

(7 CFR part 1b), and (4) APHIS' NEPA Implementing Procedures (7 CFR part 372).

Unless substantial issues with adverse environmental impacts are raised in response to this notice, APHIS intends to issue a finding of no significant impact (FONSI) based on the EA and authorize shipment of the above product for the initiation of field tests following the close of the comment period for this notice.

Because the issues raised by field testing and by issuance of a license are identical, APHIS has concluded that the EA that is generated for field testing would also be applicable to the proposed licensing action. Provided that the field test data support the conclusions of the original EA and the issuance of a FONSI, APHIS does not intend to issue a separate EA and FONSI to support the issuance of the product license, and would determine that an environmental impact statement need not be prepared. APHIS intends to issue a veterinary biological product license for this vaccine following completion of the field test provided no adverse impacts on the human environment are identified and provided the product meets all other requirements for licensing.

**Authority:** 21 U.S.C. 151–159; 7 CFR 2.22, 2.80, and 371.4.

Done in Washington, DC, this 11th day of September 2006.

**Kevin Shea,**

*Acting Administrator, Animal and Plant Health Inspection Service.*

[FR Doc. E6–15326 Filed 9–14–06; 8:45 am]

**BILLING CODE 3410–34–P**

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### Outfitting and Guiding Land Use Fees in the Alaska Region

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of proposed policy; request for comment.

**SUMMARY:** The Alaska Region is proposing to adopt a long-term flat fee policy for outfitters and guides operating in the Alaska Region. Under the flat fee policy, a single land use fee would be charged for each type of service provided by outfitters and guides in the Alaska Region.

**DATES:** Comments must be received in writing by December 14, 2006.

**ADDRESSES:** Send comments to Regional Forester, Attention: Recreation, Lands and Minerals, P.O. Box 21628, Juneau,

Alaska 99802–1628; via electronic mail to [comments-alaska-regional-office@fs.fed.us](mailto:comments-alaska-regional-office@fs.fed.us); or via facsimile to (907) 586–7866. All comments, including names and addresses when provided, will be placed in the record and will be available for public inspection and copying. The public may inspect comments received on this proposed policy in the Recreation, Lands and Minerals Staff, Room 519D, Federal Office Building, 709 West 9th Street, Juneau, Alaska, between 9 a.m. and 4 p.m.

**FOR FURTHER INFORMATION CONTACT:**

Trish Clabaugh, (907) 586–8855, or Neil Hagadorn, (907) 586–9336.

**SUPPLEMENTARY INFORMATION:** The Forest Service issues special use authorizations for a variety of uses of National Forest System (NFS) lands, including outfitting and guiding. Outfitting is defined as “renting on or delivering to National Forest System lands for pecuniary remuneration or other gain any saddle or pack animal, vehicle, boat, camping gear, or similar supplies or equipment. The term ‘outfitter’ includes the holder’s employees and agents” (36 CFR 251.51). Guiding is defined as “providing services or assistance (such as supervision, protection, education, training, packing, touring, subsistence, transporting people, or interpretation) for pecuniary remuneration or other gain to individuals or groups on National Forest System lands. The term ‘guide’ includes the holder’s employees and agents” (36 CFR 251.51). The Forest Service charges a land use fee for special use authorizations, including outfitting and guiding permits.

#### Applicable Law

The Independent Offices Appropriations Act of 1952 (IOAA) authorizes each Federal agency to collect a fee “for a service or thing of value provided by the agency” (31 U.S.C. 9701(b)). The IOAA requires that each fee charged to fair and be based on factors such as the costs to the Government, the value of the service or thing to the recipient, the public policy or interest served, and other relevant facts (31 U.S.C. 9701(b)).

Pursuant to the IOAA, the Office of Management and Budget (OMB) issued a circular which “establish[es] guidelines for Federal agencies to assess fees for Governmental services and for the sale or use of Government property or resources” (OMB Circular No. A–25, 58 FR 38142 (September 23, 1993), as amended July 15, 1993)). Paragraph 6a(2)(b) of OMB circular No. A–25 instructs agencies that when the Federal government is not acting in the capacity

of a sovereign, but rather is acting in a proprietary capacity, as it is here in authorizing the use of Federal land for commercial purposes, user charges or fees are to be “based on market prices.”

OMB Circular No. A–25 further provides that under such conditions, user charges need not be limited to the recovery of full costs, but may yield net revenues (OMB Circular No. A–25, ¶ 6a(2) (a) and (b)). The Circular directs that “[i]n the absence of substantial competitive demand, market price will be determined by taking into account the prevailing prices for goods, resources, or services that are the same or substantially similar to those provided by the Government, and then adjusting the supply made available and/or price of the good, resource, or service so that there will be neither a shortage nor a surplus” (OMB Circular No. A–25, ¶ 6d(2)(b)).

Consistent with the IOAA and OMB Circular No. A–25, Forest Service regulations at 36 CFR 251.57(a) provide that special use permit fees “will be based upon the fair market value of the rights and privileges authorized by appraisal or other sound business management principles.”

#### Development of the Alaska Region's Interim Flat Fee Policy

In general, the gross revenues of a business conducted on NFS lands are an accurate reflection of the value of the business's use of those lands. However, in Alaska many outfitters and guides base a significant percentage of their client charges on activities that occur off NFS lands. Thus, flat land use fees that are based on an average of the revenues generated by outfitters and guides conducting activities on NFS lands more accurately reflect the value of the use of NFS lands for outfitting and guiding in the Alaska Region.

Consistent with this assessment, in 1997, the Alaska Region issued for public comment a proposed flat fee schedule for outfitting and guiding in the Alaska Region. This fee schedule was recommended for consideration in the development of an outfitting and guiding fee system by a working group from Federal and State agencies assisting the Alaska Land Use Council (ALUC). See Final Fee Recommendations of the Alaska Land Use Council Outfitter and Guide Working Group (May 15, 1985).

Based on comments received on the proposed fee schedule, the Alaska Region revised some fee categories and added others to accommodate all outfitting and guiding activities authorized on NFS lands in Alaska. The Alaska Region incorporated some of

respondents' suggestions, such as using actual tour prices reported by permit holders, rather than advertised prices, to determine land use fees and using the number of service days by trip to weight the fee calculations. In addition, the Alaska Region responded to respondents' concerns that land use fees by determined according to the types of uses, recreational setting, and facilities involved.

