilings have been established, recordkeeping is inadequate to readily ascertain if ceilings are exceeded; (3) ceilings do not have estimated completion dates; and (4) there is uncertainty about which expenses are covered by ceilings. Appropriations have surpassed authorized limits in two cases; however, neither case constitutes a legal violation because lawful appropriations were passed allowing authorized limits to be exceeded. GAO found 36 errors in recording the remaining 136 development ceilings. Such recording errors raise the possibility that other ceilings may have been exceeded without the records indicating it. From a previous review, GAO knows of inconsistencies in identifying expenditures to be charged against development ceilings. If Congress wishes to continue to use ceilings, it should establish them for all units, review them on a cyclical basis, and require proper accounting procedures to make them effective in controlling development costs. Congress could eliminate development ceilings altogether, but this would diminish the control that authorizing committees now exercise. If ceilings are to be continued, the Park Service and Congress should agree upon precise definitions of the type of expenditures to be charged against the ceilings. ***Recommendation To Congress:*** If Congress wishes to continue to use ceilings, it should establish them for all units, review them on a cyclical basis, and require proper accounting procedures to make them effective in controlling development costs. Congress could eliminate development ceilings altogether, but this would diminish the control that authorizing committees now exercise. If ceilings are to be continued, the Park Service and Congress should agree upon precise definitions of the type of expenditures to be charged against the ceilings.

115262

Cost Estimate for the Currituck Outer Banks National Wildlife Refuge Needs Revision. CED-81-48; B-201700. April 21, 1981. ***Released*** April 21, 1981. 12 pp. plus 3 appendices (16 pp.).
Report to Rep. G. William Whitehurst; Sen. Jesse A. Helms; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Federal Lands (2306).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; Department of the Army; Department of the Army: Corps of Engineers; United States Fish and Wildlife Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Rep.* G. William Whitehurst; *Sen.* Jesse A. Helms.
Authority: Environmental Policy Act of 1969 (National). Rivers and Harbors Act. Clean Water Act of 1977.
Abstract: The U.S. Fish and Wildlife Service has proposed establishing a national wildlife refuge in the Currituck Outer Banks off the North Carolina coast. The Service has estimated that the cost of acquiring the 16,000 acres of land and wetlands for the refuge will be about $94 million over a 5-year acquisition period. GAO was asked to determine whether the Service followed its regulations and policies in developing its proposal for the refuge. ***Findings/Conclusions:*** In proposing the refuge, the Service generally adhered to the requirements of the National Environmental Policy Act. However, in developing its cost estimate, the Service did not consider a number of factors that could substantially reduce the cost of establishing the refuge. GAO found that: (1) the data used in preparing the estimate were unreliable; (2) certain costs were not considered, such as the acquisition of subdivision roads and the possibility of a higher property escalation rate; and (3) there were inconsistencies among the options in land classification, values, and the number of lots. In addition, GAO believes that the wetlands could be protected by working with the Army Corps of Engineers using existing regulatory authority, thus eliminating the need for the Service to acquire them. ***Recommendation To Agencies:*** The Secretaries of the Interior and the Army should develop a cooperative agreement by which the Corps of Engineers could protect the wetlands without the Service having to acquire full title to such lands. The Secretary of the Interior should require the Fish and Wildlife Service to revise its cost estimate for the refuge considering the factors discussed in pages 4 to 7 of this letter and provide the revised estimate to the Congress when requesting appropriations for the refuge.

115339

Delays in Disposing of Former Communication Sites in Alaska: Millions in Property Lost and Public Safety Jeopardized. PLRD-81-28; B-202940. May 28, 1981. 25 pp. plus 5 appendices (28 pp.).
Report to Verne Orr, Secretary, Department of the Air Force; by Werner Grosshans, (for Donald J. Horan, Director), GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726); Land Use Planning and Control: Federal Land Acquisition, Disposal, and Exchange Laws, Policies, and Procedures (2357).
Contact: Procurement, Logistics, and Readiness Division.
Budget Function: National Defense: Department of Defense - Military (Except Procurement and Contracting) (051.0); Natural Resources and Environment: Conservation and Land Management (302.0); General Government: General Property and Records Management (804.0).
Organization Concerned: Department of the Air Force; Department of the Air Force: Alaskan Air Command; General Services Administration; Department of the Interior.
Authority: A.F.R. 85-9. A.F. Program Action Directive 77-202. 10 U.S.C. 2662.
Abstract: GAO reviewed the problems in the Air Force's efforts to dispose of real and personal property at White Alice Communication System sites in Alaska. ***Findings/Conclusions:*** GAO visited seven closed sites and found that security is minimal, and break-ins are common. No maintenance has been performed, much property is missing, vandalism is extensive, and items of value are still at the sites. GAO found large quantities of bulk fuels and dangerous chemicals at six sites. The Air Force does not intend to dispose of real property at collocated sites; sites which are at, or close to, active military installations. In 1977, the Alaskan Air Command (AAC) developed a plan for removing personal property from

collocated sites and later removed some supplies and equipment. However, according to AAC, funding constraints in early 1980 effectively ended further property removal. Disposal of real property at noncollocated sites can begin only after the real property is reported to a disposal agency. By law, the military must wait 30 days after making an excess report to Congress before real property is reported to a disposal agency. As of August 1980, the Air Force had reported only one site as excess to Congress. The disposal of personal property has been delayed because of disagreement between AAC and the General Services Administration. An AAC analysis showed that it would not be cost effective to remove personal property from noncollocated sites and return it the Air Force supply system. However, GAO found that the value of some property removed was significantly more than the cost to return it to the supply system. ***Recommendation To Agencies:*** The Secretary of the Air Force should require AAC to use combat distribution teams for returning property from White Alice sites when this is cost effective. The Secretary of the Air Force should require AAC to establish a time limit for reporting closed White Alice sites to Congress. The Secretary of the Air Force should require AAC to properly dispose of real and personal property as quickly as possible. The Secretary of the Air Force should assure that White Alice sites are properly maintained until disposal is completed. The Secretary of the Air Force should inspect sites periodically to assure they are safe until disposal is completed. The Secretary of the Air Force should rid sites of dangerous chemicals and environmental pollutants.

115368

[Need To Reevaluate Helistat Program Objectives and Progress]. MASAD-81-31; B-203330. June 2, 1981. 3 pp. plus 1 enclosure (9 pp.).

Report to John R. Block, Secretary, Department of Agriculture; by Walton H. Sheley, Jr., Director, GAO Mission Analysis and Systems Acquisition Division.

Issue Area: Land Use Planning and Control (2300); Procurement of Major Systems: Technology Based Programs' Support Mission Agency Needed (3009).
Contact: Mission Analysis and Systems Acquisition Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Agriculture (350.0); Procurement - Other Than Defense (990.4).
Organization Concerned: Forest Service; Department of the Navy; Department of Agriculture.
Authority: Forest Management Act.
Abstract: GAO reviewed the status and objectives of the Forest Service's Helistat program. ***Findings/Conclusions:*** GAO found that fundamental acquisition management principles that should have been applied in the Helistat program's development have not been applied. In managing the program, the Forest Service has unnecessarily tied program milestones to land management planning timeframes and moved too hastily, thereby overlooking essential considerations in planning a development strategy. For example, potential users were not contacted before beginning the program to get their participation and advice for determining the need for, uses of, and operational requirements for a Helistat concept vehicle. Information which GAO has developed from contacting potential users shows that it is questionable whether the Helistat concept under development will have practical application as a timber harvesting method. In addition, the system being developed cannot be reproduced without substantial redesign. Consequently, it will not be useful in demonstrating the economics of aerial logging, the principal objective of the development program. Finally, the Navy, which is administering the development contract for the Forest Service, is being hampered in its efforts to obtain data that are necessary to evaluate the program's progress, particularly regarding the engineering adequacy and safety of the vehicle being developed. ***Recommendation To Agencies:*** The Secretary of Agriculture should reevaluate the Helistat program before making any further funding obligations on the vehicle's development contract. This reevaluation should include the participation and advice of potential users to determine if the Helistat is needed, how it could be used, and the operational requirements for such a vehicle. The Secretary of Agriculture should direct the Chief, Forest Service, to give the contract administrator, the Naval Air Development Center, sufficient freedom to use its authority to make decisions on the adequacy of Helistat contract performance and on the future funding obligations under the contract. The Secretary of Agriculture should direct the Chief, Forest Service, to include as part of the program a requirement that estimates be made of the economics of private industry logging based on a state-of-the-art Helistat concept vehicle. The Secretary of Agriculture should insure that program milestones not be tied to land management planning time frames. The Secretary of Agriculture should direct the Chief, Forest Service, to restructure the development effort to include a complete state-of-the-art design and data package from which future Helistat concept vehicles could be built and from which more accurate estimates of the economics of aerial logging could be made.

115380

[Payment of Invoice for Ambulance Transportation of Injured National Park Visitor]. B-198032. June 3, 1981. 3 pp.

Decision re: Emergency Transportation; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: National Park Service: Midwest Region.
Authority: 51 Comp. Gen. 444. 16 U.S.C. 12. 31 U.S.C. 6483a.
Abstract: An advance decision was requested on the propriety of certifying for payment an invoice for emergency transportation of an injured minor visitor at a national park. The invoice was presented pursuant to an agreement between a national park and a local volunteer fire department. The Secretary of the Interior has the authority to aid and assist transportation to local medical facilities for injured or ill park visitors. This responsibility may be exercised by entering into agreements with public or private facilities operating in nearby communities. However, under applicable statutes, the National Park Service (NPS) should attempt to collect the amounts it has been forced to expend on the visitor's behalf. The user charge statute allows the head of an agency to charge the beneficiary for the value of the service rendered and should be applied in this case since NPS has no legal duty to provide ambulance service free of charge to park visitors. By the terms of its agreement with the fire department, NPS has been forced to bear the expense because of the visitor's refusal to pay. GAO held that it was reasonable to apply the user charge statute in this case and, accordingly, the voucher was certified for payment.

115425

Minerals Management at the Department of the Interior Needs Coordination and Organization. EMD-81-53; B-202944. June 5, 1981. 65 pp. plus 1 appendix (2 pp.).

Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Refer to Testimony, December 15, 1981, Accession Number 117083; and EMD-82-10, December 4, 1981, Accession Number 117235.

Issue Area: Materials: Materials Resource Base (1815).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular

Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.

Authority: Mining and Minerals Policy Act of 1970 (30 U.S.C. 21a; 16 U.S.C. 1531). Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.). Forest Management Act (16 U.S.C. 472a). Land Policy and Management Act (43 U.S.C. 1701 et seq.). Wilderness Act (16 U.S.C. 1131 et seq.). Engle Act (Minerals). Environmental Policy Act of 1969 (National) (42 U.S.C. 4321 et seq.). Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.). Clean Air Act. Endangered Species Act of 1973.

Abstract: Growing national awareness of the strategic importance and uncertain sources of some minerals is leading to development of a strategic minerals policy. In 1980, Congress enacted the National Materials and Minerals Policy Research and Development Act. The Act establishes the Executive Office of the President as the focus of policymaking in this area. Any national policy for assuring availability of such strategic minerals as cobalt, tin, chromium, and platinum must be formulated in light of the potential of federally controlled resources and the ramifications of Federal land use decisions for domestic supply of these commodities. ***Findings/Conclusions:*** There is a need to improve access to Federal lands for mineral exploration and development while continuing to protect social and esthetic values. Improving access for mineral prospectors and mining operations will best take the form of clarifying the conditions under which exploration and development will be allowed to occur for all types of minerals. GAO found that the Department of Interior does not have an adequate minerals management policymaking process. Decisions affecting exploration and development of mineral resources are made without reference to larger strategies for affected commodities or markets and the satisfaction of strategic supplies. Not having a minerals management policymaking process has contributed to: (1) a lack of a a clear understanding of the public interest in federally owned mineral resources; (2) the potential for large Federal outlays to acquire valid mineral rights to resolve land use conflicts; (3) a disregard for the repercussions of decisions to limit mineral activities on affected industries; and (4) a limitation of acquisition of mineral resource information for areas closed to private industry, uncertainty as to the conditions for access and tenure needed to encourage investment in mining ventures, and delays in reaching decisions affecting access to Federal lands for mineral exploration and development. Secure sources and stable prices for mineral commodities can be overlooked or inadequately assessed. Access and tenure should be denied only where an identifiable public interest would be unnecessarily or permanently damaged. ***Recommendation To Agencies:*** The Secretary of the Interior should develop a minerals management program plan which outlines and discusses in detail the objectives and goals of the Department of the Interior with respect to the key questions of Federal mineral resource management. The Secretary should examine how such an explicit statement of objectives could be used to evaluate and provide consistency to the Department's mineral-related budget submissions, program proposals, and administrative actions. The plan should include specific national objectives for the Department's mineral resource programs, explain criteria for establishing priorities for mineral exploration and development, examine constraints to long-term mineral management goals and alternatives for coping with them, and devise strategies for anticipating and contributing to national industrial and strategic requirements. Such a plan, developed from national objectives would, for the first time, provide criteria and standards of accountability for the Secretary and Congress to measure the performance of the Government's resource managers.

115444

The National Park Service Should Improve Its Land Acquisition and Management at the Fire Island National Seashore. CED-81-78; B-199379. May 8, 1981. ***Released*** May 26, 1981. 20 pp. plus 5 appendices (18 pp.).

Report to Sen. Daniel P. Moynihan; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Planning for Land Use (2305).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; National Park Service; Fire Island National Seashore, NY.

Congressional Relevance: *Senate* Committee on Energy and Natural Resources; *Sen.* Daniel P. Moynihan.

Authority: Land and Water Conservation Fund Act of 1965. Fire Island National Seashore Act (P.L. 88-587). Wild and Scenic Rivers Act. 36 C.F.R. 28.4(c)(1)(i).

Abstract: The National Park Service's zoning standards at Fire Island National Seashore are more restrictive than necessary to meet the requirements of Federal regulations, and the Park Service is unnecessarily acquiring private lands at Fire Island. GAO was requested to review these issues. ***Findings/Conclusions:*** The Park Service issued zoning standards for Fire Island in September 1980 that were to be followed by local communities. The applicable regulations protect property owners in existing developed communities from the threat of condemnation and undue intervention by the Federal Government. The Park Service's zoning standards are particularly restrictive for homes that have to be rebuilt after being damaged or destroyed by a catastrophe. In addition, the Park Service's zoning standards restrict some property owners from increasing the size of their homes. GAO believes that the applicable regulations permit these property owners to increase the size of their homes. The Park Service acquired a number of properties on which the owners had built at variance with the local community's zoning ordinances. Many of these variances do not appear to harm Fire Island's natural resources. The applicable regulation allows, but does not require, the Park Service to condemn properties with variances. However, the Park Service routinely objects to almost all variances granted by the local communities apparently to be in a position to condemn the properties when funding is available. Park Service letters to a Senate committee requesting authority to take Fire Island properties do not specify the reasons for acquisition. The draft land plan for Fire Island is inconsistent with the Park Service's land acquisition policy. ***Recommendation To Congress:*** Congress should exempt land acquired from the 2-year limitation stipulated in the Land and Water Conservation Fund Act, as amended. The purpose of this recommendation was to give the last owner(s) in the recreation area the right to match the highest bid price and require property sold to the National Park Service. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the Director of the National Park Service to revise the Fire Island zoning standards to make it clear that homes rebuilt or improved in accordance with approved variances to local zoning ordinances will not be subject to condemnation unless the variances adversely affect Fire Island's natural resources. The Secretary of the Interior should require the Director of the National Park Service to sell to the highest bidder all acquired lands in exempt communities that are compatible with the purposes of Fire Island. The previous owner should be offered first opportunity to reacquire the property at the highest bid price unless the Park Service can demonstrate that the last owner's use of the property adversely affected Fire Island's natural resources. The Park Service could attach scenic or developmental restrictions to the deeds before selling the properties to assure that their use will be consistent with the enabling legislation. The Secretary of the Interior should require the Director of the National Park Service to revise the Fire Island acquisition plan to state (1) more specifically the circumstances under which properties will be acquired; and (2) that all properties

will not be acquired just because they were rebuilt at variance with a local ordinance. The Secretary of the Interior should require the Director of the National Park Service to explain in its letters to the Senate Committee on Energy and Natural Resources requesting declarations of taking specifically why variances would adversely affect Fire Island's natural resources. The Secretary of the Interior should require the Director of the National Park Service to stop routinely objecting to variances, unless the Park Service specifically shows why the variances would harm Fire Island's natural resources, and revise the zoning standards accordingly.

115450

[Protests Opposing Geographic and State Licensing Requirements]. B-198952, B-199652, B-200514, B-199166, B-200494. June 9, 1981. 5 pp.

Decision re: Space Age Surveyors; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Forest Service; Space Age Surveyors.

Authority: 55 Comp. Gen. 1362. 54 Comp. Gen. 29. B-199003 (1980). B-197433 (1980). B-194066 (1979). B-184416 (1976). B-195196 (1980). B-194327 (1979). B-193153 (1979). B-190791 (1978).

Abstract: A firm filed several protests opposing geographic and State licensing requirements used by the Forest Service in solicitations for surveying services. Since the protests were virtually identical, GAO considered them as a unit protest against a standard Forest Service practice. The solicitation requirements that the protester objected to included: (1) the requirement that the surveys be conducted by surveyors that were licensed by the State in which the survey was to be conducted; and (2) the fact that eligible offerors were limited to those survey or engineering firms which have offices or facilities within a specified distance of the job site. The protester further contended that the State license requirement was unnecessary since the surveys were to be conducted for the Federal Government on Federal land and are therefore exempt from State law. GAO held that it was reasonable to require State licensing of surveyors involved in Federal contracts because of the possible effect such surveys could have on properties which have common boundaries with national forests. Further, surveys are required to be registered with the State, and this makes the State involved an interested party. The protester also contended that the distance requirements were not valid since the terrain in the area involved is not unique to that part of the country. GAO believed that the Forest Service's actual need was for surveyors with local knowledge and experience, rather than for surveyors who were located in the immediate vicinity. The protest on this issue was sustained, but no corrective action was recommended since the work was almost completed. GAO did recommend that a provision be added to future procurements allowing offerors to demonstrate their local knowledge in their technical proposals.

115471

[Consideration of the Need for Minerals Mobilization Planning Within the Department of the Interior]. EMD-81-89; B-200891. June 8, 1981. 3 pp.

Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Facilities and Material Management (0700); Materials: Administering a Coordinated Materials Policy (1812).

Contact: Energy and Minerals Division.

Budget Function: National Defense: Defense-Related Activities (054.0); Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; National Security Council; Federal Emergency Management Agency; Bureau of Mines.

Authority: Defense Production Act of 1950. Executive Order 10480. Executive Order 11490. Executive Order 12155.

Abstract: The Department of the Interior is responsible for mobilizing the Nation's minerals industry in a national emergency. Interior is, in general, responsible for emergency preparedness plans and programs for all nonfuel minerals. It has the responsibility for mines, concentrating plants, and refineries, and for the ores, concentrates, and other materials treated in such facilities. ***Findings/Conclusions:*** Except for some very broad proposals on the type of actions that might be taken, there are no plans to meet this responsibility and deal with specific problem areas. There are just contingency organizations, draft legislation, and mechanisms to allocate available supplies. Potential problem areas have not been identified. It is difficult to say how much planning is needed or whether the additional costs that might be involved are justified. Government planners need to know what problems to expect, what leadtimes might be encountered, and how they might be overcome. Planners need to know: (1) which deposits can be developed and which mines reopened; (2) if adequate skilled labor can be obtained; (3) if transportation facilities are adequate; (4) if technologies are available or if they must be developed; (5) if adequate amounts of water and energy can be obtained; and (6) if stand-by equipment and facilities must be acquired in advance. Because there are no specific plans, problems will be handled as they arise. Unless potential problems and required actions are examined there is little reason to be assured that these problems can be overcome.

115556

[Claim for Compensation for Loss of Grazing Privileges]. B-181236.2. June 16, 1981. 2 pp.

Decision re: Ritch Associates; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Ritch Associates; Department of the Army.

Authority: Taylor Act (Grazing) (43 U.S.C. 315). United States v. 40,021.64 Acres of Land, Civ. Act. No. 8527-B (D.N.M. 1980). D.I.Z. Livestock Co. v. United States, 210 Ct. Cl. 708 (1976). B-181236 (1977).

Abstract: An association claimed compensation for the loss of grazing privileges on certain lands which the Federal Government has condemned a leasehold. The instant claim is the same as one considered previously, except that it is for the 10-year period beginning immediately after the period considered in that decision. The lands on which the claim is based include Federal grazing lands used by the claimant. The Army has continuously occupied the premises since 1942. Before the Government occupied the premises, the claimant held a permit for the use of the Federal lands in question. Until 1970, the Army held the lands under a series of lease and suspension agreements for an annual payment to the owners. Since 1970, the Government has occupied the lands under a condemned leasehold. A U.S. district court excluded the claim for loss of grazing privileges from July 1, 1970 to June 30, 1980 from its consideration. GAO did not have a complete record of the proceedings or a copy of the court's final opinion. Assuming the court did exclude the claim for loss of grazing privileges from consideration, there was no basis for GAO to allow the claim. In denying the claim in the previous decision, GAO stated that a portion of the payments made by the Army under the lease and suspension agreements was intended to fully compensate the association for the cancellation of its grazing permit. The Court of Claims also denied a claim for loss of grazing privileges on the same basis. That rationale has the same application in this case. Accordingly, the claim was denied.

115565

[Protest of Forest Service Cancellation of Timber Sale]. B-195810.2. June 19, 1981. 9 pp.

Decision re: Hudspeth Sawmill Co.; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Hudspeth Sawmill Co.; Forest Service.

Authority: Forest Management Act (16 U.S.C. 472a(i)). Administrative Procedure Act (5 U.S.C. 701 et seq.). 36 C.F.R. 223.5. 4 C.F.R. 20.2(b)(2). Hudspeth Sawmill Co. v. Bergland, Civ. Act. No. 79-1179 (D.D.C. 1979). Hi-Ridge Lumber Co. v. United States, 443 F.2d 452 (9th Cir. 1971). S & S Logging Co. v. Barker, 366 F.2d 617, (9th Cir. 1966). Massman Construction Co. v. United States, 102 Ct. Cl. 699 (1945). B-195810 (1980). B-194471 (1979). B-182794 (1975). B-186031 (1976). 16 U.S.C. 472a(e)(1)(A).

Abstract: A firm protested the Forest Service's cancellation of a solicitation for a timber sale. The protester argued that there was no compelling reason to cancel the sale and that the Forest Service's action was improper. The protester's bid was the only one received, and it was declared the high bidder. The protester, as a small business, elected to have the Forest Service build the roads necessary to harvest and remove the timber. The Forest Service then solicited bids for the required road construction, but the only bid received was rejected as unreasonable. The Forest Service notified the protester that, unless it rescinded its election to have the Forest Service build the roads and accepted the road construction requirements within 120 days, the timber sale would be canceled. The protester filed suit seeking an injunction to restrain the Forest Service from canceling the solicitation, but its suit was dismissed by a U.S. district court. The firm notified the Forest Service that it was rescinding its election and would construct the roads after the 120-day deadline, but the Forest Service canceled the solicitation. GAO considered the protest even though the court earlier ruled that the Forest Service could condition the award of the sale on the protester's rescission of its election. The protester was not challenging the agency's right to refuse to award the sale unless the protester rescinded its election, but rather the agency's right to cancel the sale after the protester rescinded its election beyond the deadline established by the agency. The protest objecting to the cancellation of the timber sale was timely filed within 10 days of the agency's adverse action. GAO found that the Forest Service had a compelling reason to cancel the sale because it had given the protester an additional 120-day rescission deadline, but the election was not rescinded until over 2 months after the deadline had passed. The agency reasonably concluded that the protester obtained an unfair advantage and that the integrity of the competitive bidding system would best be served by resolicitation. The protest was denied.

115613

[Request for Reformation of Timber Sale Contract]. B-198515. June 23, 1981. 5 pp.

Decision re: Plum Creek Lumber Co.; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Plum Creek Lumber Co.; Forest Service: Flathead National Forest, Hungry Horse, MT.

Authority: Aetna Construction Co. v. United States, 46 Ct. Cl. 113 (1911). B-194941 (1979). B-188584 (1977). B-180071 (1974).

Abstract: A lumber company requested reformation of a timber sale contract entitled the Ball Branch sale, or reformation or rescission of a modification to that contract dated October 22, 1974, to permit the cancellation of its obligation to cut and remove pulp wood. The company requested authority from the Forest Service to cut and remove pulp logs for each of three contracts. Pulp logs were not included in the clause of the contracts under which the company made its request. However, removal of pulp wood was permitted in a clause of one of the other contracts, so the Forest Service and the company executed a written agreement adding the removal of pulp wood to the contract as an addendum. Subsequently, the company requested that the agreement be cancelled because of a deteriorating pulp market. The Forest Service denied the request and stated that the agreement was controlling. Upon appeal of that decision to the Board of Contract Appeals, the company requested that the contract be voided on the ground of mutual mistake. The Board denied jurisdiction over that issue. The company then requested that GAO reform the Ball Branch sale contract by deleting the agreement since it was included as a result of a mutual mistake. In addition, the company requested the reformation or rescission of the October 22 modification to the sales contract. GAO held that the timber sale contract could not be reformed on the basis of a mutual mistake because there was no showing that the written contract did not represent the full agreement of both parties. Further, GAO would not reform or rescind the agreement executed under the timber sale contract. Here the parties improperly interpreted the terms of the sale contract when executing the agreement. A mistake of law in interpreting the terms of a contract, in the absence of Government misrepresentation, does not provide a basis for relief. Accordingly, the request was denied.

115631

[Views on H.R. 2900, the Proposed Vegetation Management Reform Act of 1981]. B-203506. June 19, 1981. 5 pp.

Letter to Rep. James H. Weaver, Chairman, House Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Bureau of Land Management; Department of Agriculture.

Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *Rep.* James H. Weaver.

Authority: H.R. 2900 (97th Cong.).

Abstract: GAO was asked to provide its views on the proposed Vegetation Management Reform Act of 1981 to promote forestry employment and the safe use of herbicides on public forest lands. The proposed legislation would require the institution of stricter guidelines on the use of herbicides in vegetation management programs and would require better information to be obtained before deciding on treatment and the method of treatment. Promotion of forestry employment under the legislation would be in line with and would strengthen the Forest Service's pesticide policy statement. Congress may wish to consider whether the bill should apply to all entities which manage forest land and may wish to add a section authorizing the issuance of regulations and rules necessary to implement its provisions. The bill's language should be clarified regarding the priorities concerning employment and cost-efficient land management. Agencies do not have adequate data to implement the cost analysis requirements of the legislation. A section which would require the suspension of the use of a registered herbicide to determine its continued safe use should be revised to state more clearly the conditions that would trigger a pesticide suspension.

115668

Impact of Gasoline Constraints Should Be Considered in Managing Federal Recreation Facilities. CED-81-111; B-203556. June 30, 1981. 46 pp. plus 5 appendices (21 pp.).

Report to John R. Block, Secretary, Department of Agriculture; Caspar W. Weinberger, Secretary, Department of Defense; James G. Watt, Secretary, Department of the Interior; by Henry

Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).
Contact: Community and Economic Development Division.
Budget Function: Community and Regional Development (450.0).
Organization Concerned: Department of the Interior; Department of Defense; Department of Agriculture; Department of the Army; Corps of Engineers; National Park Service; Forest Service; Water and Power Resources Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Energy and the Environment Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee.
Abstract: During 1979 and 1980, when gasoline was in short supply and prices rose, the public's use of outdoor recreation facilities was significantly affected. People tended to use facilities closer to home. Recreation officials observed: longer stays at campgrounds; less vehicular movement within and between recreation areas; increased use of tents; and use of smaller cars, trucks, and recreational vehicles. The National Park Service experienced heavy declines in visitation at distant facilities. At the same time, the use of facilities in and near cities increased. ***Findings/Conclusions:*** Most Federal agencies have not done enough to respond to indications that people are pursuing recreation closer to home and might want to use less gasoline while doing so. Forest Service policies include encouraging energy efficient transportation systems and locating new facilities near them. In addition, the National Park Service has developed a policy to promote public and nonmotorized transportation. However, neither agency has done much to carry out these policies. The Corps of Engineers and the Water and Power Resources Service (WPRS) have not taken any steps to develop recreation policies which take public gasoline conservation into consideration. Many measures undertaken for environmental protection or public service motives have had incidental gasoline conservation effects, such as shuttle bus service within parks and campground reservation policies. Recreation managers could make greater use of the National Park Service's exchange program by sharing information on gasoline conservation measures. Recreation managers need better forecasts of visitation trends so that they can consider applying their limited resources to facilities where more people are expected to go. Better forecasts will be needed to identify what factors affect recreation patterns and to forecast visitation levels. Forecasting research has been uncoordinated and has focused on determining recreation use at a point in time rather than establishing recreation trends. Statistical forecasting models could help improve recreation planning and management. ***Recommendation To Agencies:*** The Secretaries of the Interior, Agriculture, and Defense should require their agencies to consider the results of improved forecasts in allocating financial resources to recreational facilities. The Secretaries of the Interior and Defense should require WPRS and the Corps of Engineers to adopt gasoline conservation policies. The Secretary of the Interior should coordinate and monitor research performed by various agencies on the long- and short-term effects that fuel shortages and high fuel costs have on the use of recreation facilities.

115744
[Navajo and Hopi Indian Relocation Commission's Program]. CED-81-139; B-203827. July 2, 1981. 10 pp.
Report to Sen. James A. McClure, Chairman, Senate Committee on Appropriations: Interior Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Domestic Housing and Community Development: Effectiveness of Federal Efforts To Implement and Encourage Coordinated National Policies and Local Regulatory Effort (2116).
Contact: Community and Economic Development Division.
Budget Function: Community and Regional Development: Community Development (451.0).
Organization Concerned: Navajo and Hopi Indian Relocation Commission.
Congressional Relevance: *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* James A. McClure.
Authority: P.L. 93-531. P.L. 96-305. 25 U.S.C. 640d-14(b)(2). 25 U.S.C. 640d-12(b)(1). 25 U.S.C. 640d-13(b)(c). 25 U.S.C. 650d-12(b)(2).
Abstract: GAO reviewed the Navajo and Hopi Indian Relocation Commission's relocation benefits, policies, and procedures to examine the costs of the Commission's relocation program, including the specific areas of replacement home benefit costs, off-reservation relocations, temporarily-away benefits, and appraisal and property acquisition. ***Findings/Conclusions:*** The Commission is regularly compensating relocation households at the the maximum amounts authorized by law. Additional compensation is also paid by the Commission for dwellings and improvements owned by relocation households on the reservation. The original replacement home benefit amounts have been adjusted by the Commission, as authorized by law, for inflation on five separate occasions. The Commission's adjustment methodology has varied because: (1) the previous inflation factor was abandoned by the Commission during the third annual adjustment in favor of higher inflation index, (2) the Department of Housing and Urban Development's prototype cost areas used by the Commission have changed four times in the five adjustments, and (3) a completely revised adjustment methodology was adopted by the Commission for the fourth annual increase. Of the 72 families that occupied a reservation homesite and were relocated, 51 families or 71 percent, have moved off-reservation. Off-reservation relocations may increase total program replacement housing costs over $23 million. About 75 percent of the households that have received relocation benefits through December 1980 were classified as temporarily-away, or households not actually located on the reservation. About 1,800 applications have been received for temporarily-away households, increasing the Commission's cost estimates. The on-reservation housing conditions have required the Commission to develop a more complex appraisal methodology than would normally be expected in an off-reservation housing market.

115777
[Public Land Acquisition and Alternatives Regarding Adjacent Lands and Intermingled Ownership Problems]. July 9, 1981. 10 pp. plus 1 enclosure (1 p.).
Testimony before the Senate Committee on Energy and Natural Resources: Public Lands and Reserved Water Subcommittee; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: National Park Service.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources: Public Lands and Reserved Water Subcommittee.
Abstract: Problems with intermingled land ownership result if a private landowner in a national area attempts to use his land to conduct certain activities which are incompatible with Federal agency land management objectives. GAO believes that the existing problems result from Federal agency land acquisition practices, rather than from private landowners' activities which are incompatible with Federal management objectives. Federal agencies have not clearly defined which land uses are incompatible with the purposes of a national area. GAO has taken the position that a Federal role is necessary to assure that nationally significant areas are protected and preserved, but the role does not have to be one of blanket ownership in all areas administered by the land management agencies.

These agencies have believed that the existence of privately owned land within a Federal enclave is incompatible with Federal land management objectives and that, unless specifically prohibited by Congress, their mandate was to acquire all privately owned land within the Federal enclave. Alternatives to full-title acquisition are feasible and need to be used by Federal agencies where appropriate. However, GAO can find no plausible reason why everything must be federally owned. Many private landowners in national areas believe that their presence is compatible with the purposes of the area. The solution to reducing the tension between private landowners and Federal agencies requires Federal agencies to determine which properties are compatible with the purposes of national areas and not subject to acquisition and to include this information in land acquisition plans. GAO believes that interpretation of congressional intent regarding Federal land acquisition needs to be resolved in favor of not acquiring land unless Congress specifically directs otherwise. Additionally, Federal agencies need to recognize that their primary objective is to protect, preserve, and maintain the land, not necessarily to acquire and accumulate land.

115789

Federal Facilities Acquisition and Management: Issues for Planning. PLRD-81-51. July 14, 1981. 32 pp. plus 1 appendix (7 pp.).

Staff Study by Donald J. Horan, Director, GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management (0700).
Contact: Procurement, Logistics, and Readiness Division.
Budget Function: National Defense: Defense-Related Activities (054.0).
Authority: Executive Order 12072. S. 533 (97th Cong.). H.R. 1938 (97th Cong.).
Abstract: Trends are underway which indicate that both military and civilian acquisition of facilities will increase rather dramatically in the near future, with a corresponding increase in the inventory of facilities the Government will be operating and maintaining. Cost estimates of the proposed construction run into multibillion dollars. The Comptroller General has assigned primary audit responsibility for GAO review of Federal agencies' facilities acquisition and management to the Procurement, Logistics, and Readiness Division. This study describes the Division's objectives in its reviews of Federal facilities acquisition and management. Critical questions which GAO feels need to be answered include: (1) whether improvements can be made in the acquisition of Federal design and construction to control or reduce costs; (2) whether Federal agencies are doing an effective job in operating and maintaining their facilities; (3) how effective current policies, procedures, and practices are for identifying and economically disposing of excess and surplus real property; (4) how agency leasing procedures and practices can be improved; (5) whether improvements can be made in the way Federal agencies identify and justify facility needs; (6) how accurate the Government agencies' estimates of costs and savings for facility realignments, phase-downs, consolidations, or closures are; (7) whether new and innovative concepts and techniques relative to the design and construction of buildings are being applied in the acquisition of Federal buildings; and (8) what the results have been of the Government policy to locate Federal facilities in urban central business districts.

115803

Are Agencies Doing Enough or Too Much for Archeological Preservation? Guidance Needed. CED-81-61; B-125045. April 22, 1981. ***Released*** May 4, 1981. 52 pp. plus 12 appendices (50 pp.).

Report to Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; by Milton J. Socolar, Acting Comptroller General.

Refer to Speech, January 21, 1982, Accession Number 117327.

