

Content Analysis Team\*  
ATTN: Roadless State Petitions  
USDA Forest Service  
P.O. Box 221090  
Salt Lake City , UT 84122

October 22, 2004

Content Analysis Team:

Please accept this letter as official public comment for the roadless area management state petition proposal [Docket Number: 04-16191].

Designating roadless areas in our national forests is an economically sound policy that saves taxpayers millions of dollars in road building and timber sale subsidies. As professional economists, we urge the administration to reverse its decision to replace the Roadless Area Conservation Rule for the following reasons:

- 1. The administration's proposal will increase public subsidies to private timber companies.** Opening 58.5 million roadless acres to subsidized road building will increase the amount of wasteful federal giveaways. Private timber companies already receive tens of millions of dollars each year to build more forest roads at taxpayer expense, and use those roads to access timber purchased below market prices. The Government Accountability Office (GAO), the investigative arm of Congress, estimates that the Forest Service timber program cost American taxpayers over \$2 billion from 1992 to 1997. The timber program continues to lose as much as \$400 million each year, but the precise amount is unknown because the Forest Service lacks adequate record keeping.
- 2. We already have too many forest roads.** The U.S. Forest Service cannot adequately maintain all 430,000 miles of roads that already exist in our national forests. A 2004 administration review found that the Forest Service "has been unable to demonstrate that it can maintain its current infrastructure needs." Adding new roads, combined with chronically inadequate funding of the roads maintenance program, have together created a massive road maintenance backlog in our forests, which now exceeds \$10 billion and continues to grow.
- 3. This plan does not solve the Forest Service's accountability problems.** The Forest Service currently faces numerous fiscal and management problems. The GAO has released several reports detailing the Forest Service's failure to properly act as steward of the nation's 192 million acres of forests. In 2003, the GAO concluded that the Forest Service has, "not been able to provide Congress and the public with a clear understanding of what its 30,000 employees accomplish with the approximately \$5 billion it receives each year."

As citizens who understand the economic value of our national forests, we urge you not to implement this new rule. The original roadless rule is of far greater benefit to federal taxpayers. Given the economic cost to taxpayers of additional road building, the losses incurred from the timber program, and the accountability problems of the Forest Service, changing the rule is ill-advised. Instead, the Forest Service and the administration should develop policies that will fix

existing financial and management problems with the current road-building and timbering programs.

Sincerely,\*\*

**Arizona:**

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**California:**

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Fred Foldvary, Santa Clara University  
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**Minnesota:**

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**Wyoming:**

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*\* Note: This letter will also be distributed to members of Congress.*

*\*\* Affiliations are not meant to imply institutional endorsement.*

*\*\*\* Nobel Laureate*