At the time the flat fee schedule was issued for public comment, an outfitter and guide conducting boat-based tours with stops on NFS lands in Alaska challenged the Forest Service's national outfitting and guiding land use fee policy, which was still in effect in the Alaska Region and which bases land use fees on 3 percent of an outfitter's or guide's adjusted gross revenue. Concerned that different fees were being charged for the same type of commercial use of NFS lands, the magistrate judge recommended that the federal district court require the Forest Service to devise a land use fee system that would be fair to the plaintiff, as well as based on the market value of the use of NFS lands. The district court adopted the recommendation of the magistrate judge and ruled that there was "insufficient evidence in the record to support a conclusion that the fees charged plaintiff were both fair and based upon the value of the use of Forest Service lands available to the plaintiff." *The Tongass Conservancy v. Glickman*, No. J97-029-CV (D. Alaska October 5, 1998), slip op September 19, 1998. Accordingly, the court ordered the Forest Service to undertake further actions consistent with the court's ruling and applicable law.

In response, on July 21, 1999, the Alaska Region published in the **Federal Register** for public notice and comment a proposed interim flat fee policy for all outfitting and guiding in the Alaska Region (Alaska Region interim flat fee policy or ARIFFP) (64 FR 39114, July 21, 1999). The ARIFFP developed flat fees for 24 outfitting and guiding activities that fall into five categories: (1) Guiding for big game hunting; (2) guiding for activities other than big game hunting; (3) road-based and remote-setting activities; (4) outfitting; and (5) visitor centers.

The Alaska Region based the proposed ARIFFP on the proposed flat fee schedule issued for public comment in 1997. As with the fees in the proposed schedule, the Alaska Region developed the fees in the proposed ARIFFP by determining the average price charged each client per day for each category of outfitting and guiding activities in the Alaska Region. Under

the ARIFFP, the same flat fee is charged for similar commercial uses of NFS lands. To avoid basing flat fees on revenues that result from services provided off NFS lands, the Alaska Region eliminated from the pool used to develop the flat fees certain high-cost operators, such as those who provide overnight accommodations on tour boats in the category of remote-setting nature tours. Descriptions of derivation of the flat fees for each category of outfitting and guiding activities under the ARIFFP follow.

#### *Big Game Hunting*

Fees for guiding big game hunting are charged by the hunt. The flat fees for day use were calculated to reflect a 40 percent discount for use off NFS lands. Hunt types were categorized based on the species hunted and whether the hunt involves an overnight stay on NFS lands. Fee data for 1998 were used to calculate an average charge per client per service day (a day or any part of a day on NFS lands for which an outfitter or guide provides goods or services, including transportation, to a client) for each type of hunt. The average was calculated by dividing the total amount of client charges for each type of hunt by the total number of service days. An average hunt length (in days) was also calculated for each type of hunt. A fee per service day was derived for each category of hunt by matching the indicated average per client per service day with the ALUC schedule and adjusting for the percentage of time spent off NFS lands. A flat fee (rounded to the nearest \$5) for each category was then calculated by multiplying the fee per client per service day by the average hunt length. A fee for camping is reflected in the flat fees for guiding big game hunting involving overnight camping on NFS lands. Therefore, no additional fee for camping is charged for guiding big game hunting.

#### *Activities Other Than Big Game Hunting*

Fees for guiding activities other than big game hunting are charged per client per service day. To determine the flat fee for guiding activities other than big game hunting, the Alaska Region determined the average price charged each client per day for each type of activity in that category. The average price for each type of activity was determined by dividing the total amount of client charges for all operators in the category by the total number of service days of all the operators. The average price for each type of activity was matched to a fee per client per service day from the ALUC fee schedule and adjusted by the percentage of time spent

off NFS lands for that activity, pursuant to Forest Service Handbook (FSH) 2709.11, section 37.21e. The resulting fees were rounded to the nearest \$0.25. Fees for guiding activities other than big game hunting are charged only for those days when clients are on NFS lands. Where multiple activities are involved, flat fees are charged for the highest valued use authorized. For example, if an outfitted and guided trip involving an activity other than big game hunting includes overnight camping on NFS lands, the camping flat fee of \$4.00 is charged for each client per service day spent on NFS lands. A single overnight stay, therefore, is calculated as two service days at the camping rate of \$4.00 per client per service day, for a fee of \$8.00 per client. The camping fee includes other lower valued activities, such as hiking.

#### *Road-Based and Remote-Setting Activities*

Road-based and remote-setting activities were developed as separate fee categories to reflect the different values that outfitters and guides and their clients place on activities in these settings. The value of outfitting and guiding activities, such as hiking and viewing wildlife, is distinctly different in road-based environment than in a remote setting. In a road-based environment, clients typically experience a more developed setting. Clients are likely to encounter other recreationists and a modified landscape (*i.e.*, a timber harvest or other landscape modifications) and generally are exposed to a more human-manipulated environment. The road-based nature tours flat fee was developed by averaging the reported service days multiplied by the client day charges of each of 12 permit holders who conduct road-based nature tours.

In a remote area, in contrast, clients typically experience the characteristics of a pristine setting and are likely to encounter few other forest visitors. These activities typically occur in a primitive environment, where human modifications are highly unlikely or absent, with the possible exception of low-impact developments such as a trail to facilitate foot travel. These activities have outstanding opportunities for solitude and recreating in more natural settings. These features are what draw many tourists to Alaska. The remote-setting nature tours flat fee was developed by averaging the reported service days multiplied by the client day charges of each of 21 nature tour permit holders who operate in remote settings.

### Outfitting

The flat fee per vehicle per day for outfitting was established by applying the ALUC fee schedule to the average daily rental charge for boats reported by outfitters providing boats for unguided trips on NFS lands.

### Visitor Centers

The Alaska Region adopted short-stop flat fees that had been developed for Forest Service visitor center in Alaska using a methodology similar to that used in calculating the other flat fees in the ARIFFP.

Copies of the proposed ARIFFP were sent with a request for comment to all holders of Forest Service outfitting and guiding permits in Alaska and other potentially interested parties. The Alaska Region received 34 comments on the proposed ARIFFP. The Alaska Region addressed the comments in the final interim policy. The notice for the final ARIFFP was published in the **Federal Register**, and went into effect on February 14, 2000 (65 FR 1846, January 12, 2000).

### Concern About Market Value

While a flat fee based on a percentage of gross revenue is fair for outfitters and guides, since outfitters and guides providing similar services are paying the same flat fee, the Forest Service has been and continues to be concerned that the ARIFFP may not yield a fair return to the Federal government for the use of its resources. The primary intent of Congress in enacting the IOAA was to ensure that the Government not undercharge for the use of its property or services; "overcharging was not considered" (*Yosemite Park & Curry Co. v. United States*, 686 F.2. 925, 929 (Ct. Cl. 1982)).