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Interior; Department of Agriculture; Department of Housing and Urban Development; Department of the Army: Corps of Engineers; National Park Service; Advisory Council on Historic Preservation; Heritage Conservation and Recreation Service; Forest Service; Office of Management and Budget; National Technical Information Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; *Rep.* Morris K. Udall.
Authority: Environmental Policy Act of 1969 (National) (P.L. 91-190). Historic Preservation Act (P.L. 89-665). Historic Sites Act (P.L. 74-292). Archaeological Resources Protection Act of 1979 (P.L. 96-95). National Historic Preservation Act Amendments of 1980 (P.L. 96-515). Antiquities Act (P.L. 59-209). Executive Order 11593. P.L. 86-523. P.L. 93-291. Dep't of Interior Order 3060.
Abstract: Congress has passed the National Historic Preservation Act Amendments to provide additional guidance and clarification to the National Preservation Program. The amendments give the Secretary of the Interior the authority to waive the 1-percent limitation on the use of project funds to defray the costs of data recovery, increase the role of State historic preservation programs, and clarify Federal agency responsibilities. GAO reviewed the programs of eight agencies whose activities had potential major impacts on archeological sites, the operations of five State historic preservation offices, and the program management of the Heritage Conservation and Recreation Service and the Advisory Council on Historic Preservation. ***Findings/Conclusions:*** The National Archeology Program, which costs about $100 million a year, is not working well. The Department of the Interior must provide better leadership and direction to Federal agencies and States. Without better guidance, some Federal agencies could spend billions of dollars over the next 10 to 30 years for archeological surveys, many of which may not be necessary, while other agencies may not do enough to identify and protect archeological sites. Interior has not established good criteria for agencies to use in determining whether identified sites are important to the national heritage nor has it provided guidance on the extent to which archeological resources must be recovered, recorded, or preserved to comply with Federal laws and regulations. This has resulted in project delays, increased costs, and general confusion over what is required to identify sites, determine their significance, and protect their resources. Federal departments and agencies interpret their responsibility for identifying archeological resources differently. Federal agencies rarely coordinate archeological overview studies which could avoid duplication and save money. State historic preservation offices could help Federal agencies determine which properties have State and local significance and are eligible for listing on the National Register. While some agencies limit archeological excavation to project areas, others require Federal permittees and grantees to excavate sites well outside those areas. Lack of information on program costs and accomplishments hampers the program. ***Recommendation To Agencies:*** The Secretary of the Interior should establish formal coordination procedures among Federal and State agencies performing archeological overviews. The Secretary of the Interior should require States to submit adequate plans as a condition of receiving Historic Preservation funds. The Secretary of the Interior should finalize regulations setting forth detailed procedures explaining how Federal agencies are to conduct surveys and investigations to locate and identify archeological properties. The Secretary of Agriculture should require the Forest Service to improve its program

for identifying archeological resources by performing archeological surveys on Forest Service lands before timber harvests or other land-altering projects. The Secretary of the Interior should propose to OMB revisions to Executive Order 11593 to state that Federal agencies are required to conduct archeological surveys on Federal lands only (1) when a land-disturbing activity is planned; (2) when the operation of existing projects may threaten resources; or (3) on a sampling basis as part of overview studies for general planning purposes. The Secretary of Agriculture should direct the Forest Service to improve its program for identifying archeological resources by monitoring projects to verify that significant archeological sites are protected. The Secretary of Agriculture should direct the Forest Service to improve its program for identifying archeological resources by making sufficiently comprehensive surveys to preclude the need to resurvey the same lands for future projects. The Secretary of the Interior should issue guidelines for the appropriate and consistent development of State archeological data management capabilities, State archeological surveys, and determination of State and local site significance. The Advisory Council on Historic Preservation should require Federal agencies to relate data recovery to priorities defined in State historic preservation plans, where approved plans exist. The Secretary of the Interior should make State historic preservation offices the focal point for determining whether archeological resources are significant enough to list on the National Register of Historic Places. The Secretary of the Interior should promulgate regulations on Federal data recovery efforts and reporting systems including the specific circumstances and that extent to which agencies are required to excavate sites outside a project's direct impact area. The Secretary of the Interior should promulgate regulations on Federal data recovery and reporting systems including who should pay for archeological work so that unnecessary project delays and increased costs can be prevented. The Secretaries of HUD, Interior, and the Advisory Council on Historic Preservation should, either together or separately, seek the opinion of the Attorney General concerning the extent to which HUD is required to make archeological surveys to determine whether archeological resources will be affected by federally assisted housing projects. The Advisory Council on Historic Preservation should require Federal agencies to define specific significant research questions to be addressed in data recovery, in order to justify archeological excavation costs. The Secretary of the Interior should allocate a portion of Historic Preservation Fund grants for State preservation plan development and make available to States 70 percent Federal against 30 percent State matching grants to use in developing statewide plans based on criteria established by the Secretary in consultation with the various States. The Secretary of the Interior should promulgate regulations on Federal data recovery efforts and reporting systems including the development of agency reporting systems for providing information to Interior and agency management on program costs and accomplishments so that program effectiveness can be monitored and reported to Congress. The Secretary of the Interior should promulgate regulations on Federal data recovery efforts and reporting systems including improved dissemination of archeological reports to the National Technical Information Service so that information can be made available to the archeological profession and Federal, State, and local officials in a decisionmaking capacity. The Advisory Council on Historic Preservation should require Federal agencies, on large and controversial archeological projects, to establish peer review panels to help agencies determine how much archeological excavation is necessary and to monitor contractor progress and performance. The Secretary of the Interior should seek an amendment to the Archeological and Historic Preservation Act clarifying Interior's rulemaking authority.

115814

Health and Safety Deficiencies Found at Water Recreation Areas. CED-81-88; B-203365. June 15, 1981. ***Released*** July 15, 1981. 14 pp. plus 4 appendices (14 pp.).
Report to Sen. Mark O. Hatfield, Chairman, Senate Committee on Appropriations; by John D. Heller, Acting Comptroller General.

Issue Area: Land Use Planning and Control: Federally-Owned and Federally-Supported Recreation Areas (2310).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of the Army: Corps of Engineers; Department of the Interior; Water and Power Resources Service; Bureau of Reclamation.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* Mark O. Hatfield.
Authority: Water Project Recreation Act. Safe Drinking Water Act (P.L. 93-523). Safe Drinking Water Amendments 1977 (P.L. 95-190). Flood Control Act of 1962.
Abstract: GAO was requested to review the health and safety conditions of nonfederally managed water recreation areas of the Corps of Engineers' and the Water and Power Resources Service's (WPRS) reservoirs. ***Findings/Conclusions:*** GAO found several types of health and safety deficiencies at the Corps and the WPRS areas. These included: (1) poorly designed, overused, or malfunctioning sanitation systems; (2) structurally unsafe picnic and restroom facilities; (3) a dam spillway without a barrier; and (4) inadequate disinfection or filtration systems and excessive bacteria or turbidity levels in drinking water. Corps and WPRS headquarters recreation management officials stated that regular and thorough inspections are not conducted nor are local managing officials directed to make needed improvements. These officials stated that funding constraints make it difficult to effectively monitor the condition of nonfederally managed recreation areas. Non-Federal public agencies' officials acknowledged responsibility for operating and maintaining recreation areas in a safe and healthy condition but stated that they lacked adequate funds. These officials claim that operation and maintenance costs and visitor use have increased over the years but that recreation budgets have not kept pace. As a result, non-Federal agencies have turned over management of a number of areas to the Federal agencies. ***Recommendation To Agencies:*** The Secretaries of the Interior and the Army should regularly and thoroughly inspect nonfederally managed Corps and WPRS recreation areas to identify health and safety deficiencies and require the managing agency to correct the identified deficiencies, post the areas as unsafe, or close them. The Secretaries of the Interior and the Army should seek necessary funds and authority from Congress to close or to improve, operate and maintain returned recreation areas and those Service areas that were never turned over to a local manager. The Secretaries of the Interior and the Army should review the status of returned recreation areas to determine whether areas with health and safety deficiencies should be improved, operated and maintained, posted as unsafe, or closed.

115818

[Minerals Critical to Developing Future Energy Technologies, Their Availability, and Projected Demand]. EMD-81-104; B-203767. June 25, 1981. ***Released*** July 13, 1981. 5 pp. plus 1 enclosure (31 pp.).
Report to Sen. Henry M. Jackson, Ranking Minority Member, Senate Committee on Energy and Natural Resources; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Non-Line-of-Effort Assignments (1651); Materials: Interface Issues: Energy, Environment and Worker Health-Safety Factors Affecting Materials Availability (1816);

Science and Technology: Increased Application of Science and Technology to the Solution of State and Local Government Problems (2006).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; Office of Science and Technology Policy.

Congressional Relevance: *Senate* Committee on Energy and Natural Resources; *Sen.* Henry M. Jackson.

Abstract: When GAO was asked to identify minerals critical to developing future energy technologies, their availability, and projected demand, it found that no Federal agency collects data in a form that can be used to show how much of any given mineral goes to the energy industries or to project demand for minerals by the various energy technologies. Further, a capability for providing valid, reasonably reliable projections of demand for and supply of minerals by the energy technologies had not been developed within either the public or private sector. Therefore, GAO , in conjunction with a laboratory, developed a methodology to evaluate projected energy-related demand for nonfuel minerals. This methodology modified and interlinked two accepted computer models to provide projected demand for 25 nonfuel minerals in 5-year intervals to the year 2000 under four technology scenarios. ***Findings/Conclusions:*** The projections indicated that implementing a national energy program to replace or supplement conventional sources with those that are either renewable or available on a scale sufficient for centuries could require large increases in the supply and availability of certain nonfuel minerals. While the scenarios evaluated required an average of between 17 percent and 23 percent of total projected U.S. demand for the 25 minerals to the year 2000, the percentage for each mineral varied sharply. Demand for these nonfuel minerals by the conventional technologies remained relatively constant. Conversely, demand by the alternative technologies varied from 8 to 15 percent. Physical exhaustion of world mineral resources did not appear to be a problem through the remainder of this century. World reserves also appeared to be adequate despite the increased demand generated by the alternative energy technologies. Nine of the minerals identified appeared to be both strategic and critical to implementing a national energy program, in that the United States is vulnerable to contingencies that might either seriously disrupt supplies or cause sharp increases in price; implementing a national energy program may intensify this vulnerability. However, U.S. import reliance is not synonymous with vulnerability and does not necessarily present a high risk to the U.S. economy or a national energy program. Each mineral may have to be analyzed and evaluated on its own merits before comparative analysis can be performed.

115836

[Request That Previous Decision Be Modified or Overruled]. B-189970. July 15, 1981. 5 pp.

Decision re: Cedar River Watershed Area; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Forest Service; Mountain Tree Farm; Seattle, WA.

Authority: Charles v. United States, 19 Ct. Cl. 316 (1884). Longwell v. United States, 17 Ct. Cl. 288 (1881). B-189970 (1977). B-184924 (1976). 31 U.S.C. 82d.

Abstract: A firm requested that a prior decision regarding timber management practices by the Forest Service be reversed on the grounds that the GAO decision failed to consider relevant evidence, mistakenly evaluated evidence which was considered, and was contrary to law. The firm presented further evidence that was not considered in the prior decision. However, it was not clear from the record that the Forest Service's position was without merit. Consequently, GAO could not conclude that the prior decision was erroneous. Accordingly, the prior decision was not overruled, and the request for reconsideration was denied. GAO did suggest that the firm pursue whatever remedy was available in the courts.

115875

[Agency Procedures for Processing Dredging Permits]. July 22, 1981. 8 pp.

Testimony before the House Committee on Merchant Marine and Fisheries; by Hugh J. Wessinger, Associate Director, Senior Level, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.

Organization Concerned: Department of the Army: Corps of Engineers; Environmental Protection Agency; United States Fish and Wildlife Service; National Oceanic and Atmospheric Administration: National Marine Fisheries Service.

Congressional Relevance: *House* Committee on Merchant Marine and Fisheries.

Abstract: A GAO review identified common delays and problems in the Corps of Engineers' dredging permit program and recommended ways to improve the process. An underlying reason for processing delays is the sharp increase in the number of laws and Federal agencies involved with the dredging permit process. Although current laws emphasize the need to protect valuable resources, they affect timely permit processing. The agencies involved have finalized memorandums of agreement to help reduce commenting time and referral procedures for resolving agency differences. However, the success of these agreements will depend on the spirit of cooperation among the agencies and the ease with which time extensions and referrals are obtained. The Corps also encountered considerable delay during final processing. It is unrealistic to expect a large decrease in permit processing time without a major change in the process. The Corps has taken several steps to increase the timeliness in processing. However, its overall success is difficult to determine. Interagency coordination has been reported as being highly successful among the other agencies involved. Proposed legislation would authorize the Secretary of the Army to decide on dredging material disposal sites for maintenance operations, subject to congressional approval. This would limit the Environmental Protection Agency's (EPA) authority to prohibit disposal of dredged material for environmental reasons. If the Corps determines that the incremental benefits of mitigating conditions do not justify the related cost, the conditions could be omitted from environmental impact statements. These changes could speed navigation improvement projects but reduce consideration of environmental issues. GAO believes that, at a minimum, all major differences between the Corps and EPA should be highlighted in the Secretary's submission to Congress for approval. Under the new legislation, the Corps will be required to complete in 1 year the environmental impact statement work necessary for all projects scheduled in the 5-year program. This will probably not provide time to adequately consider the environmental effects of these projects. The proposed legislation would require agencies to establish memorandums of agreement for interagency review and time periods in which to comment on maintenance projects and navigation improvement projects. GAO endorses these specific timeframes.

115908

Solid Waste Disposal Practices: Open Dumps Not Identified; States Face Funding Problems. CED-81-131; B-203891. July 23, 1981. ***Released*** July 28, 1981. 45 pp.

Report to Rep. Albert Gore, Jr.; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Materials: Interface Issues: Energy, Environment and Worker Health-Safety Factors Affecting Materials Availability (1816).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Pollution Control and Abatement (304.0).
Organization Concerned: Environmental Protection Agency.
Congressional Relevance: *House* Committee on Energy and Commerce: Commerce, Transportation, and Tourism Subcommittee; *House* Committee on Appropriations: HUD-Independent Agencies Subcommittee; *Senate* Committee on Environment and Public Works; *Senate* Committee on Appropriations: HUD-Independent Agencies Subcommittee; *Rep.* Albert Gore, Jr.
Authority: Solid Waste Disposal Act. Resource Conservation and Recovery Act of 1976 (P.L. 94-580). Safe Drinking Water Act (P.L. 93-523).
Abstract: GAO was requested to review the status of State solid waste management plans, the conduct of the open-dump inventory, and the impact of reduced funding on State solid waste activities. ***Findings/Conclusions:*** GAO found that over $47 million was awarded to States from October 1977 to March 1981 to develop State solid waste management plans and to conduct an open-dump inventory. However, plan development has been slow. No State plans have been approved by EPA as of June 1981. The open-dump inventory published by the Environmental Protection Agency (EPA) in late May 1981 is incomplete and is not the management tool intended to apprise Congress and the public of the overall magnitude of solid waste land disposal problems throughout the Nation. Funding for State grants is authorized through fiscal year (FY) 1982; the EPA proposed budget does not provide funding for FY 1982 because EPA expects the States' programs to be self-reliant and self-supporting by then. The States believe that, if additional Federal funding is not provided, their solid waste efforts, including implementing the State solid waste management plans and continuing the open-dump inventory, will be significantly curtailed. EPA has encouraged the States to explore alternative funding sources to finance State programs as Federal financial assistance was gradually being phased out. ***Recommendation To Agencies:*** The Administrator of EPA should provide to all State solid waste management agencies comprehensive reports on those States that the Administrator believes have developed alternative sources of funding to the point that State solid waste management programs are considered self-reliant and self-supporting. Such reports can serve as guides to encourage all States to develop self-reliant and self-supporting solid waste management programs. The Administrator of EPA should encourage the States to submit the names of all disposal facilities not meeting one or more of the EPA criteria for classifying disposal facilities. After receiving the data from the States, the Administrator should publish an inventory of all facilities which do not meet the EPA criteria.

116021
[Transfer of Fort Wadsworth to the Gateway National Recreation Area]. LCD-80-80; B-199127. June 23, 1980. ***Released*** June 25, 1980. 6 pp. plus 5 enclosures (6 pp.).
Report to Rep. John M. Murphy; by Donald J. Horan, (for Richard W. Gutmann, Director), GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Effectiveness of Policies, Procedures and Practices for Identifying/Disposing of Surplus Property (0715); Land Use Planning and Control: Meeting Shortages of Outdoor Recreation (2309).
Contact: Logistics and Communications Division.
Budget Function: National Defense: Defense-Related Activities (054.0).
Organization Concerned: National Park Service: Gateway National Recreation Area, NJ-NY; Department of Defense; Department of the Army: Fort Wadsworth, NY.
Congressional Relevance: *Rep.* John M. Murphy.
Authority: P.L. 92-592. A.R. 710-2. A.R. 755-1. B-165868 (1974).
Abstract: A request was made to review certain aspects of the transfer of Fort Wadsworth to the Department of the Interior's National Park Service. Concern was expressed over the Army's alleged removal of installed fixtures and equipment from the Fort's facilities before the Fort is transferred. This action may be counter to assurances and agreements made by the Army concerning the condition of the property to be transferred. This may result in unnecessary cost to the Government if the Army has no valid use for the equipment removed and unnecessary cost later if the Interior is required to replace the equipment or fixtures removed. In conducting the review, GAO discussed the transfer with Army and National Park Service officials, examined records concerning the type and condition of the property to be transferred, and inspected Fort facilities. ***Findings/Conclusions:*** GAO found that: (1) the Department of the Army has removed certain equipment from the facilities being transferred; (2) the Army said it removed the equipment from Fort Wadsworth in compliance with its regulations; (3) the Army and the Interior had no written agreement on the items to be removed by the Army; and (4) Park Service officials believed some of the items removed could have been used to support the Park Service's plans for the recreation area.

116035
How Interior Should Handle Congressionally Authorized Federal Coal Lease Exchanges. EMD-81-87; B-203872. August 6, 1981. 32 pp. plus 4 appendices (24 pp.).
Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Energy: Management of Leased Federal Lands (1629); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Utah Power and Light Co.; Geological Survey.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.
Authority: Federal Coal Leasing Amendments Act of 1976 (P.L. 95-554; 30 U.S.C. 181 et seq.). Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 et seq.). Mineral Leasing Act of 1920.
Abstract: GAO examined the experience of the Department of the Interior in handling a proposed exchange of Federal coal lands involving the Utah Power and Light Company, an exchange authorized by Congress in October 1978. ***Findings/Conclusions:*** GAO found an unanswered question as to whether the company had a valid right to be issued leases, thus whether an exchange was even appropriate. The prior administration entered into an exchange agreement with the company and began its evaluation on the basis that this question did not need to be addressed because Congress authorized the exchange. However, Congress clearly expressed its intent that before granting a noncompetitive lease, the requirements of the Mineral Leasing Act of 1920 be met. Secondly, there was a lack of data to make a realistic estimate of the coal reserves on the preference right lands, thus making it impossible to make a valid equal value determination, as required by legislation authorizing the exchange. Finally, consummation of the proposed exchange would have resulted in leasing noncompetitively a prospectively highly competitive tract. In addition, serious management weaknesses were noted which include: (1) the Interior tended to overlook technical problems and disregard normal

operating procedures; (2) Interior officials did not involve U.S. Geological Survey (USGS) technical people in planning the technical requirements for making an equal value determination; (3) because coal data were inadequate and transportation and marketing assumptions were of questionable validity, the method used was inappropriate; (4) USGS present coal reserve evaluation standards were not adequate for evaluating complex coal deposits; and (5) USGS unnecessarily spent $800,000 and may spend about $640,000 more this year for drilling exchange lands. ***Recommendation To Agencies:*** The Secretary of the Interior should direct USGS to develop explicit procedures under which the land exchange applicants could, and should, drill possible exchange tracts, thereby saving Federal expenditures and freeing the USGS limited resources to satisfy other higher priority drilling requirements. The Secretary of the Interior should direct USGS to revise USGS Bulletin 1450-B or establish separate guidelines to clarify guidance on how reserve estimates are to be made for lease sale purposes, particularly in instances where coal deposits reside in complex geologic formations. The Secretary of the Interior should direct USGS to establish definitive criteria for determining when the discounted cash flow economic evaluation method is appropriate for use in exchange evaluations. The Secretary of the Interior should direct USGS to set standards for the minimum level of data that are needed to evaluate a proposed exchange and not allow the exchange where that level of data is not available.

116052

[Comments on Interior's Surface Mining Regulations]. CED-81-145; B-203769. August 5, 1981. 5 pp. plus 2 enclosures (13 pp.).
Report to James G. Watt, Secretary, Department of the Interior; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314); Land Use Planning and Control: Non-Line-of-Effort Assignments (2351).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement.
Authority: Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87).
Abstract: GAO has been reviewing the Office of Surface Mining Reclamation and Enforcement (OSM) regulations implementing the Surface Mining Control and Reclamation Act of 1977. ***Findings/Conclusions:*** GAO identified several issues which OSM should consider while it is revising its regulations. OSM needs to review its support for its revised blasting regulations concerning the use of explosives. Also, a legislative change may be needed to clarify the Act's blast damage provision, which does not allow any building structure damage off the mine permit area. OSM needs to emphasize alternatives to bonding while revising its regulations to help small mine operators. Legislative changes may be needed to preserve prime farmlands by limiting the grandfather clause and land-use options. OSM design standards do not adequately address the differing climatological, geological, and topographical conditions of each coal mining area and thereby limit State and coal mine operator flexibility in controlling sediment. The State regulatory authority could be allowed to decide, on a site-by-site basis, the best method of controlling sediment. A legislative change is needed to allow a site-by-site analysis to prevent acid water drainage. As excess spoil standards seem excessive, alternative methods of spoil material disposal should be considered. OSM needs to be cognizant of regulatory redundancy to prevent unnecessary regulation of mine access roads. The Department of the Interior should also consider whether OSM and the States have the monitoring, inspection, and enforcement resources to ensure compliance with the Act and OSM regulations. The environment could be severely damaged by inadequate enforcement and coal operators put out of business by excessive regulation.

116060

[Request for Decision Involving Statutory Authority To Provide Services]. B-198459. August 11, 1981. 6 pp.
Decision re: Bureau of Land Management; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: Bureau of Land Management; Department of the Interior: Office of the Solicitor, Portland, OR.
Authority: Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2210). 24 Comp. Gen. 599. 49 Comp. Gen. 284. 38 Comp. Gen. 33. 41 Comp. Gen. 529. 55 Comp. Gen. 1437. 34 Comp. Gen. 195. 45 Comp. Gen. 1. S. Rept. 94-583. Mayo v. United States, 319 U.S. 441 (1943). B-153911 (1968). B-105602 (1951). B-149803 (1972). 43 U.S.C. 1469. 43 U.S.C. 1738. 31 U.S.C. 1601. 42 U.S.C. 1856.
Abstract: The Director of the Bureau of Land Management (BLM) requested a GAO opinion on whether BLM may legally contract with individual Rural Fire Districts in Oregon and Washington to secure fire protection and firefighting services for Federal lands situated within the Districts' boundaries. The lands in question are extensive tracts of timber, and the Rural Fire Districts affected are legally required to protect these large, sparsely populated areas. The Department of Interior Regional Solicitor's Office in Portland analyzed the legal precedence of such contracts and concluded that contracts with Rural Fire Departments in those States were improper. GAO determined that there is no specific statutory authority for contracts for fire services and that they are not authorized where a non-Federal governmental entity such as a Rural Fire District is legally obligated under State or local law to provide fire service without compensation. Where no antecedent obligation exists, however, contracts may be executed. Mutual aid agreements are statutorily authorized in all jurisdictions as are actual cost reimbursements for losses incurred in fire suppression activities on Federal lands.

116070

Proposed Changes to the Payment in Lieu of Taxes Program Can Save Millions. PAD-81-82; B-167553. July 10, 1981. ***Released*** July 28, 1981. 16 pp. plus 4 appendices (5 pp.).
Report to Rep. James H. Weaver; by Milton J. Socolar, Acting Comptroller General.
Refer to PAD-79-64, September 25, 1979, Accession Number 110906.

Issue Area: Program and Budget Information for Congressional Use: Improvements To Better Coordinate Federal, State, and Local Budget Processes (3408).
Contact: Program Analysis Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *Rep.* James H. Weaver.
Authority: P.L. 94-565.
Abstract: Pursuant to a congressional request, GAO analyzed the budgeting impact of four proposals amending the Payment in Lieu of Taxes Program (PILT). The four proposals would: (1) set a maximum payment to each county of $500,000; (2) deduct from a State's PILT payment all Federal payments made under acts listed in the PILT law; (3) amend the section governing deductions to include payments generated from Federal lands under the acts and

have all other Federal payments deducted from PILT payments; and (4) substitute a $.10 per acre payment, as an alternative payment method for PILT payments. ***Findings/Conclusions:*** GAO analysis of the proposals disclosed that each, if implemented, would result in substantial Government-wide savings. However, GAO analysis also indicated that the proposals do not provide payments based on true tax equivalency, as the law intended. GAO advocated that a decision be made as to whether the programs should be tax equivalency programs or amended to delete the tax equivalency implications. As long as the basic purpose of the land payment programs is expressed in terms of tax equivalency, GAO continues to believe that the recommendations included in its September 1979 report are valid and should be implemented.

116098

Continuation of the Resource Conservation and Development Program Raises Questions. CED-81-120; B-203482. August 11, 1981. ***Released*** August 14, 1981. 28 pp. plus 5 appendices (10 pp.).
Report to Sen. Mark O. Hatfield, Chairman, Senate Committee on Appropriations; Rep. Jamie L. Whitten, Chairman, House Committee on Appropriations; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Soil Conservation Service.
Congressional Relevance: *House* Committee on Appropriations; *House* Committee on Agriculture: Conservation, Credit, and Rural Development Subcommittee; *House* Committee on Appropriations: Agriculture, Rural Development, and Related Agencies Subcommittee; *Senate* Committee on Appropriations; *Senate* Committee on Agriculture, Nutrition, and Forestry: Soil and Water Conservation Subcommittee; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee; *Rep.* Jamie L. Whitten; *Sen.* Mark O. Hatfield.
Authority: Bankhead-Jones Act (Farm Tenant) (7 U.S.C. 1010; 7 U.S.C. 1011; 50 Stat. 525). Soil Conservation and Domestic Allotment Act (16 U.S.C. 590a et seq.; 49 Stat. 163).
Abstract: GAO reviewed the Department of Agriculture's Resource Conservation and Development (RC&D) program and the administrative and legislative changes needed to improve the control and operation of the program. ***Findings/Conclusions:*** GAO was unable to develop a clear picture or measure of overall benefits under the program because program accomplishments are not clearly distinguishable at either the project or measure level. The principal problems involved lack of useful data, the intangible nature of some benefits, and varying or unknown degrees of project involvement. GAO was able to obtain cost information on the program overall and on each project but not on individual project measures. Pertinent technical assistance costs were not shown for individual measures. The omission of technical assistance costs in reporting completed measures seriously limited any attempt to evaluate the program's benefits in relation to its costs. Funds appropriated for cost sharing with local sponsors under the program have been used to finance many measures for which other Federal programs have been established. Once projects are authorized, they remain on the rolls indefinitely. Federally assisted sub-State planning organizations have the potential to become an alternative delivery system for activities carried out under the program because they perform many of the same functions. Some projects' area plans which specify goals, objectives, and measures to be undertaken have not been updated as required by program procedures. ***Recommendation To Congress:*** If Congress decides to continue the RC&D program, it should legislatively direct the Secretary of Agriculture to establish several pilot projects where sub-State organizations would assume the functions of RC&D projects. Upon completion of such tests, the Secretary should be required to provide Congress an evaluation of the test results with such recommendations as may be indicated for transferring additional RC&D project functions to sub-State organizations or the reasons for retaining the functions within the existing RC&D program structure. If Congress decides to continue the RC&D program, it should legislatively require the Secretary of Agriculture to establish procedures for periodically reviewing project operations and deauthorizing projects which are no longer active or have developed the capabilities necessary to continue operating without Federal involvement. If Congress decides to continue the RC&D program, it should legislatively discontinue the use of program funds for installing project measures currently authorized for financing under cost sharing arrangements. ***Recommendation To Agencies:*** The Secretary of Agriculture should require the Soil Conservation Service to develop and incorporate an approved evaluation procedure into the program's management process. The Secretary of Agriculture should require the Soil Conservation Service to monitor the program more closely to assure that the projects' area plans are up to date and reflect any changed conditions in project circumstances. The Secretary of Agriculture should require the Soil Conservation Service to improve its program information system to provide data which would permit better assessment of project benefits. The Secretary of Agriculture should require the Soil Conservation Service to account for and identify the costs of providing technical assistance for each project measure.

116150

The Case for Regional Planning in Energy-Rich States. 1981. 5 pp. by Charles L. Vehorn, Economist, GAO Program Analysis Division, Danny R. Burton, GAO Field Operations Division: Regional Office (Dallas).
In the GAO Review, Vol. 16, Issue 3, Summer 1981, pp. 34-38. This article is based on PAD-81-09, December 10, 1980, Accession Number 113959.

Contact: Program Analysis Division.
Abstract: Planning can buttress market processes if it provides accurate information to economic decisionmakers. GAO has studied the extent of long-term planning in the currently prosperous Southwest region of Texas, Oklahoma, and Louisiana which has relied on the oil and gas industry as a major stimulus for economic growth. Both production and proven reserves of these nonrenewable resources are declining. The Southwest region should plan now for its future economic well-being because both public and private sectors have become dependent on the oil and gas industry. The Federal Government can help promote economic stability in the region by encouraging planning efforts and by removing unwarranted regulations that create production disincentives. The oil and gas industry generates a relatively large share of public sector revenues in severance taxes, rents, and royalties. Public officials in each of the three States are ambivalent about long-term diversification planning. State programs encourage short- rather than long-term planning. Both the executive and legislative branches of the Federal Government should actively encourage long-range planning efforts. Already established Federal programs can revise their focuses to include support of long-term planning. Congress can ensure that the broad issue of balanced regional economic growth receives sufficient attention.

116171

Simplifying the Federal Coal Management Program. EMD-81-109; B-169124. August 20, 1981. 5 pp. plus 1 appendix (23 pp.).

Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629); Environmental Protection Programs: Effectiveness of Institutional Arrangements for Implementing Environmental Laws and for Considering Tradeoffs With Other National Priorities (2216); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior.
Authority: Federal Coal Leasing Amendments Act of 1976.
Abstract: GAO reviewed the Department of the Interior's regulations for the management of existing Federal coal leases and preference right lease applications (PRLA's). The objective was to identify regulatory modifications that could simplify and ultimately enhance the timely and orderly development of coal on existing coal leases and PRLA's. The subjects of principal concern to GAO were: (1) the difficulties in implementing requirements for maximum economic recovery (MER); (2) the regulatory requirements for diligent development; (3) the designation of leases as logical mining units (LMU's); (4) duplication of effort in environmental review of coal mine plans; and (5) the lack of data needed to meet regulatory requirements for processing PRLA's. ***Findings/Conclusions:*** GAO found that: (1) the existing and proposed regulations on MER were unnecessarily burdensome and almost impossible to administer; (2) the lack of flexibility in regulations directed at achieving more diligent development of existing Federal coal leases could be adversely affecting certain leases; (3) many of the leases designated as LMU's do not qualify as such, and the Interior's authority for making these designations is questionable; (4) in some instances, the mine plan review process was being reviewed by more than one organization, resulting in duplicate documents; and (5) the processing of many leases could be expedited by waiving certain regulations that were not in effect at the time the lease applications were submitted. ***Recommendation To Agencies:*** The Secretary of the Interior should consider incorporating in Interior regulations provisions providing for relaxation of the diligence requirements when market conditions or other factors beyond the lessees' control make strict compliance with existing diligence requirements impractical. The Secretary of the Interior should redefine MER and examine the implementing regulations with a view toward keeping the regulations and their administration as simple as possible. The Secretary of the Interior should revise the PRLA regulations to eliminate the inherent conflicts and to provide for a more expeditious means of administering and disposing of the outstanding PRLA's. The Secretary of the Interior should consider, in the analysis of coal leasing regulations, possible ways of eliminating costly and time-consuming duplication in the environmental review process. The Secretary of the Interior should direct that existing leases be formed into LMU's based on definitive criteria that considers owner's consent, tract size, and geology, rather than on arbitrary and universal criteria.

116235
National Direction Required for Effective Management of America's Fish and Wildlife. CED-81-107; B-196756. August 24, 1981. 63 pp. plus 5 appendices (30 pp.).
Report to James G. Watt, Secretary, Department of the Interior; John R. Block, Secretary, Department of Agriculture; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Environmental Protection Programs: Non-Line-of-Effort Assignments (2251); Land Use Planning and Control: Management of Federal Lands (2306); Water and Water Related Programs: Non-Line-of-Effort Assignments (2551).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: Department of Agriculture; Department of the Interior; United States Fish and Wildlife Service; Bureau of Land Management; Forest Service; National Park Service; Department of the Interior: Office of the Assistant Secretary for Fish and Wildlife and Parks.
Congressional Relevance: *House* Committee on Appropriations; *Senate* Committee on Appropriations.
Authority: Animal Damage Control Act of 1931 (7 U.S.C. 426 et seq.; 16 U.S.C. 703 et seq.; 16 U.S.C. 528 et seq.; 43 U.S.C. 1701 et seq.; 43 U.S.C. 1601 et seq.). Fish and Wildlife Coordination Act (16 U.S.C. 661 et seq.). Environmental Policy Act of 1969 (National) (42 U.S.C. 4321 et seq.). Water Pollution Control Act (33 U.S.C. 1251 et seq.). Estuarine Act (16 U.S.C. 1221 et seq.). Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.). Marine Mammal Protection Act of 1972 (16 U.S.C. 1361 et seq.). Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.). Alaska National Interest Lands Conservation Act of 1980 (P.L. 96-487; 16 U.S.C. 3101 et seq.; 94 Stat. 2371). Migratory Bird Treaty Act. Wildlife Refuge System Administration Act. White Act (Alaska Fisheries). Multiple-Use Sustained-Yield Act of 1960. Land Policy and Management Act. Alaska Native Claims Settlement Act. Surface Mining Control and Reclamation Act of 1977.

Abstract: GAO conducted a review of specific Federal fish and wildlife programs to evaluate the overall effectiveness of Federal agencies' management of fish and wildlife resources and habitat to assure that development activities have the least possible adverse effect on fish and wildlife. ***Findings/Conclusions:*** Several laws require Federal agencies to seek the advice of the Fish and Wildlife Service on planned activities that may affect fish and wildlife. However, the Service is able to respond to only about half of these requests because of a lack of staff and funds. The Service has not established a priority system to identify and respond to those projects having the worst potential impact on fish and wildlife. Effective management of the National Wildlife Refuge System has been limited because the Service has not provided the needed guidance. The Service is also having problems managing the National Fish Hatchery System. It has not been able to establish and carry out national priorities for identifying which fish species to produce and which hatcheries to operate. Lack of direction and funding limitations contribute to this problem. For example, the National Wildlife Refuge and Fish Hatchery Systems have deteriorated to the point where there is a $650 million new development and rehabilitation backlog. The Service's current policy and attitudes stress conservation and protection of fish and wildlife, and this conflicts with the Animal Damage Control Act's original intent of predator control. The current program has not significantly reduced livestock losses caused by predators. Livestock insurance as an alternative was considered but was not feasible. Thus, managing the newly designated Alaskan Federal lands presents a challenge between conservation and development interests. ***Recommendation To Agencies:*** The Secretaries of Agriculture and the Interior should enter into a cooperative agreement which will give the Fish and Wildlife Service the authority to decide how animals should be managed by other agencies in those instances where wildlife species migrate across the boundaries and are being managed by more than one Federal agency. Such an agreement should also include the States where appropriate. The Secretaries of Agriculture and the Interior should direct the Bureau of Land Management, the National Park Service, and the Forest Service to give greater emphasis to conserving and managing fish and wildlife. Should the Animal Damage Control Program remain in Interior, the Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to determine whether the control program should: (1) be continued as is, or be modified to increase effectiveness; and (2) more fully explore alternatives such as livestock insurance to

determine if they are viable. Should the Animal Damage Control Program remain in Interior, the Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to develop and propose to Congress amendments to the Animal Damage Control Act of 1931 that reflect the current objectives of the Animal Damage Control Program to bring predators under control, rather than to eradicate, suppress, and destroy them. The Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to review the condition of refuges and hatcheries and establish priorities for a rehabilitation program. The Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to determine which marginal refuges and hatcheries could be eliminated, propose a plan to the Senate and House Appropriations Committees setting forth the reasons why they should be discontinued, and seek approval from the Committees to close them. The Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to establish priorities on the types of refuges and hatcheries that should be developed, operated, and maintained. The Secretary of the Interior should direct the Assistant Secretary for Fish and Wildlife and Parks to update the Fish and Wildlife Service's Wildlife Refuge Manual and flyway management plans. The Secretary of the Interior should establish policies, objectives, and guidance for an effective fish and wildlife research program. As part of this effort, the Secretary should consolidate the Fish and Wildlife Service's two research programs into one organizational unit. The Secretary of the Interior should review the Fish and Wildlife Service's operations to determine whether its new priority system is effective in identifying those projects that have the greatest potential adverse impact on fish and wildlife.

116437

[Improvements in Department of the Interior Leasing of Potential Aluminum Resources Are Necessary for More Timely Decisionmaking]. EMD-81-135; B-204461. September 10, 1981. ***Released*** September 24, 1981. 7 pp. plus 1 enclosure (2 pp.).

Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

An update of an earlier report, EMD-81-53, June 5, 1981, Accession Number 115425.

Issue Area: Materials: Materials Resource Base (1815).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior; Bureau of Land Management; Geological Survey; Earth Science Research, Inc.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Rep.* James D. Santini.
Authority: Mineral Lands Leasing Act. 43 C.F.R. 3500.
Abstract: GAO was asked to address impediments in leasing the nonfuel mineral alunite on Federal lands. Development of alunite would produce both potash, a fertilizer, and alumina, the raw material for aluminum, a strategic material. The purpose of the review was to determine how the Department of the Interior's decentralized mineral management decisionmaking process affects the exploration and development of a nonfuel mineral. Therefore, GAO reviewed, in selected western states, all potash prospecting permit and preference right lease applications potentially affecting the exploration and development of alunite. ***Findings/Conclusions:*** In its review, GAO found that excessive and unnecessary delays in processing alunite prospecting permit and preference right lease applications in several western states have frustrated the development of alunite. Since the exploration and development of such leasable nonfuel minerals as alunite cannot occur without Government approval, permitting delays without formulating alternative means of allowing exploration and development has resulted in little or no activity. However, not all delays have been attributable to Government indecision. In some cases, permittees have not aggressively pursued or reacted diligently to leasing requirements for economic, budgetary, or other internal reasons. Additionally, GAO found that the Bureau of Land Management's (BLM) decentralized, autonomous minerals management structure allows resource managers to administer the leasing system without consistent review of potential long-range impacts on the Nation's economy or self-sufficiency. Although BLM has initiated corrective measures to its nonfuel mineral leasing policy, the corrective measures do not address the larger question of cumulative evaluation since they are limited to BLM, nor do they affect an entire resource or industry. GAO believes, however, that neither lack of Government responsiveness nor insufficient permittee diligence should tie up disposition of valuable resources indefinitely, as appears to have been the case with alunite.

