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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Conservation Reserve Program— Long-Term Policy

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Request for comments.

SUMMARY: The Conservation Reserve Program (CRP) has provided significant environmental benefits across the nation, primarily by providing wildlife habitat, improving stream quality, and reducing soil erosion. The U.S. Department of Agriculture (USDA) is committed to full enrollment of CRP up to the authorized level of 39.2 million acres. To ensure that the environmental benefits of CRP continue, and because of the significant acreage expirations beginning in 2007, the Department will offer early re-enrollments and extensions of existing contracts to current CRP participants.

Between September 30, 2007, and 2010, CRP contracts for more than 28.7 million acres are scheduled to expire. The Farm Security and Rural Investment Act of 2002 (2002 Act) authorizes CRP enrollment of up to 39.2 million acres under rental agreements of 10 to 15 years. The expected contract expirations and re-enrollment or replacement of the expiring acreage represent a management challenge concerning: (1) CRP environmental objectives; (2) USDA staffing needs; and (3) technical service provider resources.

The purpose of this notice is to: (1) Describe the Department's commitment to full enrollment of CRP by offering early re-enrollments and contract extensions; (2) Obtain public input on management of expiring acreage as it relates to program goals and objectives; (3) Improve the design and delivery of CRP to most cost effectively provide natural resource conservation benefits; (4) Identify areas of concern where

further research or analysis is required to determine program impacts and performance measures; and (5) Assist in the development of administrative infrastructure to support potential enrollment of a large volume of contracts.

DATES: Comments must be received in writing by December 8, 2004.

ADDRESSES: The Commodity Credit Corporation (CCC) invites interested persons to submit comments on this notice. The preferred manner to submit comments is via the Internet at: <http://www.fsa.usda.gov/pas/>. However, comments may also be submitted by any of the following methods:

- E-Mail: Send comments to: CRPRULE.CRPRULE@wdc.usda.gov.
- Mail: Send comments to: Director, Conservation and Environmental Programs Division (CEPD), Farm Service Agency (FSA), Room 4714-S, Stop 0513, 1400 Independence Avenue, SW., Washington, DC 20250-0513.
- Hand Delivery or Courier: Deliver comments to the above address.

All comments, including names and addresses, provided by respondents become a matter of public record. Comments may be inspected in the office of the Director, CEPD, FSA, at the above address. Make inspection arrangements by calling 202-720-6221.

FOR FURTHER INFORMATION CONTACT: Beverly Preston, Program Manager, USDA/CCC/CEPD/STOP 0513, 1400 Independence Avenue SW., Washington, DC 20250-0513; telephone 202-720-9563; email: Beverly.Preston@usda.gov. Persons with disabilities who require alternative means for communication (Braille, large print, audiotope, etc.) should contact the USDA Target Center at 202-720-2600 (voice and TDD).

SUPPLEMENTARY INFORMATION:

Background

The CRP was authorized by Title XII of the Food Security Act of 1985 (1985 Act) to provide farm and ranch owners, operators, and tenants a voluntary long-term land retirement program that emphasized reducing soil erosion. The 1985 Act authorized enrollment in the CRP of 40 to 45 million acres. By the end of 1990, a total of 33.9 million acres were enrolled in the CRP.

Initially, the CRP emphasized reducing soil erosion; however, the public was beginning to become more

sensitive to other environmental issues such as condition of streams, lakes, and rivers, and the need to preserve game and non-game wildlife species. In the Food, Agriculture, Conservation, and Trade Act of 1990 (1990 Act), Congress extended the CRP enrollment period through 1995 and broadened the program's focus. The program's objectives expanded to include improving water quality, turning marginal pasture land into riparian areas, increasing wildlife habitat, and other environmental goals.

During 1991 to 1995 an additional 2.5 million acres were enrolled in the CRP, bringing the total enrollment to 36.4 million acres in 1993. Subsequent appropriations legislation and budget reconciliations prohibited further enrollment or reduced the authorized enrollment level, effectively capping CRP enrollment at 38 million acres through 1995.

Through 1995, land was enrolled during competitive "general" signup periods normally lasting two to four weeks. Soon after original enactment, there was interest to enroll more acreage in the program than could be accepted and the Farm Service Agency (CCC) began to consider offers on a competitive basis, considering certain environmental benefits and cost.

In September 1996, CCC initiated "continuous" signups that focus on enrolling acreage in the CRP that utilize certain high-priority conservation practices that yield highly desirable environmental benefits. Because this land is highly desirable for its environmental benefits and would rank comparatively high under a "general" competitive signup, such acreage may be enrolled under the "continuous" signup process so that all eligible acres could be offered and accepted at any time.