In 1996, the Government Accountability Office (GAO) analyzed the Forest Service's current fee policy for recreation special use permits to determine if the fees charged for the permits reflect market value (GAO Report, "Fees for Recreation Special-Use Permits Do Not Reflect Fair Market Value" (Sept. 1996)). GAO concluded that adjusted gross revenue was an appropriate measure of the fair market value of the use authorized by Forest Service permits, but criticize the Forest Service for charging less than market prices by using a lower percentage of gross revenue in comparison to other State and Federal agencies (e.g., the State of Idaho charges 5 percent of gross revenue, and the State of Colorado charges 7 percent).

In the **Federal Register** notice for the final ARIFFP, the Alaska Region stated

that it would conduct an ongoing review of the ARIFFP; that the Alaska Region would develop a long-term flat fee policy for outfitting and guiding in the Region based on that review; that the Alaska Region would make adjustments to the ARIFFP as appropriate, based on appraisals or other methods for determining fair market value; and that the Forest Service might conclude that higher land use fees are needed to ensure a fair return to the Federal government for the use of its resources (65 FR 1846, January 12, 2000).

### Development of the Alaska Region Long-Term Flat Fee Policy

On June 23, 2000, the Alaska Region issued a request for proposals (RFP) for an outfitter and guide use valuation for the Alaska Region. According to the RFP, the primary objective of the use valuation is identification of a fee schedule that can be used to develop a long-term flat fee policy for outfitting and guiding in the Alaska Region. To achieve this objective, the RFP provides for two phases of work: (1) Analysis of potential methodologies, including the ARIFFP, for determining the market value of the use of NFS lands in the Alaska Region for outfitting and guiding that is not associated with commercial public service sites, such as a resort or lodge; the analysis will address fairness to outfitters and guides, as well as to the Federal government for the use of its resources; and (2) development of alternative fee systems based on viable potential methodologies (RFP at 11).

The RFP further states that it is the Alaska Region's intent to develop an outfitting and guiding fee system that will result in stable fees that do not vary widely over time; will not require competitive award of permits except in circumstances of limited new outfitting and guiding opportunities where demand to provide services exceeds supply; is fair in that it would charge similar fees for similar uses of NFS lands; and will be simple to administer and will not result in an undue reporting or record-keeping burden on permit holders (RFP at 11).

The Alaska Region awarded the contract for the outfitter and guide use valuation to Black-Smith & Richards, Inc. (BSR), an appraisal firm in Anchorage, Alaska. BSR prepared three reports, one for Phase I (Phase I Report) and a preliminary and final report for Phase II (Preliminary and Final Phase II Reports). The Final Phase II Report incorporates the Phase I Report and Preliminary Phase II Report (Final Report at 2, 11). Both the Phase I and Final Phase II Reports contain certifications stating that BSR has no

present or prospective interest in Forest Service special use authorizations; that BSR has no personal interest or bias with respect to the parties involved in the outfitting and guiding use valuation; that BSR's employment was not conditioned on, nor its compensation contingent upon, the reporting of a predetermined objective or direction that favors the cause of the Forest Service or any other party, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event; and that BSR's analyses, opinions, and conclusions were developed, and the reports prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and the Uniform Appraisal Standards for Federal Land Acquisitions (Phase I Report at 4; Final Phase II Report at 5).

### Phase I: Analysis of Potential Methodologies

BSR's Phase I Report analyzes potential methodologies for determining the market value of the use of NFS lands in the Alaska Region for outfitting and guiding, including a review of the Forest Service's national outfitting and guiding fee policy and the ARIFFP. In analyzing Options A and B, the two principal methods for determining outfitting and guiding fees under the national policy, the Phase I Report concludes that Options A and B are pricing methods, rather than measures of value. Under both Options A and B, gross revenues are processed into client-day fees using a percentage multiplier.

Using virtually the same fee schedule as the ALUC, Option A processes 3 percent of adjusted gross revenues into a per client day fee. The number of client days (the number of service days for a trip multiplied by the number of clients on the trip) is multiplied by the client day fee corresponding to a price bracket in the fee schedule representing the average day charge (adjusted gross revenue divided by the total number of client days). The client day fees are derived from 3 percent of the median daily client charge for each price bracket (Phase I Report at 42-43; Final Phase II Report at 12).

Under Option B, the land use fee is 3 percent of an outfitter/guide's annual adjusted gross revenue, minus any applicable adjustment for use off NFS lands (Phase I Report at 42-43; Final Phase II Report at 13).

Options A and B produce results that are reasonably similar. Either option is easily applied to both existing and new activities. However, the ability of these methods to develop prices that are fair to the Federal government depends on

the appropriateness of the percentage rate component. Although the 1966 GAO report indicated that the Forest Service's rate (3 percent) is below those charged by some state agencies (5 to 15 percent) for similar uses of land, the rate has not been adjusted. In addition, a universal percentage applied to adjusted gross revenue does not establish similar market prices for similar activities, nor does it differentiate among categories of use, as required by *The Tongass Conservancy* ruling (Phase I Report at 43–44; Final Phase II Report at 13).

According to the Phase I report, the ARIFFP is a modification of Option A under the Forest Service's national outfitting and guiding fee policy. For most activities, the ARIFFP yields outfitting and guiding fees that are not significantly different from those calculated under Option A or B of the Forest Service's national policy. The additional steps in the ARIFFP assign unique prices (flat fees) to specific categories of activities so that outfitters and guides pay similar fees for similar activities. In terms of the criteria established by *The Tongass Conservancy* ruling, the Phase I Report concludes that the ARIFFP is thus arguably fair to the permit holders (Phase I Report at 48–50).

However, the Phase I Report states that the ARIFFP client day fees are often less than what unguided users pay for the same activity. This comparison suggests that the 3 percent multiplier, and/or the discount for use off NFS lands, result in fees that are not fair to the Forest Service. The Phase I Report also notes that because the ARIFFP is an interim policy, periodic recalculation of ARIFFP fees has not been scheduled. The Phase I Report concludes that without modifications that address these deficiencies, the ARIFFP cannot establish or maintain prices that are fair to the Forest Service (Phase I Report at 48–50).

In Phase I, BSR screened several additional pricing methods for their potential to meet the RFP's objectives (BSR Phase I Report at 52–63). BSR analyzed three of these methods with the greatest potential to meet the RFP's objectives: (1) The modified ARIFFP; (2) the bottom-up pricing method; and (3) the flat fee plus percentage method.

The ARIFFP derives flat fees by processing a percentage of outfitting and

guiding gross revenues into per client day or per hunt charges. The process includes adjustment for time spent off NFS lands. The modified ARIFFP calculates fees based on a percentage multiplier that reflects market value and provides for periodic recalculation of fees. Determination of an optimum rate is aided by a comparison of the flat fees with unguided fees for similar activities. BSR refers to the modified ARIFFP as a top-down pricing method because it starts with an outfitter's or guide's gross revenue, in contrast to the bottom-up pricing method, which starts with the value of unguided use (Phase I Report at 68–70).