116487

Corps of Engineers' Acquisition of Fish Hatchery Proves Costly. CED-81-109; B-202666. September 18, 1981. ***Released*** October 1, 1981. 25 pp. plus 10 appendices (71 pp.).

Report to Rep. James J. Howard, Chairman, House Committee on Public Works and Transportation; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Land Use Planning and Control: Federal Land Acquisition, Disposal, and Exchange Laws, Policies, and Procedures (2357).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of the Army; Department of the Army: Corps of Engineers; Crystal Springs Ranch Fish Hatchery.
Congressional Relevance: *House* Committee on Public Works and Transportation; *Rep.* James J. Howard.
Authority: Fish and Wildlife Coordination Act (P.L. 85-624).
Abstract: GAO reviewed the Corps of Engineers' purchase of the Crystal Springs Ranch fish hatchery in connection with the loss of steelhead trout due to dam construction on the lower Snake River. GAO reviewed the appraised value of the hatchery and whether the Corps should have considered contracting with private hatcheries to raise some of the fish. ***Findings/Conclusions:*** GAO believes that the method used by the Corps to determine the value of the fish hatchery was deficient and that a more realistic value would have been approximately $2 million less, especially when conversion costs are considered. For example, another trout farm sold in the area for about half of Crystal Springs' selling price. This sale included more water, more land, a processing plant, a feed mill, and other assets not included in the Crystal Springs sale. The production capability on which the facility's value was based was not adequately supported. Thus, the Corps should not have relied on the appraisal because it contained many technical inaccuracies. GAO also believes that the rate of return on the investment in the hatchery was understated. Because of the controversy surrounding the purchase price, the Corps should have had a second appraisal made and should have required that a technical evaluation of production capability be made as part of the appraisal process. Commercial hatcheries could raise trout at substantial savings to the Government, but the Corps would need authority to contract with commercial fish hatcheries to supply the fish in the Lower Snake River. The Corps also has some reservation about the commercial hatcheries' ability to provide a continuous, long-term supply of healthy fish in a timely fashion. ***Recommendation To Agencies:*** If it is feasible for commercial hatcheries to supply steelhead trout, the Secretary of the Army should direct the Chief of the Corps of Engineers to promptly develop and submit to Congress proposed

legislation which would authorize the Corps to contract with commercial fish hatcheries in the Lower Snake River area for steelhead trout. The Secretary of the Army should direct the Chief of the Corps of Engineers to determine the cost effectiveness and capability of commercial hatcheries in the Lower Snake River area to raise steelhead trout comparable in quality to those raised in Federal and State hatcheries. As part of its determination process, the Corps may want to have commercial hatcheries demonstrate their capability to raise steelhead trout. In future fish hatchery acquisitions where comparable sales are lacking, the Secretary of the Army should direct the Chief of the Corps of Engineers to require appraisers to obtain a technical evaluation to accurately determine the production capability of the facility, more information to support the capitalization rate and, if possible, accurate production records.

116572

Federal Land Acquisition and Management Practices. CED-81-135; B-203886. September 11, 1981. ***Released*** September 21, 1981. 12 pp. plus 9 appendices (75 pp.).

Report to Sen. Ted Stevens; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; National Park Service; Department of Agriculture; United States Fish and Wildlife Service.

Congressional Relevance: *Sen.* Ted Stevens.

Authority: Declaration of Taking Act (Eminent Domain) (40 U.S.C. 258a). Land and Water Conservation Fund Act of 1965. P.L. 91-479. P.L. 95-625. P.L. 95-290. P.L. 95-344. P.L. 90-544. P.L. 88-587. P.L. 90-209. 92 Stat. 290. 92 Stat. 3534. 92 Stat. 3051. 92 Stat. 474.

Abstract: Pursuant to a congressional request, GAO addressed the following specific areas: (1) what a study of the land management and acquisition practices of the National Park Service at a few selected sites which are representative of different types of Federal lands would show; (2) what the interrelationships of the National Park Service and Fish and Wildlife Service with the nonprofit organizations' increased role in the acquisition of lands are; (3) whether Federal land acquisition through donation directly to the Government would cost the public more than donations through nonprofit organizations; and (4) whether the National Park Service's purchase of 195,000 acres of land shown by Park Service records as being acquired outside park boundaries was in compliance with the laws and intent of Congress and whether there was any relationship of this acquisition to boundary alterations by the Secretary of the Interior. Additionally, GAO reviewed authorizing legislation for 11 of the 323 areas in the Park Service's system. ***Findings/Conclusions:*** In 1979, the Park Service revised its land acquisition policy to give greater consideration to protecting areas through the use of easements, zoning, and cooperative agreements with State and local governments. An analysis of plans from 33 park areas showed that 21 plans discussed alternate land protection methods and that 13 did not address or adequately justify the reasons for fee simple acquisition of property. Land acquisition officers in six areas stated that the policy has had no effect on their land acquisition programs. While nonprofit organizations play a unique and significant role in land acquisition, Federal agencies have no written policies or procedures to guide them as to when it is appropriate to use a nonprofit organization, what the working relationship should be between the agencies and the organizations, or what the proper amount of compensation for purchasing the land should be. These organizations use the tax laws and their nonprofit status to acquire land at a savings to the Government by successfully obtaining donations and bargain sales. However, these savings are not as great if the tax revenue lost as a result of the charitable deduction and capital gains reduction is considered part of the total cost to the Government. GAO determined that about 6,000 acres of Park Service land were outside the boundaries but that the Park Service records are inadequate and incomplete. It did not appear that land outside park area boundaries was acquired contrary to the authorizing legislation or the intent of Congress. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the Director of the National Park Service to promptly dispose of all unneeded land outside authorized boundaries to the General Services Administration. The Secretaries of Agriculture and the Interior should jointly establish policies and guidelines on the use of nonprofit organizations in acquiring land. The policy should provide guidance to the agencies on when to use nonprofit organizations, what the working relationship should be between Federal agencies and these organizations, and what unique land acquisition procedures might be appropriate. The Secretary of the Interior should direct the Director of the National Park Service to accurately determine how much land, especially for Badlands National Park, the Park Service has currently outside its parks' boundaries. The Secretary of the Interior should direct the Director of the National Park Service to reevaluate all units currently being used for employees' housing and discontinue all housing rentals not in accordance with Interior's Departmental Handbook. The Secretary of the Interior should direct the Director of the National Park Service to leave pastoral and historic settings in private ownership, as intended by Congress, for specific areas by using easements or other methods. The Secretary of the Interior should direct the Director of the National Park Service to determine for each area in the National Park System which properties are compatible with the purposes of the area and not subject to acquisition and include this information in land acquisition plans. The Secretary of the Interior should direct the Director of the National Park Service to develop specific criteria to be used in determining which properties should be purchased because of economic hardships to landowners or acquired in fee simple because of the high cost of easements. The Secretary of the Interior should direct the Director of the National Park Service to require park superintendents to more aggressively use alternatives to fee simple acquisition, such as zoning and easements to protect areas.

116574

Special Estate Tax Provisions for Farmers Should Be Simplified To Achieve Fair Distribution of Benefits. PAD-81-68; B-204175. September 30, 1981. 55 pp. plus 4 appendices (34 pp.).

Report to Sen. Robert J. Dole, Chairman, Senate Committee on Finance; Rep. Daniel Rostenkowski, Chairman, House Committee on Ways and Means; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Economic Analysis of Alternative Program Approaches: New or More Efficient Sources of Revenue for the Federal Government (4056).

Contact: Program Analysis Division.

Budget Function: Agriculture (350.0); General Government: Tax Administration (803.1).

Congressional Relevance: *House* Committee on Ways and Means; *Senate* Committee on Finance; Congress; *Rep.* Daniel Rostenkowski; *Sen.* Robert J. Dole.

Authority: Tax Reform Act of 1976 (P.L. 94-455). Internal Revenue Code (IRC). Economic Recovery Tax Act of 1981.

Abstract: GAO examined two provisions added to the Federal estate tax law by the Tax Reform Act of 1976 to help farm families retain farmland after the death of the owner. The provisions are,

specifically, special use valuation and deferred and installment payment. The purpose of the review was to determine whether the provisions have been effective in promoting the stated congressional objective of reducing the number of family farms sold to pay estate taxes. The evaluation was conducted prior to enactment of the Economic Recovery Tax Act (ERTA) of 1981. ***Findings/Conclusions:*** GAO found that, while the provisions have reduced tax burdens on farm estates, they have not helped to halt the decline of family farming. Estate taxes appear to have little to do with decisions to sell family farms; GAO found no case in which estate taxes had prompted the sale of a farm. GAO concluded that: special use valuation is difficult to administer and comply with; its complexity has tended to restrict its use to wealthy estates; farm estates with substantial value in equipment and buildings benefit less than estates with land composing a greater share of the estates' value; and farmers in different regions of the country are not equally able to take advantage of it. The use of the tax deferral provision does have merit, however, and its use would greatly simplify the assistance given to farm estates that incur an estate tax liability. However, ERTA lessens the need for the two special provision in the 1976 Act by allowing larger amounts to be left at death without incurring additional taxes. ***Recommendation To Congress:*** Congress should adjust the length of the postponement of payment or the interest rate that a farmer is charged. Congress should simplify section 2032A and its administration by substituting a simple exclusion of a fixed fraction of the farm estate. Congress should replace special use valuation with a simpler alternative.

116651

Mining on National Park Service Lands--What Is at Stake? EMD-81-119; B-202398. September 24, 1981. 42 pp. plus 4 appendices (8 pp.).

Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Refer to EMD-81-119S, December 14, 1981, Accession Number 117097.

Issue Area: Materials: Materials Resource Base (1815).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; National Park Service; Bureau of Land Management; Bureau of Mines; Geological Survey; National Park Service: Death Valley National Monument; National Park Service: Glacier Bay National Monument.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Energy and Commerce; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* James D. Santini.

Authority: Mining in the Parks Act (P.L. 94-429). National Materials and Minerals Policy, Research and Development Act of 1980. Land Policy and Management Act. Mining and Minerals Policy Act of 1970. Defense Production Act of 1950. Strategic and Critical Materials Stock Piling Act.

Abstract: The Mining in the Parks Act prohibited further mineral exploration in six National Park Service (NPS) areas and placed environmental restrictions on development of existing mining claims in these areas. The Act also required the Secretary of the Interior to submit to Congress studies of the environmental consequences of mining in these areas accompanied by estimated acquisition costs of mining claims. GAO reviewed the adequacy of the reports submitted and looked at the NPS management of present mining operations in the park areas and the Department of Interior's analysis of the mineral policy implications of the Act. ***Findings/Conclusions:*** GAO found that Interior's reports do not provide Congress with the information that it needs to weigh the environmental effects of mining against the cost of acquiring claims in the NPS areas. The environmental reports on mining in Death Valley and Glacier Bay National Monuments are so vague that they are of little use for determining the possible environmental impacts of mining in these areas. They contain little or no discussions of the steps that could be taken to minimize adverse impacts and thereby lessen the need to acquire certain mining claims. Additionally, the acquisition cost estimates submitted to Congress to purchase certain mining claims were not supported by sufficient documentation and were unreliable and misleading. As a result, much disagreement exists as to the worth of the mining claims recommended for acquisition. Further, GAO found that Interior did not perform a thorough analysis of the need and costs of acquiring mineral properties in Death Valley and Glacier Bay National Monuments. GAO believes that the recommendations based on the environmental data submitted to Congress by Interior for the acquisition of the properties could result in court awards substantially in excess of Interior's acquisition cost estimates. In addition, GAO found that Interior has not adequately analyzed the mineral policy implications of the Act. Therefore, the potential long-term effects on mineral resources remains unanswered. ***Recommendation To Congress:*** Congress should base no decision on the Secretary of the Interior's recommendations submitted in 1979 to acquire mineral properties in Death Valley and Glacier Bay National Monuments. Before taking any action, Congress should await new recommendations by the Secretary based on more adequate analysis. Congress should consider the need for the Federal Government to acquire additional information regarding the mineral potential of the Death Valley National Monument area. This information could be used for any future land use decision regarding the monument. In order to better understand the economic consequences of limiting mineral production in the monument area, Congress should consider returning the supply and marketing studies concerning borate and talc minerals developed by Interior for revision and updating. ***Recommendation To Agencies:*** The Secretary of the Interior should consider the need to consolidate all of the Interior mineral management functions under a single Assistant Secretary. The Secretary of the Interior should remove the mineral management functions, including the mineral examination function, from the National Park Service. The Secretary of the Interior should amend sections 9.9 and 9.10 of the regulations for mining on National Park Service lands to include an economic evaluation of the changes required for mining plan approval. The Secretary of the Interior should insure that any future recommendations to Congress to acquire mineral properties on National Park Service lands be made only after determining what is at stake for all aspects of the public interest. Any recommendations should be based on site-specific analysis, acquisition cost estimates based on the best information available, and mineral supply and marketing analyses. This information should be developed in coordination with other pertinent Interior agencies such as the Bureau of Land Management, Bureau of Mines, and the U.S. Geological Survey to insure a consistent Department policy position. In addition, a description of the methodologies and supporting data used to develop the information and any limitations on the use of that information should accompany the recommendations. The Secretary of the Interior should reexamine the need to acquire any mining claims in Death Valley and Glacier Bay National Monuments based on the progress to date in regulating mining activities to prevent adverse environmental effects and submit new recommendations to Congress. The Secretary of the Interior should notify Congress that Interior no longer supports the recommendations made in 1979 to Congress to acquire certain valid unpatented and patented mining claims in Death Valley and Glacier Bay National Monuments.

116678

[Views on the Proposed Bill for Forestland Vegetation Management]. B-203506. October 19, 1981. 2 pp.

Letter to Rep. James H. Weaver, Chairman, House Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; by Charles A. Bowsher, Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Bureau of Land Management; Forest Service.

Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *Rep.* James H. Weaver.

Authority: H.R. 2900 (97th Cong.).

Abstract: GAO was requested to comment on a proposed bill for forestland vegetation management. The bill would promote forestry employment and the safe use of herbicides on public forest lands managed by the Forest Service and the Bureau of Land Management. The comments were based on a review of the Forest Service's and Bureau's use of herbicides in their vegetation management programs and a prior GAO report. In the review, GAO concentrated on the agencies' vegetation management activities at two forest management stages: site preparation and release. It is at these stages in managing a forest that herbicides are generally used. The bill would require the Forest Service and the Bureau to institute stricter guidelines on the use of herbicides in their vegetation management programs and, as GAO recommended in the report, would require them to obtain better information before deciding on treatment and the method of treatment. The bill requires site-specific determination of the need for vegetation management programs. However, information gaps exist on both the cost and the relative effectiveness of various options available to carry out site preparation and release work. A particular concern is that, in those forests and districts relying heavily on herbicides, the decisionmakers do not have adequate empirical data on the nonherbicide alternatives, thereby making meaningful comparative analyses difficult or impossible. Because this bill represented proposed new legislation rather than an amendment of existing legislation, GAO suggested that sections be added authorizing the issuance of regulations and rules necessary to implement its provisions.

116696

[Management of Federal Energy and Mineral Resources]. October 20, 1981. 13 pp.

Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Douglas L. McCullough, Deputy Director, GAO Energy and Minerals Division.

Refer to: ID-80-04, October 31, 1979, Accession Number 110742; EMD-79-69, May 25, 1979, Accession Number 109517; EMD-80-60, March 14, 1980, Accession Number 111848; EMD-81-40, February 11, 1981, Accession Number 114323; EMD-81-104, June 25, 1981, Accession Number 115818.

Contact: Energy and Minerals Division.

Organization Concerned: Department of the Interior; Bureau of Land Management; National Park Service.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee.

Authority: P.L. 94-429. H.R. 3364 (97th Cong.).

Abstract: GAO presented its findings and discussed steps that it believes the Department of the Interior should take to improve the management of Federal energy and mineral resources. The past and potential future contribution of federally controlled energy and mineral resources is generally unquestioned. What is being questioned is where, when, and how exploration and development should occur in the future. Also being questioned is how these decisions should be made. This decisionmaking process was the focus of the GAO work. GAO found that the minerals management at Interior was unorganized and uncoordinated. Decisions affecting exploration and development of energy and mineral resources are made ad hoc and without reference to larger strategies for affected commodities or markets. Minerals management functions at Interior are split among a number of offices, and it is not always clear what each office's responsibilities are for these resources. GAO believes that the overriding deficiency is the lack of a department-level plan with the objectives to guide mineral managers and to establish standards of accountability for Federal resource managers whose decisions affect resource uses. GAO recommended that Interior develop a front-end planning document which could guide management decisions by: (1) identifying major issues and processes which must be addressed, (2) establishing objectives in addressing those issues and processes, (3) determining specific strategies for achieving those objectives, and (4) assisting in allocating resources needed to implement the plan. For minerals management, such a program plan would provide problem definition and objectives establishment as preliminary steps to initiating actions. It would also systematically identify the need for both administrative and legislative initiatives to correct problems. Most importantly, it would funnel the minerals management guidance from the Secretary all the way down to the lowest ranking resource manager and thus affect resource decisions to reach the goals and objectives set out by the Secretary. GAO concluded that program planning would offer to Interior a process which would allow the Secretary to develop a department-level plan to guide managers and would establish standards of accountability. The implementation of this program would be further enhanced by consolidation of Interior's mineral management authorities.

116872

Oil and Gas Royalty Collections--Longstanding Problems Costing Millions. AFMD-82-6; B-199739. October 29, 1981. ***Released*** November 4, 1981. 6 pp. plus 6 appendices (33 pp.).

Report to Rep. Benjamin S. Rosenthal, Chairman, House Committee on Government Operations: Commerce, Consumer and Monetary Affairs Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Accounting and Financial Reporting: Systems To Insure That Amounts Owed the Federal Government Are Fully and Promptly Collected (2803).

Contact: Accounting and Financial Management Division.

Budget Function: Financial Management and Information Systems: Accounting Systems in Operation (998.1).

Organization Concerned: Department of the Interior; Geological Survey.

Congressional Relevance: *House* Committee on Government Operations: Commerce, Consumer and Monetary Affairs Subcommittee; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; *Rep.* Benjamin S. Rosenthal.

Authority: Windfall Profit Tax Act (Crude Oil).

Abstract: GAO reviewed the Geological Survey's continued unsuccessful efforts to collect oil and gas royalties on Federal and Indian lands and the serious impact of this problem on collection of the windfall profit tax. ***Findings/Conclusions:*** Financial management problems in existence 20 years ago persist today because management has not focused on correcting the deficiencies reported. As a result, GS is not collecting all oil and gas royalties, and millions of dollars owed the Government may be going uncollected each year. Moreover, millions of dollars in royalty income are not being collected when due, thereby increasing the Government's interest costs. Since 1959, GAO has reported on the need for improved management of the GS royalty accounting system. However, GS still relies almost entirely on production and sales data reported by

the oil and gas companies, and little effort is made to verify the accuracy of that data. Because of a breakdown in the royalty accounting system, lease account records are inaccurate, unreliable, and cannot be used to determine if royalties are properly computed and paid. To correct its many longstanding financial management problems, GS has established royalty management as a separate entity, hired additional personnel for royalty management, and is designing and implementing a new royalty accounting system. Royalty collection has been further complicated by the windfall profit tax. GS filed blank quarterly returns for the first quarter of 1981 and has not filed a return for the quarter ended June 30, 1981. Until the new royalty accounting system is working properly, the accuracy of royalty computation will be a problem. Since windfall profit tax calculations are based on royalty payments, they will be incorrectly stated to the extent that royalties are incorrectly stated. ***Recommendation To Agencies:*** To gain control over information reported by the oil and gas companies, the Secretary of the Interior should direct the Geological Survey to include in its current redesign effort a plan which should provide for: (1) establishment of a detailed audit plan for periodic reviews of lease accounts and oil and gas companies' accounting records; (2) devotion of additional resources to the inspection of leases using field inspectors to help verify data reported; (3) coordination with the States to arrange the sharing of the audit and lease inspection function and the exchange of production and sales information; (4) reconciliation of existing lease account records to the extent possible; (5) identification of staff needs and resources for assessing interest on late payments; and (6) faster deposit of royalty payments using electronic funds transfer when possible. To ensure that development of the new royalty accounting system is given high priority and sustained effort, the Secretary of the Interior should closely monitor the work to see that the system is properly implemented. In this regard, immediate attention must be given to determining how the production phase will operate and how it will interface with the accounting phase which is currently being designed. Also, in developing the accounting phase, the Geological Survey must acquire data on the number of leases and wells for which it is responsible and provide for verification of the royalty computation. The necessary resources must be provided and milestones must be strictly adhered to.

116920

DOD Can Increase Revenues Through Better Use of Natural Resources It Holds in Trust. PLRD-82-9; B-202871. November 25, 1981. 26 pp. plus 2 appendices (6 pp.).

Report to Congress; by Charles A. Bowsher, Comptroller General.

Issue Area: Facilities and Material Management: Effectiveness of Federal Agencies in Operating and Maintaining Their Facilities (0725).

Contact: Procurement, Logistics, and Readiness Division.

Budget Function: National Defense: Department of Defense - Military (Except Procurement and Contracting) (051.0).

Organization Concerned: Department of Defense; Department of the Army; Department of the Navy; Department of the Air Force.

Congressional Relevance: *House* Committee on Armed Services; *House* Committee on Appropriations: Defense Subcommittee; *Senate* Committee on Armed Services; *Senate* Committee on Appropriations: Defense Subcommittee; Congress.

Authority: Endangered Species Act of 1973. Land Policy and Management Act (43 U.S.C. 1701). H. Rept. 95-1398. BOB Circular A-25. 16 U.S.C. 670(a). 16 U.S.C. 670(c). 10 U.S.C. 2667.

Abstract: Almost 25 million acres of land throughout the United States and its possessions have been set aside for the use of the Department of Defense (DOD). These lands, of which about two-thirds are undeveloped, contain vast natural resources helpful to the Nation's economy and quality of life. To ensure optimal use of its lands and their natural resources, DOD requires all military bases to manage these lands encompassing vast natural resources under the multiple-use principle. This means that bases must exercise a balanced, coordinated management of all resources, applying the best combination of developmental and protective land uses, consistent with the military mission. GAO thus undertook a review of the effectiveness and efficiency of the military bases in managing these lands to determine where revenues can be increased and how the multiple uses of the land can be improved. ***Findings/ Conclusions:*** In its review, GAO found that, in fiscal year 1980, military bases managed 2.3 million acres of forest and sold $12.3 million worth of timber and related products. Although most of the forestry programs were well managed, several forestry plans lacked a system for monitoring program effectiveness, were outdated, and had not been properly reviewed and approved. In addition, inadequate coordination, poor planning, and general management apathy prevented timber sales and the bases' agricultural leasing programs from reaching and maintaining maximum benefits. GAO also found that the bases needed to improve their management of the lands' large areas of scenic wilderness, woodland, and waterways which are rich in wildlife and recreational resources. Although DOD has encouraged its bases to enter cooperative agreements with appropriate State and Federal agencies and to collect hunting and fishing fees to help support the bases' fish and wildlife programs and recreational areas, many bases have not done so and have failed to use available technical expertise when planning and managing these valuable resources. As a result, plans are often inadequate or nonexistent, and military managers can neither gauge program effectiveness nor identify potential recreational areas. GAO believes that, by improving its management practices, DOD could collect an additional $3 million annually in revenue. ***Recommendation To Agencies:*** The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to identify all opportunities for public outdoor recreation and implement feasible programs. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to assess more equitable user fees, where possible, for hunting and fishing to finance fish and wildlife programs. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to require military bases to develop and update effective cooperative agreements and management plans for fish and wildlife and outdoor recreation programs. The Secretary of Defense should determine the feasibility of operating the leasing program similar to the forestry program and seek legislative changes in the program if warranted. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to establish procedures to require the maximum leasing of agricultural land consistent with the military mission. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to establish procedures to develop and implement a system to identify periodically all land available for leasing. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to establish procedures to update and improve base soil and water conservation plans. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to aggressively pursue the market for forest byproducts as a source of additional income. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to accelerate timber harvesting wherever possible. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air Force to prevent unnecessary restrictions on timber harvesting. The Secretary of Defense should direct the Secretaries of the Army, Navy, and Air force to maintain updated forestry plans for bases with clearly stated objectives, priorities, and monitoring systems.

116938

[Geological Survey's Efforts To Correct Its Longstanding Financial Management Problems]. November 20, 1981. 14 pp.

Speech before the Commission on Fiscal Accountability of the Nation's Energy Resources; by John F. Simonette, Associate Director, GAO Accounting and Financial Management Division.

Contact: Accounting and Financial Management Division.
Organization Concerned: Geological Survey; Commission on Fiscal Accountability of the Nation's Energy Resources.
Abstract: The U.S. Geological Survey (USGS) is responsible for collecting the royalty income derived from oil and gas produced on Federal and Indian lands. Royalty collections have increased rapidly in recent years and can be expected to continue increasing due to increases in oil and gas prices. USGS has not placed a high enough priority on collecting oil and gas royalties, and financial management problems in the program persist. As a result, millions of dollars owed the Government in royalty income may be going uncollected each year, and because of this the Government's interest costs increase. USGS is attempting to correct its financial management problems. It has established royalty management as a separate entity and is designing and implementing a new royalty accounting system. USGS still relies almost entirely on production and sales data reported by the oil companies, and little effort is made to verify the accuracy of the data supplied. To alleviate this reliance on unverified data, USGS must determine what secondary sources of data are available among Government and State agencies and in the oil and gas industry. There was a breakdown of the automated royalty accounting system which allowed lease account records to be inaccurate and unreliable. USGS has been unable to ensure timely collection of royalties due. USGS must increase its auditing and monitoring of lease accounts to control royalty payments and explore the possibility of sharing its auditing and inspection responsibility and information with the States. USGS lease accounts contain many errors which could be eliminated, reduced, or identified through the use of the computer with control checks or edits to prevent errors and to identify problems. A list should be provided to help USGS follow up on late payments. The current collection system should be standardized. USGS appears to have not given adequate consideration to acquiring data on the number of leases and wells for which it is responsible, verifying the royalty computation, planning the production phase, and developing a comprehensive plan for audits and inspections.

116987
[Problems Confronting the Geological Survey in Collecting Oil and Gas Royalties]. August 27, 1981. 16 pp.
Testimony before the Commission on Fiscal Accountability of the Nation's Energy Resources; by Milton J. Socolar, Acting Comptroller General.
Refer to FGMSD-79-24, April 13, 1979, Accession Number 109080.

Contact: Office of the Comptroller General.
Organization Concerned: Geological Survey; Department of the Interior.
Abstract: GAO discussed its views on the U.S. Geological Survey's (USGS) oil and gas royalty accounting system, a system full of longstanding financial management problems. USGS is responsible for collecting the royalty income derived from oil and gas produced on Federal and Indian lands. In recent years, royalty collections have increased rapidly because of increases in oil and gas prices. USGS is not collecting all of the oil and gas royalties; as a result, hundreds of millions of dollars owed the Government may be going uncollected each year. Until USGS improves its financial management, there will be little assurance that all royalty income due from Federal and Indian lands is received. USGS has a complex task. It has to deal with many factors beyond its control such as (1) the proliferation of lease interests; (2) varying royalty rates; (3) and complex oil and gas valuation factors. The amount of money for which USGS is responsible has grown tremendously in recent years. USGS is seeking to improve its financial management capabilities by developing a new royalty accounting system based on a modified Internal Revenue Service system. In order for the new royalty accounting system to be successful, a high priority effort is needed. The new system will not determine and collect previously uncollected royalties. However, it is not yet operational and will not be fully designed for several years. The system will be implemented in a 5-year period consisting of three phases: (1) the royalty accounting phase; (2) the production and sales data phases; and (3) the enhanced management phase which will center on developing quality review and management data. USGS has been slow to respond to longstanding financial management problems. Now the ongoing impetus to redesign the system must receive top management attention for the current program to succeed.

117010
[Corps of Engineers' Benefit-Cost Computation for the Stonewall Jackson Lake Project]. December 9, 1981. 8 pp. plus 1 appendix (1 p.).
Testimony before the House Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Contact: Community and Economic Development Division.
Organization Concerned: Department of the Army: Corps of Engineers.
Congressional Relevance: *House* Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee.
Authority: Water Pollution Control Act Amendments of 1972 (Federal) (P.L. 92-500).
Abstract: GAO made a limited analysis of the benefit-cost computation for the Stonewall Jackson Lake Project, a multipurpose project being built by the Army Corps of Engineers to provide flood protection, water quality control, area development, water supply, and recreation benefits. Although originally estimated to be completed in 1976 at a cost of $34.5 million, completion is currently estimated for 1987 at a cost of $189 million. About $40.5 million has been spent primarily on engineering, design, acquisition and clearing of land, and highway and utility relocations, but the actual construction of the dam has not been started. When the project was authorized, the initial benefit-cost ratio was 1.7 to 1. The fiscal year 1982 total benefit-total cost ratio is computed at 1.07 to 1. However, since fiscal year 1980, the Corps only reports in its annual budget request a remaining benefit-remaining cost ratio which for fiscal year 1982 is estimated to be 1.53 to 1. Recreation benefits account for 15 percent of the average annual benefits. The methodology for computing recreation benefits is an inexact science and, as a result, the estimates are judgmental. The Corps claimed water quality benefits of 47 percent of the average annual benefits. The method which the Corps used in developing this figure was ruled out as a substitute for point source pollution control by the Federal Water Pollution Control Act Amendments, and the water quality benefits are being challenged in a U.S. district court. Flood control benefits account for 29 percent of the average annual benefits. The damage surveys were based on estimated damage using a questionable construction cost index. Benefits attributable to increased water supply were valued at 1 percent of the average annual benefits, but no agreement has been reached for the sale of the water. Area redevelopment accounts for 8 percent of the average annual benefits, but the Corps states that these benefits should be reduced by about $178,000. The interest rate on which the benefit-cost analysis is based is currently under challenge in a U.S. district court. The benefit-cost ratio did not include $26 million in estimated costs and related benefits for highway betterments and relocations.

117041

The Federal Government Should Encourage Early Public, Regulatory, and Industry Cooperation in Siting Energy Facilities. EMD-82-18; B-205289. November 13, 1981. ***Released*** December 14, 1981. 35 pp. plus 6 appendices (13 pp.).

Report to Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce; by Charles A. Bowsher, Comptroller General.

Issue Area: Energy: Effect of Federal Financial Incentives, Tax Policies, and Regulatory Policies on Energy Supply (1610); Environmental Protection Programs: Institutional Arrangements for Implementing Environmental Laws and Considering Trade-Offs (2210); Land Use Planning and Control: Planning for Land Use (2305).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Energy: Energy Information, Policy, and Regulation (276.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Council on Environmental Quality; Department of the Interior; Department of Energy; Environmental Protection Agency.

Congressional Relevance: *House* Committee on Energy and Commerce; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee; *Rep.* John D. Dingell.

Authority: Environmental Policy Act of 1969 (National). Clean Air Act. 40 C.F.R. 1501.2. 40 C.F.R. 1501.7.

Abstract: GAO reported on whether open-site planning for energy facilities could help balance energy and environmental concerns and what role, if any, the Federal Government should play in increasing the use of open-site planning processes. ***Findings/Conclusions:*** Planning can be improved, and costly, time-consuming licensing conflicts can be minimized if energy facility sponsors effectively consult with regulators and the public about their concerns early in project plans, while plans are still flexible. The traditional site-selection process involves industry deciding on the site, announcing the site commitment, and defending it before the regulatory agencies. This process often results in extended conflict and controversy because: project sponsors are reluctant to revise plans after applying for licenses, misunderstandings occur between industry and regulators, public hearings require additional time and money, the adversarial nature of regulatory proceedings promotes conflict and polarization, and conflicts may continue through costly and time consuming appeals. Opening the site-planning process to regulators and the public can potentially save time and money and result in more acceptable energy facility planning. GAO reviewed several open-site planning processes where industry initiatives included regulators and the public as early advisors rather than just reactive reviewers or adversaries. In other instances, regulators and the public took major initiatives in finding sites for energy facilities. GAO found that most participants were satisfied that open-site planning improved the siting process and reduced uncertainty regarding the acceptability of industry proposals. In addition, open-site planning can help in balancing domestic energy development with environmental protection and public participation values. ***Recommendation To Agencies:*** The Secretaries of Energy and the Interior, the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality should, where appropriate, advise siting process participants who are unfamiliar with it about experiences with open-site planning so that they can assess its usefulness and cooperate with efforts to begin using such processes. This should be done in connection with agencies' existing National Environmental Policy Act responsibilities to consult with project sponsors during early planning. The Secretaries of Energy and the Interior, the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality should, where appropriate, encourage an early, open environmental-impact statement process, as conceived under the CEQ regulation implementing the National Environmental Policy Act, that facilitates more open-site planning for energy facilities. Specifically, early scoping that identifies regulatory and public concerns about alternative facility sites can help all interested parties clarify sites' acceptability and plan early to minimize siting conflicts. The Secretaries of Energy and the Interior, the Administrator of the Environmental Protection Agency, and the Chairman of the Council on Environmental Quality should, where appropriate, cooperate with established open-site planning processes where later Federal involvement is likely. Some industry and State processes that operate independently of and begin well before the environmental impact statement process or permitting process may want early input from Federal agencies.

117083

[Department of the Interior Organizational Effectiveness for Management of Federal Energy and Mineral Resources]. December 15, 1981. 7 pp.

Testimony before the House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; House Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Refer to EMD-81-53, June 5, 1981, Accession Number 115425.

Contact: Energy and Minerals Division.

Organization Concerned: Department of the Interior; Commission on Fiscal Accountability of the Nation's Energy Resources; Bureau of Land Management; Geological Survey; Bureau of Mines; National Park Service.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee.

Abstract: On several occasions, GAO has reported that hundreds of millions of dollars in royalties due from Federal Government and Indian leases are not being collected annually. Since 1959, GAO has been reporting on the need for major improvements in the U.S. Geological Survey's (USGS) oil and gas royalty accounting system. The Secretary of the Interior has established a Commission on Fiscal Accountability of the Nation's Energy Resources to report on necessary improvements in this system by the end of January 1982. The energy and minerals resource management function is split between several offices in Interior. USGS is responsible for royalty and rental rates, evaluations, and all other terms and conditions relating to mineral operations under leases and permits. After the lease is issued, USGS supervises conservation and management of mineral resources operations, including the collection of royalties. The Bureau of Land Management issues leases and permits and is the office of record in mineral leasing matters. Thus, responsibility for making many of the mineral management decisions is split between USGS and the Bureau, as is the revenue collection responsibility resulting from leasing. Any effort to examine total revenues generated from leasing energy and mineral resources would require looking at both agency's activities, and the split responsibility creates a possible problem in budget requests and cost reporting. Budget requests for leasing compete with other activities in both agencies for limited funding and personnel. GAO believes that a business-like management of Federal energy and mineral resources may be enhanced by consolidation of lease issuance and management under a single assistant at the Department of the Interior. The potential benefits include: (1) budget visibility; (2) fewer layers of review and revision of decisions between Congress and the executive agency offices responsible for implementing the leasing laws; and (3) a focal point for reporting and analyzing all costs and

revenues associated with leasing activities.

117095

Greater Energy Efficiency Can Be Achieved Through Land Use Management. EMD-82-1; B-198982. December 21, 1981. 39 pp. plus 3 appendices (9 pp.).

Report to Congress; by Charles A. Bowsher, Comptroller General.

Issue Area: Intergovernmental Policies and Fiscal Relations: Federal, State, Area-Wide, and Local Coordination (0402); Energy: Further Actions the Government Can Take To Identify and Foster Energy Conservation Opportunities (1619); Land Use Planning and Control: Planning for Land Use (2305).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Conservation (272.0).

Organization Concerned: Department of Energy; Department of Transportation; Internal Revenue Service; Environmental Protection Agency; Department of Housing and Urban Development.

Congressional Relevance: *House* Committee on Ways and Means; *House* Committee on Energy and Commerce; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Finance; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.

Authority: Energy Tax Act of 1978 (P.L. 95-618). Omnibus Budget Reconciliation Act of 1981. Internal Revenue Code (IRC). Executive Order 12185. H.R. 1960 (97th Cong.). H.R. 1963 (97th Cong.). S. 498 (97th Cong.). IRS Instruction 903.