Continuous signup allows management flexibility in implementing certain special conservation practices on cropland and certain marginal pasture land. These practices are designed to achieve significant environmental benefits, giving participants an opportunity to help protect and enhance wildlife habitat, improve air quality, reduce soil erosion, and protect surface and ground water quality.

In April 1996, the Federal Agriculture Improvement and Reform Act (1996 Act) further amended the 1985 Act and

confirmed the new CRP focus. The maximum enrollment authority was 36.4 million acres through 2002. The primary goals under the new CRP were reducing soil erosion, enhancing wildlife habitat, and ensuring water quality. The new goals brought about a change to how offers were selected. CCC began ranking all eligible CRP offers using an Environmental Benefits Index (EBI) under an open competition. Prior to the open competition, only broad factors were disclosed without a detailed, public disclosure of how these broad factors were considered in deciding which offers to accept or reject.

The new, publicly-available EBI was used to evaluate and rank offers based on the potential net environmental benefits of enrolling the land in the CRP. This ensured that only the most environmentally-sensitive lands were selected. The criteria used to determine the EBI rankings included benefits to wildlife habitat, erosion control, water quality, enduring benefits, air quality, and cost. CCC's goal was to enroll the most environmentally-fragile lands in a cost-effective manner by scoring and ranking offers based on potential environmental benefits and estimated contract costs. The first CRP signup under the provisions of the 1996 Act was conducted in March 1997, when contracts enrolled in the mid-1980's were beginning to expire. Much of the land under these contracts was eligible to be reoffered for enrollment. This signup yielded the largest single-signup contract acceptance under the program, and over 16 million acres were enrolled. Approximately 11.7 million acres of the total 16 million acres were subject to contracts that expired in September 1997.

In 1997, CCC implemented the Conservation Reserve Enhancement Program (CREP), which is a voluntary initiative using State, tribal, Federal and non-government funding to help grassroots environmental issues related to agriculture. Under CREP agreements, CCC works with State governments, tribal, and local interests to create individual programs tailored for each State. The objective is to share costs and resources to address specific, high priority local environmental problems in targeted areas.

In 2000, Congress authorized the Farmable Wetlands Pilot Program (FWP), which was a six-State pilot that provides for enrollment of certain wetlands and buffer acreage on a pilot basis into the CRP. Certain wetlands, not to exceed 5 acres in size, could be enrolled if certain eligibility requirements were met. The pilot was limited to a total of no more than

500,000 acres in Iowa, Minnesota, Montana, Nebraska, North Dakota and South Dakota.

Also in 2000, Congress authorized Biomass Pilot Projects. These projects allowed producers enrolled in the CRP to harvest certain CRP acreage for biomass to be used for energy production.

The 2002 Act amended the 1985 Act to extend the program to December 31, 2007, and expand the CRP enrollment authority from 36.4 million acres to 39.2 million acres. The 2002 Act amendments also expanded the FWP from a six-State pilot program to a nationwide program. In addition, authority was provided to allow for managed haying and grazing, including harvesting for biomass purposes. The 2002 Act also expanded eligibility authority for marginal pastureland to include marginal pasture land to be devoted to appropriate vegetation, including trees, in or near riparian areas, or devoted to similar water quality purposes. This allowed for creation of new wetland and wildlife habitat buffer practices.

Further, the 2002 Act amendments to the 1985 Act require that cropland must be planted or considered planted for four of the six years preceding enactment, created new eligibility criteria for conservation of ground or surface water, permitted entire fields to be enrolled through the continuous CRP as buffers when more than 50 percent of the field is eligible for enrollment and the remainder of the field is infeasible to farm, and made land enrolled in CRP basically eligible for re-enrollment.

New Continuous Signup Initiatives

Since the 2002 Act was enacted, CCC began a number of initiatives to target important environmental issues, including:

- **Wetland Restoration in Flood Plains.** In 2003, CCC moved enrollment of lands for wetland restoration from the competitive general signup to the continuous signup. Restoring wetlands enhances water quality, reduces impacts of flooding, enhances wildlife habitat, and protects and restores flood plains.

- **Hardwood Tree Initiative.** In December 2003, CCC created a 500,000 acre Hardwood Tree Initiative and provided a new practice, under the CRP continuous signup, to enroll bottomland hardwood trees in the flood plains. This practice was designed to restore floodplains, reduce nutrient and sediment loading, enhance wildlife habitat, and restore critical ecosystems.