The bottom-up pricing method prices outfitter and guide use in terms of the value of comparable unguided use evidenced in the market place. The bottom-up pricing method develops flat fees based on these comparable unguided use values and applies them to outfitter and guide client volumes to determine annual outfitting and guiding land use fees. The landowner receives from outfitters and guides what unguided users are willing to pay for an equivalent unit of use (per day or per hunt) for the same or a similar activity. Flat fees per client day or per hunt are derived from market comparisons of unguided fees for similar activities. The market comparison entails generation of price data by survey and a correlation to the outfitting and guiding activities recognized by the Alaska Region. The only permit holder data required are annual reports of client volumes. There is no percentage component (Phase I Report at 71–72; Final Phase II Report at 20–21).

Under the flat fee plus percentage method, outfitting and guiding land use fees consist of two components: Flat fees that are developed by the bottom-up pricing method and a percentage of client charges or gross revenues. Per client day and per hunt fees are derived from a market comparison of unguided fees for similar activities. The flat fee is merely a cost of production: A unit of use that is acquired from the landowner and resold to a client. The percentage component represents an increment of price attributable to the privilege of conducting business on the owner's land. The flat fees are differentiated by type of activity, while the percentage component is applied universally. The

sum of the flat fees and the percentage charges would be different for each operator in a category (Phase I Report at 73–75).

#### *Phase II: Development of a Fee System Based on the Most Viable Methodology*

The Preliminary Phase II Report analyzes the three methodologies with the most potential to meet the objectives of the RFP. The modified ARIFFP, the bottom-up pricing method, and the flat fee plus percentage method. The three methodologies were applied to 2001 outfitting and guiding permit holder data for six Alaska Region outfitting and guiding activities: Road-based nature tours; remote-setting nature tours; helicopter land tours; visitor centers; day use brown bear hunting; and overnight mountain goat hunting.

Based on the conclusions in the Preliminary Phase II Report, BSR and the Forest Service jointly decided that BSR should further study the modified ARIFFP and bottom-up pricing method, but not the flat fee plus percentage method (Final Phase II Report at 9). In the Preliminary Phase II Report, BSR concluded that the ability of the flat fee plus percentage method to yield fees that are similar for similar activities is subject to interpretation. The flat fees are differentiated by type of activity, while a percentage component is applied universally. The sum of the flat fees and the percentage charges would be different for each operator in a category. In addition, the amount of analysis, related data requirements, and subjectivity are maximized (Final Phase II Report at 73, 76).

The Final Phase II Report develops flat fee systems using the bottom-up pricing method and the modified ARIFFP (Final Phase II Report at 20–71). The analysis relies primarily on the market data gathered for the Preliminary Phase II Report and the 2002 permit holder data provided by the Alaska Region (Final Phase II Report at 11). Table 1 from the Final Phase II Report compares flat fees derived under the ARIFFP using 1998 permit holder data; under the ARIFFP using 1998 permit holder data that have been index-adjusted; under the ARIFFP using 2002 permit holder data; under the bottom-up pricing method; and under the modified ARIFFP (Final Phase II Report at 67).

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**Table 1 – Modified Flat Fee Schedule for Outfitter/Guides Operating in the Alaska Region**

ALASKA REGION ACTIVITY		1998 ARIFFP Fee (1998 Data)	2002 Index- Adjusted ARIFFP Fee	ARIFFP Fee Processed On 2002 Raw Data	Bottom- Up Fee	Modified ARIFFP Fee
Activities other than Big Game		<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>
	<i>Code</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>
Hunting		<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>
Road-Based Nature Tours	A	\$0.50	\$0.52	\$1.25	\$5.00	\$2.00
Remote-Setting Nature Tours	B	\$2.50	\$2.61	\$7.00	\$5.00	\$12.75
Freshwater Fishing	C	\$2.50	\$2.61	\$5.00	\$10.00	\$9.00
Flight-seeing Landing Tours	D	\$2.00	\$2.09	\$3.25	\$5.00	\$6.25
Helicopter Landing Tours	E	\$2.50	\$2.61	\$4.00	\$5.00	\$7.50
Non-Motorized Freshwater Boat Trips	F	\$1.25	\$1.31	\$1.25	\$5.00	\$2.00
Dog-Sled Tours	G	\$2.50	\$2.61	\$2.50	\$5.00	\$4.50
Snowmobile Tours	H	\$4.00	\$4.18	\$2.50	\$10.00	\$4.50
Heli-Skiing Tours	I	\$7.75	\$8.10	\$11.25	\$5.00	\$20.50
*Begich Boggs Visitor Center	J	*\$0.80	\$0.84	\$2.50	\$4.00	***\$1.50
Camping	K	\$4.00	\$4.18	\$3.00	\$5.00	\$5.25
*Mendenhall Glacier Visitor Center	L	*\$0.50	\$0.52	\$0.75	\$4.00	***\$1.50
*Southeast Alaska Visitor Center						
Road-Based Wildlife Viewing at Developed Sites - <i>Fish Creek near Hyder</i>	M	*\$0.50	\$0.52	\$1.25	\$5.00	\$2.00
Remote Wildlife Viewing at Developed Sites - <i>Anan Creek</i>	N	*\$2.50	\$2.61	\$4.00	\$5.00	\$7.50
Remote Wildlife Viewing at Developed Sites - <i>Pack Creek**</i>	NN	*\$2.50	\$2.61	\$4.00	\$50.00	\$7.50
Hunting - Waterfowl & small game	O	\$5.00	\$5.22	\$6.50	\$10.00	\$12.00
Big Game Hunting	<i>Code</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>
Brown Bear - (Day Use)	P	\$140	\$146.23	\$195	\$625	\$360
Brown Bear - (Camping)	Q	\$195	\$203.67	\$250	\$665	\$460
Black Bear - (Day Use)	R	\$70	\$73.11	\$60	\$185	\$110
***Black Bear - (Camping)	S	N/A	N/A	\$105	\$205	\$195
Mountain Goats - (Day Use)	T	\$105	\$109.67	\$125	\$220	\$230
Mountain Goats - (Camping)	U	\$130	\$135.78	\$160	\$245	\$295
Deer Hunts - (Day Use)	V	\$30	\$31.33	\$35	\$105	\$65
Deer Hunts - (Camping)	W	\$70	\$73.11	\$45	\$125	\$85
***Moose Hunts - (Day Use)	Y	N/A	N/A	N/A	\$270	\$110
Moose Hunts - (Camping)	Z	\$120	\$125.34	N/A	\$300	\$195
***Elk Hunt - (Day Use)	RR	N/A	N/A	N/A	\$220	\$110
***Elk Hunt - (Camping)	SS	N/A	N/A	N/A	\$245	\$195
***Dall Sheep - (Day Use)	TT	N/A	N/A	N/A	N/A	\$230
***Dall Sheep - (Camping)	UU	N/A	N/A	N/A	N/A	\$295

\*All visitor centers will be charged at the same rate  
\*\*Recommended activity code to distinguish Pack Creek from Anan Creek  
\*\*\*Fees for these categories are not part of the Modified ARIFFP fees determined by Black-Smith and Richards  
Fees calculated for big game hunts are rounded to the nearest \$5; fees for other activities are rounded to the nearest \$0.25.