Abstract: Today's energy situation is prompting a growing interest in planning, designing, and building communities that are energy-efficient. This includes: (1) minimizing the amount of energy needed to heat and cool buildings; (2) reducing energy intensive infrastructure construction, such as highways and sewer and water lines; and (3) reducing automobile travel. ***Findings/Conclusions:*** The Federal Government is in an influential position to encourage greater use of these concepts and in the past has had programs designed for this purpose. However, the Government's emphasis on decreasing the number of Federal programs has curtailed some activities. Many local officials, builders and developers, financial institutions, and the public believe that energy can be saved through better land use. However, they are reluctant to accept these concepts because of implementation costs, the lack of cost savings data, and a strong community resistance to higher densities. The Department of Energy does not recognize land use as an element in achieving energy efficiency. However, it did have several research and development programs directed toward developing energy-efficient communities, but these programs were terminated because of budget cuts. Due to the uncertainty over whether the new Administration will support its energy-efficient community development policies, the Department of Housing and Urban Development has taken limited action to implement them. Unless States and local communities choose to purchase areawide planning services, many of their planning efforts will be curtailed. Federal income tax credits for investments in passive solar systems would be an excellent means of providing incentives for builders to use energy-efficient concepts. However, the Internal Revenue Service has restrictive eligibility criteria for the credits. A number of other existing mechanisms could be used to channel information on energy-efficient land use concepts. ***Recommendation To Congress:*** The House Committee on Ways and Means and the Senate Committee on Finance should, if they wish to provide a maximum incentive, clarify proposed legislation to provide that components which serve a dual purpose of being a structural and passive solar system component are eligible for the tax credit. ***Recommendation To Agencies:*** The Secretary of Energy should work with the secondary mortgage market to help it develop criteria for primary lenders to use in assessing the energy cost impact of energy-efficient land use concepts and explore additional means of providing incentives for using these concepts. The Secretary of Energy, in consultation and cooperation with the Secretary of Housing and Urban Development, should provide guidance and assistance to Federal agencies on how energy considerations can be included in programs that affect land use. This guidance can be given through existing mechanisms such as Executive Order 12185 and the Interagency Coordination Council. The Secretary of Housing and Urban Development should determine the extent, if any, to which it needs to emphasize the importance of areawide planning to State and local governments in increasing energy efficiency through the land use decisionmaking process. The Secretary of Energy should, when evaluating and analyzing funding priorities for long-term research and development programs for fiscal year 1983, determine what, if any, supporting efforts should be undertaken to address the feasibility, advantages, and barriers of applying energy-efficient land use concepts in communities.

117097

Mining on National Park Service Lands--What Is at Stake? EMD-81-119S; B-202398. December 14, 1981. 12 pp. plus 2 appendices (4 pp.).

Report to Rep. James D. Santini, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Supplement to EMD-81-119, September 24, 1981, Accession Number 116651.

Issue Area: Materials: Materials Resource Base (1815).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; National Park Service; Bureau of Land Management; Bureau of Mines; Geological Survey; National Park Service: Death Valley National Monument; National Park Service: Glacier Bay National Monument.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* James D. Santini.

Authority: Mining in the Parks Act (P.L. 94-429). Mining and Minerals Policy Act of 1970. Strategic and Critical Materials Stock Piling Act.

Abstract: An analysis and response to the Department of the Interior's delayed comments on the draft of a previously issued report are presented. GAO reviewed these comments at the request of the Chairman of the Subcommittee on Mines and Mining of the House Committee on Interior and Insular Affairs. Interior's comments were received too late to be incorporated into the final report and failed to address all the problems that GAO identified. ***Recommendation To Congress:*** Congress should consider the need for the Federal Government to acquire additional information regarding the mineral potential of the Death Valley National Monument area. This information could be used for any future land use decision regarding the monument. In order to better understand the economic consequences of limiting mineral production in the monument area, Congress should consider returning the supply and marketing studies concerning borate and talc minerals developed by Interior for revision and updating. Congress should base no decision on the Secretary of the Interior's recommendations submitted in 1979 to acquire mineral properties in Death Valley and Glacier Bay National Monuments. Before taking any action, Congress should await new recommendations by the Secretary based on more adequate analysis. ***Recommendation To Agencies:*** The Secretary of the Interior should insure that any future recommendations to Congress to acquire mineral properties on National Park Service

lands be made only after determining what is at stake for all aspects of the public interest. Any recommendations should be based on site-specific analysis, acquisition cost estimates based on the best information available, and mineral supply and marketing analyses. This information should be developed in coordination with other pertinent Interior agencies such as the Bureau of Land Management, Bureau of Mines, and the U.S. Geological Survey to insure a consistent Department policy position. In addition, a description of the methodologies and supporting data used to develop the information and any limitations on the use of that information should accompany the recommendations. The Secretary of the Interior should consider the need to consolidate all of the Interior mineral management functions under a single Assistant Secretary. The Secretary of the Interior should remove the mineral management functions, including the mineral examination function, from the National Park Service. The Secretary of the Interior should amend sections 9.9 and 9.10 of the regulations for mining on National Park Service lands to include an economic evaluation of the changes required for mining plan approval. The Secretary of the Interior should notify Congress that Interior no longer supports the recommendations made in 1979 to Congress to acquire certain valid unpatented and patented mining claims in Death Valley and Glacier Bay National Monuments. The Secretary of the Interior should reexamine the need to acquire any mining claims in Death Valley and Glacier Bay National Monuments based on the progress to date in regulating mining activities to prevent adverse environmental effects and submit new recommendations to Congress.

117100

[Proposed Relocation and Consolidation of the Soil Conservation Service at Fort Worth, Texas]. CED-82-26; B-205850. December 17, 1981. 2 pp. plus 1 enclosure (8 pp.).
Report to Rep. Steny H. Hoyer; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture.
Congressional Relevance: *Rep.* Steny H. Hoyer.
Abstract: A Congressman requested that GAO review the Department of Agriculture's proposed relocation of certain Soil Conservation Service functions. The relocation is part of a proposed overall Service reorganization, consolidation, and employee reduction plan. ***Findings/Conclusions:*** GAO reviewed the proposal and concluded that neither the Service's proposal nor its supporting data provided an adequate basis for judging the merits of the proposed move. GAO found the following flaws in the proposal: (1) benefits not related to the move were attributed to it, (2) program operations were not analyzed adequately, (3) uncertainties existed about the types of variables which were included in or omitted from the cost/benefit analysis as well as the values assigned to some of the variables, and (4) there were inadequate backup or supporting data. GAO concluded that the proposal was sufficiently flawed to render it inadequate as a basis for a decision to relocate.

117128

[Use of Federal Grant Funds for a Sewage Treatment Project]. CED-82-19; B-205719. December 16, 1981. ***Released*** December 28, 1981. 4 pp.
Report to Sen. John H. Glenn; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Environmental Protection Programs: The Nation's Water Quality Goals (2219).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Pollution Control and Abatement (304.0).
Organization Concerned: Environmental Protection Agency; Portage County, OH.
Congressional Relevance: *Sen.* John H. Glenn.
Authority: Clean Water Act of 1977.
Abstract: A review was performed to determine whether Federal grant funds the Environmental Protection Agency (EPA) provided to Portage County, Ohio, for a sewage treatment project were used for the purposes set forth in the grant agreement. The project grant audit was discussed with representatives of the EPA regional Inspector General. The audit work papers had been destroyed pursuant to Federal record disposal regulations. The purpose of the grant to Portage County was to finance construction of a new interceptor sewer system including pump stations and force mains, and a new secondary wastewater treatment plant. ***Findings/Conclusions:*** In 1975, the project was audited to determine the allowability and reasonableness of reported project costs. It was determined that the total costs were allowable and that approximately $455,000 was reimbursable under the grant agreement terms. Allegations were made in 1978 that a local government official had funneled the Federal loan funds to other county activities and personal use. An investigation followed, but none of the allegations were substantiated. Two audits were performed on the Portage County accounting records during the past 3 years. The audits considered whether the county had proper fund accountability and adequate documentation for all its funds. Neither audit report indicated that the Federal grant funds were not used for the purposes intended under the grant conditions. Pursuant to the Clean Water Act, GAO responsibility is limited to whether the Federal funds were used for grant purposes and does not extend to the county's operations. Therefore, GAO has no basis to review the merits of the county's decision as to how the Federal funds were applied. Accordingly, GAO has no reason to believe that further work on its part would alter the conclusion that the funds were used according to the grant agreement.

117132

Numerous Issues Involved in Large-Scale Disposals and Sales of Federal Real Property. CED-82-18; B-205666. December 11, 1981. ***Released*** December 23, 1981. 5 pp. plus 4 appendices (45 pp.).
Report to Rep. Kenneth Kramer; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Federal Land Acquisition, Disposal, and Exchange Laws, Policies, and Procedures (2357).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: General Services Administration; Department of the Interior; Bureau of Land Management; Department of Defense; Department of Agriculture.
Congressional Relevance: *Rep.* Kenneth Kramer.
Authority: Land Policy and Management Act (P.L. 94-579; 43 U.S.C. 1701 et seq.; P.L. 95-341; 16 U.S.C. 1131 et seq.; 30 U.S.C. 21(a); 84 Stat. 1876). Desert Land Act (43 U.S.C. 321 et seq.). Carey Act (Land) (43 U.S.C. 641). Mining Act (30 U.S.C. 21 et seq.). Homestead Act. Historic Sites Act (P.L. 74-292). Historic Preservation Act (P.L. 89-665). Environmental Policy Act of 1969 (National) (P.L. 91-190). Endangered Species Act of 1973 (P.L. 93-205). American Indian Religious Freedom Act. Wilderness Act. Mining and Minerals Policy Act of 1970. Executive Order 11593. Executive Order 11988. Executive Order 11990. P.L. 59-209. P.L. 86-523. S. 231 (97th Cong.). H.R. 265 (97th Cong.).

new issues. The protester: (1) questioned the Service's requirement that timber access roads be constructed with rock surfacing; (2) alleged internal inconsistencies in solicitation documents; and (3) argued that the Service improperly failed to consider setting aside the sale for small business. GAO held that a protest alleging improprieties in a timber sale solicitation must be filed prior to bid opening. The protest was filed with the contracting agency and GAO within 10 working days of the protester's receipt of notification of adverse action. Therefore, the protest was timely. The decision not to set aside a sale was within the discretion of the contracting agency and was not subject to GAO review. Neither the Small Business Act, the National Forest Management Act of 1976, nor any applicable regulations mandate that certain sales will be set aside for small business. The protester's burden of proving its case was not met by its unsupported summary statements that the appraisal and profit margin figures used in a timber sale solicitation were unrealistic and misled bidders. The agency provided a reasonable explanation of the methods used in arriving at the appraisal and profit margin figures. These figures were a matter of public record to assist bidders in formulating their bids. The requirement for rock surfacing of timber sale access roads at purchaser's expenses does not violate legislation where the agency advances a reasonable explanation which shows that the required surface was not of a higher standard than needed for the sale. When one document relating to a timber sale solicitation process clearly modifies the sale schedule announced in another previously released document, the two documents are not inconsistent. Accordingly, the protest was dismissed in part and denied in part.

117235

Streamlining and Ensuring Mineral Development Must Begin at Local Land Management Levels. EMD-82-10; B-205344. December 4, 1981. ***Released*** January 4, 1982. 8 pp. plus 1 appendix (23 pp.). *Report* to Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce; by Charles A. Bowsher, Comptroller General.

Refer to EMD-79-69, May 25, 1979, Accession Number 109517; and EMD-81-53, June 5, 1981, Accession Number 115425.

Issue Area: Materials: Materials Resource Base (1815); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; Bureau of Land Management: Eastern States Office.

Congressional Relevance: *House* Committee on Energy and Commerce; *House* Committee on Interior and Insular Affairs; *House* Committee on Energy and Commerce: Oversight and Investigations Subcommittee; *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* John D. Dingell.

Authority: Federal Coal Leasing Amendments of 1975 (90 Stat. 1090). Mineral Leasing Act for Acquired Lands (30 U.S.C. 352).

Abstract: GAO reviewed the Bureau of Land Management's (BLM) Eastern States Office (ESO) and its responsibilities relating to coal trespass in that area. Rather than managing the surface of huge tracts of public lands as Western BLM offices do, ESO primarily controls the subsurface mineral estate of some 39.7 million acres of Federal lands in 31 states. The surface area of 96 percent of these lands is controlled by other Federal agencies, but the mineral leasing responsibilities lie with BLM. Therefore, the ESO role is critical to the development of Federal minerals in the East. ***Findings/Conclusions:*** This current evaluation is a followup to previous efforts to determine how effectively ESO is dealing with potential Federal mineral trespass, how timely ESO is in issuing mineral leases and permits, and whether ESO is able to deal with new areas of mineral interest. In its review, GAO found that ESO: (1) has not yet effectively dealt with potential Federal minerals trespass in the East, (2) is unable to timely issue mineral leases and permits, and (3) has been unable to effectively deal with new areas of mineral interest because of the Department of Interior's policy toward the development of minerals. Many of the previous problems identified by GAO continue to exist. Therefore, GAO believes that actions are needed to reevaluate and reemphasize these programs. Moreover, efforts to expedite leasing and to protect minerals from trespass at ESO are likely to contribute to increased Federal revenues over the long term. ***Recommendation To Agencies:*** The Secretary of the Interior should consult with the Director of the Bureau of Land Management and obtain Bureau and Eastern State Office's input to evaluate the impact of policy changes that must be implemented at local levels. The Secretary of the Interior should direct the Bureau of Land Management to evaluate grade levels and technical experience needed by Eastern States Office cartographic technicians and land law examiners to assure that the salaries are competitive and that experience requirements are reasonable. The Secretary of the Interior should direct the Bureau of Land Management to implement a personnel evaluation of the Eastern States Office, phase two of the March 1980 ESO Policy Study, to determine that its grade levels are comparable to other Bureau of Land Management State offices. If a more equitable pay scale is not possible, the Secretary should examine alternatives, including moving ESO to a lower cost geographic area, to try to alleviate this problem. The Secretary of the Interior should direct the Bureau of Land Management to send a task force to the Eastern States Office to audit the public room records and dockets branch. The Secretary of the Interior should direct the Bureau of Land Management to hire a technically knowledgeable person, such as an experienced retiree or annuitant, to work in the public room and answer the public's questions about lease records. The Secretary of the Interior should direct the Bureau of Land Management to close the Eastern States Office to the public for some period, perhaps 1 day a week, to provide ESO staff uninterrupted time to work on backlogs. The Secretary of the Interior should pursue contracting options to expedite the completion of Federal mineral ownership maps in the East. The Secretary of the Interior should initiate a more active public information mineral trespass prevention program. The Secretary of the Interior should expand the use of memoranda of understanding with other Federal surface-managing agencies to enlist their assistance in monitoring mineral trespass.

117293

[Distribution of Funds to Oregon Counties]. B-203771. January 13, 1982. 5 pp.

Decision re: Bureau of Land Management; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Bureau of Land Management.

Authority: Land Policy and Management Act (43 U.S.C. 1701 et seq.). Taylor Act (Grazing) (43 U.S.C. 315 et seq.; 48 Stat. 1269). P.L. 95-74. P.L. 95-465. P.L. 96-126. P.L. 96-514. H. Rept. 94-1163. H.R. 13777 (94th Cong.). 43 U.S.C. 1181a et seq. 50 Stat. 874. 91 Stat. 285. 92 Stat. 1279. 93 Stat. 954. 94 Stat. 295.

Abstract: GAO was requested to determine whether funds received by the United States as fees for grazing livestock on public lands, which were being held in a suspense account in the U.S. Treasury, may be distributed to the counties in which these public lands are situated in accordance with the formulae set forth in prescribed legislation. The suspense account was created in 1976 because a conflict apparently existed between a 1976 act and previous legislation. Because the 1976 act explicitly provides that, in the event of a conflict between it and prior legislation, the earlier acts will prevail,

GAO held that the funds in the suspense account could be distributed in accordance with the formulae set forth in the earlier legislation.'

117312

[Claim for Lease Termination Expenses]. B-201153. January 18, 1982. 7 pp.

Decision re: H. Roy Fiscus; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Department of Agriculture: National Finance Center; Forest Service.

Authority: 54 Comp. Gen. 597. 56 Comp. Gen. 20. 56 Comp. Gen. 21. F.T.R. para. 2-6.1. F.T.R. para. 2-6.1f. F.T.R. para. 2-6.2h. B-183018 (1976). 5 U.S.C. 5724a(a)(4).

Abstract: A transferred employee claimed expenses incurred in settling an unexpired lease on property which included both his former residence and income-producing farmland. The employee had executed a 5-year lease of property at his old official station and, as a result of the transfer, the employee could not comply with the lease terms and was charged lease cancellation expenses. The lease for the income-producing land included the use and care of a farmhouse provided at no cost to the employee. Federal regulations limit the reimbursement of real estate expenses to costs associated with conveyance of a residence and the land which reasonably relates to the residence. In this case, GAO could not agree with the agency that the employee leased only land and believed that a portion of the lease payments could be attributable to the use of the farmhouse for a residence. Thus, the Forest Service should determine, in accordance with these principles, the proportion of the lease cancellation fee that applies to the residence and land reasonably related to it. Since the employee's family remained in the residence into the new lease year, the Forest Service must also consider how that affected the employee's reimbursement. GAO concluded that the employee violated his duty to minimize his lease termination expenses in failing to move his family off the property prior to the beginning of the new lease year. Therefore, the claim for the holdover payment was disallowed.

117327

[How Much Are Agencies Doing for Archeological Preservation]. January 21, 1982. 13 pp.

Speech before the Transportation Research Board; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Refer to CED-81-61, April 22, 1981, Accession Number 115803.

Contact: Community and Economic Development Division.

Organization Concerned: Transportation Research Board; Department of the Interior.

Authority: Department of Transportation Act. Executive Order 11593.

Abstract: In a recent report, GAO concluded that the national archeology program was not working well. GAO stated that the Department of the Interior must provide better leadership and direction to Federal agencies and States. Without better guidance, some Federal agencies could spend billions of dollars over the next 10 to 30 years for archeological surveys, many of which may not be necessary, while other agencies may not do enough to identify and protect archeological sites. GAO determined that Interior had not established good criteria for agencies to use in determining whether identified sites are important to the national heritage nor had it provided guidance on the extent to which archeological resources must be recovered, recorded, or preserved to comply with Federal laws and regulations. These problems have resulted in project delays, increased costs, and general confusion. GAO has recommended that legislation be changed to require Federal agencies to conduct archeological surveys on Federal lands only when a land-disturbing activity is planned, when the operation of existing projects may threaten resources, or on a sampling basis for general planning purposes. GAO has also recommended that Interior establish formal coordination procedures among Federal and State agencies performing archeological overviews and set forth detailed procedures explaining how to conduct archeological surveys. GAO found that practices followed by grantees, permittees, and licensees in identifying archeological properties in project areas varied widely. GAO recommended that Interior encourage State historic preservation offices to play a greater role in determining which archeological properties have State and local significance and are eligible for the National Register of Historic Places. Archeological data recovery practices differ among Federal agencies. A 1-percent funding limitation has resulted in agencies referring projects to Interior for mitigation without transferring sufficient funds to cover the cost. The 1-percent limitation is not sufficient for salvage work on many small projects, and seeking funds causes project delays which can significantly increase construction costs. Federal agencies often do not have enough staff to oversee archeological projects. A professional peer review system could mitigate monitoring problems on large and controversial archeological projects.

117375

[Views on House Resolution 265]. B-205474, B-204678. January 20, 1982. 4 pp. plus 1 enclosure (4 pp.).

Letter to Sen. William V. Roth, Jr., Chairman, Senate Committee on Governmental Affairs; Rep. Jack Brooks, Chairman, House Committee on Government Operations; by Charles A. Bowsher, Comptroller General.

Refer to CED-82-18, December 11, 1981, Accession Number 117132.

Contact: Office of the General Counsel.

Organization Concerned: Executive Office of the President.

Congressional Relevance: *House* Committee on Government Operations; *Senate* Committee on Governmental Affairs; *Rep.* Jack Brooks; *Sen.* William V. Roth, Jr.

Authority: Property and Administrative Services Act. H. Res. 265 (97th Cong.). S. Res. 231 (97th Cong.).

Abstract: GAO commented on a proposed resolution which provides that the President should: (1) direct all executive branch agency heads to inventory their assets, estimate the approximate value of each asset, and identify uses of each asset; (2) identify assets which are surplus to Federal needs and therefore candidates for liquidation; and (3) submit recommendations to Congress on any legislative and administrative revisions that may be needed to carry out a liquidation program in an orderly manner. GAO agrees that land and other assets acquired by the Federal Government for use in the conduct of its operations, which are now surplus to current and foreseeable needs, should be disposed of in a manner beneficial to the national interests. Further, the Federal Government needs reliable records of its assets and their value so that they can be properly managed.

117435

[Reorganization of the Office of Surface Mining, Department of the Interior]. CED-82-32; B-206096. January 18, 1982. ***Released*** February 2, 1982. 2 pp.

Report to Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; by Baltas E. Birkle, (for Henry Eschwege, Director), GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development,

Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *Rep.* Morris K. Udall.

Authority: Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87; 30 U.S.C. 1201 et seq.). H. Rept. 97-315.

Abstract: GAO was requested to review the proposed reorganization of the Office of Surface Mining (OSM), Department of the Interior. OSM stated that the reorganization would save $5.7 million annually by reducing its staff level from 795 to 628 positions, resulting in a more effective and efficient operation. Under the reorganization, most States would assume primary responsibility for implementing the Surface Mining Control and Reclamation Act of 1977. ***Findings/Conclusions:*** GAO could not determine the effectiveness and efficiency of the reorganization at this time for the following reasons: (1) until it is known whether the 10 States that have not yet assumed primary responsibility for implementing the Act will do so, there will be uncertainty as to what the role of OSM will be and where its presence will be needed the most; and (2) the reorganization is not expected to be completed until the latter part of fiscal year 1982. Operating experience under the reorganization will be needed to determine whether the new structure has serious problems. In most reorganizations the size that affecting of OSM, uncertainty exists as to whether the new organizational structure will be effective, and considerable anxiety can be expected on the part of the affected staff. OSM officials stated that OSM can overcome this uncertainty and, if future workload indexes change, it will make the necessary changes, including establishing offices in other locations.

117449

[Comments on the U.S. Department of Agriculture's 1981 Program Report and Environmental Impact Statement]. CED-82-41; B-199776. January 29, 1982. 2 pp. plus 4 enclosures (10 pp.).

Report to Norman A. Berg, Chief, Soil Conservation Service; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Refer to PAD-80-15, March 31, 1980, Accession Number 111980.

Issue Area: Food: Exploring the Least Costly Federal Government Efforts To Alleviate the Effects of Scarce Food Input Resources (1737); Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).

Contact: Community and Economic Development Division.

Budget Function: Agriculture: Agricultural Research and Services (352.0).

Organization Concerned: Forest Service: Region 6; Department of Agriculture; Soil Conservation Service.

Authority: Soil and Water Resources Conservation Act of 1977 (P.L. 95-192).

Abstract: In response to the Secretary of Agriculture's request for comments, GAO reviewed the revised draft report outlining the Department of Agriculture's (USDA) proposed national soil and water conservation program. ***Findings/Conclusions:*** Although USDA has spent considerable effort in reviewing the adequacy of the nation's soil and water resources, it will not have the basis for the effective program intended by the Soil and Water Resources Conservation Act until it: (1) conducts a thorough assessment of soil and water resource conditions to better define the problem; (2) evaluates sufficient alternatives for conserving U.S. soil and water resources; (3) analyzes the impact of other Government programs on soil and water resources to ensure the best use of limited resources; and (4) avoids duplication of effort among Federal agencies. The proposed program could be an ineffective and costly solution, and a better analytical framework is needed to meet the requirements of the Act. GAO provided guidelines that could assist USDA in obtaining information needed to develop an effective program to improve resource conditions within limited budget resources.

117499

[National Park Service Should Negotiate With States To Achieve Concurrent Jurisdiction]. February 5, 1982. 3 pp.

Report to G. Ray Arnett, Assistant Secretary, Department of the Interior; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Recreational Resources (303.0).

Organization Concerned: Department of the Interior; National Park Service.

Authority: General Authorities Act (P.L. 91-383; 16 U.S.C. 1a-1 et seq.; 84 Stat. 825). P.L. 94-458. 90 Stat. 1939.

Abstract: The General Authorities Act authorizes the Secretary of the Interior to negotiate with States for concurrent jurisdiction in the National Park System. Interior, while commenting on proposed amendments to the General Authorities Act in April 1976, stated that it would be beneficial to relinquish to the States the Federal legislative jurisdiction relative to some areas of the National Park System. It pointed out that administration of units of the system under exclusive jurisdiction could deny the National Park Service (NPS), its employees, and citizens residing in such units important rights and privileges of State and local government normally provided to them. ***Findings/Conclusions:*** However, GAO found that NPS: (1) does not have policies and procedures for implementing the Act; (2) has not been actively pursuing concurrent jurisdiction transfers with States; and (3) does not know how many areas in the National Park System have potential for concurrent jurisidiction status. GAO received different opinions from various NPS officials on the merits of concurrent jurisidiction and does not know whether Interior still believes concurrent jurisdiction is a good idea.

117536

Mineral Data in the Forest Service's Roadless Area Review and Evaluation (RARE II) Is Misleading and Should Be Corrected. EMD-82-29; B-205623. February 4, 1982. 12 pp. plus 3 appendices (11 pp.).

Report to Rep. John F. Seiberling, Chairman, House Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; Rep. Morris K. Udall, Chairman, House Committee on Interior and Insular Affairs; Sen. James A. McClure, Chairman, Senate Committee on Energy and Natural Resources; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Materials: Materials Resource Base (1815); Environmental Protection Programs: Reduction of the Social and Economic Impacts of Environmental Protection Programs on the Public and Private Sectors (2215); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of Agriculture; Forest Service; Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* Morris K. Udall; *Rep.* James D. Santini; *Rep.* John F. Seiberling; *Sen.* James A. McClure.
Authority: Wilderness Act. Land Policy and Management Act.
Abstract: In reviewing the executive branch input into establishing a national wilderness preservation system, GAO studied the Forest Service's Roadless Area Review and Evaluation (RARE II) report. ***Findings/Conclusions:*** GAO found that, in the Forest Service's apparent rush to compute numerical mineral ratings, fundamental coding errors slipped into the RARE II report, misleading the reader into thinking that many study areas had no mineral potential when the potential was not actually known. Congress closely followed RARE II recommendations in its wilderness designation for four States, but may have been misled on the quality and quantity of data on which the Forest Service based its mineral ratings. Since wilderness legislation is currently pending and other State wilderness acts are expected to be introduced in the near future, GAO believes that it is important that Congress be aware of the inadequacy of mineral ratings in the RARE II report. Other questions that GAO believes need to be addressed to assure the most orderly establishment and administration of the wilderness preservation system include: (1) the merits of recurring mineral assessments in established wilderness areas without a stated policy and procedure for the possible reversal of wilderness decisions or other likely uses of the assessments; (2) possible solutions to the apparent failure to realize the congressional intent of continued industry exploration in potential wilderness areas until 1984; and (3) how best, and in what format, to provide Congress with the type of mineral information it needs to make wilderness determinations. ***Recommendation To Congress:*** The House Committee on Interior and Insular Affairs should hold off any decisionmaking until the Department of Agriculture provides it with corrected data showing the true extent of its mineral knowledge of possible wilderness areas under its jurisdiction. The Senate Committee on Energy and Natural Resources should hold off any decisionmaking until the Department of Agriculture provides it with corrected data showing the true extent of its mineral knowledge of possible wilderness areas under its jurisdiction. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct the Forest Service to review mineral data set forth in the January 1979 RARE II report, determine the extent to which mineral data are erroneously coded, and provide a corrected report to Congress.

117594

Land Use Issues: A GAO Perspective. CED-82-40. February 25, 1982. 35 pp. plus 3 appendices (7 pp.).
Staff Study by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control (2300).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment (300.0); Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Recreational Resources (303.0); Natural Resources and Environment: Other Natural Resources (306.0).
Authority: Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.). Forest Management Act. Land Policy and Management Act (43 U.S.C. 1701). Surface Mining Control and Reclamation Act of 1977. Alaska Native Claims Settlement Act. Alaska National Interest Lands Conservation Act (P.L. 96-487). P.L. 96-514. 16 U.S.C. 1.
Abstract: GAO studied the complex subject of land; its ownership; and how its use is planned, managed, and controlled. The subject is a highly controversial one, because land is the primary element necessary for determining growth and development. It involves population and economic growth; multiple use of land and resources; controversies over trade-offs between competing land uses; individual aspirations and rights versus public good; and Federal, State, and local government rights and responsibilities. The study is part of a continuing reassessment of areas of national concern and interest which identifies problems and issues within land use planning, management, and control. These issues will influence GAO audit efforts involving how much and what kind of land the Federal Government should own, how the use of such land should be controlled, and the impact of Federal programs on Federal and non-Federal lands.

117655

Accelerated Onshore Oil and Gas Leasing May Not Occur as Quickly as Anticipated. EMD-82-34; B-206192. February 8, 1982. ***Released*** February 15, 1982. 54 pp.
Report to Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce: Oversight and Investigations Subcommittee; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).
Organization Concerned: Department of the Interior; Bureau of Land Management; Council on Environmental Quality; Wyoming.
Congressional Relevance: *House* Committee on Energy and Commerce: Oversight and Investigations Subcommittee; *Rep.* John D. Dingell.
Authority: Environmental Policy Act of 1969 (National). Mineral Lands Leasing Act (30 U.S.C. 181 et seq.). Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.). Alaska National Interest Lands Conservation Act (P.L. 96-487). Department of the Interior Appropriation Act, 1981 (P.L. 96-514). Land Policy and Management Act. Naval Petroleum Reserves Production Act of 1976. Fish and Wildlife Coordination Act. 4 C.F.R. 3100. Executive Order 11988. Executive Order 11990. H.R. 3364 (97th Cong.).
Abstract: One of the goals of the current Administration is to encourage the development of energy resources on Federal lands by providing greater access to those lands and by streamlining the leasing process. In response to a congressional request, GAO reviewed the key initiatives either taken or planned by the Administration and progress to date with respect to onshore oil and gas leasing. ***Findings/Conclusions:*** GAO found that the Administration has not progressed as quickly as anticipated toward its goal, and little additional public land has been leased to date. However, the Department of the Interior has taken steps to make more land available for leasing in the future, including initiatives to: (1) expedite congressionally mandated withdrawal reviews; and (2) streamline internal land status record-keeping procedures. In addition, progress has been made by Interior to implement congressional mandates opening Alaskan lands for leasing. Other initiatives by Interior have been less successful. For example, the acquisition of over 6 million acres of military lands may not soon result in many new lease agreements due to litigation and doubtful consent from military base commanders, and the Bureau of Land Management (BLM) has decided not to change its policy prohibiting leasing of wildlife refuge lands in the lower 48 States. The basic onshore oil

and gas leasing system regulations have remained unchanged from previous administrations, and recent efforts to streamline procedures have been initiated by Interior itself. It is too early to determine whether the Administration's own changes will accelerate the leasing process. Because continuing serious problems with the onshore oil and gas leasing system and poorly maintained land status records make it difficult for BLM to process backlog lease applications quickly, it is doubtful whether efforts to speed up access to Federal lands can significantly increase the amount of leasing under the present system.

117658

[Further Efforts Needed To Ensure Best Use of Research Findings]. February 26, 1982. 2 pp. plus 1 enclosure (9 pp.).

Report to R. Max Peterson, Chief, Forest Service; by John L. Vialet, Senior Group Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Forest Service; Department of Agriculture.

Authority: Forest Management Act (16 U.S.C. 1600). Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1641). Technology Innovation Act of 1980 (15 U.S.C. 3701).

Abstract: GAO reviewed the results of actions taken by the Forest Service to obtain the best use of research findings. Since an earlier GAO report to Congress, the Forest Service has made numerous organizational and procedural changes to increase the use of research findings in lands and resources management and to provide better information to Congress. ***Findings/Conclusions:*** GAO found that a more systematic approach is needed to obtain information on the use and utility of research findings. The annual reports of research results do not always identify the benefits that land managers have obtained, or can expect to obtain, from using research findings. Station directors often lack information about the use of research findings by land managers and the problems that impair the use of research results. Consequently, Forest Service management does not have enough information to identify ways to better use research findings or refocus ongoing research to maximize benefits to land managers. In response to these concerns, Forest Service officials agreed to modify a directive on technology transfer responsibilities. The modifications will stress that regional foresters and area directors will be responsible for informing research project leaders and station directors on the use made of research findings and any problems limiting research use. This information should enable the Forest Service to improve the use of research findings and to provide better information to Congress.

117674

[Proposed Consolidation of Smokejumper Bases in the Forest Service's Western Regions]. CED-82-39; B-206050. February 9, 1982. ***Released*** February 15, 1982. 4 pp.

Report to Sen. Bob Packwood; Sen. Mark O. Hatfield; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Programs Designed To Promote and Regulate the Development, Rehabilitation, and Conservation of Nonpublic Lands and Related Resources (2314).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Forest Service: Siskiyou National Forest, OR; Forest Service: Region 6; Department of Agriculture.

Congressional Relevance: *Sen.* Bob Packwood; *Sen.* Mark O. Hatfield.

Abstract: GAO was requested to review the closing of the Forest Service's Siskiyou Smokejumper Base located in Region 6. Specifically, GAO provided information on: (1) any Forest Service study of planned closures, expansions, or realignments of smokejumper bases in three other western regions; and (2) any past findings GAO has reported on the lease-versus-purchase practices of the Service or other Federal agencies. ***Findings/Conclusions:*** The Forest Service has not made a cost or cost-savings study of closures, expansions, or realignments of smokejumper bases in Region 6 and other western regions. However, it did study the operations of selected smokejumper bases in these regions in 1978 and reported the results in January 1979. The report showed significant overlaps in the operating areas of the smokejumper bases in these regions and recommended that the number of smokejumper bases be reduced; the Siskiyou base was one of the four bases recommended for closure. The Service does not have any data showing planned expenditures for consolidations or closures of smokejumper bases in other western regions. The Service is developing a system to conduct cost-benefit analyses of its activities in preventing, detecting, and fighting forest fires. In addition, the Service has been trying to devise a system to provide information that would help improve the efficiency of all expenditures for suppressing forest fires. GAO has issued over 300 reports during the period 1971 through 1981 dealing with aircraft, leases, and facility leasing. Most of the reports dealt with military aircraft and the activities of the General Services Administration in providing facilities for various Federal agencies. None dealt with the issue of alternative costs of leasing versus purchasing helicopters, planes, and other facilities in situations involving the types of facilities and operations at smokejumper bases.

117763

[Status of the Navy's and Air Force's Implementation of the Guam Land Use Plan]. LCD-80-73; B-198779. June 18, 1980. ***Released*** March 10, 1982. 2 pp. plus 2 enclosures (14 pp.) plus 2 attachments (7 pp.).

Report to Del. Antonio B. Won Pat; by Donald J. Horan, (for Richard W. Gutmann, Director), GAO Logistics and Communications Division.

Issue Area: Facilities and Material Management: Effectiveness of Policies, Procedures and Practices for Identifying/Disposing of Surplus Property (0715).

Contact: Logistics and Communications Division.

Budget Function: National Defense: Department of Defense - Military (Except Procurement and Contracting) (051.0).

Organization Concerned: Department of Defense; Department of the Air Force; Department of the Navy; General Services Administration.

Congressional Relevance: *Del.* Antonio B. Won Pat.

Authority: Airport and Airways Development Act of 1970.

Abstract: GAO reviewed the Navy and Air Force efforts to release the land identified in the Navy's Guam Land Use Plan as releasable to the Government of Guam or to private parties. GAO also reviewed the current military landholdings on Guam to see if additional land could be released. ***Findings/Conclusions:*** GAO found that the Navy had released only 100 of the 2,517 acres of Navy-occupied land identified in the Plan as releasable. The Navy has deferred releasing 1,228 acres so that the requirement for this land can be reassessed. The Air Force has released 2,127 of the 2,663 releasable acres of Air Force-occupied land for internal Department of Defense (DOD) screening and is processing an additional 369 acres for internal screening. A comparison of DOD landholdings on Guam with DOD requirements for such land indicated that over 1,000 additional acres may be releasable for civilian use. The

Navy estimated that the releasable land, except for the acres being deferred, will be turned over to the General Services Administration for disposal by April 1981. After the land is released, the services will still control over 42,000 acres of land on Guam.

117764

Illegal and Unauthorized Activities on Public Lands--A Problem With Serious Implications. CED-82-48; B-203050. March 10, 1982. 12 pp. plus 4 appendices (22 pp.).

Report to James G. Watt, Secretary, Department of the Interior; John R. Block, Secretary, Department of Agriculture; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Refer to GGD-77-28, June 21, 1977, Accession Number 102551.

Issue Area: Law Enforcement and Crime Prevention: Non-Line-of-Effort Assignments (0551); Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Recreational Resources (303.0).

Organization Concerned: Department of Agriculture; Department of the Interior; Bureau of Land Management; Forest Service; National Park Service.

Congressional Relevance: *House* Committee on Government Operations; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Governmental Affairs; *Senate* Committee on Appropriations: Interior Subcommittee.

Authority: Executive Order 12003. Dep't of the Interior Manual part 446. Dep't of the Interior Order 3307.