- **Isolated Wetland Restoration Initiative.** Other initiatives under the CRP include a 250,000 acre Wetland

Restoration Initiative for restoration of wetlands, including playa lakes. The practice, Wetland Restoration Non-Flood Plain, is designed to enroll the larger wetland complexes and playa lakes not served through the FWP or the current Wetland Restoration practice that is limited to acreage within the 100-year flood plain.

- **Northern Bobwhite Quail Habitat Initiative.** In addition, a new 250,000 acre Northern Bobwhite Quail Initiative provides a new practice under the CRP continuous signup that provides habitat buffers for upland birds. Over the past 20 years, the Northern Bobwhite Quail populations have decreased from 59 million to 20 million birds. The practice is designed to provide food and cover for quail, upland birds, and other species. The practice may be applied around the field edges on eligible cropland provided the cropland is suitably located and adaptable to the establishment of wildlife habitat for primarily quail and upland birds.

Addressing the Future of CRP

CCC is also working to change the way it does business in order to make it easier for farmers and ranchers to participate in agency programs. One of the main tools in this effort is the adoption of new information technologies. Software is being developed that will allow customers and employees to harness the power of the Internet to manage their program benefits and responsibilities. With respect to implementation of CRP, CCC is part of a USDA-wide process in which standards will be developed in order to eliminate unnecessary complexity from a producer's online interaction with CRP. Geographic Information Systems (GIS) and other sophisticated technologies are being used to make it easier for farmers and ranchers to understand how complicated program rules may apply to them and to their land. As an initial step, FSA has developed new web-enabled software to process offers for general CRP signups. This software is currently for use only by FSA employees but represents a critical step in being able to deliver programs directly to potential CRP participants who use the Internet.

Investing in new technology and reorganizing business processes is consistent with the President's Management Agenda as is development of better-defined performance measures.

In May 2004, USDA's Economic Research Service (ERS) issued a legislatively-mandated report, "CRP's Effect on Local Economies," which indicates that, in the aggregate, local

economic impacts have been limited. High CRP enrollment did not have a statistically significant adverse effect on population trends in farm counties across the U.S. and, while CRP enrollment was associated with some job loss in rural counties between 1986 and 1992 (the years immediately following the program's introduction); this negative relationship did not persist throughout the 1990's. Further, ERS research uncovered no statistically significant evidence that CRP participation encourages absentee ownership or that high levels of CRP participation affected local government services or tax burdens in a systematic way.

At a recent USDA meeting in Fort Collins, Colorado, on the future of CRP, discussions illustrated the currents and crosscurrents within the CRP program. At the core of these discussions was the central issue: "What is the purpose of CRP?" The 1985 Act states that the purpose of CRP is conservation of water, soil, and wildlife and that there must be an equitable balance of these three goals. Despite this mandate, however, other, and at times conflicting, goals persist. Some consider CRP to be a soil reserve program, akin to the former Soil Bank Program of the 1950's and 1960's. Others think of it as a land retirement system, a way to give the land a rest to improve future productivity of farmland. These conflicting visions of CRP's purpose carry through to technical, policy, and programmatic decisions. They also affect the degree of satisfaction and support for the program because, when expectations do not align with perceived program goals, key stakeholders can be disappointed.

At the Fort Collins meeting, experts in wildlife and conservation familiar with the programs authorized by the 2002 Act discussed how to better balance wildlife benefits with soil and water enhancement through the EBI, the ranking criteria at the heart of this balancing act. In addition, numerous researchers called for more attention to be focused on monitoring the wildlife benefits of CRP. Case studies demonstrated that wildlife benefits accrue as a result of CRP practices, but little systematic research takes place. Experts called for baseline monitoring to become a part of the program and for both long- and short-term monitoring to be funded to both demonstrate the accomplishments of the CRP program and to help fine-tune and better focus the program to achieve maximum environmental benefits.

The costs of CRP were also addressed. Economists and representatives of farming communities debated whether

or not CRP has adverse economic impacts on rural communities. Some experts rejected the idea, pointing to other compounding factors, such as consolidation of farms, overseas competition and trade barriers to explain economic stress of rural communities. Proponents of the idea that CRP reduces community productivity and undercuts the demand for goods and services in small agriculture-dependant communities argued that there is a strong correlation between numbers of acres taken out of production and loss of rural economic vitality. The experts continued to disagree, except that both sides embraced the need for further economic studies of this issue.

Entities other than USDA have a strong interest in the CRP, including nonprofit conservation and environmental groups, private landowners, State and other Federal agencies. These entities voiced strong concern over the need for increased funding and more staffing for technical services. Nonprofit organizations were especially interested in the potential for supporting CRP in the role of technical service providers. Beyond technical services, these entities voiced eagerness to be more involved with program development and policy-making and they applauded the efforts of USDA to reach out to nonprofit conservation and environmental groups for ideas, support, funding partnerships and technical support for the program.