Table 1 – (continued)

		1998 ARIFFP Fee  (1998 Data)	2002 Index- Adjusted ARIFFP Fee	ARIFFP Fee Processed on 2002 Raw Data	Bottom- Up Fee	Modified ARIFFP Fee
		<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>
<b>ALASKA REGION ACTIVITY</b>						
Outfitting	Code	<i>Vehicle</i>	<i>Vehicle</i>	<i>Vehicle</i>	<i>Vehicle</i>	<i>Vehicle</i>
		<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>
Motorized boats and motor vehicles (such as cars, trucks, all terrain vehicles, and snowmobiles) rented on or delivered to NFS lands	CC	\$1.25	\$1.31	\$4.00	\$10.00	\$7.50
Non-motorized boats, canoes, rafts, and kayaks rented on or delivered to NFS lands	CCC	\$1.25	\$1.31	\$4.00	\$5.00	\$7.50
		<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>
Transporter-Provided Services	Code	<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>
		<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>
Provides services which many include, but are not limited to food, shelter, interpretation, care of fish and game, and other services besides or in addition to strictly point-to-point transportation	DD	N/A	N/A	\$3.25	\$15.00	\$6.25

<b>ALASKA REGION ACTIVITY</b>		1998 ARIFFP Fee	Index- Adjusted ARIFFP Fee	ARIFFP Fee Processed on Raw Data	Bottom- Up Fee	Modified ARIFFP Fee
New Activities Reported with the 2002 Permit Holder Data						
Transporter	Code	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>
Tour	EE	N/A	N/A	\$0.25	\$5.00	\$0.50
Other	Code	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>
Wolf Hunt	No	N/A	N/A	\$5.00	\$26.00	\$5.00

In the Final Phase II Report, BSR recognized that while both the modified ARIFFP and the bottom-up pricing method could be used to develop an outfitting and guiding permit fee system for the Alaska Region in compliance with *The Tongass Conservancy* ruling, the bottom-up method was less likely to meet the objectives of the RFP. Implementation of the bottom-up pricing method requires a small number of related activity categories. The data are too limited to develop unique values in the bottom-up pricing method for the diverse activities recognized in the Alaska Region. Also, in the bottom-up pricing method, client charges are not a component of the fee development

process, so sensitivity to change in Alaska Region market condition is limited to fluctuations in client volumes and comparable fees charged elsewhere. In addition, this method relies heavily on data from outside the Alaska Region. While the data can be meaningful, they are too limited to isolate percentage or dollar considerations for the positive and negative attributes of the Alaska Region. There is no reliable means of adjusting for these differences (Final Phase II Report at 59–60).

In contrast, the modified ARIFFP is fair to outfitters and guides, in that it assigns flat fees to specific categories of activities so that outfitters guides pay similar fees for similar activities.

Further, since the modified ARIFFP is sensitive to both client volumes and local client charges, the method is particularly responsive to the unique conditions of the various Alaska Region submarkets represented by each of the six categories of outfitting and guiding activities in the Region:

By recognizing local operator data, the method is sensitive to the economics of Alaska Region submarkets, yet support is derived from the broader market. Data requirements are comparatively minor and subjective correlations are minimized. Permit holder reporting requirements are generally not objectionable. Finally, it is the only apparent method that can develop unique prices for the wide variety of outfitting and

[guiding] activities recognized by the Alaska Region (Phase I Report at 78).

Equally important, the modified ARIFFP is fair to the Federal government because this method calculates fees based on a percentage rate that reflects market value and because this method provides for periodic recalculation of fees based on surveys of similar outfitting and guiding activities on Federal, State, and private lands. Thus, BSR concluded that the modified ARIFFP has the best potential to meet the objectives of the RFP (Final Phase II Report at 68–69, 75–76).

*Identification of a Market-Based Percentage Rate*

The 1996 GAO report concluded that the 3 percent rate under the national outfitting and guiding fee policy (which is also the basis of the ARIFFP) was below market. Data from both public agencies and the private sector support this finding (Preliminary Phase II Report at 18, Final Phase II Report at 61–62). Thus, the ARIFFP results in fees that are below what the market will support. The modified ARIFFP includes an additional analytical step to determine a market-

based percentage rate (Phase I Report at 73 and 76).

In the modified ARIFFP, an appropriate multiplier was developed from a range of rates identified from data collected from a survey of public and private landowners. The data reflect a broad range of gross revenue multipliers from 3 to 12.5 percent (Final Phase II Report at 65), as shown in Table 2. The 3 percent rate is below market value, while the upper-end rates reflect high demand or exclusivity of the use. The rate reported with the greatest frequency is 5 percent. However, a simple selection of 5 percent based on frequency does not adequately address the objective of creating a fee policy that is fair to the outfitting and guiding industry as well as to the Government (Final Phase II Report at 63).

Based on these findings, BSR concluded that an appropriate rate for outfitting and guiding in the Alaska Region would fall within a narrower range of 4 to 8 percent (Preliminary Phase II Report at 18, Final Phase II Report at 65). BSR further concluded that an appropriate rate would produce flat fees that are closely supported by the indicated values for individual units

of use (net of outfitting and guiding services) produced by the bottom-up pricing method (Preliminary Phase II Report at 18; Final Phase II Report at 63–64). Thus, flat fees produced by the bottom-up pricing method will corroborate the flat fees produced by the modified ARIFFP using an appropriate multiplier.

Table 2 displays the flat fees using the 2002 data and compares the varied percentage rates.

In Table 2, the first column of fees is shaded and displays the flat fees generated by applying the ARIFFP (with a 3 percent rate) to the 2002 permit holder. The next ten columns display flat fees generated by applying the percentage rates suggested by the market data (4 to 12.5 percent) to the 2002 permit holder data. The last column displays the values for individual units of use developed by the bottom-up pricing method. The values in the middle columns that are shown in bold and lightly shaded approximate the values developed by the bottom-up pricing method in the last column (Final Phase II Report at 65).