Abstract: GAO reviewed the Federal role in providing outdoor recreation in California and Oregon. ***Findings/Conclusions:*** GAO noted that field officials at selected locations of the Bureau of Land Management (BLM) and the Forest Service are not always effectively enforcing laws relating to illegal and unauthorized activities on public lands. Although the magnitude and seriousness of crimes such as burglary and larceny, marihuana cultivation, timber thefts, and trespassing are not fully known, available evidence indicates that such activities are widespread and increasing on BLM and Forest Service lands. Field officials of the National Park Service are doing a better job of enforcing laws and regulations; nevertheless, there is currently an increase in crimes against people and their property. In each of the three agencies, management constraints such as travel, vehicle, and duty restrictions limit efficient and effective law enforcement activities. Limited agency resources and the remoteness of the land contribute to the rise of illegal and unauthorized activities. However, the agencies' top management did not believe that a serious problem existed. This was due, in part, to a lack of information on these kinds of activities on the public lands managed by the agencies nationwide. The Department of the Interior has not developed an effective, uniform, and timely management information system as GAO previously recommended. The information system of the Forest Service is new, thus statistics are not yet available for the entire nation. ***Recommendation To Agencies:*** The Secretaries of the Interior and Agriculture should direct the heads of the land management agencies to establish and effectively implement law enforcement information systems that provide management with essential and reliable reporting information on the seriousness and extent of crime on public lands. Such systems are vital to supervising and controlling law enforcement efforts. The Secretaries of the Interior and Agriculture should direct the heads of the land management agencies to remove manpower, resource, and policy constraints which impede efficient and effective law enforcement efforts, to the extent feasible, by giving emphasis and support to prevention activities, including preventive patrolling, making vehicles available when needed, and assuring adequate coverage of law enforcement personnel through improved duty assignment planning. The Secretaries of the Interior and Agriculture should direct the heads of the land management agencies to increase the level of law enforcement effort devoted to preventing and controlling the illegal and unauthorized activities which GAO identified. This action should instruct the field staffs to: (1) meet their obligations and responsibilities for dealing with these activities; and (2) foster mutual aid and cooperation with other law enforcement entities. The Secretaries of the Interior and Agriculture should direct the heads of the land management agencies to give increased emphasis to using the agencies' law enforcement powers and carrying out their responsibilities whenever unauthorized activities affect resource management and use. Where necessary, existing regulations should be revised to deal specifically with the problems of crimes against persons and property, marihuana cultivation, timber theft, and trespassing. Also, the roles of land managers in enforcing such regulations should be clarified.

117942

Corps of Engineers Should Reevaluate the Elk Creek Project's Benefits and Costs. CED-82-53; B-206437. March 15, 1982. 40 pp.

Report to Rep. James H. Weaver; by Charles A. Bowsher, Comptroller General.

Refer to Testimony, April 6, 1982, Accession Number 117992.

Issue Area: Water and Water Related Programs: Benefit-Cost Analyses Consideration of Beneficial and Adverse Effects of Water Resources Projects (2554).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Water Resources (301.0).

Organization Concerned: Department of Defense; Department of the Army: Corps of Engineers; Department of the Army; Department of the Interior.

Congressional Relevance: *House* Committee on Public Works and Transportation; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Environment and Public Works; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee; *Rep.* John F. Seiberling; *Rep.* Buddy Roemer; *Rep.* Ronald E. Paul; *Rep.* Barney Frank; *Rep.* Floyd J. Fithian; *Rep.* Robert W. Edgar; *Rep.* Berkley W. Bedell; *Rep.* James H. Weaver.

Authority: Area Redevelopment Act (P.L. 87-27). Clean Water Act of 1977 (P.L. 95-217). Flood Control Act (33 U.S.C. 701a). Flood Control Act of 1962 (P.L. 87-874). Flood Disaster Protection Act of 1973 (P.L. 93-234). Water Resources Development Act of 1974 (P.L. 93-251). Water Supply Act of 1958 (P.L. 85-500). 18 C.F.R. 704.39. S. Doc. No. 97 (87th Cong.). National Wildlife Federation v. Gorsuch, Civ. Act. No. 79-0915 (D.D.C. 1982). 43 U.S.C. 390.

Abstract: GAO was requested to review the Army Corps of Engineers' benefit-cost analysis of the Elk Creek Project under construction in Jackson, Oregon. The review focused on the latest benefit-cost analysis which was prepared in 1981 for the fiscal year (FY) 1982 budget. ***Findings/Conclusions:*** GAO questioned the 76 percent of the $5,457,000 in annual benefits estimated by the Corps in 1981 for the FY 1982 budget. Specifically, GAO questioned whether the: (1) flood control benefits developed in 1974 reflect a subsequent lower potential population and property value growth rate and more stringent flood plain zoning laws passed by local governments in the Elk Creek flood plain area; (2) Corps included water supply benefits without assessing the future water needs predicted by the Rogue River Basin communities; (3) Corps developed recreation benefits in 1973 and 1974 on the basis of now outdated recreation use patterns; (4) Corps based irrigation benefit estimates on an irrigation plan discarded in 1975 by another Federal agency because it was no longer economically feasible; and (5) Corps computed area development benefits for the county in which the project is to be constructed and a neighboring county. GAO is not questioning the fish and wildlife benefits other than those

related to irrigation. However, some agencies have expressed concern about the possible adverse effects of the project on water quality and the fishery in the Rogue River. GAO found that project costs are understated by $65,000 annually because, contrary to applicable benefit-cost procedures, costs associated with interest on construction expenditures and the acquisition of project lands and timber were not updated. ***Recommendation To Agencies:*** The Secretary of the Army should require the Chief, Corps of Engineers, to reexamine the economic feasibility of the Elk Creek Project and to resolve the questions on project benefits and costs.

117951

[Effects of Increasing Filing Fees for Noncompetitive Onshore Oil and Gas Leases]. EMD-82-67; B-206772. March 19, 1982. 13 pp. plus 3 enclosures (3 pp.).

Report to Rep. Albert Gore, Jr.; Rep. Martin Frost; Rep. William M. Brodhead; Rep. Frank Annunzio; Rep. Wes W. Watkins; Rep. Jim Mattox; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629); Land Use Planning and Control: More Effective and Efficient Management of Federally Owned Lands To Meet Competing Demands and Preserve Natural Resources (2323).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *Rep.* Albert Gore, Jr.; *Rep.* Martin Frost; *Rep.* William M. Brodhead; *Rep.* Frank Annunzio; *Rep.* Wes W. Watkins; *Rep.* Jim Mattox.
Authority: Omnibus Budget Reconciliation Act of 1981. Land Policy and Management Act (90 Stat. 2765). Independent Offices Appropriation Act, 1952 (65 Stat. 290). Mineral Leasing Act Revision of 1960.
Abstract: In response to a congressional request, GAO examined the Department of the Interior's action which increased from $25 to $75 the fee charged to applicants filing for noncompetitive onshore oil and gas leases. Specifically, GAO considered: (1) Interior's basis for establishing the higher filing fee; (2) the expected number of lease filings at the higher rate and the higher rate's effect on revenues; and (3) the possible impact on leasing participants and related implications for reducing fraud, development delays, and the administrative burden. ***Findings/Conclusions:*** Interior concluded that the increased filing fee would: (1) reduce the total filings per year but still generate increased revenue; and (2) deter casual speculators and multiple filers, thereby reducing both fraud and its administrative burden. GAO could not rule out the possibility that the positive results foreseen may not materialize to the degree projected. While it is likely that the increased fee will generate additional revenue over what was attainable under prior rates, Interior's projections of at least a million filings and $150 million in revenues are far from certain. Further, GAO was unable to determine the degree to which the problems that Interior wanted to overcome actually existed, or that they would be resolved through a fee increase. GAO suggested that: (1) a reduction in the number of filings would not necessarily be the total or only solution to reducing the administrative burden; (2) the casual speculator has not had that great an adverse effect on development and, in fact, has certain positive aspects; and (3) the true extent of fraud in the leasing system may not be as great as initially supposed. In addition, there were possible adverse effects that may not have been fully considered. For example, the increased filing fee, when coupled with increased rental, could adversely affect the industry's exploration activities. GAO was not suggesting that Interior's analysis was totally off base; however, since there were very little empirical data on which to base projections, results could not be accurately predicted.

117970

[DOE Does Not Plan To Use an Abandoned Salt Mine at Lyons, Kansas, for Nuclear High-Level Waste Disposal]. EMD-82-64; B-206791. March 23, 1982. 4 pp.

Report to Sen. Nancy L. Kassebaum; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Actions To Reduce Risks of Nuclear Fuel Cycle (1623).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).
Organization Concerned: Nuclear Regulatory Commission; Department of Energy; Rickano Corp.
Congressional Relevance: *Sen.* Nancy L. Kassebaum.
Abstract: GAO was requested to determine how the Department of Energy (DOE) and a corporation intend to use an abandoned salt mine near Lyons, Kansas. Even though the corporation bought the mine as a potential low-level nuclear waste burial site, concerns have persisted that DOE intends to use it for high-level nuclear waste disposal. ***Findings/Conclusions:*** The current DOE high-level waste disposal program is aimed at opening an underground repository by the end of this century. To meet this schedule, DOE hopes to identify three potential repository sites during 1983 and begin construction of exploratory shafts at each location to determine their suitability as permanent disposal facilities. DOE has tentatively identified two of the sites which are both on Federal lands and already dedicated to nuclear activities. The third site is expected to be in a salt formation. The corporation has submitted an application requesting a license to operate the abandoned salt mine for low-level nuclear waste disposal, but the license has not yet been granted. Based on its many years of tracking and reporting on the DOE high-level nuclear waste program, GAO was confident that the Lyons salt mine was no longer being considered for high-level nuclear waste disposal. In addition, officials from both DOE and the corporation confirmed that the site was not part of the high-level waste program.

117981

[Request for Advance Decision]. B-205846. April 1, 1982. 7 pp.

Decision re: Department of the Interior; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: Department of the Interior; National Park Service; Yosemite Park and Curry Co.
Authority: 36 C.F.R. 51. 36 C.F.R. 51.3(b). 36 C.F.R. 51.3(c). 4 C.F.R. 21. 4 C.F.R. 21.2(a). 4 C.F.R. 21.2(b)(1). Yosemite Park and Curry Co. v. United States, 582 F.2d 552 (Ct. Cl. 1978). 1965 U.S. Code Cong. & Ad. News 3489. S. Rept. 89-765. H. Rept. 64-700. B-193527 (1979). 16 U.S.C. 3 et seq. 16 U.S.C. 20(c). 16 U.S.C. 4601-6a(f). 16 U.S.C. 20(d). 16 U.S.C. 20. 39 Stat. 435.
Abstract: An advance decision was requested by the Department of the Interior on the propriety of a proposed contract award under a request for proposals (RFP). The contract was for shuttle transportation services within a national park. A firm claimed that it had rights to first refusal of the contract award, claiming that it was granted this right under terms of an earlier contract with Interior. GAO found that those terms related to contracts to be awarded on a concession basis, not to contracts to be financed by appropriated funds, as in this case. Nor did the records indicate that the concessioner's rights were intended to extend to the procurement of services with appropriated funds. GAO concluded that the firm was not entitled to a first refusal right for the proposed contract. Incident to Interior's request, the firm filed a protest concerning alleged defects in the RFP which prevented it from submitting a meaningful response. However, GAO ruled that the protest was filed in an untimely manner, and it was dismissed.

117992

[Corps of Engineers Benefit-Cost Analysis for the Elk Creek Project]. April 6, 1982. 8 pp. plus 1 appendix (1 p.).

Testimony before the House Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Refer to CED-82-53, March 15, 1982, Accession Number 117942.

Contact: Community and Economic Development Division.

Organization Concerned: Department of the Army; Department of the Army: Corps of Engineers; Department of Defense; Department of the Interior.

Congressional Relevance: *House* Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; *Rep.* John F. Seiberling; *Rep.* Buddy Roemer; *Rep.* Ronald E. Paul; *Rep.* Barney Frank; *Rep.* Floyd J. Fithian; *Rep.* Robert W. Edgar; *Rep.* Berkley W. Bedell; *Rep.* James H. Weaver.

Abstract: GAO discussed the results of its review of the Army Corps of Engineers' benefit-cost analysis for a project in Elk Creek, Oregon, designed to provide flood control, water supply, recreation, irrigation, area redevelopment, fish and wildlife enhancement, and water quality control benefits. Although the Corps estimated that the project would produce an excess of benefits over costs, questions were raised during the review relating primarily to the changing conditions of the area since the Corps' computation of the benefits. GAO found that, since the Corps does not reevaluate project benefits and costs each year to reflect changing conditions, in many cases the benefits do not reflect the current conditions of the area and the effect those conditions will have on the project. GAO recommended that the Corps resolve this matter and recalculate project benefits and costs so that, when further funding is being considered, Congress will have current information on the economic feasibility of the Elk Creek Project.

118084

[Protest Against Forest Service Solicitation]. B-205407. April 6, 1982. 2 pp.

Decision re: Cooperative Forest Workers; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Cooperative Forest Workers; Forest Service: Rogue River National Forest, OR.

Authority: Organic Act (Department of Agriculture) (7 U.S.C. 2225). P.L. 97-100. B-201032 (1981). B-201447 (1981). 95 Stat. 1405. 95 Stat. 1406.

Abstract: A firm protested a solicitation for lifting tree seedlings from a forest nursery. Notwithstanding the protest, the award was made after the Forest Service made a determination that the award was ecologically sound. The protester felt that the contract was a proscribed personal services contract; in addition, it alleged that the Forest Service had a bias against its work. The necessary funds had been appropriated, and the procuring agency had the authority to employ persons on a temporary basis. Therefore, even if the contract was for personal services, the contract was authorized by law. The protester also complained about a solicitation specification which listed rules of conduct for contractor employees. The agency added this specification after the protester's employees, under a prior contract, violated the very rules of conduct which the specification prohibited. GAO found that the specification affected all bidders equally and should not have prevented any prospective bidder from bidding. Consequently, GAO rejected the suggestion that the presence of the rules meant that the agency would unfairly evaluate the protester's bid for the work. Accordingly, the protest was denied.

118212

Cooperative Leasing Offers Increased Competition, Revenues, and Production From Federal Coal Leases in Western Checkerboard Lands. EMD-82-72; B-205879. April 28, 1982. 14 pp.

Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Energy: Institutional Mechanisms To Resolve Jurisdictional Conflicts and Coordinate Functions Between Parties in Energy Leasing Activities (1658); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee.

Authority: Mineral Lands Leasing Act (30 U.S.C. 181 et seq.). Hepburn Act (Interstate Commerce) (49 U.S.C. 1(8)). Federal Coal Leasing Amendments Act of 1975. United States v. Delaware & Hudson Co., 213 U.S. 366 (1909). United States v. South Buffalo Ry., 33 U.S. 771 (1948).

Abstract: GAO evaluated the Department of the Interior's ongoing experiment with cooperative leasing agreements as a possible alternative approach for developing Federal coal in Western checkerboard lands. The basic GAO objective was to determine whether Interior's efforts to plan and conduct a cooperative coal lease sale would result in a fair and reasonable first test for the concept. ***Findings/Conclusions:*** Prior to the actual lease sale, the cooperative coal leasing concept combines the surface and coal rights to checkerboard lands into a single logical mining unit. Interior chose the Red Rim, Wyoming, tract as the test site for the first cooperative lease sale. However, obtaining consent from the private surface owner and unresolved legal issues surrounding participation by the mining affiliates of land grant railroads have complicated the sale. Moreover, the possibility of protracted litigation of either issue may persuade Interior to withdraw the tract for consideration for sale under the cooperative agreement concept. GAO believes that it would be imprudent to decide on the merits of the cooperative leasing concept based solely on the outcome of the Red Rim experiment. Cooperative coal leasing could substantially increase competition, revenues, and production from checkerboard area coal leases. In addition, the concept could lead to the mining of Federal coal that might not otherwise be recovered. However, before meaningful comparisons can be made against other leasing alternatives, more experience with the concept is needed. ***Recommendation To Agencies:*** The Secretary of the Interior should, in planning future leasing activities: (1) take steps, such as announcements in the media, which could lead to increased submittals of cooperative coal leasing proposals from private parties holding surface and coal rights to lands adjoining Federal coal holdings; (2) identify to the public where cooperative leasing proposals could be incorporated into the existing coal leasing program; and (3) give priority to cooperative coal leasing proposals containing all of the surface and underlying coal rights. The Secretary of the Interior should continue efforts leading to the cooperative leasing of the Red Rim tract.

118232

[Protest of Forest Service Contract Award]. B-204664. April 27, 1982. 10 pp.

Decision re: AAA Engineering and Drafting, Inc.; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: AAA Engineering and Drafting, Inc.; Forest Service; Department of Agriculture.
Authority: B-186391 (1977). B-186614 (1976). B-187625 (1977). B-189064 (1978). B-189410 (1977). B-196279 (1980). B-196281 (1981). B-197516 (1980). B-199680 (1981). B-200261 (1980). B-201166.2 (1981). B-201291 (1981). B-201710 (1982).
Abstract: A firm protested the award of a contract under a request for proposals (RFP) for the performance of a timber stand examination inventory. The protester contended that three of the specification criteria were improperly considered in the evaluation. The agency had found the protester's proposal to be deficient in the areas of experience of project leaders and personnel, time for and type of supervision, and control over widely scattered crews. The protester asserted that the technical evaluation process was conducted in an arbitrary manner. When a protester challenges the validity of a technical evaluation, GAO does not rescore proposals, but determines whether the judgment of the evaluation team was reasonable and in accord with the listed criteria. A determination of an agency's minimum needs together with the selection and weights of evaluation criteria to be used are within the broad discretion of agency procurement officials. Therefore, the agency's determination to limit the experience evaluation was reasonable since it was consistent with the factors listed in the RFP. The criteria for time planned for and type of supervision appeared to be reasonable. Further, the timeliness and adequacy of the awardee's performance was a matter of contract administration which is the function of the procuring activity. Additionally, GAO held that the agency's determination that the protester would have minimal control over its one-man, widely scattered crews was reasonable. Accordingly, the protest was denied.

118241

[Apportionment of County Revenue]. B-202123. April 26, 1982. 6 pp.
Decision re: Payment in Lieu of Taxes Act; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: Forest Service; Bureau of Land Management; Department of the Interior: Division of Energy and Resources.
Authority: Payment in Lieu of Taxes Act (31 U.S.C. 1601 et seq.). 58 Comp. Gen. 19. Ariz. Rev. Stat. 11-497. Ariz. Rev. Stat. 15-971. Ariz. Rev. Stat. 15-991. Ariz. Rev. Stat. 15-992. Ariz. Rev. Stat. 41-736. 16 U.S.C. 500.
Abstract: GAO was asked what portion of Forest Service revenues paid by a State to a county must be considered to be received by the county and, therefore, deducted from its payment in lieu of taxes, where the county has disbursed approximately one-half the amount to school districts under a State law which does not specify how much must be distributed to school districts. The State law requires only that the county give the school districts an amount that will provide a real benefit to the schools. GAO concluded that, where a county is responsible for providing and supporting public schools and funds them with its own tax revenues, the entire amount of Forest Service revenues expended for the schools, regardless of whether such expenditure exceeds the minimum required by State law, must be treated as received for purposes of computing the county's payment in lieu of taxes. On the other hand, where a county which is required by State law to pass a certain portion of its Forest Service receipts on to politically and financially independent school districts and chooses to pass on a sum which exceeds the State-established minimum, the amount by which the county's expenditure exceeds the minimum must be viewed as received for purposes of computing the payment in lieu of taxes. Arizona law provides that any forest reserve funds which are received by the State from the United States are to be apportioned among the counties according to the forest reserve acreage contained in each county and that these funds are to be disbursed by the county for schools and roads. A county's share of forest reserve funds were treated as the amount received for a fiscal year. However, a portion of this amount was passed on to school districts. Therefore, the county claimed that it was entitled to additional funds. The county's request was denied, and this decision was appealed to the Department of the Interior. GAO found that the Forest Service payment belonged to the county, as if it were part of its own tax revenues. It made no difference whether the county passed only a State-required minimum or more to the school district. All Forest Service revenues should be deducted from the county's in lieu of taxes entitlement since the county has the responsibility both for the maintenance of county roads and the financing of the schools within its boundaries. In this case, the school boards did not have the authority to collect taxes necessary to generate school revenues on their own initiative.

118260

[Federal Energy and Mineral Resources Act of 1982]. May 3, 1982. 11 pp.
Testimony before the Senate Committee on Energy and Natural Resources; by Wilbur D. Campbell, Acting Director, GAO Accounting and Financial Management Division.

Contact: Accounting and Financial Management Division.
Organization Concerned: Department of the Interior; Commission on Fiscal Accountability of the Nation's Energy Resources.
Congressional Relevance: *Senate* Committee on Energy and Natural Resources.
Authority: Outer Continental Oil Shelf Lands Act (43 U.S.C. 1350). S. 1249 (97th Cong.). S. 2305 (97th Cong.). S. 2309 (97th Cong.). 25 U.S.C. 413. 30 U.S.C. 191.
Abstract: GAO testified on S. 2305, a bill to improve the accounting and control of revenues due from Federal and Indian lands. Several deficiencies in the collection system which GAO identified over 20 years ago still persist today, with large sums going uncollected each year. The proposed legislation and a new royalty accounting system should provide the foundation for resolving these longstanding financial management problems. S. 2305 would require that the Secretary of the Interior be notified when any new leased well begins production or of any lease assignments or changes in responsibilities for royalty payments or recordkeeping. GAO supports a proposal which requires that each lessee develop a site-security plan since site security has been extremely lax. Because of inadequate lease inspection and monitoring, and because there are not enough inspectors to provide adequate coverage, thefts and violations on Federal and Indian lands have gone undetected. GAO also supports a legislative proposal which would require that anyone transporting mineral resources from a Federal or Indian lease must maintain documentation showing from whom such resources were obtained. GAO suggested that the legislation be amended to provide civil fines and penalties for failure to comply with the provisions of the bill. GAO supports a requirement that all individuals associated with a lease must maintain and provide records as specified by Interior. GAO also supports legislation that would allow the refund or credit of any overpayment made to the Government for leases without congressional approval. S. 2305 provides for charging interest on all late royalty payments. These interest payments would be shared by the Government and the States. GAO believes that a provision should be added to share the interest charges with the trust beneficiary of the Government's share of the interest, the Indians. GAO supports the provision for Interior to enter into cooperative agreements with the States and Indian tribes to share the royalty management functions. A provision of a self-sustaining fund for the operation of the royalty management

function should be clarified as to whether this fund would cover the costs of audits of oil and gas companies and the cost of developing the new accounting system. The proposed legislation may encumber the authority of Interior to collect reasonable fees to cover the cost of work performed by Indians.

118285

[Modification of Timber Sale Contracts]. B-207165. May 3, 1982. 2 pp.

Decision re: Department of Agriculture; by Milton J. Socolar, Acting Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: Forest Service.
Authority: Bausch & Lomb Optical Co. v. United States, 292 U.S. 645 (1934). Brooklyn Bank v. O'Neil, 324 U.S. 697 (1945). Deputy v. Dupont, 308 U.S. 448 (1940). 16 U.S.C. 472a(c).
Abstract: An advance decision was requested concerning proposed extensions by the Forest Service of a number of timber sales contracts due to extremely unfavorable economic conditions in the timber industry. It appeared that the contractors would be unable to perform within the contract terms and would face default terminations if the contracts were not extended. The extensions were made under statutory authority, which permitted extensions when substantial overriding public interest justified the extensions. The agency modified the payment provision of the contract to benefit the Government. After the extension, the contracts contained a clause requiring monthly payments to be made during the first operating season so that all timber would be paid for by the last day of the season, whether or not timber was actually cut. When the first payments were due, economic conditions had not improved in the timber industry. Consequently, the agency proposed a further modification of the payment terms of the contract to essentially waive the monthly payment requirements and return to the previous system of payment just prior to timber cutting. In return, the Forest Service proposed to require the contractors to pay interest on the deferred payments until payment was actually made. GAO held that modification of timber sale contracts to permit contractors to defer required monthly payments was permissible where the contractors agreed to pay interest for the deferred payment period. Accordingly, there was no legal objection to this proposed modification.

118302

Oil and Gas Royalty Accounting--Improvements Have Been Initiated but Continued Emphasis Is Needed To Ensure Success. AFMD-82-55; B-199739. April 27, 1982. ***Released*** May 5, 1982. 3 pp. plus 3 appendices (14 pp.).

Report to Rep. Edward J. Markey, Chairman, House Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Issue Area: Accounting and Financial Reporting: Systems To Insure That Amounts Owed the Federal Government Are Fully and Promptly Collected (2803).
Contact: Accounting and Financial Management Division.
Budget Function: Financial Management and Information Systems: Accounting Systems in Operation (998.1).
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; *Rep.* Edward J. Markey.
Abstract: GAO was requested to evaluate the development of the new royalty system and to determine the extent to which it will improve the collection of royalties due from Federal and Indian lands. ***Findings/Conclusions:*** Royalty collections have increased rapidly in recent years, primarily because of substantial increases in oil and gas prices and, with oil prices decontrolled, this trend can be expected to continue. Historically, a high priority has not been placed on collecting oil and gas royalties, and major problems have gone unchecked for over 20 years. As a result, large sums of royalty income may be going uncollected each year, and significant amounts of royalty income have been uncollected when due, thus increasing the Government's interest costs. The current royalty accounting system is in disarray. Oil and gas companies are essentially on an honor system to report accurately and pay royalties when due, and the Department of the Interior has been unable to account for the information reported to it, much less to verify this information. Interior is attempting to correct these longstanding problems and has placed an emphasis on the need for an effective royalty management system, which it is designing. However, Interior has not adequately considered: (1) acquiring data on the number of leases and wells for which it is responsible; (2) verifying the royalty computation; (3) developing a comprehensive plan for audits and inspections; and (4) planning the production phase of the new system which will permit production and sales data to be matched. Some corrective action has been taken; however, the problems confronting Interior in this area cannot be solved immediately. ***Recommendation To Agencies:*** The Secretary of the Interior should, no later than September 30, 1982, develop cost estimates, broken down by fiscal year and function, for the new royalty management program. This information, which should be furnished to cognizant congressional committees, should include milestones for implementation of specific system improvements and, as a minimum, should detail cost of personnel, contractor services, and computer equipment for the: (1) design and implementation of the accounting, production, and enhanced management phases; (2) performance of audits; (3) lease inspection function; and (4) reconciliation of existing lease account records.

118407

Status of Federal Agencies' Implementation of the Alaska National Interest Lands Conservation Act. CED-82-74; B-206534. April 19, 1982. 1 p. plus 6 appendices (37 pp.).

Report to Rep. John F. Seiberling, Chairman, House Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of the Use of the Land Being Planned, Managed, and Coordinated for Alaska (2326).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Bureau of Land Management; National Park Service; Alaska; United States Fish and Wildlife Service; Department of Agriculture; Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *Rep.* John F. Seiberling.
Authority: Alaska National Interest Lands Conservation Act (P.L. 96-487). Alaska Statehood Act (P.L. 85-508). Alaska Native Claims Settlement Act (P.L. 92-203). Land Policy and Management Act (P.L. 94-579). Antiquities Act (16 U.S.C. 431). H.R. 39 (96th Cong.).

Abstract: GAO reviewed the progress Federal agencies were making in implementing the Alaska National Interests Lands Conservation Act. ***Findings/Conclusions:*** The review provided information on the administration and management of the new and expanded

conservation units; the implementation of the Act's special land-use provisions, special studies provisions, and land transfer conveyance provisions; and budget proposals and staffing.

118410

[Assistance to Beginning Farmers]. May 14, 1982. 7 pp. plus 3 enclosures (7 pp.).

Report to Richard E. Lyng, Deputy Secretary, Department of Agriculture; by Brian P. Crowley, Senior Associate Director, GAO Community and Economic Development Division.

Issue Area: Food: Effects of Scarcity in Farm Input Resources (1726); Domestic Housing and Community Development: Assisting Community Development Through Loans and Grants to Businesses (2110); Federal Oversight of Financial Institutions: Non-Line-of-Effort Assignments (3951).

Contact: Community and Economic Development Division.

Budget Function: Agriculture (350.0).

Organization Concerned: Department of Agriculture; Agricultural Stabilization and Conservation Service.

Congressional Relevance: *House* Committee on Agriculture; *House* Committee on Appropriations: Agriculture, Rural Development, and Related Agencies Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee.

Authority: Farm Credit Act Amendments of 1980 (P.L. 96-592).

Abstract: Because of concerns raised about the obstacles faced by beginning farmers in obtaining financing to enter agriculture and the declining number of farms in the United States, GAO reviewed Federal and State efforts to help beginning farmers. ***Findings/Conclusions:*** Federal assistance programs for people entering farming consist primarily of loans and loan guarantees. Eleven bills were introduced in the 96th and 97th Congresses to target Federal programs to beginning farmers. Although most of the programs in 14 States that assist beginning farmers are also loan and loan guarantee programs, two State programs provide land for new farmers. The current Department of Agriculture (USDA) analysis of farm trends describes net changes in farm numbers, but it does not provide data on numbers of farmers entering or leaving farming, and there are little data on the impact of existing farm programs on beginning farmers or the farm sector. Without an understanding of the changes in the farmer population and the impact of existing programs on beginning farmers, it is difficult for Congress to consider changes to farm programs that would successfully assist the beginning farmer. Raw data are available nationwide at county agricultural offices that can be used to determine the numbers of farmers entering and leaving farming and to obtain information about the numbers of people wishing to enter farming. USDA could collect and tabulate this data within existing resources and provide farmer demographic information, a profile of the beginning farmer situation, a basis for evaluating the existing programs' impact on beginning farmers, and data for evaluating proposed legislation. ***Recommendation To Agencies:*** The Secretary of Agriculture should direct USDA to revise the Agricultural Stabilization and Conservation Service recordkeeping system to tabulate available data on farmers entering and leaving the agricultural sector. The Secretary of Agriculture should direct USDA to tabulate data on qualified persons applying for loans to enter farming through Federal programs and the number actually receiving loans. The Secretary of Agriculture should direct USDA to evaluate the impact of existing programs which help farmers enter the agricultural sector. The Secretary of Agriculture should direct USDA to analyze trends in farmer numbers and target Government programs to the desired group of farmers.

118457

[Property Disposal on Matagorda Island]. B-204291. April 16, 1982. ***Released*** May 26, 1982. 22 pp.

Letter to Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce: Oversight and Investigations Subcommittee; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: General Services Administration; Department of the Interior; Department of the Air Force; United States Fish and Wildlife Service; Texas.

Congressional Relevance: *House* Committee on Energy and Commerce: Oversight and Investigations Subcommittee; *Rep.* John D. Dingell.

Authority: Wildlife Refuge System Administration Act. Property and Administrative Services Act (40 U.S.C. 484(e)(3)(H)). Endangered Species Conservation Act of 1969 (P.L. 89-669; 80 Stat. 926). Environmental Policy Act of 1969 (National) (42 U.S.C. 4321 et seq.). Migratory Bird Treaty Act (16 U.S.C. 703 et seq.). Game Range Act (P.L. 94-223; 90 Stat. 199). 41 C.F.R. 101-47. 47 Fed. Reg. 5048. 15 Fed. Reg. 1350. P.L. 80-537. H.R. 5512 (94th Cong.). H. Rept. 94-334. S. Rept. 94-593. Connors v. Andrus, 453 F. Supp. 167 (D.D.C. 1977). GSA Property Management and Disposal Service Handbook 400.1 ch. 3, para. 41. 16 U.S.C. 667b et seq. 40 U.S.C. 472(g). 80 Stat. 927.

118518

[Potential Cost of Purchasing or Exchanging Phosphate Mining Lease Rights in Florida's Osceola National Forest]. EMD-82-85; B-207450. May 24, 1982. 7 pp.

Report to Sen. Jesse A. Helms, Chairman, Senate Committee on Agriculture, Nutrition, and Forestry; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Materials: Materials Resource Base (1815); Land Use Planning and Control: More Effective and Efficient Management of Federally Owned Lands To Meet Competing Demands and Preserve Natural Resources (2323).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Forest Service: Osceola National Forest, FL; Department of the Interior; Department of Agriculture.

Congressional Relevance: *Senate* Committee on Agriculture, Nutrition, and Forestry; *Sen.* Jesse A. Helms.

Authority: S. 1873 (97th Cong.). H.R. 9 (97th Cong.).

Abstract: GAO was requested to study the potential cost of purchasing or exchanging preference right leases for phosphate mining in the Osceola National Forest. The study included an evaluation of the technical and cost information that had already been developed. Further, GAO was requested to comment on procedures that should be followed by the Department of the Interior and the companies involved in assuring that fair market value is properly determined. ***Findings/Conclusions:*** GAO found that the existence of conflicts and deficiencies in the cost and technical information provided an insufficient basis for determining the value of the phosphate deposits. Further, insufficient geological information had been collected, and no field verification had been made by the Interior of the drilling data submitted by the companies. The administrative process to issue preference right leases had not yet been completed, which made the determination of compensation premature. At the present, phosphate deposits within the Forest remain the property of the Government. In addition, the GAO evaluation raised questions regarding the mining profitability which, in turn, raised questions as to the companies' entitlement to preference right leases. Finally, the procedures to be followed in proper determination of fair market value should include: (1) additional drilling and field verification of available data, (2) the cost of capital in the calculation of operation and production costs, and (3)

a determination of the commercial value of the deposits.

118519

[Proposed Colorado and Utah Cooperative Agreements Should Be Modified To Reduce State/Federal Duplication in Mine Plan Review]. EMD-82-87; B-207451. May 27, 1982. 6 pp.

Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); Environmental Protection Programs: Effectiveness of the Implementation of the National Environmental Policy Act (2263).

Contact: Energy and Minerals Division.

Budget Function: Energy: Energy Supply (271.0); Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; Office of Surface Mining Reclamation and Enforcement; Colorado; Utah.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee.

Authority: Surface Mining Control and Reclamation Act of 1977. Environmental Policy Act of 1969 (National).

Abstract: GAO reviewed the Department of the Interior's environmental analyses of coal mine plans. ***Findings/Conclusions:*** The Interior's Office of Surface Mining Reclamation and Enforcement (OSM) has been making a commendable effort to streamline regulations governing mine-plan reviews as well as other aspects of coal mining. GAO believes that further potential exists with respect to the proposed Colorado and Utah cooperative agreements. These agreements create a significant potential for duplication, are inconsistent with those which Interior already has with two other States, and do not comply with the OSM proposed amendments to the regulations governing future agreements, both of which require States to provide OSM with a combined technical and environmental analysis of mine plans on Federal lands. By requiring States entering cooperative agreements to prepare combined analyses, the Interior can: (1) reduce State and Federal duplication in mine review; (2) decrease review costs; (3) lessen delays in mine-plan approval; and (4) assure that States assume more responsibility for regulating mining on Federal lands. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Director of OSM to (1) modify the proposed cooperative agreements to require Colorado and Utah to prepare a combined technical and environmental analysis of each mine plan on Federal lands; or (2) reduce payment to Colorado and Utah as well as to any other States that do not prepare combined technical and environmental analyses to cover the increased OSM costs.

118528

[Views on S. 2363]. B-207195. May 26, 1982. 6 pp.

Letter to Sen. David Durenberger, Chairman, Senate Committee on Governmental Affairs: Intergovernmental Relations Subcommittee; by Milton J. Socolar, Acting Comptroller General.

Contact: General Government Division.

Congressional Relevance: *Senate* Committee on Governmental Affairs: Intergovernmental Relations Subcommittee; *Sen.* David Durenberger.

Authority: Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. S. 1108 (96th Cong.). S. 2363 (97th Cong.).

Abstract: Pursuant to a congressional request, GAO presented its views on S. 2363, a bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. GAO stated that S. 2363 does three things: (1) gives the President authority to designate one agency to coordinate the implementation of the act; (2) broadens and clarifies the coverage of certain sections of the act and, at the same time, narrows the application of other sections of the act; and (3) mandates that State laws on eminent domain preempt Federal law when a Federal agency directly acquires land within a State. GAO strongly endorsed the first section of the bill which, if adopted, would go a long way toward achieving the basic purpose of the act, which is uniform, fair, and equitable treatment of people uprooted as a result of Federal or federally assisted programs. GAO stated that those sections of the bill dealing with the scope of the act may need to be modified as there appears to be some confusion regarding the language contained in them. In reference to the third point, GAO concluded that it had no special knowledge of the possible effect on the Federal Government should the amendment, as proposed, become law.

118574

Actions Needed To Promote a Stable Supply of Strategic and Critical Minerals and Materials. EMD-82-69; B-206849. June 3, 1982. 16 pp. plus 1 appendix (4 pp.).

Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Materials: Changing Competitive Environment for Materials Availability (1817); Materials: Influence of the Federal Policy Apparatus Upon Materials Availability (1818).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; Executive Office of the President; Cabinet Council on Natural Resources and the Environment; Office of Science and Technology Policy; Department of Defense; Federal Emergency Management Agency.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Armed Services; *House* Committee on Appropriations: Defense Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Armed Services; *Senate* Committee on Appropriations: Defense Subcommittee.

Authority: National Materials and Minerals Policy, Research and Development of 1980 (P.L. 96-479). Strategic and Critical Materials Stock Piling Act. Strategic and Critical Materials Stock Piling Revision Act of 1979 (P.L. 96-41; 50 U.S.C. 98 et seq.). Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.).

