

## House Committee on Small Business

### "Hearing on the Effects of the Roadless Policy on Rural Small Business and Rural Communities"

July 11, 2000

#### Opening Statement of Charles Rawls United States Department of Agriculture

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for the opportunity to discuss Forest Service efforts to conserve and enhance the important social and ecological values of roadless areas within the National Forest System.

In May, 2000 the Forest Service published a proposed roadless area conservation rule and draft environmental impact statement evaluating options for conserving inventoried roadless and other unroaded areas on National Forest System lands. The proposed rule would: 1) limit road construction or reconstruction in unroaded portions of inventoried roadless areas except in certain circumstances; and 2) require evaluation, during forest plan revision, of whether and how certain roadless area characteristics in inventoried roadless areas and other unroaded areas should be protected in the context of overall multiple-use objectives. The Forest Service also prepared and made available for comment an initial regulatory flexibility analysis (IRFA) and a cost-benefit analysis. The public comment period for all of these documents remains open until July 17th.

The Regulatory Flexibility Act (5 U.S.C. 601 et seq.) directs agencies to prepare and make available for public comment an initial regulatory flexibility analysis for rulemakings that are subject to the notice and comment requirements of 5 U.S.C. 553 or any other law. However, if the agency determines that a rulemaking will not have a significant economic impact on a substantial number of small entities, the initial regulatory flexibility analysis requirement does not apply, but the agency must make a certification of no significant impact and publish it, along with a statement that provides the factual basis for the certification.

The Forest Service has indicated that it expects that the roadless area conservation rulemaking would not have a significant economic impact on a substantial number of small entities, as defined by the Regulatory Flexibility Act. Nevertheless, given the significant public interest in the rulemaking and the comments received on this specific issue during the scoping process, the agency prepared an

initial regulatory flexibility analysis. The Forest Service published a summary of the IRFA along with the proposed rule, made the full IRFA available on the agency's website and sought public comment on its findings. The Forest Service requested comments from businesses, communities, trade associations and any other interested parties that had information or knew of information sources that would be useful in analyzing the potential economic effects of the proposed rule on small entities.

The Forest Service is also conducting an unprecedented public process to engage the public in a dialogue about the future of roadless areas. The Forest Service conducted more than 180 public meetings during its initial comment period on its Notice of Intent to prepare an environmental impact statement, and it received more than 50,000 public comments. It is now in the process of conducting more than 400 public meetings across the country on its proposed rule and accompanying documents. The comment period closes July 17, and the agency is eager to hear what the public, small businesses, and other entities have to say about its proposal.

It is my belief that, to date, the Forest Service has met its legal duties under the Regulatory Flexibility Act. The Forest Service has completed an initial regulatory flexibility analysis. Since the inception of the rulemaking process, the Forest Service has aggressively sought out the participation of other Federal agencies through an interagency roadless policy team that includes, among many others, the Small Business Administration (SBA) Office of Advocacy. This active exchange with the SBA and other Federal agencies has assisted the Forest Service in better understanding the concerns of small entities. Most importantly, these concerns have been published in its findings and invitation for public comment. This is precisely the kind of attention to the concerns of small businesses, communities and other small entities that the Act was intended to foster. Beyond that, it is premature for me or anyone else to conclude what additional analysis, if any, will be required under the rulemaking to meet the requirements of the Regulatory Flexibility Act. Under the Regulatory Flexibility Act, I would note that a certification of no significant economic impact on a substantial number of small entities can be made at the time of the publication of the proposed rule or the final rule.

In sum, the Forest Service has undertaken a substantial effort to both consider and disclose the potential implications of the roadless conservation rule for small entities. As the Forest Service finalizes the rulemaking, it has pledged to consider and respond to the public comments received, including any information provided regarding small

entities. Thus, it appears to me that the purposes and procedures of the Regulatory Flexibility Act are being fulfilled.

Mr. Chairman, this concludes my testimony. I would be happy to answer any questions.

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**The United States House of Representatives**

**Committee on Small Business**

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