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**Table 2 - Comparison of Fees Generated at Varied Percentage Rates – 3% - 8%**

<i>Process on Raw Data</i>		2002 data	2002 data	2002 data	2002 data	2002 data	2002 data
		ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP
Alaska Region Activity	Code	@3%	@4%	@5%	@6%	@7%	@8%
<i>General Recreation</i>		Adj. Factor	1.333	1.667	2.000	2.333	2.667
• Road-Based Nature Tours	A	\$1.25	\$1.75	\$2.00	\$2.50	\$3.00	\$3.25
• Remote-Setting Nature Tours	B	<b>\$7.00</b>	\$9.25	\$11.75	\$14.00	\$16.25	\$18.75
• Flight-seeing Landing Tours	D	\$3.25	<b>\$4.25</b>	\$5.50	\$6.50	\$7.50	\$8.75
• Helicopter Landing Tours	E	\$4.00	<b>\$5.25</b>	\$6.75	\$8.00	\$9.25	\$10.75
• Non-Motorized Freshwater Boat Trips	F	\$1.25	\$1.75	\$2.00	\$2.50	\$3.00	\$3.25
• Dog-Sled Tours	G	\$2.50	\$3.25	\$4.25	<b>\$5.00</b>	\$5.75	\$6.75
• Heli-Skiing Tours	I	<b>\$11.25</b>	\$15.00	\$18.75	\$22.50	\$26.25	\$30.00
<i>Camping</i>	K	\$3.00	\$4.00	<b>\$5.00</b>	\$6.00	\$7.00	\$8.00
<i>Fishing</i>	C	<b>\$5.00</b>	\$6.75	\$8.25	<b>\$10.00</b>	\$11.75	\$13.25
<i>Deer Hunt-camping</i>	W	\$45.00	\$60.00	\$75.00	\$90.00	\$105.00	<b>\$120.00</b>



Table 2 (continued) – 9% - 12.5%

<i>Process on Raw Data</i>		2002 data	2002 data	2002 data	2002 data	2002 data	Indicated
		ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP	Bottom
Alaska Region Activity	Code	@9%	@10%	@11%	@12%	@ 12.5%	-Up
<i>General Recreation</i>		3.000	3.333	3.667	4.000	4.167	Values
• Road-Based Nature Tours	A	\$3.75	\$4.25	\$4.50	<b>\$5.00</b>	\$5.25	\$5.00
• Remote-Setting Nature Tours	B	\$21.00	\$23.25	\$25.75	\$28.00	\$29.25	\$5.00
• Flight-seeing Landing Tours	D	\$9.75	\$10.75	\$12.00	\$13.00	\$13.50	\$5.00
• Helicopter Landing Tours	E	\$12.00	\$13.25	\$14.75	\$16.00	\$16.75	\$5.00
• Non-Motorized Freshwater Boat Trips	F	\$3.75	\$4.25	\$4.50	<b>\$5.00</b>	\$5.25	\$5.00
• Dog-Sled Tours	G	\$7.50	\$8.25	\$9.25	\$10.00	\$10.50	\$5.00
• Heli-Skiing Tours	I	\$33.75	\$37.50	\$41.25	\$45.00	\$47.00	\$5.00
<i>Camping</i>	K	\$9.00	\$10.00	\$11.00	\$12.00	\$12.50	\$5.00
<i>Fishing</i>	C	\$15.00	\$16.75	\$18.25	\$20.00	\$20.75	\$10
<i>Deer Hunt-camping</i>	W	\$135	\$150	\$165	\$180	\$190	\$125

Table 2 shows that for 8 of the 10 activities, the 3 percent rate applied in the ARIFFP yields fees that are less than the indicated values for individual (unguided) units of use generated by the bottom-up pricing method for a comparable activity. Thus, Table 2 confirms that the 3 percent rate is below market value for the Alaska Region. Rates above 8 percent are suggested by only two of the activities, based on exclusivity of the use or high demand.

The comparisons for most of the activities (6 out of 10) support a narrower range of multipliers from 4 to 8 percent (Final Phase II Report at 65). The indicated mean and median reflected by the majority of the comparisons is 5.5 percent. Thus, the analysis establishes a rate of 5.5 percent as an appropriate multiplier for the modified ARIFFP (Final Phase II Report at 66). Future updates that reapply the fee calculation process to updated permit holder data may result in a different percentage rate.

#### *Implementation of the Alaska Region Long-Term Flat Fee Policy*

The proposed Alaska Region long-term flat fee policy is based on the analysis, findings, and conclusions in

BSR's Phase I and Preliminary and Final Phase II Reports, which were approved by the Alaska Regional Appraiser. Based on these reports, the Alaska Region is proposing to adopt the modified ARIFFP for outfitting and guiding land use fees in the Alaska Region, with a market rate of 5.5 percent. The Alaska Region is proposing to implement the 5.5 percent rate beginning in January, 2008. The activity rates will be adjusted annually by the percentage of change in the Implicit Price Deflator-Gross National Product (IPD-GNP) from the second quarter of the previous year to the second quarter of the current year.

According to the Final Phase II Report, the modified ARIFFP cannot be applied to new activities without a lead-in period that is sufficient to generate the necessary data. However, in the interim, the fee for the most similar activity may be applied (Final Phase II Report at 19, 73). Based on those findings, the proposed Alaska Region long-term flat fee schedule for outfitting and guiding has six activities that were added after the Final Phase II Report was issued in 2003: Black bear camping, moose hunts day use; elk hunts day use; elk hunts camping; Dall sheep hunts day use; and Dall sheep hunts camping.

Fees for the black bear, moose and elk hunts are the same. Fees for Dall sheep hunts are the same as those for mountain goat hunts. Fees for the added activities would remain linked to existing activities until data can be collected to establish a set fee.

The proposed flat fee for each category of outfitting and guiding activity in the Alaska Region is shown in the shaded column in Table 3. Those fees are based on the modified ARIFFP and index adjusted to 2006. The proposed fees are based on 2002 revenue data from permit holders. The last column is the fees that are charged under the current fee schedule that is based on 1998 revenue data from permit holders. The second column with the modified ARIFFP Fee using 2002 data is the same as the last column shown in Table 1 and is taken from the BSR study.

Publication of this proposed flat fee policy in the **Federal Register** constitutes formal notice per the Regional Forester's letter dated November 24, 1997, regarding a fee increase for Forest Service outfitting and guiding permits in the Alaska Region.