Abstract: The National Materials and Minerals Policy and Development Act of 1980 was enacted to provide a national policy for minerals and materials and to strengthen related research and production capabilities. The Executive Office of the President is implementing this policy primarily through the Cabinet Council on Natural Resources and the Environment. GAO reviewed the strides that have been made in developing legislative, budgetary, and programmatic proposals to promote an adequate and stable supply of minerals and materials needed to maintain national security, economic well-being, and industrial production as required by the Act. ***Findings/Conclusions:*** The Act gives high priority to the issue of strategic and critical and minerals and materials. However, the President's program plan, while identifying measures to diminish U.S. minerals and materials vulnerability, does not adequately address the fundamental, rudimentary issues of: (1) what constitutes a strategic and critical mineral or material; (2) what the magnitude of potential U.S. vulnerability in a given nonfuel mineral and material market; and (3) what the proper Federal role. Unless these issues are resolved, a coherent plan to reduce U.S. mineral and materials

vulnerability may be difficult to implement, and the limited Federal funds available may not be expended in the most cost-effective manner. The President's plan addresses general solutions for reducing increasing U.S. dependency on foreign sources for strategic and critical minerals and materials, including: (1) long-term, high-risk research and development with potential wide generic application to materials problems and increased productivity; (2) strategic and critical minerals impact analyses on proposed future congressional land withdrawals; and (3) congressional approval to dispose of excess materials in the National Defense Stockpile and to acquire stockpile materials. A growing consensus of opinion is that assuring U.S. access to future strategic and critical mineral and material supplies will require a long-term plan that is tailored for a specific mineral or material and that considers its extraction, processing, and consumption system. ***Recommendation To Agencies:*** The Chairman of the Cabinet Council on Natural Resources and the Environment should assure that legislative, budgetary, and programmatic proposals articulate how each short-term action: (1) will promote long-term, national nonfuel minerals and materials goals; and (2) relates to the long-term goals of other Federal policies. The Chairman of the Cabinet Council on Natural Resources and the Environment should develop an approach to measure the magnitude of the potential problem by quantifying the degree of U.S. vulnerability in a given market. The Chairman of the Cabinet Council on Natural Resources and the Environment should define the term "strategic" to relate to the probability of a supply disruption or sharp price increase in a given nonfuel mineral or material market and its expected duration and the term "critical" to relate to the adverse impact that would occur if supplies are disrupted or prices are sharply increased.

118678

Interior Should Help States Assess Mineral Tax Programs. EMD-82-48; B-202270. June 16, 1982. 8 pp. plus 21 appendices (32 pp.). *Report* to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division. Refer to EMD-81-13, June 8, 1981, Accession Number 115466.

Issue Area: Materials: Influence of the Federal Policy Apparatus Upon Materials Availability (1818); Economic Analysis of Alternative Program Approaches: Economic Impact of Federal Taxation on Major Industries or Sectors of the U.S. Economy (4001).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0); General Government: Tax Administration (803.1).
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Ways and Means; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Finance; *Senate* Committee on Appropriations: Interior Subcommittee.
Authority: P.L. 62-386. H. Rept. 96-3364.
Abstract: An earlier GAO report assessed the impact of Federal and State taxes on the domestic minerals industry and found that their tax actions can have a significant effect on the production as well as the profitability of the domestic minerals industry. It was concluded that institutional means should be considered for better harmonizing Federal and State tax policy with national mineral production objectives. The purpose of this report is to: (1) relay comments received in response to the earlier report; (2) clarify the tax analysis capabilities of the Department of the Interior; and (3) make a final recommendation about the location of an institutional tax service capability for the States. ***Findings/Conclusions:*** Given the critical interaction of Federal mineral policy, State tax policy, and the profitability of domestic mining, a formal institutional focus is needed to help assure that tax policies are compatible with national mineral production objectives, without obstructing the rights of various governmental levels to levy and collect taxes. Although the response from States was limited, none of them disputed the need for such a capability. The Department of the Interior's Bureau of Mines is informally assisting States to assess mineral tax programs, and it appears to be the logical choice to formally assume this responsibility. ***Recommendation To Agencies:*** The Secretary of the Interior should announce formally, both through the Federal Register and other media, his Department's assumption of the responsibility for providing analytical assistance to individual States considering mineral tax alternatives.

118790

Developing Alaska's Energy Resources: Actions Needed To Stimulate Research and Improve Wetlands Permit Processing. EMD-82-44; B-204637. June 17, 1982. 39 pp. plus 5 appendices (44 pp.). *Report* to Congress; by Charles A. Bowsher, Comptroller General.

Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Department of the Army; Department of the Army: Corps of Engineers.
Congressional Relevance: *House* Committee on Public Works and Transportation; *House* Committee on Science and Technology; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Environment and Public Works; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Governmental Affairs; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.
Authority: Alaska National Interest Lands Conservation Act (P.L. 96-487). Clean Water Act of 1977 (33 U.S.C. 1344). Water Pollution Control Act. Executive Order 8979. S. 1562 (97th Cong.).
Abstract: To determine if Federal agencies are advancing environmentally sound approaches to energy exploration and development, GAO evaluated: (1) the results of oil- and gas-related experience on the Kenai National Wildlife Refuge, the only Federal land in Alaska where significant production has occurred; (2) the measures used in Alaska to prohibit exploratory drilling during certain months of the year and to control drilling waste disposal; (3) the adequacy of research to lessen the impacts of energy development; and (4) wetlands permitting, which is of crucial importance to energy development on all Alaskan lands. ***Findings/Conclusions:*** Additional research is needed to evaluate the impacts of oil- and gas-related activity in Alaska as a basis for promoting environmentally sound approaches to future development without unnecessarily increasing its cost. GAO found that two costly and controversial restrictions are being widely applied to energy exploration in the Arctic; however, there has not been adequate research to support either the imposition or the removal of these restrictions. Use of site-specific research findings would allow refinement of environmental protection controls suitable to the unique characteristics of the lands on which they are applied, and this would minimize universal or blanket stipulations where they are not necessary. The U.S. Army Corps of Engineers has been slow in processing wetlands permits, which are required for many oil and gas projects in Alaska, and has frequently included controversial and costly conditions in its permits without requiring substantiation of their need through research findings and site-specific data. ***Recommendation To Congress:*** Congress should provide for three critical elements: coordination, prioritization, and sources of funding for research to evaluate the impacts of energy development in the Arctic. ***Recommendation To Agencies:*** The Secretary of the Army should direct the Chief, Corps of Engineers, to have the Corps' Alaska District management periodically summarize the time required to issue public notices and enforce the 15-day timeframe established by law. The Secretary of the Army should require that Federal agencies support the need for proposed permit stipulations to the maximum extent possible with site-specific data and relevant research

findings. The Secretary of the Army should only grant the State of Alaska extensions to the public comment period when they are adequately justified and use research findings and site-specific data to the maximum extent possible in determining the need for proposed stipulations in future permits. The Secretary of the Interior should utilize existing research findings and site-specific data to the maximum extent possible and, after a source of further funding is worked out, direct and use additional site-specific research in the application of stipulations to future Alaskan energy projects. This should include using such data as a basis for determining whether the seasonal drilling restriction should be continued as a general stipulation for individual tracts.

118845

Weaknesses Found in Timber Sale Practices on the Plumas National Forest. CED-82-88; B-207845. June 23, 1982. 36 pp. plus 5 appendices (10 pp.).

Report to Rep. A. Toby Moffett, Chairman, House Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; Rep. Paul N. McCloskey, Jr.; Rep. Eugene A. Chappie; by Charles A. Bowsher, Comptroller General.

Refer to RCED-83-37, February 9, 1983, Accession Number 120572.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of Agriculture; Forest Service; Forest Service: Plumas National Forest, CA; Small Business Administration.

Congressional Relevance: *House* Committee on Government Operations: Environment, Energy and Natural Resources Subcommittee; *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry: Forestry, Water Resources and Environment Subcommittee; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Rep.* Eugene A. Chappie; *Rep.* Paul N. McCloskey, Jr.; *Rep.* A. Toby Moffett.

Abstract: Pursuant to a congressional request, GAO reviewed certain aspects of Forest Service timber operations in northern California. The request was made due to complaints made by small loggers and mill operators alleging mismanagement of timber sales at the Plumas National Forest. ***Findings/Conclusions:*** GAO found that some problems existed regarding: (1) preparation and administration of timber sales, (2) accountability over Government logs stored at purchasers' mills, and (3) treatment of small companies purchasing Forest Service timber. Experienced timber staff were not detailed to Plumas to handle an increased timber sale workload caused by an epidemic insect infestation and droughts in 1976 and 1977. In the absence of effective sales supervision and clear instructions on marking trees for harvest, some questionable tree-marking (designation) and cutting occurred. There was also some question as to whether the proper logging systems were used on some sales as specified in the sales contracts. Some purchasers of Plumas timber have special arrangements whereby the Forest Service retains ownership and incurs the financial risks and losses for logs it stores at the purchaser's mill until it is measured for final payment. GAO believes that the Forest Service should use alternative measuring methods that will provide uniform treatment to all purchasers of Forest Service timber. Finally, purchasers of small timber sales at Plumas were required to provide higher percentages of their contract prices as performance deposits than were purchasers of large sales. GAO concluded that all performance deposit requirements need to be adjusted to ensure consistent and equitable treatment of all purchasers. ***Recommendation To Agencies:*** The Secretary of Agriculture should require the Forest Service to discontinue mill-deck-deferred-scaling arrangements on future Forest Service timber sales. The Secretary of Agriculture should require the Forest Service to revise its timber sale performance deposit/bond procedures on Plumas to provide equitable and consistent treatment to all sized purchasers of Federal timber, giving consideration to the financial capability of the buyer and the potential loss to the Government from nonperformance. The Forest Service should ensure through its internal reviews that equitable and consistent treatment in this area and in regard to incorporating incremental stumpage deposits in small timber sale provisions is provided on all forests. The Secretary of Agriculture and the Administrator of the Small Business Administration should take the following actions to strengthen the Forest Service's small business timber sale programs: (1) explore the feasibility, including whether legislation is necessary, of establishing goals for timber sales to the smaller logging and mill operations within the present 500-employee set-aside criterion; and (2) strengthen the special salvage timber sale program regulations to prevent small timber companies from acting as brokers or agents for large companies. The Secretary of Agriculture should require the Forest Service to improve its timber sale preparation and administration program in its Pacific Southwest Region by reemphasizing the need to closely monitor timber harvest operations to ensure that only designated trees are harvested on salvage sales and violations can be identified more timely. The Secretary of Agriculture should require the Forest Service to improve its timber sale preparation and administration by developing specific procedures for administering timber sales with multiple logging systems. These procedures should provide for closer monitoring of the timber volume harvested under various logging systems to facilitate price adjustments where appropriate. Unless special controls are provided, tractor logging should not generally be allowed until helicopter logging requirements on a sale are satisfied. The Secretary of Agriculture should require the Forest Service to improve its timber sale preparation and administration program in its Pacific Southwest Region by developing formal contingency plans to deal with future insect-infestation epidemics. The plans should provide for timely detailing of experienced timber staff to national forests facing insect epidemic conditions. Also, formal written emergency procedures should be developed for preparing and administering insect salvage timber sales.

118929

[Highway Right-of-Way Program Administration by Wisconsin and Michigan and the Federal Highway Administration]. CED-82-110; B-207439. July 13, 1982. 7 pp.

Report to Andrew L. Lewis, Jr., Secretary, Department of Transportation; by Henry Eschwege, Director, GAO Community and Economic Development Division.

Issue Area: Transportation Systems and Policies: Effectiveness and Economy of the Administration and Control of Federal Highway Problems (2445).

Contact: Community and Economic Development Division.

Budget Function: Transportation: Ground Transportation (401.0).

Organization Concerned: Department of Transportation; Wisconsin; Federal Highway Administration; Michigan.

Congressional Relevance: *House* Committee on Public Works and Transportation; *House* Committee on Appropriations: Transportation Subcommittee; *Senate* Committee on Environment and Public Works; *Senate* Committee on Appropriations: Transportation Subcommittee.

Authority: Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. 23 U.S.C. 108. 23 U.S.C. 108(c)(3).

Abstract: GAO selected two States with large right-of-way acquisition programs that are active in Federal aid revolving fund, property management, or property disposal programs in order to

determine whether: (1) the Federal Highway Administration (FHWA) is effectively administering the right-of-way acquisition funds; and (2) States are effectively using the land acquired for rights-of-way in their highway construction programs. ***Findings/Conclusions:*** GAO found that several weaknesses in the administration of the program exist in the States reviewed. Wisconsin did not promptly return to the Federal Government several million dollars in revolving fund advances used to acquire land for projects that would not be built within the 10-year time limit for construction. In Michigan, construction did not begin within the 10-year time limit on right-of-way projects for which the State received approximately two million dollars in regular Federal-aid funds. In both States, land was erroneously acquired under the requirement to purchase uneconomic remnants. GAO concluded that, in cases where projects are not progressing and will not be built within the 10-year time limit for construction, FHWA should not wait until the expiration of the time limit before requiring the State to either repay the funds or justify retaining them. Although regulations are not specific as to when the time limit expires and extensions may be granted, GAO believes that the State should be required either to formally request an extension or to refund the Federal funds. GAO also found that Michigan and Wisconsin accumulated a large inventory of excess land and that it had been erroneously charged to the Federal Government. FHWA has successfully made efforts to correct the improper charges. ***Recommendation To Agencies:*** The Secretary of Transportation should direct FHWA to recover such revolving fund advances from Wisconsin as are appropriate. The Secretary of Transportation should direct FHWA to emphasize to its division offices how this limit is to be computed and to instruct them to review their converted right-of-way projects to assure that they comply with the limitation. The Secretary of Transportation should direct FHWA to: (1) emphasize to its division offices their authority to initiate such actions; and (2) instruct the divisions to review their revolving fund projects and, where appropriate, to require the States to justify retaining the revolving fund advances or to refund them.

119056

[The Use of Excess Funds Received for Trespasses on Federal Lands]. B-204874. July 28, 1982. 4 pp.

Decision re: Availability of Funds Collected by the Bureau of Land Management as a Result of Coal Trespasses on Public Lands; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Bureau of Land Management.

Authority: Land Policy and Management Act (43 U.S.C. 1735). Public Land Administration Act (P.L. 86-649; 74 Stat. 506). 60 Comp. Gen. 341. 36 Comp. Gen. 240. 37 Comp. Gen. 564. P.L. 96-514. S. Rept. 94-583. 43 U.S.C. 1701(a). 31 U.S.C. 484. 94 Stat. 2957. 94 Stat. 2958.

Abstract: GAO was asked to concur in an opinion of the Solicitor's Office, Bureau of Land Management (BLM), regarding the availability of funds received by BLM as a result of coal trespasses on Federal lands. At issue is whether section 305(a) of the Land Policy and Management Act requires that the funds in the account be expended only for the particular improvement or rehabilitation work necessitated by the action leading to the receipt of the funds. According to the Solicitor's Office, any funds that are not required to repair damage caused by the action leading to the receipt of those funds may be used on public lands. The Office also stated that: (1) the Senate report on an earlier version of the Act described the fund account as being composed solely of funds collected in excess of those needed for repairs; and (2) its position was supported by the fact that the annual appropriation of funds in the account contained no specific restriction on the expenditure of such funds. GAO held that: (1) the interpretation of the statute by the Solicitor's Office would be at odds with the language of the statute and would be inconsistent with the express inclusion of permissive authority to refund to individual resource developers, purchasers, or permittees excess deposits of amounts forfeited under the Act; (2) funds collected under a previous version of the statute were intended to be segregated for the rehabilitation of individual damaged lands, with excess amounts to be refunded when appropriate to the parties from whom they were collected; (3) the general language of the appropriations act does not repeal language contained in the authorizing legislation setting out the purposes for which the funds may be used; and (4) the funds that are not disposed of either for the rehabilitation of the specific property involved or for appropriate refunds must be deposited in the general fund of the Treasury as miscellaneous receipts. Accordingly, GAO did not concur with the opinion of the Solicitor's Office.

119079

[Improvements Needed in GSA's Role in the Real Property Utilization Survey Program]. PLRD-82-93; B-207767. July 20, 1982. 3 pp. plus 1 enclosure (12 pp.).

Report to Gerald P. Carmen, Administrator of General Services, General Services Administration; by Werner Grosshans, (for Donald J. Horan, Director), GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726).

Contact: Procurement, Logistics, and Readiness Division.

Budget Function: General Government: General Property and Records Management (804.0).

Organization Concerned: General Services Administration; Office of Management and Budget.

Congressional Relevance: *House* Committee on Government Operations; *House* Committee on Appropriations: Treasury-Postal Service-General Government Subcommittee; *Senate* Committee on Governmental Affairs; *Senate* Committee on Appropriations: HUD-Independent Agencies Subcommittee.

Authority: Executive Order 11954. Executive Order 12348. Fed. Property Management Reg. 101-47.8.

Abstract: GAO reviewed how the General Services Administration (GSA) fulfills its responsibility for carrying out the real property utilization survey program established by Executive Order 11954, recently replaced by Executive Order 12348, and implemented by Federal Property Management Regulation 101-47.8. The survey program was created to ensure that unneeded Federal real property is identified, reported, and disposed of in a manner that provides the greatest benefit to the United States. ***Findings/Conclusions:*** GAO found that the program has not changed much since it was initiated, but it has not been as effective in causing Federal agencies to report real property in excess of their needs. GAO believes that the reduced effectiveness of the program can be attributed in part to the termination of the Federal Property Council. When the Council was terminated, its responsibilities were transferred to the Office of Management and Budget. GAO identified the following weaknesses in the GSA management of the survey program: (1) failure to use the results of previous surveys to aid in selecting properties that have the greatest potential for being excess to agencies' needs; (2) performance of cursory surveys which are unproductive and a waste of resources; (3) maintenance of an inadequate and incomplete data base of properties subject to survey; and (4) failure to follow up on survey recommendations and actions taken and planned by Federal agencies. In its fiscal year 1983 budget, the administration has proposed a revised program to improve Federal asset management and to dispose of unneeded Federal property. GAO believes that this revived interest in identifying and disposing of unneeded real property should help GSA do a better job in its survey program; but the agency's management weaknesses in carrying out the survey program require attention. ***Recommendation To***

Agencies: In planning real property surveys, the Administrator of General Services should direct GSA survey program managers to improve, through cooperative efforts with holding agencies, the inventory of Federal real property used to select properties for survey. In planning real property surveys, the Administrator of General Services should direct GSA program managers to establish a more realistic number of surveys to be performed each year based on available resources and a systematic scheduling of properties never surveyed, as well as properties where experience indicates a potential for excess. In planning real property surveys, the Administrator of General Services should direct GSA survey program managers to concentrate on those properties for survey where the evidence indicates good potential for finding excess property. In planning real property surveys, the Administrator of General Services should direct GSA survey program managers to analyze the results of previous surveys to determine the types of properties that have the greatest potential for being excess to agencies' needs.

119113

Increasing Entrance Fees: National Park Service. CED-82-84; B-205211. August 4, 1982. 25 pp. plus 6 appendices (26 pp.).
Report to Congress; by Charles A. Bowsher, Comptroller General.

Issue Area: Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).
Contact: Community and Economic Development Division.
Budget Function: Natural Resources and Environment: Recreational Resources (303.0).
Organization Concerned: National Park Service; Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee; Congress.
Authority: Land and Water Conservation Fund Act of 1965. P.L. 96-87. OMB Circular A-25. S. Rept. 96-180. S. 495 (96th Cong.). H. Rept. 92-742.
Abstract: GAO conducted a review to estimate National Park System entrance fees using the criteria in the Land and Water Conservation Fund Act of 1965, as amended, to determine whether it was appropriate for Congress to reconsider its fee moratorium. ***Findings/Conclusions:*** A 1979 congressional moratorium has prevented the National Park Service from raising entrance fees at 333 units in the National Park System in spite of rising operating costs and inflation. Between 1971 and 1981, Park Service operation and maintenance costs per visitor rose 149 percent while entry fee revenues per visitor declined 30 percent. As a result, entry fee revenues declined from over 7 percent of Park Service operation and maintenance costs in 1971 to about 2 percent of those costs in 1981. During the same period, inflation rose by 129 percent. Using a unit-day-value method, GAO determined that the recreation benefits at six major park system units have a daily value ranging from $7.64 to $11.40 for a family of four. However, daily entrance fees at these parks only average about $3.00 per vehicle. Using the six legislative criteria as guidelines, GAO estimated that the Park Service could generate net additional revenues of $18 million at 48 of the 71 units which GAO reviewed. GAO also estimated that the Park Service could generate additional net income of $2.7 million by extending fee collection hours at 14 parks. The responsibility for setting park entrance fees rests with the Secretary of the Interior. GAO agrees with proposed legislation which would repeal the moratorium on initiating and increasing park entrance fees and remove the $10 limit on the price of the Golden Eagle Passport, which allows unlimited entry to all parks for the calendar year. ***Recommendation To Congress:*** Congress should amend section 4 of the Land and Water Conservation Fund Act of 1965, as amended, to remove the $10 limit on the price of a Golden Eagle Passport. Congress should repeal section 402 of Public Law 96-87, which froze all National Park Service entrance fees at their January 1, 1979, level and prohibited collecting entrance fees at any additional units. ***Recommendation To Agencies:*** The Secretary of the Interior should direct the Director, National Park Service, to extend entrance fee collection hours at parks where it is cost effective to do so. The Secretary of the Interior should direct the Director, National Park Service, to set the price of the Golden Eagle Passport based on the levels of fees set at individual parks. The Secretary of the Interior should direct the Director, National Park Service, to use the guidelines established for applying the six legislative criteria to set entrance fee levels at park system units. The Secretary of the Interior should direct the Director, National Park Service, to establish guidelines for applying the six legislative criteria for setting park entrance fees.

119173

Interior's Minerals Management Programs Need Consolidation To Improve Accountability and Control. EMD-82-104; B-206970. July 27, 1982. 14 pp. plus 1 appendix (2 pp.).
Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Materials: Materials Resource Base (1815).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0); Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior; Bureau of Land Management; Minerals Management Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee.
Authority: Mineral Lands Leasing Act. Federal Coal Leasing Amendments Act of 1975. Land Policy and Management Act. National Materials and Minerals Policy, Research and Development Act of 1980 (P.L. 96-479). Dep't of the Interior Order 2948.
Abstract: GAO undertook an overall review of the Department of the Interior's organizational structure for Federal energy and mineral resources management to determine whether: (1) the programs are organized to facilitate the accountability of the program managers who affect revenues; and (2) costs, receipts, and budget requirements are reported completely, accurately, and in a format conducive to public and congressional review. ***Findings/ Conclusions:*** The lines of responsibility in Interior's mineral programs are fragmented between the Bureau of Land Management (BLM) and the newly formed Minerals Management Service (MMS). The fact that funds for minerals management are part of two separate budget accounts complicates program review and weakens accountability. Many benefits could be derived from consolidating the responsibilities now divided between the two bureaus, including improved financial management, information analysis, and decisionmaking. BLM is responsible for long-range planning and the administration of onshore mineral leases before development starts, and MMS is responsible for the supervision of the development of leases. This delegation of authority presents problems at the departmental and field levels, does not adequately address the interdependence of many functions, and complicates program management. The questionable accuracy of lease interest records may hamper efforts to verify the accuracy of royalty accounts. A minimum of four Interior bureaus play a role and request funds for managing Federal coal resources. Thus, costs and related benefits are scattered throughout the Department, there is an inability to perform a meaningful program evaluation, a clear line of authority cannot be identified, and

improved management efficiency is not a part of routine program management. Such a division also hampers the achievement of national goals for exploration and development of Federal energy and mineral resources. ***Recommendation To Agencies:*** The Secretary of the Interior should consolidate all onshore minerals management responsibilities into MMS to the extent permitted by law.

119196

[Data Compiled for Shut-In Oil and Gas Wells on Onshore Federal Lands Are Inaccurate and Probably Unnecessary]. EMD-82-115; B-208517. August 16, 1982. 6 pp.

Report to James G. Watt, Secretary, Department of the Interior; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).
Organization Concerned: Department of the Interior; Minerals Management Service.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Energy and the Environment Subcommittee; *House* Committee on Appropriations: Energy and Water Development Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Senate* Committee on Appropriations: Energy and Water Development Subcommittee.
Abstract: GAO recently completed an evaluation of oil and gas wells on Federal lands that are considered producible but are shut-in. The primary purpose of the review was to determine if Government regulations are precluding these wells from producing. ***Findings/Conclusions:*** GAO found that Government regulations will delay production in some cases, but apparently not for an unreasonable period of time. Economic considerations, such as lack of demand and reserves insufficient to justify the costs to start production, seem to be the primary reasons that such wells are shut-in. The data on shut-in oil and gas wells, compiled at the field level and summarized at the Minerals Management Service (MMS) headquarters: (1) are inaccurate, thereby creating a false impression about the number of wells shut-in on Federal lands, and (2) are probably not needed. Present efforts to gather and summarize the data for MMS headquarters require approximately 300 staff days per year. Maintaining accurate data would cost more. If eliminated and later found to be necessary during another energy crisis, the basic raw data would continue to be available through monthly production reports and could be pulled together and analyzed quickly. ***Recommendation To Agencies:*** The Secretary of the Interior should instruct the Director of MMS to discontinue the collection and reporting of data on shut-in oil and gas wells on Federal lands or, if the shut-in data are still considered to be needed in the present energy climate and the cost to accurately compile the data is justifiable, direct the MMS Regional Offices to put forth the additional effort to keep the information forwarded to headquarters updated so that it properly reflects the shut-in situation.

119246

[Problems and Progress During Current Forest Service Planning]. EMD-82-99; B-125053. August 18, 1982. 4 pp. plus 1 enclosure (9 pp.).

Report to John R. Block, Secretary, Department of Agriculture; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Forest Service; Department of Agriculture.
Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *House* Committee on Appropriations: Agriculture, Rural Development, and Related Agencies Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry; *Senate* Committee on Appropriations: Agriculture and Related Agencies Subcommittee.
Abstract: GAO reported on the U.S. Forest Service's evaluation of alternative harvest and timber management policies in terms of their potential for increased timber production in the Pacific Northwest and the effects that alternative timber harvesting policies might have on enhancing the nontimber uses of the national forests. Studies indicate that the continued use of the nondeclining even-flow timber harvesting policy would soon lead to a sizeable drop in available timber, especially in the Northwest. ***Findings/Conclusions:*** GAO found that alternative timber harvesting policies are part of the Forest Service's present and future Renewable Resources Program and regional plans for the Pacific Northwest forest areas. Although there are no plans to submit these analyses in a separate document to Congress, GAO believes that the Forest Service should prepare a special summary within presently planned reports which highlights the relevant data and their implications for possible policy changes. GAO found that the problems in the interpretation of regulations and in developing automated systems necessary to the programs have been overcome. However, GAO believes that management and fiscal controls are inadequate to determine the costs of personnel and program planning and that this is a problem throughout the Forest Service. ***Recommendation To Agencies:*** The Secretary of Agriculture should establish fiscal and management controls over planning by formalizing procedures for determining accurate costs and administrative steps necessary to allocate appropriate resources to the planning process.

119258

[Alternatives to the Northern Mariana Islands Land Lease]. ID-82-55; B-208378. August 19, 1982. ***Released*** August 23, 1982. 7 pp. plus 11 appendices (11 pp.).

Report to Rep. Jamie L. Whitten, Chairman, House Committee on Appropriations; by Frank C. Conahan, Director, GAO International Division.

Issue Area: International Affairs: U.S. Security Agreements and Commitments (0610); Facilities and Material Management: Non-Line-of-Effort Assignments (0751).
Contact: International Division.
Budget Function: National Defense: Department of Defense - Procurement and Contracts (051.2).
Organization Concerned: Department of Defense; Department of the Interior; Northern Mariana Islands.
Congressional Relevance: *House* Committee on Appropriations; *Rep.* Jamie L. Whitten.
Authority: P.L. 94-241.
Abstract: At a congressional request, GAO reviewed the Department of Defense (DOD) proposal to lease about 18,000 acres of land in the Northern Mariana Islands. The lease option is contained in a covenant between the Marianas and the United States. DOD has not demonstrated a need for over half of the total land, and the lease option contains limitations on uses that are not in the interests of either the Northern Mariana Islands Government or the U.S. Government. ***Findings/Conclusions:*** GAO found that alternatives exist which would reduce rental costs and make the land leased more consistent with usage requirements. First, the option could be allowed to expire and, subsequently, it should be possible for the United States to lease needed military training land on an annual basis. The Marianas Government would be free to develop the rest of the land. Second, the United States could exercise its option and

pay approximately $34 million with no further rent payments. However, the lease precludes any commercial development and would obligate the United States to pay an undetermined amount in relocation payments to homesteaders now living on part of the land. The third alternative, allowing the option to expire and attempting to negotiate a new long-term lease covering only the land for which a clear military need has been identified, would be less costly and more useful for U.S. military planning and would allow local commercial development.

119271

[Protest of Rejection of Bids]. B-206078. August 24, 1982. 1 p. *Decision* re: Archie D. Parker; by Harry R. Van Cleve, Acting General Counsel.

Contact: Office of the General Counsel.
Organization Concerned: Archie D. Parker; Forest Service.
Authority: B-186520 (1976).
Abstract: A firm protested the Forest Service's rejection of its bids for timber sales. In addition, the protester, who submitted the high bid in both sales, objected to the rejection of all bids received by the Forest Service. Following the filing of the protest, GAO was informed that the protester had been placed on the General Services Administration's debarred bidders list and, therefore, was prohibited from contracting with the Government. Bid protest procedures require that a protesting party have some legitimate interest in the matter before GAO will consent to consider the protest. In this case, the effect of the protester's debarment precluded it from any possibility of award under the sales, thus rendering resolution of the protest academic. Accordingly, the protest was dismissed.

119291

Are Leaseholders Adequately Exploring for Oil and Gas on Federal Lands. EMD-82-82; B-204492. August 23, 1982. 50 pp. plus 3 appendices (7 pp.).
Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce: Oversight and Investigations Subcommittee; Sen. John W. Warner, Jr., Chairman, Senate Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; Sen. James A. McClure, Chairman, Senate Committee on Energy and Natural Resources; by J. Dexter Peach, Director, GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *House* Committee on Energy and Commerce: Oversight and Investigations Subcommittee; *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Rep.* James D. Santini; *Rep.* John D. Dingell; *Sen.* John W. Warner, Jr.; *Sen.* James A. McClure.
Authority: Mineral Lands Leasing Act. Mineral Leasing Act for Acquired Lands. Mineral Leasing Act.
Abstract: GAO reviewed the Federal onshore oil and gas leasing system to determine if leaseholders are adequately exploring their leases. Specific issues which were addressed included the extent and nature of activity of the two predominant leaseholders, industry and speculators, and the actions that may be needed to influence their activity. ***Findings/Conclusions:*** The Federal onshore oil and gas leasing system has been widely criticized. Problems cited include a large-scale involvement of speculators, lack of requirements for active lease development, a lottery system that encourages abuse, and failure to achieve fair market value for the leases. In the four States reviewed, GAO found that only about 8 percent of the Federal leases were drilled. Industry oil and gas activity has been increasing substantially nationwide, but rig usage has been decreasing in 1982. Industry's drilling activity on Federal lands appears reasonable in relation to activity on non-Federal lands. GAO found that industry may be taking advantage of certain lease extension provisions, but that this is not a significant problem. Many individuals obtain leases, primarily through the lottery system, who may not have the inclination or ability to develop leases. A sample of lottery leases showed that apparent speculators originally held nearly 60 percent of the leases. These speculators prevent the leases from being issued directly to industry and may inhibit efficient development. Eliminating the speculator would not likely have any major adverse effect on development, but it might adversely effect revenues. GAO and the energy industry identified other factors which may delay or inhibit development. The effect on production and revenues of attempts to eliminate the speculator is so uncertain that such attempts should be approached with caution.

119303

Need for Guidance and Controls on Royalty Rate Reductions for Federal Coal Leases. EMD-82-86; B-206153. August 10, 1982. ***Released*** August 27, 1982. 23 pp. plus 7 appendices (18 pp.).
Report to Rep. John D. Dingell, Chairman, House Committee on Energy and Commerce: Oversight and Investigations Subcommittee; by Charles A. Bowsher, Comptroller General.

Issue Area: Energy: Availability of Federal Lands To Help Meet the Nation's Energy Needs (1628); Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Supply (271.0).
Organization Concerned: Department of the Interior; Minerals Management Service.
Congressional Relevance: *House* Committee on Energy and Commerce: Oversight and Investigations Subcommittee; *Rep.* John D. Dingell.
Authority: Federal Coal Leasing Amendments of 1976 (30 U.S.C. 207). Mineral Lands Leasing Act (30 U.S.C. 181 et seq.). 43 C.F.R. 3473.3-2. 43 C.F.R. 3451.1.
Abstract: GAO discussed problems encountered by the Department of the Interior in its procedures for granting or denying requests for royalty rate reductions on Federal coal leases. Since 1979 the Secretary has authorized eight reductions amounting to about $12 million in reduced Federal revenues. Reduction requests were precipitated by recent legislative enactments and a 2-year departmental experiment that raised royalty rates on coal leases to significantly higher levels. ***Findings/Conclusions:*** GAO found that Interior has not sufficiently used its existing accounting and auditing expertise to review reduction applications and that inconsistent use and inequitable application of royalty reduction guidelines have made the approval process erratic. The Interior's Minerals Management Service (MMS) merely restates Interior's reduction authority without defining important terms such as "profit," "rate of return," or "successful operation." Frequently, reduction guidelines were changed to accommodate either a specific applicant's circumstances or a group of similar applicants, such as those with experimental leases that contained royalty rates in excess of the minimums. MMS procedures for verifying the accuracy of lessee data differ among field offices; in addition, the MMS staff in the region most active in reviewing reduction applications consists largely of nonaccountants who have acknowledged problems with

reviews of the complex financial data submitted by coal operators. Interior's accounting expertise in its Royalty Management Program has not been used sufficiently in past reviews of reduction requests. ***Recommendation To Agencies:*** The Secretary of the Interior should develop a departmental policy and accompanying procedures on royalty rate reductions that define the limits and conditions under which a reduction would be entertained and granted. The Secretary of the Interior should submit the Department's reduction policy and procedures to public review and comment and promulgate appropriate royalty rate reduction regulations. The Secretary of the Interior should provide guidance to field offices on when the Minerals Management Service can audit the financial statements of companies requesting a royalty rate reduction. The Secretary of the Interior should direct its Minerals Management Service to better use its existing financial and auditing expertise in evaluating royalty rate reduction requests by requiring the various Economic Evaluation Sections to use the financial assistance in the Royalty Management Program or transferring to the Royalty Management Program the authority to either review or review and approve all royalty rate reduction requests.

119306

[Problems With the Forest Service's Graduated Rate Fee System]. August 18, 1982. 6 pp.

Report to R. Max Peterson, Chief, Forest Service; by Stanley S. Sargol, Group Director, GAO Community and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).

Contact: Community and Economic Development Division.

Budget Function: Natural Resources and Environment: Recreational Resources (303.0).

Organization Concerned: Forest Service; Department of Agriculture.

Congressional Relevance: *House* Committee on Agriculture: Forests, Family Farms and Energy Subcommittee; *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry: Forestry, Water Resources and Environment Subcommittee; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee.

Authority: 36 C.F.R. 251.57(a).

Abstract: GAO completed a limited review of the graduated rate fee system (GRFS) used by the Forest Service to compute the fees charged to permittees for using Service-owned land. The Service estimated that approximately 80 percent of the total fees for fiscal year 1981 were paid by ski area permittees. GAO focused primarily on how these fees were established under the GRFS. ***Findings/Conclusions:*** Because the GRFS uses current inflated sales dollars to compute the acquisition cost of fixed assets, it may not reflect present economic conditions and may not be the best system for computing fees for using Service-owned land. GAO noted the following flaws in the GRFS: (1) using different break-even points for various business lines within an integrated ski area enterprise may not be appropriate; (2) allowing the value of rented equipment to be included in the fee formula as gross fixed assets lowers the fee charged to the permittee; (3) computing fees with the GRFS does not fully accomplish an Office of Management and Budget recommendation that Federal agencies use a fee system in which the percentage fee charged increases as a permittee's sales increase; and (4) applying the GRFS to permit fees discriminates against permittees, because it allows recent permittees to obtain a permit at a lower cost than that charged to the previous permittee for the same piece of property. GAO believes that a fee method developed by the Service as a possible replacement for the GRFS would not result in a fully equitable system for computing fees. ***Recommendation To Agencies:*** The Department of Agriculture should direct the Forest Service to take the following interim steps until an improved fee method can be devised: (1) consider establishing a single break-even point for a permittee's ski area enterprise; (2) discontinue the allowance of the value of rented equipment in gross fixed assets; (3) revise the ski rate schedules to provide for progressively higher percentages as sales revenues increase; and (4) devise and implement an alternative procedure which would not result in a reduced fee simply because an existing ski area enterprise is acquired by a new permittee. The Department of Agriculture should direct the Forest Service to devise an improved fee-setting method which would be simple to apply and which would result in equitable fees.

119308

[Alaska Regional Office Needs To Improve Personal Property Management]. August 26, 1982. 3 pp.

Report to Russell E. Dickenson, Director, National Park Service; by Roy J. Kirk, Senior Group Director, GAO Community and Economic Development Division.

Refer to CED-80-115, October 10, 1980, Accession Number 113935.

Issue Area: Logistics Management: Proper Management of Unneeded Property (3816).

Contact: Community and Economic Development Division.

Budget Function: Undistributed Offsetting Receipts: Federal Surplus Property Disposition (954.0).

Organization Concerned: National Park Service; National Park Service: Alaska Regional Office; Department of the Interior.

Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Interior Subcommittee.

Authority: 41 C.F.R. 101-43.101. 41 C.F.R. 101-43.311-1. 41 C.F.R. 101-4.4. 41 C.F.R. 114-46.4. 41 C.F.R. 101-45.104. National Park Service Directive 82-2.

Abstract: GAO conducted a followup review of an earlier report which concluded that replaced and excess personal property at Alaska's Denali National Park and Preserve had not been reported to the General Services Administration (GSA) in a timely manner and had not been protected from damage and deterioration, as required by Federal regulations. In this report, GAO examined these problems to determine: (1) the amount of replaced and excess personal property at the Park; (2) whether these problems exist at other parks in Alaska; and (3) the reasons why the property was not handled properly. ***Findings/Conclusions:*** GAO found that over 20 motorized vehicles were parked outdoors in the Park's maintenance yard in various states of disrepair. The acquisition cost of these vehicles was approximately $134,000, yet Park officials waited from several days to 18 months before reporting the items to the Alaska regional office. By the time the regional office reported the items to GSA, from 19 to 37 months had elapsed. An official stated that the situation at Denali was not unique to the region and that replaced and excess personal property was also located in Alaska's national parks. Part of the problem is that the regional office does not have an accurate inventory of personal property in Alaska's national parks. Furthermore, property management is not a high priority in the Alaska regional office. ***Recommendation To Agencies:*** The Director of the National Park Service should direct the Alaska Regional Office to identify and report replaced and excess personal property to GSA in a timely manner. The Director of the National Park Service should direct the Alaska Regional Office to improve its property management practices, including developing and maintaining an accurate inventory of personal property at National Park Service areas in Alaska. The Director of the National Park Service should direct the Alaska Regional Office

to maintain replaced and excess personal property properly until turned over to GSA.

119365

[Sale of Metal Forging Facilities to the Aluminum Company of America and the Wyman-Gordon Company]. PLRD-82-116; B-207486. August 31, 1982. 5 pp.

Report to Rep. William E. Dannemeyer; by Werner Grosshans, (for Donald J. Horan, Director), GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726).

Contact: Procurement, Logistics, and Readiness Division.

Budget Function: National Defense: Department of Defense - Procurement and Contracts (051.2); General Government: General Property and Records Management (804.0).

Organization Concerned: Department of Defense; Department of the Air Force; General Services Administration; Wyman-Gordon Co.; Aluminum Co. of America.

Congressional Relevance: *Rep.* William E. Dannemeyer.

Authority: Property and Administrative Services Act (40 U.S.C. 484). P.L. 93-155. DOD Directive 4275.5. 50 U.S.C. 451. 10 U.S.C. 2662.

Abstract: Pursuant to a congressional request, GAO reviewed certain aspects of the General Services Administration's (GSA) sales of two metal forging facilities owned by the Air Force. Specific concerns were that: (1) the sales were taking place without competitive bidding; and (2) the prices paid for the facilities were far below their true value. ***Findings/Conclusions:*** GAO found that the sales of the facilities appeared to have been properly administered by GSA and were in accordance with applicable laws and regulations. Since the purchasers had ongoing Department of Defense contracts which made use of the facilities and the Air Force determined that the performance of these contracts could not be disrupted by the sale of the facilities to other contractors, GSA was not in a position to make the sales through competitive bidding. Further, considering that GSA obtained estimates from an independent appraiser of the fair market values of both facilities before negotiating the sales prices with the purchasers, GAO had no basis upon which to criticize the GSA procedures for establishing the sale prices.

119367

Research Equipment in the Bureau of Mines. EMD-82-116; B-208467. August 31, 1982. 28 pp. plus 2 appendices (2 pp.).

Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Materials: Interface Issues: Energy, Environment and Worker Health-Safety Factors Affecting Materials Availability (1816).

Contact: Energy and Minerals Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior; Bureau of Mines.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee; *Senate* Committee on Interior and Insular Affairs: Minerals, Materials and Fuels Subcommittee; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee.

Authority: 41 C.F.R. 114-60. 41 C.F.R. 101-25.109.

Abstract: GAO reviewed the Bureau of Mines management of its laboratory research equipment and office furniture. In 1979, the Department of the Interior's Office of the Inspector General reported that the Bureau was seriously deficient in its control of capitalized property. The review dealt primarily with equipment utilization and focused on those conditions which prevent proper control, adequate safeguarding, and maximum usage of all research equipment. ***Findings/Conclusions:*** GAO found that, although property control appears to have improved in the Bureau over the past several years, many laboratories do not give property management high priority when allocating responsibilities to limited support staff. None of the laboratories reviewed had implemented Federal regulations concerning idle and unneeded laboratory and research equipment. As a result, equipment was purchased at one laboratory when equipment stored at another site could have been used. Equipment loans to universities and other non-Federal research groups for purposes other than grant- or contract-related work are made on an open-ended or long-term basis. Some of these loans are not documented. GAO found that the Bureau has no agencywide policies or procedures specifying when such loans are appropriate, the maximum length of such loans, or who should authorize and monitor them. Some property has not been adequately protected against deterioration and destruction, and some condition codes assigned to excess and scrap equipment are inaccurate. As a result, Bureau laboratories suffer reduced availability of equipment and may be making some equipment purchases unnecessarily. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Bureau of Mines to ensure that laboratories cease making long-term equipment loans to non-Federal entities for uses which are not authorized under a Bureau grant or contract. The Secretary of the Interior should direct the Bureau of Mines to ensure that its property management officials (1) establish formal procedures to implement 41 C.F.R. 101-25.109, requiring inspection tours and establishment of equipment pools where appropriate, and (2) establish formal Bureau procedures, in conjunction with implementation of 41 C.F.R. 101-25.109, for circulating Bureau-wide lists of underused and idle equipment available for loan or transfer. The Secretary of the Interior should direct that the Inspector General conduct periodic independent reviews of laboratories' compliance with the inspection tour provisions of 41 C.F.R. 101-25.109. The Secretary of the Interior should direct the Bureau of Mines to ensure that laboratory property management personnel have updated criteria for classifying the condition of unneeded equipment reported to the General Services Administration, and obtain adequate technical input and cost data to make proper classification decisions. The Secretary of the Interior should direct the Bureau of Mines to ensure that laboratories take necessary steps protect idle equipment from unauthorized removal or cannibalization and from deterioration due to weather while being stored. The Secretary of the Interior should direct the Bureau of Mines to ensure that its property management officials establish formal policies and procedures for justifying and documenting short-term loans of temporarily idle equipment to non-Federal entities. The Secretary of the Interior should direct the Bureau of Mines ensure to laboratories regain physical control of all equipment loaned for nongrant or noncontract uses, determine their need for such equipment, and where appropriate, report it as excess to their needs. The Secretary of the Interior should direct the Bureau of Mines to provide the needed management attention aimed at proper control, adequate safeguarding, and maximum use of equipment in managing Bureau programs. The Secretary of the Interior should direct the Bureau of Mines to ensure that an accountable staff person(s) with adequate time for thorough attention to property management is designated at each Bureau laboratory.

119369

[Improvements Needed in the Cash Management Practices of Interior's Simultaneous Oil and Gas Leasing Program in Wyoming].

EMD-82-122; B-208518. August 26, 1982. 4 pp.
Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.

Issue Area: Energy: Management of Leased Federal Lands (1629).
Contact: Energy and Minerals Division.
Budget Function: Energy: Energy Information, Policy, and Regulation (276.0); Interest: Other Interest (902.0).
Organization Concerned: Department of the Interior; Bureau of Land Management: Wyoming State Office.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee.
Authority: Treasury Fiscal Requirements Manual part 6, §8030. Dep't of the Interior Directive 338 DM 1.4B.
Abstract: GAO reviewed the Department of the Interior's simultaneous oil and gas leasing program in Wyoming to determine whether the Bureau of Land Management's Wyoming State Office is following good cash management practices and is maintaining adequate controls over filing fee payments. ***Findings/Conclusions:*** Despite Treasury and Interior Department requirements, the Wyoming Office does not promptly deposit filing fee payments received from lease applicants, nor does it adequately control and safeguard those payments. As a result, the Government's cash position is adversely affected, and opportunities exist for loss or theft. Timely deposit of such payments increases the Government's cash position and reduces the need to borrow money and pay the corresponding interest charges. Had the Wyoming Office promptly deposited the money it collected from its first three drawings, GAO estimated that the Government could have saved over $250,000 in interest charges, and this figure will continue to increase with the Wyoming Office's increased responsibilities. Instead of recording the filing fee payments upon receipt and separating them from the accompanying lease applications, the Wyoming Office keeps the payments and applications together throughout numerous processing steps, which can take about 6 weeks, before the payments are deposited. Because the Office does not record payments upon their receipt, it does not know how much has been received until the payments are deposited weeks later. The payments and applications are kept in a room located near a large work area for a number of personnel, rather than in a safe, leaving physical security measures suspect. ***Recommendation To Agencies:*** The Secretary of the Interior should require the Director of the Bureau of Land Management to record simultaneous oil and gas filing fee payments upon their receipt and adhere to the prescribed cash management procedures.

119412

Federal Encouragement of Mining Investment in Developing Countries Has Been Only Marginally Effective. ID-82-38; B-208750. September 3, 1982. 48 pp. plus 2 appendices (5 pp.).
Report to James G. Watt, Secretary, Department of the Interior; by Douglas L. McCullough, (for J. Dexter Peach, Director), GAO Energy and Minerals Division.
Refer to RCED-83-76, December 9, 1982, Accession Number 120093.

Issue Area: International Affairs: U.S. Advantage in Trade and Technology (0608); Materials: Access to Materials (1809).
Contact: International Division.
Budget Function: International Affairs: International Financial Programs (155.0).
Organization Concerned: Department of the Interior; Department of State; Export-Import Bank of the United States; Overseas Private Investment Corp.; Cabinet Council on Natural Resources and the Environment; Department of the Treasury.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources; *Senate* Committee on Appropriations: Department of the Interior and Related Agencies Subcommittee.
Authority: National Materials and Minerals Policy, Research and Development Act of 1980 (30 U.S.C. 1601). Overseas Private Investment Corporation Amendments Act of 1978. Defense Production Act of 1950.
Abstract: To assist Congress and Federal agencies in formulating and implementing a strategic minerals policy, GAO assessed the Government's efforts to encourage mining investment in developing countries as one method of assuring that long-term supplies of strategic and critical minerals will be available for domestic industry and defense. ***Findings/Conclusions:*** Recent U.S.-supported initiatives to encourage mining investment in developing countries have been only marginally helpful as a means of securing adequate and economic supplies of strategic and critical minerals. The initiatives were not designed to meet specifically defined minerals needs and cannot be counted on to acquire the needed minerals. Individual differences among minerals are significant and affect strategies to assure access. By carefully analyzing these differences, policymakers can define levels of need more precisely and develop strategies tailored to the geological and market characteristics of an individual mineral. Further, the initiatives have not been implemented as part of a coherent, clearly directed, long-term investment strategy that has considered and weighed the costs and benefits of a variety of domestic and foreign options. The administration's policy pays only passing attention to two untested overseas initiatives, deep seabed mining and the U.S. Trade and Development Program, and is silent on those which are already operating. Consequently, the administration's level of interest in foreign investment initiatives and the importance and expected contribution of those undertaken during the past 5 years are unclear. Significant funding and operational changes would be required to increase the effectiveness of some U.S. efforts to encourage mining investment in developing countries as a means of securing strategic and critical minerals resources. ***Recommendation To Agencies:*** The Secretary of the Interior, as Chairman pro tem of the Cabinet Council on Natural Resources and Environment, should clarify the roles that the Overseas Investment Corporation's minerals and energy program, U.S. support for the multilateral development bank programs and the United Nations Revolving Fund for Natural Resources Exploration, and the Export-Import Bank are to play in securing strategic and critical minerals supplies. The Secretary of the Interior, as Chairman pro tem of the Cabinet Council on Natural Resources and Environment, should require that acquisition initiatives be based on a clear demonstration of individual minerals needs.

119414

[Sale of Industrial Assets Owned by the Department of Defense]. PLRD-82-114; B-207486. September 10, 1982. 6 pp.
Report to Sen. John G. Tower, Chairman, Senate Committee on Armed Services; by Werner Grosshans, (for Donald J. Horan, Director), GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726).
Contact: Procurement, Logistics, and Readiness Division.
Budget Function: National Defense: Department of Defense - Procurement and Contracts (051.2); General Government: General Property and Records Management (804.0).
Organization Concerned: Department of Defense; General Services Administration; Department of the Air Force.
Congressional Relevance: *Senate* Committee on Armed Services;

Sen. John G. Tower.

Authority: Property and Administrative Services Act (40 U.S.C. 471 et seq.). Defense Industrial Reserve Act (P.L. 93-155). 41 C.F.R. 101-47. DOD Directive 4275.5. 10 U.S.C. 2662(a). 40 U.S.C. 488.

Abstract: Pursuant to a congressional request, GAO reviewed recent General Services Administration (GSA) sales of Department of Defense industrial assets. The report focused on the concern of small forging companies that such sales were negotiated rather than competitively bid and that sales prices may have been below market value. ***Findings/Conclusions:*** GAO found that GSA made five sales of Government-owned, contractor-operated facilities in the past 2 years and that they had been sold by negotiation, rather than on the open market, because this was a condition of sale established by the Air Force in order to avoid disruption of production of military weapons systems at these facilities. Further, GAO found that GSA had implemented the requirement to obtain fair market value in negotiated sales by using the services of an independent contract appraiser.

119428

National Flood Insurance: Marginal Impact on Flood Plain Development, Administrative Improvements Needed. CED-82-105; B-207018. August 16, 1982. ***Released*** September 15, 1982. 45 pp. plus 4 appendices (14 pp.).

Report to Sen. John H. Chafee, Chairman, Senate Committee on Banking, Housing and Urban Affairs: Consumer Affairs Subcommittee; Sen. Arlen Specter; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Issue Area: Domestic Housing and Community Development: Effectiveness of FEMA's Programs and Minimizing Adverse Effects of Catastrophes (2174); Land Use Planning and Control: Non-Line-of-Effort Assignments (2351).

Contact: Community and Economic Development Division.

Budget Function: Community and Regional Development: Disaster Relief and Insurance (453.0).

Organization Concerned: Federal Emergency Management Agency; Office of Management and Budget.

Congressional Relevance: *House* Committee on Banking, Currency and Housing: Housing and Community Development Subcommittee; *House* Committee on Appropriations: HUD-Independent Agencies Subcommittee; *Senate* Committee on Banking, Housing and Urban Affairs: Consumer Affairs Subcommittee; *Senate* Committee on Banking, Housing and Urban Affairs: Housing and Urban Affairs Subcommittee; *Senate* Committee on Appropriations: HUD-Independent Agencies Subcommittee; *Sen.* John H. Chafee; *Sen.* Arlen Specter.

Authority: Flood Insurance Act of 1968 (P.L. 90-448). Flood Disaster Protection Act of 1973 (P.L. 93-234). Housing and Community Development Act of 1977. Omnibus Budget Reconciliation Act of 1981. Executive Order 12291. S. Rept. 93-583. S. 1018 (97th Cong.). H.R. 3252 (97th Cong.).

Abstract: Pursuant to a congressional request, GAO examined whether: (1) the National Flood Insurance Program administered by the Federal Emergency Management Agency (FEMA) stimulated flood plain development, and (2) flood plain management regulations were being adequately enforced. ***Findings/Conclusions:*** Coastal and barrier island communities are developing rapidly, because they offer many attractive features and opportunities for recreation and retirement. After studying six coastal communities and interviewing various Federal, State, and local officials, GAO concluded that the availability of Federal flood insurance is not the principal reason for flood plain development in these communities, but it does offer a marginal added incentive to development. GAO also found that the FEMA monitoring of local communities' enforcement of flood plain management regulations has been inadequate. Additionally, GAO noted errors in designations of flood zones on which insurance rates were based. GAO observed that providing flood insurance and other Federal assistance in extremely hazardous coastal areas subject to wave damage may be an undesirable public policy because of the high potential for loss of life and destruction of property. ***Recommendation To Agencies:*** The Director of FEMA should appeal the Office of Management and Budget's denial of permission to issue the proposed regulation on breakaway walls to the Presidential Task Force on Regulatory Relief. The Director of FEMA should issue a policy statement to regional offices and program participants setting out the agency's position on suspending communities for failure to enforce required flood plain management regulations. The Director of FEMA should reallocate staff resources to increase monitoring activities in regions 4 (Atlanta) and 6 (Dallas). The Director of FEMA should, to improve the National Flood Insurance Program's credibility and financial soundness, establish appropriate management controls to detect and correct flood zone misratings. The Director of FEMA should establish a centralized control system to direct and guide the monitoring and enforcement program. This system should include the systematic selection and periodic updating of information on those communities in each region whose compliance with flood plain requirements is considered critical. These communities should receive priority for monitoring visits. The system should also include continuing evaluations of community visits to measure individual and overall community compliance and to evaluate the effectiveness of the monitoring program in each region. The Director of FEMA should require insurance agents to rate policies, when renewed, in accordance with current flood insurance rate maps. The Director of FEMA should require the specific geographical location of insured property on all renewals. The Director of FEMA should adjust current premiums on all policies found to be misrated.

119494

Changes Needed in U.S. Assistance To Deter Deforestation in Developing Countries. ID-82-50; B-208514. September 16, 1982. 43 pp. plus 2 appendices (13 pp.).

Report to Congress; by Milton J. Socolar, Acting Comptroller General.

Refer to Testimony, September 16, 1982, Accession Number 119510.

Issue Area: International Affairs: Assistance to Developing Countries for More Effectively Managing Natural Resources, Promoting Conservation, and Improving Efficiency of Energy Use (0632); Land Use Planning and Control: Land Use Planning (2352).

Contact: International Division.

Budget Function: International Affairs (150.0).

Organization Concerned: Agency for International Development; Department of State; Department of the Treasury.

Congressional Relevance: *House* Committee on Foreign Affairs; *House* Committee on Appropriations: Foreign Operations Subcommittee; *Senate* Committee on Foreign Relations; *Senate* Committee on Appropriations: Foreign Operations Subcommittee; Congress.

Authority: Foreign Assistance Act of 1961. P.L. 80-480.

Abstract: GAO reviewed the problem of deforestation in developing countries and evaluated whether forestry, agricultural, and rural development projects have been promoting improved and self-sustained forestry and natural resource conservation. ***Findings/Conclusions:*** The forests of most developing countries are not regenerating themselves quickly enough to sustain an adequate natural resource base for supporting the growing populations. The forestry projects approved by the Agency for International Development (AID) and other donors are experiencing delays, because host-government forest service organizations have been unable to obtain the necessary financial and political commitments from their governments. Economic, political, and social problems limit the ability of developing countries to ease the pressures exerted by

their agrarian populations on the mountains, hillsides, and other marginal lands not suited to intense cultivation and grazing. GAO questioned the allocation of much of the AID forestry project assistance for building fledgling forest service organizations which neither have the necessary support of their governments nor the extension service capability to focus immediately on subsistence farmers, the principal cause of deforestation. Coordination and cooperation among international donors at the country level is infrequent and is not encouraged by host governments. Because of the complexities surrounding forest destruction and the financial resources needed to reverse this accelerating trend, the Secretaries of State and the Treasury should request that, in designing their projects, the international organizations give greater consideration to subsistence farmers residing in and around forested and watershed areas. ***Recommendation To Agencies:*** The Secretaries of State and the Treasury should request that the U.S. representatives to the international organizations stress the importance of improving the productive quality of the land now under cultivation by using more forestry elements in the agriculture programs supported by these institutions. The Administrator, AID, should: (1) implement strategies, such as those already endorsed by the agency's forestry policy paper, which encourage program officials to incorporate forestry assistance with agricultural and rural development programs whose principal focus is the subsistence farmers; and (2) seek the cooperation of other donors and the developing countries, where appropriate, to develop the needed links for using established developing-country agricultural service extension systems as a more direct and economic vehicle for improving the forestry and natural resource conservation practices of subsistence farmers. The Administrator, AID, should assess the implementation problems which have delayed some projects and, where problems are attributable to limitations on host-government capabilities, adjust the projects to be better suited to developing country capabilities. The Administrator, AID, should support forestry-related projects that are within host-government political and financial capabilities and work with countries to engender more positive government commitment to deforestation problems. The Secretaries of the Treasury and State should request international organizations, in designing their projects, to give greater consideration to the impact on subsistence farmer populations residing in and around forested and watershed areas which are targeted for commercial timber harvesting, and road, dam, and irrigation construction projects.

119510

[Changes Needed in U.S. Assistance To Deter Deforestation in Developing Countries]. September 16, 1982. 10 pp.

Testimony before the House Committee on Foreign Affairs: Human Rights and International Organizations Subcommittee; House Committee on Science and Technology: Natural Resources, Agriculture Research and Environment Subcommittee; by Frank C. Conahan, Director, GAO International Division.

Refer to ID-82-50, September 16, 1982, Accession Number 119494.

Contact: International Division.

Organization Concerned: Department of the Treasury; Department of State; Agency for International Development.

Congressional Relevance: *House* Committee on Science and Technology: Natural Resources, Agriculture Research and Environment Subcommittee; *House* Committee on Foreign Affairs: Human Rights and International Organizations Subcommittee.

Abstract: In testimony before congressional committees, GAO summarized the major issues addressed in its report on the changes needed in U.S. assistance to deter deforestation in developing countries. The forests of most developing countries are not being replaced quickly enough to sustain an adequate natural resource base to support the growing populations. The primary cause of this problem is the clearing of forests for more farmland, pastures, fuelwood, and livestock fodder by predominantly agrarian populations. Developing countries are not making the necessary financial and political commitments to deter the environmental problems brought on by the destruction of their forests or sustain the assistance provided by the Agency for International Development (AID) and multilateral development banks and other international organizations. In addition, assistance recipients are finding it difficult to implement and manage forestry projects. Although the developing countries have established forest service organizations, they are insufficiently funded, do not have enough trained staff and, in some cases, involve new or untested technologies. Thus, current project implementation is uncertain. GAO has suggested that AID support forestry-related activities that countries are capable of carrying out, assess the implementation problems which have delayed some projects, and adjust the projects to be better suited to the countries' capabilities. Greater use of established agricultural extension systems in lieu of creating somewhat duplicative forest service extension systems could more immediately introduce improved forest and land-use conservation practices to subsistence farmers. The assistance sponsored by AID and other donors to build the management capabilities of forest service organizations will be needed to bring about long-term forestry programs in developing countries. GAO has recommended that AID and other donors focus increased attention on strategies to slow the subsistence farmers' destruction of forests by working to settle them into more permanent and intensive farming systems. The Department of State, AID, and other agencies must continue their efforts to coordinate activities at both the international and national levels.

119596

[Procedures for Collection of Administrative Fees From Sale of Indian Timber]. B-208583. September 27, 1982. 8 pp.

Decision re: Bureau of Indian Affairs; by Harry R. Van Cleve, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: Bureau of Indian Affairs; Department of the Interior.

Congressional Relevance: *House* Committee on Appropriations: Interior Subcommittee.

Authority: Indian Self-Determination Act of 1976 (25 U.S.C. 450 et seq.). 25 C.F.R. 141.18. 25 C.F.R. 141.25. 58 Comp. Gen. 108. Sherman R. Smoot, Co. v. Dept. of Transportation, 516 F. Supp. 260 (D.D.C. 1981). National Federation of Federal Employees v. Devine, 679 F.2d 907 (D.C. Cir. 1981). B-119574 (1954). H.R. 879 (72nd Cong.). 25 U.S.C. 413. 25 U.S.C. 406. 25 U.S.C. 407. 25 U.S.C. 466. 41 Stat. 408. 48 Stat. 415. 47 Stat. 1417.

Abstract: Pursuant to a congressional request, GAO considered whether the Bureau of Indian Affairs has been acting in an unauthorized manner by depositing administrative fees collected from sales of timber from tribal and allotted lands into Bureau accounts and making such funds directly available for payment of expenses relating to tribal forest management activities. This request followed a recent legal opinion by the Solicitor of the Department of the Interior, who concluded that Bureau procedures for handling administrative fees are inconsistent with statutory law and amount to a "diversion" from the Treasury of funds collected to cover costs otherwise paid for by public funds. GAO examined Bureau procedures for the collection and disposition of administrative fees in light of the present law and its legislative history and concluded that the procedures do not violate the applicable statutory requirements. GAO stated that, contrary to the Solicitor's opinion, there is no requirement that administrative fees be deducted in every instance in which public funds are expended. Consequently, while statutory law authorized the collection of administrative costs from tribal revenues, it did not mandate that such costs be collected in every instance in which public funds had been expended. GAO believes that such an interpretation is inconsistent with the broad discretionary language of that provision and is unsupported by its

legislative history. Therefore, GAO concluded that the Bureau procedures for using timber sales funds for tribal forest management costs are lawful and consistent with the Secretary of the Interior's discretionary power under present statutory law.

119685

Congressional Attention Is Warranted When User Charges or Other Policy Changes Cause Capital Losses. PAD-83-10; B-203865. October 13, 1982. 9 pp. plus 3 appendices (87 pp.).
Report to Rep. Berkley W. Bedell; by Arthur J. Corazzini, (for Morton A. Myers, Director), GAO Program Analysis Division.

Issue Area: Economic Analysis of Alternative Program Approaches: Effective Employment of User Charges by the Government (4066).
Contact: Program Analysis Division.
Budget Function: Natural Resources and Environment: Water Resources (301.0); General Government: Central Fiscal Operations (803.0).
Organization Concerned: Department of the Interior.
Congressional Relevance: *Rep.* Berkley W. Bedell.
Abstract: In response to a congressional request, GAO described how increases in user charges for products and services provided by the Government can cause capital losses. Using an irrigation project as a case study, GAO also showed how the resulting compensation issues can be resolved and provided guidelines which should be useful to Congress and the Federal agencies when they consider changing public policies. ***Findings/Conclusions:*** GAO found that the price of irrigation water should be changed, because current pricing schemes are inefficient, charging for water use by the acre rather than by the unit of water. In addition, the price that water would get in some alternative use, such as the production of electricity, is often higher than the charge paid by irrigators. Those who are most dependent on irrigation to water their crops would suffer greater capital losses than would those who benefit from considerably more rainfall. Capital losses could also vary by the size of farming operations and would differ among farm owners depending upon the form of land ownership. Compensation for capital losses could offset the relatively large losses that some groups would suffer. Compensation could also be justified on equity grounds because of disproportionately high losses on those with little wealth and the disappointment of reasonable expectations. However, compensation may either aid or inhibit desirable productive activity. There are a number of ways in which compensation could be provided for capital losses if such compensation were justified. Revenues from selling water to electricity producers could be used to compensate farmland owners. Farmland owners could be permitted to claim capital losses as deductions from taxable income or as tax credits, or the Government could use debt to compensate the farmland owners. Congress could delay the irrigation water price increase or give irrigators legal title to the amounts of water which they currently use, which they could sell to electricity producers.

119714

[Followup Taken by GSA and Other Agencies To Assure Appropriate Use of Real Property Conveyed to Non-Federal Recipients]. PLRD-83-6; B-207531. October 18, 1982. 5 pp. plus 1 attachment (1 p.).
Report to Carroll F. Jones, Commissioner, Federal Property Resources Service; by James Mitchell, Associate Director, GAO Procurement, Logistics, and Readiness Division.
Refer to LCD-78-332, September 12, 1978, Accession Number 107238.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726).
Contact: Procurement, Logistics, and Readiness Division.
Budget Function: General Government: General Property and Records Management (804.0).
Organization Concerned: General Services Administration; Department of Health and Human Services; Department of Education; Department of the Interior; Federal Property Resources Service.
Abstract: In a previous review GAO reported to the Administrator of General Services and to heads of three other agencies that a number of surplus properties conveyed to non-Federal recipients for (1) health and education, (2) park and recreation, and (3) airport purposes, were not being used in compliance with conditions of conveyance. GAO recommended that the Administrator and the other agency heads improve the management of the surplus property conveyance. GAO performed this followup report to determine the status of the 47 properties conveyed for education, health, and recreation purposes which it identified in the previous report. ***Findings/Conclusions:*** In its review of the status of the 47 properties, GAO found that: (1) 9 had been returned to the Government or paid for by the recipient; (2) 11 showed no action or insufficient action to bring them into compliance with conveyed conditions; (3) 19 had revised utilization plans and/or some indication of use compliance; and (4) 8 had insufficient information to clearly show the current use of property. Although the followup work was limited to previously identified and reported noncompliance cases, it appears that the lack of compliance with use restrictions may be a problem area which warrants increased attention by the agencies responsible for monitoring the use of such property and by GSA. Accordingly, GAO initiated a broader review to evaluate, on a total program basis, how surplus real property donated with use restrictions is actually being used by non-Federal recipients and how well responsible Federal agencies are monitoring such use.

119721

Interior's Program To Review Withdrawn Federal Lands. RCED-83-26; B-208997. October 7, 1982. ***Released*** October 17, 1982. 49 pp. plus 4 appendices (9 pp.).
Report to Rep. James D. Santini, Chairman, House Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; by John D. Heller, Acting Comptroller General.

Issue Area: Materials: Materials Resource Base (1815).
Contact: Resources, Community, and Economic Development Division.
Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).
Organization Concerned: Department of the Interior; Federal Energy Regulatory Commission; Bureau of Land Management.
Congressional Relevance: *House* Committee on Interior and Insular Affairs: Mines and Mining Subcommittee; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; *Senate* Committee on Energy and Natural Resources; Congress; *Rep.* James D. Santini.
Authority: Land Policy and Management Act. Mineral Leasing Act. Geothermal Steam Act of 1970. Quadrennial Authorization Act of 1978 (P.L. 95-352). Power Act (Water) (16 U.S.C. 818). Mining Claims Rights Restoration Act of 1955 (30 U.S.C. 621). 43 C.F.R. 2310. BLM Organic Act Directive 79-28. 43 U.S.C. 1214.
Abstract: Congress required the Department of the Interior to review certain types of Federal lands that have been withdrawn by Federal agencies from mineral exploration and development. GAO was requested to examine: (1) how Interior is implementing the program to review existing Federal withdrawals, and (2) what actions Interior is taking to review withdrawals from lands not formally withdrawn but restricted from mineral exploration and development. ***Findings/Conclusions:*** GAO found that the withdrawal reviews, conducted by Interior's Bureau of Land Management

(BLM), could be more consistent with the objectives of Congress and, therefore, more responsive to congressional expectations. Although the Federal Land Policy and Management Act requires BLM to review requests for land withdrawal, BLM is giving priority to reviewing lands not specified by Congress for review and not closed to mineral entry. Further, GAO found that, although Interior seems intent on opening more Federal lands to multiple use, it is allowing management to make decisions to informally withdraw lands from mineral exploration and development. GAO also identified other problems with program implementation which need attention, such as confusion among program officials about the requirement for mineral reports. The program's successful completion may be jeopardized by funding and support problems. ***Recommendation To Congress:*** Congress should enact a line item appropriation for withdrawal review activities to be appropriated to Interior for the use of all Federal agencies participating in the withdrawal review program. Congress should amend section 204(l)(3) of the Federal Land Policy and Management Act (FLPMA) deleting the words "$10 million" and substituting a revised appropriation ceiling, based on refined Interior budget estimates. ***Recommendation To Agencies:*** The Federal Energy Regulatory Commission should establish a policy to remove the segregative effect on Federal lands of a hydroelectric power project application when consideration of the application is terminated without the issuance of a license. The Secretary of the Interior should establish standards and criteria for the use of restrictive stipulation on oil and gas leases, such as surface disturbance and "no surface occupancy" restrictions. Leasable lands should then be inventoried to determine the extent of use of such stipulations and to verify if the stipulation use meets the standards and criteria. Stipulation uses which are determined to be unjustified should be removed. The Secretary of the Interior should establish criteria on which management decisions which preclude mineral leasing or mining on Federal lands must be based. The Secretary should also require BLM to maintain records of these decisions adequate enough to permit periodic congressional oversight. The Secretary of the Interior should consolidate the responsibilities for performing and evaluating these mineral reports under one Assistant Secretary. The Secretary of the Interior should establish minimum standards for mineral reports required under the review program and for new withdrawal applications. The Secretary of the Interior should direct BLM to work with holding agency officials to determine which lands are closed to mineral exploration and development and allocate program resources to ensure a review of these lands first. The Secretary of the Interior should direct BLM to seek program funding for the participating Federal landholding agencies through Interior's budgetary process and reimburse these agencies for their work related to the program. The Secretary of the Interior should direct BLM to develop new budget estimates for the completion of the withdrawal review program based only on activities authorized under section 204(l) of FLPMA and submit this estimate to Congress as a new appropriation ceiling. The Secretary of the Interior should direct BLM to use special project codes to track activities authorized under section 204(l) of FLPMA and submit this estimate to Congress as a new appropriation ceiling. The Secretary of the Interior should direct BLM to allocate program resources proportionately for the remainder of the withdrawal review program to States with the most acreage withdrawn and the best potential for mineral development.

119806

[Disposal of Department of Defense Properties in Philadelphia]. PLRD-82-124; B-208657. September 29, 1982. 10 pp.

Report to Rep. Charles F. Dougherty; Sen. Arlen Specter; by Donald J. Horan, Director, GAO Procurement, Logistics, and Readiness Division.

Issue Area: Facilities and Material Management: Effectiveness of Current Practices for Identifying and Disposing of Excess and Surplus Real Property (0726).

Contact: Procurement, Logistics, and Readiness Division.

Budget Function: General Government: General Property and Records Management (804.0).

Organization Concerned: Department of Defense; General Services Administration; Department of the Navy: Naval Home, Philadelphia, PA; Department of the Army: Frankford Arsenal, Philadelphia, PA; United States Marine Corps: Supply Center; Philadelphia, PA.

Congressional Relevance: *Rep.* Charles F. Dougherty; *Sen.* Arlen Specter.

Authority: Property and Administrative Services Act. Executive Order 12348. Executive Order 11954.

Abstract: Pursuant to a congressional request, GAO reviewed the process and causes for delays in the disposal of three Department of Defense properties in Philadelphia: the Marine Corps Supply Center, the U.S. Naval Home, and the Frankford Arsenal. ***Findings/Conclusions:*** GAO found four factors which delayed disposal of the properties: (1) priority given to transfers within the Federal Government; (2) competing interests among organizations attempting to obtain surplus Federal real property; (3) failure to achieve price agreement in negotiated sales; and (4) the need to decontaminate property to allow unrestricted use after disposal. The principal cause of delay was the failure of the General Services Administration (GSA) and the city of Philadelphia to reach agreement in negotiating a transfer of the properties from the Federal Government to the city. The second longest delay was caused by the GSA requirement to consider alternate Federal uses whenever they are identified; two of the properties were delayed for consideration of Federal transfers after the initial screening process had indicated no further Federal need for the property. Competing interests among non-Federal organizations desiring to obtain Federal property contributed the least to delay in disposing of these three properties. However, this problem may be one of greater magnitude in other cases because GSA attempts to seek a compromise among the competing applicants. In addition, while the problem of decontamination was confined to a single property in this case, it is a potential cause of delay in future property disposals.

119847

Public Rangeland Improvement: A Slow, Costly Process in Need of Alternate Funding. RCED-83-23; B-204997. October 14, 1982. 44 pp. plus 6 appendices (26 pp.).

Report to Congress; by John D. Heller, Acting Comptroller General.

Issue Area: Land Use Planning and Control: Management of Public Lands To Optimize Public Benefits (2313).

Contact: Resources, Community, and Economic Development Division.

Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).

Organization Concerned: Department of the Interior; Department of Agriculture; Bureau of Land Management.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *House* Committee on Appropriations: Interior Subcommittee; *House* Committee on the Budget; *Senate* Committee on Energy and Natural Resources: Public Lands and Resources Subcommittee; *Senate* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Budget; Congress.

Authority: Taylor Act (Grazing). Land Policy and Management Act. Public Rangelands Improvement Act of 1978. Environmental Policy Act of 1969 (National). Wild Free-Roaming Horses and Burros Act. Endangered Species Act of 1973.

Abstract: GAO conducted a review to determine the status of and progress being made under the Bureau of Land Management's

programs for managing and protecting public rangelands in 16 Western States. ***Findings/Conclusions:*** Since 1977, the Bureau has made some progress in meeting a congressional mandate to improve the unsatisfactory conditions of public rangelands in the Western States. The Bureau has issued over 20,000 grazing permits or leases to individuals and corporations who use Federal rangelands. Permittees with allotments range from large ranchers to some with a few animals. Because the Bureau has used varying methods over the years to assess range conditions, the assessments' results cannot be directly compared to show the overall effects of the Bureau's management actions. Nevertheless, the assessments indicate that most of the rangelands are in unsatisfactory condition and produce less than their potential. The Bureau's current method of determining and classifying range conditions is not directly related to management objectives. In addition, field offices use different methods to gather rangeland trend and forage consumption data. GAO believes that more consistency in data gathering is needed among districts with the same rangeland types and with similar resource conditions and problems. A 1975 court order has delayed development and implementation of range management plans until site-specific environmental impact statements are completed. The decreasing availability of improvement funds caused by budget cuts and declining grazing fees, coupled with the increasing cost of range improvements will further delay Bureau's progress in improving range conditions and productivity. ***Recommendation To Congress:*** Congress should assess alternative funding sources such as amending the Federal Land Policy and Management Act to allow the Bureau to use a higher percentage or amount of grazing fees for making improvements. Congress should assess alternative funding sources such as appropriating the special funds already authorized by section 5 of the Public Rangelands Improvement Act for range improvements. Congress should assess alternative funding sources such as amending the Public Rangelands Improvement Act to provide an interim increase in grazing fees, provided the funds are used to make range improvements where they are collected. ***Recommendation To Agencies:*** The Secretary of the Interior should provide those incentives which the Interior determines to be needed to encourage permittees to make range improvements. The Secretary of the Interior should test and evaluate the feasibility of expanding the Experimental Stewardship Program which allows permittees to receive up to a 50-percent credit of their annual grazing fees for making range improvements. This program, if feasible for expansion, should be implemented with proper fiscal safeguards and in line with the Bureau's range improvement priority system. The Secretary of the Interior should direct the Bureau to develop an additional rangeland condition assessment method that will classify conditions in relation to management objectives and require Bureau State offices, to the extent possible, to obtain consistent rangeland data to be used for: (1) determining whether management objectives, such as bringing grazing use in line with grazing capacity, are being met; and (2) reporting to Congress and the public on the rangelands' overall condition.