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**Table 3 - Modified ARIFFP fees adjusted with IPD 2003 – 2006 and current ARIFFP fees**

*IPD factor		1.011	1.015	1.022	1.032	
ALASKA REGION	Modified	Modified	Modified	Modified	Modified	Current fees
OUTFITTER/GUIDE FEE	ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP
SCHEDULE	2002	2003	2004	2005	2006*	2006**
Activities other than Big Game	Per	Per	Per	Per	Per	Per
	Client	Client	Client	Client	Client	Client
Hunting	Day	Day	Day	Day	Day	Day
Road-Based Nature Tours	\$ 2.00	\$ 2.02	\$ 2.05	\$ 2.10	\$ 2.16	\$ .57
Remote-Setting Nature Tours	\$12.75	\$12.89	\$13.08	\$13.37	\$13.80	\$ 2.83
Freshwater Fishing	\$ 9.00	\$ 9.10	\$ 9.24	\$ 9.44	\$ 9.74	\$ 2.83
Flight-seeing Landing Tours	\$ 6.25	\$ 6.32	\$ 6.41	\$ 6.55	\$ 6.76	\$ 2.26
Helicopter Landing Tours	\$ 7.50	\$ 7.58	\$ 7.70	\$ 7.87	\$ 8.12	\$ 2.83
Non-Motorized Freshwater Boat Trips	\$ 2.00	\$ 2.02	\$ 2.05	\$ 2.10	\$ 2.16	\$ 1.41
Dog-Sled Tours	\$ 4.50	\$ 4.55	\$ 4.62	\$ 4.72	\$ 4.87	\$ 2.83
Snowmobile Tours	\$ 4.50	\$ 4.55	\$ 4.62	\$ 4.72	\$ 4.87	\$ 4.52
Heli-Skiing Tours	\$20.50	\$20.73	\$21.04	\$21.50	\$22.19	\$ 8.76
Begich Boggs Visitor Center	\$ 1.50	\$ 1.52	\$ 1.54	\$ 1.57	\$ 1.62	\$ .91
Camping	\$ 5.25	\$ 5.31	\$ 5.39	\$ 5.51	\$ 5.68	\$ 4.52
Mendenhall Glacier Visitor Center	\$ 1.50	\$ 1.52	\$ 1.54	\$ 1.57	\$ 1.62	\$ .57
Southeast Alaska Visitor Center						
Road-Based Wildlife Viewing at Developed Sites - <i>Fish Creek near Hyder</i>	\$ 2.00	\$ 2.02	\$ 2.05	\$ 2.10	\$ 2.16	\$ .57
Remote Wildlife Viewing at Developed Sites - <i>Anan Creek</i>	\$ 7.50	\$ 7.58	\$ 7.70	\$ 7.87	\$ 8.12	\$ 2.83
Remote Wildlife Viewing at Developed Sites - <i>Pack Creek</i>	\$ 7.50	\$ 7.58	\$ 7.70	\$ 7.87	\$ 8.12	\$ 2.83
Hunting - Waterfowl & small game	\$ 12.00	\$12.13	\$ 2.31	\$12.58	\$12.99	\$ 5.65
Big Game Hunting		Per Hunt	Per Hunt	Per Hunt	Per Hunt	Per Hunt
Brown Bear - (Day Use)	\$360.00	\$363.96	\$369.42	\$377.55	\$389.63	\$158.27
Brown Bear - (Camping)	\$460.00	\$465.06	\$472.04	\$482.42	\$497.86	\$220.43
Black Bear - (Day Use)	\$110.00	\$111.21	\$112.88	\$115.36	\$119.05	\$ 79.12
Black Bear - (Camping)	\$195.00	\$197.15	\$200.10	\$204.50	\$211.05	NS
Mountain Goats - (Day Use)	\$230.00	\$232.53	\$236.02	\$241.21	\$248.93	\$118.70
Mountain Goats - (Camping)	\$295.00	\$298.25	\$302.72	\$309.38	\$319.28	\$146.95
Deer Hunts - (Day Use)	\$ 65.00	\$ 65.72	\$ 66.70	\$ 68.17	\$ 70.35	\$ 33.91
Deer Hunts - (Camping)	\$ 85.00	\$ 85.94	\$ 87.22	\$ 89.14	\$ 92.00	\$ 79.12
Moose Hunts - (Day Use)	\$110.00	\$111.21	\$112.88	\$115.36	\$119.05	NS
Moose Hunts - (Camping)	\$195.00	\$197.15	\$200.10	\$204.50	\$211.05	\$135.66
Elk Hunt - (Day Use)	\$110.00	\$111.21	\$112.88	\$115.36	\$119.05	NS
Elk Hunt - (Camping)	\$195.00	\$197.15	\$200.10	\$204.50	\$211.05	NS
Dall Sheep - (Day Use)	\$230.00	\$232.53	\$236.02	\$241.21	\$248.93	NS
Dall Sheep - (Camping)	\$295.00	\$298.25	\$302.72	\$309.38	\$319.28	NS

IDP – the Implicit Price Deflator-Gross National Product used to adjust outfitter/guide fees each year

NS – not published on the current fee schedule

\* based on 2002 revenue data from permit holders

\*\*based on 1998 revenue data from permit holders

Table 3 – (continued)

	*IPD factor	1.011	1.015	1.022	1.032	
ALASKA REGION ACTIVITY						Current fees
	Modified	Modified	Modified	Modified	Modified	
	ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP	ARIFFP
	Fee - 2002	2003	2004	2005	2006*	2006**
		<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>
Outfitting			<i>Vehicle</i>	<i>Vehicle</i>	<i>Vehicle</i>	<i>Vehicle</i>
		<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>
Motorized boats and motor vehicles (such as cars, trucks, all terrain vehicles, and snowmobiles) rented on or delivered to NFS lands	\$7.50	\$7.58	\$7.70	\$7.87	\$8.12	\$1.41
Non-motorized boats, canoes, rafts, and kayaks rented on or delivered to NFS lands	\$7.50	\$7.58	\$7.70	\$7.87	\$8.12	\$1.41
		<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>	<i>Per</i>
Transporter-Provided Services		<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>	<i>Client</i>
		<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>	<i>Day</i>
Provides services which may include, but are not limited to food, shelter, interpretation, care of fish and game, and other services besides or in addition to strictly point-to-point transportation	\$6.25	\$6.32	\$6.41	\$6.55	\$6.76	*NS
New Activities Reported with the 2002 Permit Holder Data						
Transporter	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>	<i>Per Day</i>
Tour	\$ .50	\$ .51	\$ .51	\$ .52	\$ .54	NS
Other	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>	<i>Per Hunt</i>
Wolf Hunt	\$5.00	\$5.06	\$5.13	\$5.24	\$5.41	NS

*IDP – the Implicit Price Deflator-Gross National Product used to adjust outfitter/guide fees each year*  
*NS – not published on the current fee schedule*  
*\* based on 2002 revenue data from permit holders*  
*\*\*based on 1998 revenue data from permit holders*

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**Regulatory Certifications***Environmental Impact*

This proposed policy would establish administrative fee categories and procedures for calculating permit fees for outfitters and guides operating in the Alaska Region of the Forest Service. Section 31.12 (formerly section 31.1b) of FSH 1909.15 (57 FR 43180, September 18, 1992) excludes from documentation in an environmental assessment or environmental impact statement “rules, regulations or policies to establish Service-wide administrative procedures,

program processes or instructions.” The Alaska Region’s preliminary assessment is that this proposed policy falls within this category of actions and that no extraordinary circumstances exist, which would require preparation of an environmental assessment or environmental impact statement. A final determination will be made on adoption of the final policy.