119939

[Changes Are Needed To Improve the Management of the Bureau of Land Management's Financial Disclosure System]. FPCD-83-16; B-207873. October 18, 1982. ***Released*** November 18, 1982. 10 pp. plus 1 enclosure (5 pp.).

Report to Rep. Edward J. Markey, Chairman, House Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; by Charles A. Bowsher, Comptroller General.

Issue Area: Personnel Management and Compensation: Ethical Conduct of the Civilian Employees and Officials of the Federal Government (0332).

Contact: Federal Personnel and Compensation Division.

Budget Function: General Government: Executive Direction and Management (802.0).

Organization Concerned: Department of the Interior; Bureau of Land Management.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Oversight and Investigations Subcommittee; *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Appropriations; *Senate* Committee on Appropriations: Interior Subcommittee; *Rep.* Edward J. Markey.

Authority: Ethics in Government Act of 1978. Land Policy and Management Act (43 U.S.C. 1743). Mining in the Parks Act (16 U.S.C. 1912). Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1211(f)). Energy Policy and Conservation Act (42 U.S.C. 6392). Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1864). 43 C.F.R. 20.735. Executive Order 11222. 43 U.S.C. 11. 43 U.S.C. 682(d).

Abstract: In response to a congressional request, GAO reviewed the adequacy of the financial disclosure system and the regulations on conflicts of interest which are applicable to employees at the Bureau of Land Management (BLM). ***Findings/Conclusions:*** The GAO review showed that BLM has not effectively managed its financial disclosure system. Responsibilities have been delegated without providing adequate guidance and training. Staff performing financial disclosure duties often have other, higher priority, responsibilities, and the monitoring of financial reviews does not ensure thorough and consistent reviews. Virtually no one monitors the financial disclosure actions taken by the Assistant Ethics Counselors. Weaknesses in the review process have resulted in: (1) inadequate support to justify approval of financial interests; (2) untimely reviews of disclosure statements; and (3) failure to obtain statements from all headquarters employees whose positions require disclosure statements. GAO questioned BLM approval of 125 interests reported by the employees on their disclosure statements. The files contained inadequate documentation to determine when the employees acquired the financial interests or to support the rationale used in approving these holdings. As a result of the misapplication of the provisions of the Organic Act: (1) some employees may be holding questionable financial interests in public lands; (2) the rationale used in approving employee's financial interests is not adequately documented; (3) reviews of most financial statements are made later than required; and (4) some employees are not filing required disclosure statements. ***Recommendation To Agencies:*** The Secretary of the Interior should direct BLM to define the responsibilities for all key BLM positions in the operation and management of the BLM financial disclosure system. The Secretary of the Interior should direct BLM to establish criteria and guidelines for determining the propriety of BLM employees' financial interests. The Secretary of the Interior should direct BLM to require the Deputy Ethics Counselor to monitor the actions of Assistant Ethics Counselors and require them to document the justification for approving financial interests. The Secretary of the Interior should direct BLM to require the Deputy Ethics Counselor to advise Assistant Ethics Counselors and other employees on financial disclosure matters. The Secretary of the Interior should direct BLM to require the Deputy Ethics Counselor to advise the Bureau Ethics Counselor on actions employees should take on potential conflicts and on financial disclosure policy matters. The Secretary of the Interior should direct BLM to require the Deputy Ethics Counselor to periodically assess the adequacy of resources available for reviewing employee financial interests.

119946

[Cost Increases, Technical Problems, and Lack of User Interest Make Continuation of Helistat Program Questionable]. MASAD-83-4; B-203330. November 17, 1982. 11 pp. plus 2 enclosures (2 pp.).

Report to John R. Block, Secretary, Department of Agriculture; by Walton H. Sheley, Jr., Director, GAO Mission Analysis and Systems Acquisition Division.

Issue Area: Procurement of Major Systems: Congressional Information on the Issues Concerning Systems for Which Funds Are Requested (3001).
Contact: Mission Analysis and Systems Acquisition Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Department of Agriculture; Department of the Navy; Forest Service.
Congressional Relevance: *House* Committee on Agriculture; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Agriculture, Nutrition, and Forestry; *Senate* Committee on Appropriations: Interior Subcommittee.
Abstract: GAO reviewed a Forest Service program to develop a lighter-than-air vehicle to demonstrate that aerial logging operations are economical in steep, inaccessible mountainous terrain. ***Findings/Conclusions:*** GAO has found that the original net cost of the program has increased about 373 percent. Because the remaining development work has not been clearly defined, the validity of the revised cost estimate has not been assessed. However, this cost could increase further. In addition, the depressed timber market has reduced the anticipated revenue from timber sales during the demonstrations of the project by 54 percent. Problems in designing and building the aircraft have caused delays and raised concerns about the strength of the structure of the vehicle. There has been dissatisfaction with the quality of the contractor's workmanship. Within the last year, the contractor has changed the delivery date five times, providing little confidence in the validity of the current completion date. Potential users of the vehicle, contacted by GAO in a previous review, saw little opportunity for the aircraft's use and rated the concept poor as a timber harvesting method. The successful completion of this project will not result in a fleet of aircraft, it will only demonstrate the concept. Another development program will be necessary to develop a vehicle that can be produced and sold to logging companies. GAO believes that it is unlikely that potential users will fund the cost of this follow-on program. With the present reduced demand for timber, GAO believes that it is questionable that the costly logging of inaccessible timber areas is justified. ***Recommendation To Agencies:*** The Secretary of Agriculture should tell Congress the current cost, schedule, and technical status of the program, and the basis for concluding that the program should be continued if a decision is made to continue the program. The Secretary of Agriculture should direct the Forest Service to determine whether completion of the Helistat program is justified. The Secretary of Agriculture should direct the Forest Service to identify the benefits which justify the program's cost. The Secretary of Agriculture should direct the Forest Service to establish valid schedule milestones. The Secretary of Agriculture should direct the Forest Service to determine the estimated revenue from timber sales. The Secretary of Agriculture should direct the Forest Service to determine the cost of completing the development phase and the logging demonstrations. The Secretary of Agriculture should direct the Forest Service to determine the scope of work required to resolve the technical problems and complete the development phase of the program.

119974

Duplicative Federal Computer-Mapping Programs: A Growing Problem. RCED-83-19; B-209466. November 22, 1982. 19 pp. plus 11 appendices (31 pp.).
Report to Sen. John W. Warner, Jr., Chairman, Senate Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; by Charles A. Bowsher, Comptroller General.

Issue Area: Land Use Planning and Control: Effectiveness of Land Use Planning on a National, Regional, and Local Basis (2312).
Contact: Resources, Community, and Economic Development Division.
Budget Function: Natural Resources and Environment: Conservation and Land Management (302.0).
Organization Concerned: Office of Management and Budget; Department of the Interior.
Congressional Relevance: *House* Committee on Interior and Insular Affairs; *House* Committee on Appropriations: Interior Subcommittee; *Senate* Committee on Energy and Natural Resources: Energy and Mineral Resources Subcommittee; *Senate* Committee on Interior and Insular Affairs; *Senate* Committee on Appropriations: Interior Subcommittee; *Sen.* John W. Warner, Jr.
Authority: OMB Circular A-16.
Abstract: Federal agencies have begun to use the computer to prepare maps but, because their techniques have not been adopted in a coordinated manner, duplication has developed and opportunities for savings have been lost. GAO reported on the need for action to prevent further duplicative computer-mapping activities. ***Findings/Conclusions:*** Duplicative computer-mapping activities have developed because the U.S. Geological Survey (USGS), the principal civilian mapping agency, has not had enough funds to keep pace with other Federal agencies' demands for computerized versions of USGS products. Several agencies continue to use different formats, codes, and standards to obtain their mapping information; however, if this continues, USGS will have to reconstruct its work when it carries out plans to computerize these same maps. Program officials at several agencies claim that the lack of a central data base is the principal reason they began their own computer-mapping programs. Concern over the duplication problem has led to a number of actions, including: (1) the formation of an interagency committee to improve coordination and establish uniform standards for Federal computer mapping; (2) proposed legislation which would establish a revolving fund to finance a national computer-mapping data base; and (3) a proposed Office of Management and Budget (OMB) circular designed to encourage interagency coordination and administration of mapping activities. ***Recommendation To Agencies:*** The Secretary of the Interior should direct USGS to accelerate its production of computerized maps which are most needed by Federal agencies. The accelerated production should help to establish a data base available for Government-wide use and reduce duplicative single-purpose computerizing. The Director of OMB should issue a circular or other directive requiring interagency coordination and preventing the establishment of duplicative computer-mapping programs. The directive should create a rulemaking body to establish uniform standards for Federal computer mapping so that agencies can exchange data and the needs of map users can be met at reasonable cost.

120089

[Valuation of the Alaska Railroad]. RCED-83-61; B-209962. November 24, 1982. ***Released*** December 9, 1982. 11 pp.
Report to Sen. Howard M. Metzenbaum; by J. Dexter Peach, Director, GAO Resources, Community, and Economic Development Division.

Issue Area: Land Use Planning and Control: Non-Line-of-Effort Assignments (2351); Transportation Systems and Policies: Non-Line-of-Effort Assignments (2451).
Contact: Resources, Community, and Economic Development Division.
Budget Function: Transportation: Ground Transportation (401.0).
Organization Concerned: Department of Transportation; Alaska Railroad.
Congressional Relevance: *Sen.* Howard M. Metzenbaum.
Authority: Alaska Railroad Act (43 U.S.C. 975 et seq.). Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.). S. 1500 (97th Cong.).
Abstract: Pursuant to a congressional request, GAO reported on the market value of Alaska Railroad assets proposed for transfer at no cost to the State of Alaska under provisions of S. 1500. GAO

was also asked to identify a contract that might affect the railroad's future profitability. ***Findings/Conclusions:*** GAO found that neither the Federal Railroad Administration nor the Alaska Railroad has a complete and accurate inventory of all of the railroad's lands. The railroad's estimate of 38,000 acres appears to be the only available information on railroad land holdings. Although there is no well-documented estimate of the value of these lands, three valuations exist, ranging from approximately $180 million to $307 million. GAO made some estimates of the value of the natural resources of these holdings. Regarding contracts affecting future profitability, GAO found that the railroad has five annual contracts to ship from 150 to 300 freight cars of building materials. As of early October 1982, an additional contract was being negotiated with a foreign shipping company which would increase the railroad's annual coal shipments.

120093

Natural Gas Price Increases: A Preliminary Analysis. RCED-83-76; B-210099. December 9, 1982. 34 pp.

Report to Rep. Mervyn M. Dymally; Rep. Ronald V. Dellums; Rep. Phillip Burton; Rep. George E. Brown, Jr.; Rep. Anthony C. Beilenson; Rep. George Miller; Rep. Michael D. Barnes; Sen. Thomas F. Eagleton; by J. Dexter Peach, Director, GAO Resources, Community, and Economic Development Division.

Refer to ID-82-38, September 3, 1982, Accession Number 119412.

Issue Area: Intergovernmental Policies and Fiscal Relations: Assessing the Impact of Federally Mandated Standards and Costs on State and Local Governments (0410); Energy: Effectiveness and Appropriateness of Regulation of Petroleum and Refined Product Prices and Costs (1615); Economic Analysis of Alternative Program Approaches: Interrelationships Between Federal Government Policies and Urban and Regional Economic Problems (4040).

Contact: Resources, Community, and Economic Development Division.

Budget Function: Energy: Energy Information, Policy, and Regulation (276.0).

Organization Concerned: Department of Energy; Energy Information Administration.

Congressional Relevance: *Rep.* Don Edwards; *Rep.* Mervyn M. Dymally; *Rep.* Ronald V. Dellums; *Rep.* Phillip Burton; *Rep.* George E. Brown, Jr.; *Rep.* Anthony C. Beilenson; *Rep.* George Miller; *Rep.* Michael D. Barnes; *Sen.* Thomas F. Eagleton.

Authority: Natural Gas Policy Act of 1978 (15 U.S.C. 3301). Phillips Petroleum Co. v. Wis., 347 U.S. 672 (1954).

Abstract: In response to congressional requests, GAO provided information concerning recent natural gas price increases and simultaneous reports of excess natural gas supplies. GAO prepared a preliminary analysis on: (1) the level and reasons for price increases; and (2) whether there is an excess supply and, if so, how it developed. ***Findings/Conclusions:*** GAO found that the prices paid by natural gas end-users vary considerably. Residential and commercial users paid higher prices than industrial and electric utility users in 1981. However, industrial and electric utility prices increased faster between 1970 and 1981. Prices paid by residential customers increased overall between 1979 and 1982, but at somewhat different rates, and current prices vary considerably from city to city. Natural gas producers' proportion of revenues from end-user sales increased from 1970 to 1981 while the pipelines' distributors' shares declined. The Energy Information Administration projects that average residential rates will increase 20 percent from the first quarter of 1982 to the first quarter of 1983. Numerous factors have contributed to natural gas price increases before and since enactment of the Natural Gas Policy Act 1978. Prices paid by pipelines are based on purchases of both domestic and imported gas. End-user rates for natural gas depend on the diverse factors affecting how gas is priced to pipelines, distributors, and end-users. Reports on an excess supply of natural gas are consistent with major pipeline estimates of supplies. Until recently, pipelines could sell as much as they could provide and eagerly sought new supplies. However, there no longer seems to be any unfulfilled demand at current prices, and consumption through the first 8 months of 1982 was below the comparable 1981 level.

120099

[Followup on GAO Recommendations at the Department of the Interior]. RCED-83-56; B-207703. December 9, 1982. 4 pp.

Report to J. Robinson West, Assistant Secretary--Policy, Budget, and Administration, Department of the Interior; by F. Kevin Boland, Senior Associate Director, GAO Resources, Community, and Economic Development Division.

Issue Area: Internal Auditing Systems: Audit and Investigative Coverage to Federal Programs and Operations Provided by Inspector General Offices and Federal Internal Audit Organizations (0207); Energy: Non-Line-of-Effort Assignments (1651).

Contact: Resources, Community, and Economic Development Division.

Budget Function: Natural Resources and Environment: Other Natural Resources (306.0).

Organization Concerned: Department of the Interior.

Authority: Legislative Reorganization Act of 1970 (31 U.S.C. 720; 84 Stat. 1171). Supplemental Appropriations and Rescission Act, 1980 (P.L. 96-304; 94 Stat. 928). OMB Circular A-50. OMB Circular A-73.

Abstract: GAO examined problems the Department of Interior has with followup on recommendations made in GAO reports. ***Findings/Conclusions:*** GAO found that: (1) Interior's accountability for GAO reports is split between three offices; (2) although audit followup has been generally emphasized in departmental memorandums, the lack of specific direction has caused each bureau or agency to develop different and in some cases ad hoc followup procedures for GAO reports; (3) the required responses to final reports are usually late and are not specific in terms of planned actions, and followup letters on the completed action are not sent; (4) audit resolution efforts within Interior responding to P.L. 96-304 have not addressed reports pending within the agency as of July 1980; and (5) Interior's trial tracking system for audit resolution does not call for submission of a report to the Office of Management and Budget after completion of planned action, and the system's allowance for followup on overdue actions precludes a timely response.

120132

[Information Regarding U.S. Army Corps of Engineers' Management of Recreation Areas]. RCED-83-63; B-210098. December 15, 1982. 9 pp.

Report to Rep. Bud Shuster; by J. Dexter Peach, Director, GAO Resources, Community, and Economic Development Division.

Issue Area: Water and Water Related Programs: Efficiency, Effectiveness, Economy, and Safe Operation and Maintenance of Water Resources Projects (2515).

Contact: Resources, Community, and Economic Development Division.

Budget Function: Natural Resources and Environment: Water Resources (301.0).

Organization Concerned: Department of the Army: Corps of Engineers; National Park Service.

Congressional Relevance: *Rep.* Bud Shuster.

Authority: Water Project Recreation Act (P.L. 89-72). Flood Control Act of 1954 (16 U.S.C. 460d). Flood Control Act of 1962 (P.L. 87-874). P.L. 79-633. S. Doc. No. 97 (87th Cong.). 16 U.S.C. 17j-2(b).

Abstract: In response to a congressional request, GAO provided:

(1) a description of the National Park Service's and the Corps of Engineers' general responsibilities for managing recreation areas; (2) a comparison of the fiscal year 1983 operations and maintenance budget cuts the Corps made in its recreation activities to those it made in other operations and maintenance activities; (3) information on the Corps' decision to close three recreation areas at the Raystown Lake Project; and (4) information on the Corps' procedures for awarding recreation-related contracts at Raystown Lake. ***Findings/Conclusions:*** While the Park Service manages recreation areas of national significance to preserve them for use by future generations, the Corps manages recreation areas more local or regional in nature that have been developed around water projects it operates for flood control, navigation, or water supply purposes. Both the Park Service and the Corps have reduced the amount of recreation services at their facilities as a way of reducing their fiscal year 1983 operations and maintenance costs. While the Corps' total operations and maintenance budget increased about 14 percent in fiscal year 1983, the recreation portion decreased about 7.6 percent. The only other functions that were reduced were navigation operations, studies related to operations, and natural resources maintenance. At Raystown Lake, the Corps reduced its operations and maintenance budget about $36,000 by reducing services at 3 of its 17 recreation areas. A review of contracting procedures for recreation services provided during fiscal year 1982 at Raystown Lake showed that in all cases the Corps used competitive bidding practices and in all cases but one the lowest bidders were awarded the contracts. In that one case, the lowest bidder was disqualified due to the appearance of impropriety. Competitive bidding procedures were also used for concession contracts and a forestry, fish, and wildlife management study.

120223

The National Park Service Has Improved Facilities at 12 Park Service Areas. RCED-83-65; B-209917. December 17, 1982. 16 pp.

Report to Sen. Malcolm Wallop, Chairman, Senate Committee on Energy and Natural Resources: Public Lands and Reserved Water Subcommittee; by J. Dexter Peach, Director, GAO Resources, Community, and Economic Development Division.

Issue Area: Land Use Planning and Control: Effectiveness of Federal Efforts To Meet the Outdoor Recreation Needs of Americans (2315).

Contact: Resources, Community, and Economic Development Division.

Budget Function: Natural Resources and Environment: Recreational Resources (303.0); Health: Consumer and Occupational Health and Safety (554.0).

Organization Concerned: National Park Service; Department of the Interior.

Congressional Relevance: *Senate* Committee on Energy and Natural Resources: Public Lands and Reserved Water Subcommittee; *Sen.* Malcolm Wallop.

Authority: Safe Drinking Water Act (P.L. 93-523). Water Pollution Control Act Amendments of 1972 (Federal) (P.L. 92-500). Solid Waste Disposal Act (P.L. 94-580). Surface Transportation Assistance Act of 1978 (P.L. 95-599).

Abstract: GAO was asked to report on actions taken by the National Park Service to correct deficient National Park facilities which were identified in a 1980 report. ***Findings/Conclusions:*** Following a GAO report which identified 172 facilities at 12 Park Service areas which failed to meet health and safety standards, Congress, the Park Service, and park concessioners have placed a high priority on correcting the deficiencies. Nearly all of the deficient facilities have been improved or are scheduled for improvement by the end of fiscal year (FY) 1987. During FY 1981, Congress appropriated $16.5 million to correct critical health and safety deficiencies in the National Park System. In FY 1982, the Park Service began a special program to rehabilitate or replace unsafe park facilities, spending $23 million to meet health and safety needs. The Park Service has also negotiated contracts with park concessioners which require them to correct unsafe conditions. In some cases, concessioners have made improvements that were not required by their contracts. The Park Service has corrected, or plans to correct: (1) 85 hazardous lodges and dormitories; (2) 53 drinking water systems that did not meet State and Federal standards; (3) 7 sewer systems which were poorly designed; and (4) 27 bridges and tunnels which are in need of repair. The Park Service also plans to monitor closely the condition of bridges and tunnels and has restricted or will restrict their use when warranted.

120255

[Exchange of Lands for Federal Coal Lease Bidding Rights]. B-209981. December 30, 1982. 12 pp.

Decision re: Proposed Agreement for Exchange of Lands for Federal Coal Lease Bidding Rights; by Milton J. Socolar, (for Charles A. Bowsher, Comptroller General).

Contact: Office of the General Counsel.

Organization Concerned: National Park Service: Rattlesnake National Recreation Area, MT; National Park Service: Rattlesnake Wilderness, MT; Montana Power Co.; Department of the Treasury; Bureau of Land Management.

Authority: Mineral Lands Leasing Act (30 U.S.C. 191). Reclamation Act. 43 C.F.R. 3526. 126 Cong. Rec. S14206. 126 Cong. Rec. H10345. 30 U.S.C. 201(a). 30 U.S.C. 203. H. Rept. 96-1340 (96th Cong.). S. Rept. 96-996 (96th Cong.). S. 3072 (96th Cong.).

Abstract: GAO was asked by the Bureau of Land Management (BLM) to determine whether BLM has the authority to agree to a proposal from the Montana Power Company. The proposal relates to the exchange of bidding rights and inclusion of Company lands in the Rattlesnake National Recreation Area and Rattlesnake Wilderness. The request indicated that under applicable legislation lands owned by the Company have been appraised at approximately $17.5 million and that one acquisition method provided for in the legislation is for the exchange of the lands for bidding rights in an amount equal to the lands' value. These rights may be used to pay the bonus or other payment required to the successful bidder for competitive Federal coal leases. Under the proposed exchange agreement, the Company would use its bidding rights for only half of any lease payment, assuring a 50-percent payment in cash. The payment would be remitted to the State as its 50-percent share of money received from sales, bonuses, royalties and rentals of Federal public lands under other applicable legislation. The BLM tentative conclusion was that the statement of intent that established the proposed method of payment, had no effect on the disbursement of cash to be received from the Company, because all mention of the statement was removed before the bill was enacted, and the statement is ambiguous regarding the 50-percent payment. GAO held that: (1) since bidding rights are not money, State payment may not be based on their receipt; (2) under the proposed exchange agreement where Montana Power Company's total payment is in cash, but is accompanied by notice of use of bidding rights, Treasury would be required to pay the Company for the amount of rights used pursuant to the notice. Reimbursement to the Company is not proper absent authority to retire bidding rights by payment and lack of available appropriation for that purpose; and (3) increased bidding rights are not legally permissible since their value is limited to fair market value of lands under the Rattlesnake National Recreation Area and Wilderness Act. Accordingly, the value of bidding rights called for in the proposed exchange agreement is not legally permissible.

120259

[Procurement Practices and Procedures of the Forest Service Intermountain Region]. December 23, 1980. ***Released*** November 19,

1982. 4 pp.
Report to Jeff M. Sirmon, Regional Forester, Forest Service: Intermountain Region; by John E. Murphy, (for Robert W. Hanlon, Manager), GAO Field Operations Division: Regional Office (Denver).

Issue Area: General Procurement (1900).
Contact: Field Operations Division: Regional Office (Denver).
Budget Function: Agriculture: Agricultural Research and Services (352.0).
Organization Concerned: Forest Service: Intermountain Region; Department of Agriculture.
Abstract: A limited survey was conducted of the procurement practices and procedures of the Forest Service Intermountain Region. The survey included a study of procedures for determining needs, obtaining competition, making purchases, and receiving and controlling materials or services acquired. GAO reviewed contracts for construction, maintenance and repair, tree thinning, tree planting, land appraisal, refuse removal, and vehicle rental. Open market, over-the-counter, and imprest fund purchases were also reviewed. ***Findings/Conclusions:*** The survey showed that adequate competition was obtained, and although a breakdown of the procurement process was found on a small number of contracts, the region's procurement practices and procedures were generally satisfactory. Under one contract awarded for aircraft maintenance and repair, payments were made for charges at a flat rate although the contract did not authorize flat rate charges. A review of a construction project indicated a need for responsible officials to follow up on indicated construction deficiencies to assure that they are resolved. A contract for rewiring had a cost estimate which was not supported by a detailed engineering estimate, and officials were unable to provide justification or support for awarding this contract in an amount that exceeded the estimate by 48 percent. A review of two contracts for land appraisal services disclosed that the Forest Service was not always making a timely review of the contractor's land appraisal reports as required, and contract files did not always contain evaluation criteria for contractor selection. A contract for the preparation of required appraisals of Forest Service summer home sites was delayed to accelerate completion of other higher priority work. A contract for another appraisal was awarded 70 percent on the basis of technical aspects and 30 percent on the basis of cost which could subject the contract to charges of biased selection by unsuccessful bidders. Vehicles were purchased from a local supplier at a higher cost than if purchased from the Federal Supply Schedule contractor. ***Recommendation To Agencies:*** Responsible officials should specify in detail and document how the cost factor with respect to the procurement of appraisal services will be evaluated.

120566

[Department of the Interior's Alteration of the Form of Recordable Contracts for Excess Lands]. B-169126. April 12, 1979. ***Released*** February 10, 1983. 5 pp.
Letter to Rep. Charles Pashayan, Jr.; by Robert F. Keller, Deputy Comptroller General, GAO Office of the Comptroller General.

Contact: Office of the General Counsel.
Organization Concerned: Department of the Interior.
Authority: Omnibus Adjustment Act (Irrigation Projects) (43 U.S.C. 423e). 42 Fed. Reg. 43044. 42 Fed. Reg. 43045. B-169126 (1976).
Abstract: The question was raised concerning whether the Secretary of the Interior, in altering terms of the standard recordable contracts for excess lands, would violate owners' vested rights in the San Luis Water District in California. Under the provisions of articles 20 to 22 of the District Contract, the terms "excess land" and "large landowner" are defined, while the new recordable contract does not contain these definitions. Any change in the new contract must be examined to determine whether there is a violation of reclamation law or whether there has been an unauthorized, unilateral change that constitutes a transgression of a "vested right" flowing from the District Contract. A provision of the new recordable contract is subject to attack on this basis by excess landowners now wishing to sign recordable contracts with the United States.

120567

[Comments on the District of Columbia Home Rule Act]. B-197200. January 7, 1980. ***Released*** January 7, 1980. 2 pp.
Letter to Rep. Fortney H. Stark; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: District of Columbia: City Council; District of Columbia: Zoning Commission; Architect of the Capitol; National Park Service; National Capital Planning Commission.
Congressional Relevance: *Rep.* Fortney H. Stark.
Authority: Self-Government and Governmental Reorganization Act (District of Columbia) (P.L. 93-198). D.C. Code Ann. §5-418(c). 23 U.S.T. 32. T.I.A.S. No. 7502. P.L. 88-657. 78 Stat. 1091.
Abstract: GAO was requested to determine whether the District of Columbia City Council violated the District of Columbia Home Rule Act in enacting legislation affecting the location of foreign chanceries in the District. GAO stated that both the letter and spirit of this law preclude the City Council from enacting a law which interferes with the Federal/international character of the District. This legislation limits the areas in which foreign governments could locate official missions in the District of Columbia. The Council's legislative powers are limited by the zoning and planning provisions of the Home Rule Act. Therefore, the bill enacted by the Council would have the effect of circumscribing the Zoning Commission's authority to comply with the act's mandate that zoning regulations be consistent with the comprehensive plan for the National Capital and would also preclude meaningful review by the National Capital Planning Commission (NCPC). The Council's legislative powers are further limited by a provision in the act which precludes the Council from enacting any act concerning the functions or property of the United States, or any act not restricted in its application exclusively in or to the District. The enactment substantially curtailed the areas in which foreign governments could locate official chanceries in the Capital. The action is inconsistent with the NCPC plan and a treaty signed by the United States in which it agreed to assist foreign governments to obtain suitable chancery premises in the Capital. Since this legislation clearly concerns the functions of the United States, it was the opinion of GAO that the Council acted without authority in enacting this legislation.

120568

[Review of Forest Service Regulation]. B-195497. June 2, 1980. ***Released*** February 10, 1983. 4 pp.
Letter to R. Max Peterson, Chief, Forest Service; by Milton J. Socolar, (for Elmer B. Staats, Comptroller General).

Contact: Office of the General Counsel.
Organization Concerned: Forest Service.
Authority: Forest Management Act. 36 C.F.R. 223.5(h). 36 C.F.R. 223.7(a). 56 Comp. Gen. 976. 58 Comp. Gen. 54. F.P.R. 1-1.1203. D.A.R. 1-903. Forest Service Manual 2433.6. Forest Service Manual 1433.9. Forest Service Manual 2533.6. Forest Service Manual 2431.61. 41 U.S.C. 253(b). 10 U.S.C. 2305(c). 16 U.S.C. 472a.
Abstract: GAO reviewed a Forest Service regulation which provides that, with certain exceptions, in the resale of timber from an uncompleted timber sale contract, no bids will be considered from the defaulted purchaser. The Forest Service wanted to know whether a GAO decision concerning the right of a defaulted contractor to be solicited for a competitive reprocurement applied to

timber sales. It distinguished timber resales from other reprocurements because of the longer term of sale contracts, the difficulty in ascertaining damages for failure to cut timber, and the speculative nature of the timber market. GAO believed that the Forest Service should consider revising its regulations and determining the eligibility of defaulted purchasers for award of resale contracts on a case-by-case basis. The risk of speculative purchasers using the default and resale procedure to play the market on the long term and to avoid payment of damages could be avoided. The Forest Service rule prevents it from accepting a bid from a defaulted purchaser at a price lower than the original contract. The Service could find a speculative purchaser to be nonresponsible and not eligible for award of a reprocurement. GAO had no evidence that preventing a defaulted timber purchaser from bidding on a resale reduced the number of contracts which must be extended or terminated for failure to cut.

120569

[Views on H.R. 5552]. B-207874. July 30, 1982. ***Released*** February 10, 1983. 5 pp.

Letter to Rep. John F. Seiberling, Chairman, House Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; by Charles A. Bowsher, Comptroller General.

Contact: Office of the General Counsel.

Organization Concerned: Department of the Interior; General Accounting Office.

Congressional Relevance: *House* Committee on Interior and Insular Affairs: Public Lands and National Parks Subcommittee; *Rep.* John F. Seiberling.

Authority: Administrative Procedure Act (5 U.S.C. 553). Congressional Budget and Impoundment Control Act of 1974 (31 U.S.C. 1400 et seq.). P.L. 91-383. H.R. 5552 (97th Cong.). Humphrey's Executor v. United States, 295 U.S. 602 (1935). United States v. Standard Oil Co. of Cal., 545 F.2d 624 (9th Cir. 1976). Buckley v. Valeo, 424 U.S. 1 (1976). 16 U.S.C. 1a-1 et seq. 5 U.S.C. 556. 5 U.S.C. 557. 5 U.S.C. 706(2)(c). 31 U.S.C. 43. 31 U.S.C. 82b. 31 U.S.C. 82d. 31 U.S.C. 82i. 31 U.S.C. 82a-1. 31 U.S.C. 82a-2. 31 U.S.C. 95a. 84 Stat. 825.

Abstract: GAO was requested to comment on H.R. 5552, a bill to protect the natural and cultural resources within the National Park System. GAO does not believe that the functions which section 17 of the bill would bestow on GAO represent appropriate responsibilities for an agency charged by Congress with evaluating and reviewing Government programs and reporting its findings to Congress. If enacted, section 17 would place GAO in the anomalous position of enjoining executive actions that GAO may later be called on to review and evaluate. The ability of GAO to provide disinterested, objective analysis and review would be jeopardized. Thus, section 17 would conflict with, and essentially undercut, the basic review responsibilities of GAO with regard to the executive branch actions which it covers. Accordingly, GAO urged that section 17 be deleted from H.R. 5552.

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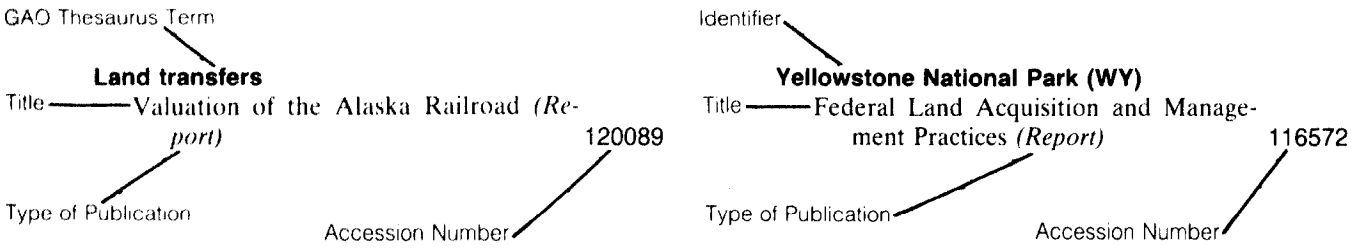

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The entries in this index include both Federal agencies and nongovernmental corporate bodies with which the document is concerned, in one alphabetic sequence. The Federal departments and agencies standing alone are those which appear in bold face type in the **United States Government Manual.** Other Federal entities are listed under their respective departments and agencies (e.g. documents related to the National Park Service will be listed under National Park Service, but documents related to VISTA will be listed under ACTION).

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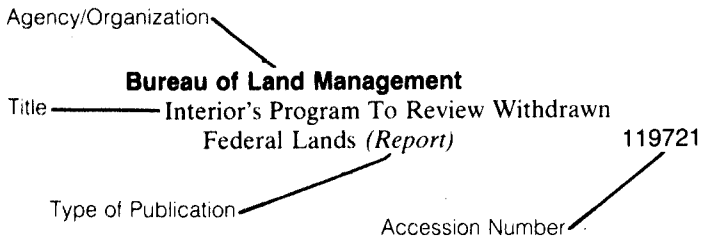

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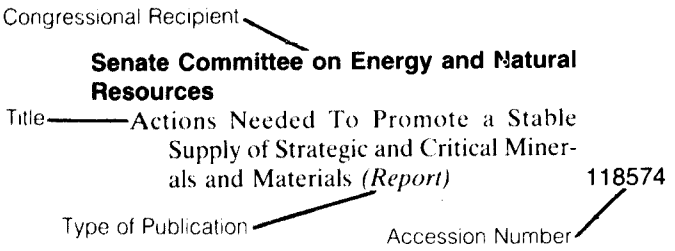

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ABBREVIATIONS COMMONLY USED IN THIS PUBLICATION

In general, the abbreviations used in this publication follow the recommended practices of the *U.S. Government Printing Office Style Manual.* However, the abbreviations used in the Law/Authority Index follow the recommended rules for abbreviations cited in the latest addition of *A Uniform System of Citation.* The following list includes only those abbreviations that do not coincide with the rules cited in the *U.S. Government Printing Office Style Manual* or *A Uniform System of Citation.*

A.F.R.	Air Force Regulation
A.R.	Army Regulation
A.S.P.R.	Armed Services Procurement Regulation
C.G.	Coast Guard
C.M.M.I.	Civilian Manpower Management Instruction
C.P.R.	Army Civilian Personnel Regulation
D.A.C.	Defense Acquisition Circular
D.A.R.	Defense Acquisition Regulation (formerly A.S.P.R.)
DLA	Defense Logistics Agency
DODPM	Department of Defense Military Pay and Allowances Entitlements Manual
DOJ	Department of Justice
D.P.C.	Defense Procurement Circular
FAM	Foreign Affairs Manual
FIPS	Federal Information Processing Standards
F.L.R.C.	Federal Labor Relations Council
F.P.M.	Federal Personnel Manual
F.P.M.R.	Federal Personnel Management Regulation
F.P.R.	Federal Procurement Regulation
F.T.R.	Federal Travel Regulation
IAM	Indian Affairs Manual
J.T.R.	Joint Travel Regulation
NAVJAGMAN	Manual of the Judge Advocate General of the Navy
NAVSEAOP	Naval Sea Systems Command Ordnance Publications
N.M.F.C.	National Motor Freight Classification
VAPR	Veterans Administration Procurement Regulation

GAO Division Abbreviations

AFMD[1]	Accounting and Financial Management Division
CED[2]	Community and Economic Development Division
EMD[2]	Energy and Minerals Division
FOD	Field Operations Division
FGMSD[1]	Financial and General Management Studies Division
FPCD	Federal Personnel and Compensation Division
GGD	General Government Division
HRD	Human Resources Division
ID	International Division
LCD	Logistics and Communications Division
MASAD	Mission Analysis and Systems Acquisition Division
OCG	Office of the Comptroller General
OGC	Office of the General Counsel
OISS	Office of Information Systems and Services
OP	Office of Policy
OPP	Office of Program Planning
PAD	Program Analysis Division
PLRD	Procurement, Logistics, and Readiness Division
PSAD	Procurement and Systems Acquisition Division
RCED[2]	Resources, Community, and Economic Development Division

[1] **FGMSD** was changed to **AFMD** in November 1980.

[2] **CED** and **EMD** were merged to form **RCED** in October 1982.

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