*Regulatory Impact*

This proposed policy has been reviewed under USDA procedures and Executive Order 12866 on regulatory planning and review. It has been

determined that this is not a significant policy. The proposed policy would not have an annual effect of \$100 million or more on the economy, nor would it adversely affect productivity, composition, jobs, the environment, public health or safety, or State or local government. This proposed policy would not interfere with an action taken or planned by another agency, nor would it raise new legal or policy issues. Finally, this proposed action would not alter the budgetary impacts of entitlements, grants, user fees, or loan programs, or the rights and obligations of recipients of such programs.

Accordingly, this proposed policy is not subject to OMB review under Executive Order 12866.

Moreover, this proposed policy has been considered in light of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). It has been determined that this proposed policy would not have a significant economic impact on a substantial number of small entities as defined by the Act because the proposed action would not impose recordkeeping requirements on them; it would not affect their competitive position in relation to large entities, and it would not affect their cash flow, liquidity, or ability to remain in the market.

#### *No Takings Implications*

This proposed policy has been analyzed in accordance with the principles and criteria contained in Executive Order 12630. It has been determined that the proposed policy would not pose the risk of a taking of private property.

#### *Civil Justice Reform*

This proposed policy has been reviewed under Executive Order 12988 on civil justice reform. If this proposed policy were adopted, (1) All State and local laws and regulations that are in conflict with this proposed policy or which would impede its full implementation would be preempted; (2) no retroactive effect would be given to this proposed policy; and (3) it would not require administrative proceedings before parties may file suit in court challenging its provisions.

#### *Unfunded Mandates*

Pursuant to Title II of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) which the President signed into law on March 22, 1995, the Alaska Region has assessed the effects of the proposed policy on State, local, and tribal governments and the private sector. This proposed policy would not compel the expenditure of \$100 million or more by any State, local or tribal government or anyone in the private sector. Therefore, a statement under Section 202 of the act is not required.

#### *Federalism and Consultation and Coordination With Indian Tribal Governments*

The Alaska Region has considered this proposed policy directive under the requirements of Executive Order 13132 on federalism and has determined that the proposed policy would conform with the federalism principles set out in this Executive Order; would not impose any compliance costs on the States; and would not have substantial direct effects

on the States, the relationship between the Federal government and the States, or the distribution of power and responsibilities among the various levels of government. Therefore, the Alaska Region has determined that no further assessment of federalism implications is necessary.

Moreover, this proposed policy would not have Tribal implications as defined by Executive Order 13175, "Consultation and Coordination with the Indian Tribal Governments," and therefore advance consultation with Tribes is not required.

#### *Energy Effects*

This proposed policy has been reviewed under Executive Order 13211 of May 18, 2001, "Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use." It has been determined that this proposed policy would not constitute a significant energy action as defined in the Executive Order.

#### *Controlling Paperwork Burdens on the Public*

This proposed policy does not contain any recordkeeping or reporting requirements or other information collection requirements as defined in 5 CFR part 1320 that are not already required by law or not already approved for use. The information collection being requested as a result of this action has been approved by OMB. Accordingly, the review provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) and implementing regulations at 5 CFR part 1320 do not apply.

Dated: September 5, 2006.

**Dennis E. Bschor,**

*Regional Forester, Alaska Region.*

[FR Doc. 06–7621 Filed 9–14–06; 8:45 am]

**BILLING CODE 3410–11–M**

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### **COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED**

#### **Procurement List; Additions and Deletions**

**AGENCY:** Committee for Purchase From People Who Are Blind or Severely Disabled.

**ACTION:** Additions to and Deletions from Procurement List.

**SUMMARY:** This action adds to the Procurement List products and service to be furnished by nonprofit agencies employing persons who are blind or have other severe disabilities, and deletes from the Procurement List

services previously furnished by such agencies.

**EFFECTIVE DATE:** October 15, 2006.

**ADDRESSES:** Committee for Purchase From People Who Are Blind or Severely Disabled, Jefferson Plaza 2, Suite 10800, 1421 Jefferson Davis Highway, Arlington, Virginia 22202–3259.

**FOR FURTHER INFORMATION CONTACT:** Sheryl D. Kennerly, Telephone: (703) 603–7740, Fax: (703) 603–0655, or e-mail [SKennerly@jwod.gov](mailto:SKennerly@jwod.gov).

#### **SUPPLEMENTARY INFORMATION:**

##### **Additions**

On July 21, 2006, the Committee for Purchase From People Who Are Blind or Severely Disabled published notice (71 FR 41415–41417) of proposed additions to the Procurement List.

After consideration of the material presented to it concerning capability of qualified nonprofit agencies to provide the products and service and impact of the additions on the current or most recent contractors, the Committee has determined that the products and service listed below are suitable for procurement by the Federal Government under 41 U.S.C. 46–48c and 41 CFR 51–2.4.

##### *Regulatory Flexibility Act Certification*

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered for this certification were:

1. The action will not result in any additional reporting, recordkeeping or other compliance requirements for small entities other than the small organizations that will furnish the products and service to the Government.

2. The action will result in authorizing small entities to furnish the products and service to the Government.

3. There are no known regulatory alternatives which would accomplish the objectives of the Javits-Wagner-O'Day Act (41 U.S.C. 46–48c) in connection with the products and service proposed for addition to the Procurement List.

##### *End of Certification*

Accordingly, the following products and service are added to the Procurement List:

##### *Products*

*Product/NSN:* SKILCRAFT Toothpicks—200 ct.

*NSN:* M.R. 452.

*NPA:* Winston-Salem Industries for the Blind, Winston-Salem, North Carolina.  
*Contracting Activity:* AAFES, Dallas, Texas.  
*Product/NSN:* Spice Blend, All Purpose Seasoning w/o Salt.