The CRP enrollment through June 2004 was 34.8 million acres. Contracts for 16 million acres are scheduled to expire, beginning on September 30, 2007. An additional 6 million acres in 2008, 4 million acres in 2009 and 2 million acres in 2010 are also scheduled to expire.

CRP contracts expiring in 2007 through 2010 represent (like contracts that expired in 1996) a "milestone" in program evolution. The Administration and Department are committed to utilizing full enrollment authority.

Key Issues for Comment

CCC invites public comment on the following issues:

1. *How should CCC address the large number of expiring CRP contracts and their associated acres in a manner that achieves the most environmental benefits but is also administratively feasible and cost effective? What methods should be pursued that would address the large acreage expiring beginning in 2007 (for example, how could CCC stagger the contract expirations over several year intervals,*

and what criteria could CCC use to select and extend contracts)?

The Department is committed to maintaining the environmental benefits of CRP by offering early re-enrollments and contract extensions. The 1985 Act provides enrollment authority for 39.2 million acres through December 31, 2007. Replacing the contracts expiring in 2007 with new or the same acres will require significant USDA expenditures for salaries and expenses. Extending existing contracts over time would spread workflow over several years and reduce the cost to implement than if large numbers of contracts and acres expired at one time.

2. *What factors should be considered in determining the acceptability of offers for CRP to provide an equitable balance between soil erosion, water quality, and wildlife benefits, and why?*

The 1985 Act requires that, in determining the acceptability of offers for CRP, an equitable balance be provided for the conservation purposes of soil erosion, water quality, and wildlife benefit. Offers and practices are accepted and contracts approved based, in part, on equal weighting of water quality, soil erosion, and wildlife environmental factors. Other environmental factors are considered in ranking offers such as enduring benefits, the likeliness of the practice continuing past the contract expiration as though enrolled, and emphasis on planting native vegetation historically suited to the site. These factors were primarily considered in anticipating measures to provide the greatest environmental benefits across the nation. Cost was also considered.

3. *How could the Environmental Benefits Index (EBI) be modified?*

CCC has used EBI to rank offers nationally. The EBI for an offer is based on points given for five environmental factors plus a cost factor. The factors are wildlife, water quality, erosion, enduring benefits, air quality, and cost.

The wildlife factor scores the expected benefits of offers on a scale of 0 to 100 points, and has three components: wildlife habitat cover, wildlife enhancement, and wildlife priority.

The water quality factor ranges from 0 to 100 points and has three components: location, groundwater quality, and surface water quality.

The erosion factor ranges from 0 to 100 points and evaluates the potential for land to erode as the result of wind or water. Points are based on an Erodibility Index (EI) and are awarded for the weighted average of the higher value of either the wind or water EI.

The enduring benefits factor ranges from 0 to 50 points and considers the likelihood of certain practices remaining in place beyond the contract period.

The air quality factor ranges from 0 to 45 points and evaluates the air quality improvements gained by reducing cropland airborne dust and particulate from wind erosion. In addition, this factor has points for the value of CRP land that provides carbon sequestration.

The cost factor is an evaluation of the cost of environmental benefits per dollar expended. This provides farmers and ranchers with an incentive to offer cost-effective offers. This factor provides a weighted average to assist in considering optimizing environmental benefits per dollar for CRP rental payments.

4. *How could the program be better targeted, whether to certain practices (e.g., filter strips, riparian buffers), geographically, or on some other basis?*

Historically, conservation programs, including CRP, have employed a variety of targeting approaches. For example, one of the CRP eligibility criteria is for highly erodible land. This targets enrollment based on geographic, soil, and topographical characteristics. CRP has also used a bidding system to enroll farmers and ranchers into the program who are willing to participate at the lowest cost, a form of cost targeting. The most complete form of targeting used in the CRP has been the use of the EBI, which is intended to balance the environmental benefits associated with enrolling a parcel of land in the program (items such as water and air quality, wildlife habitat, and soil quality among others) against costs. Future adjustments to the program could favor other aspects of the program, including targeting certain practices, such as use of native species, certain areas of the country, such as watersheds contributing to hypoxia in the Gulf of Mexico or the Chesapeake Bay, or economic status, such as favoring smaller family farms over larger operations.

5. *If CCC offered CRP re-enrollment without competition, how could it ensure that program goals are achieved in a manner that results in the most environmental benefits but is also administratively feasible and cost effective? How could CCC determine which contracts and acres would be most environmentally valuable to re-enroll into CRP without competition through a standard EBI ranking process?*

Over 33 million acres were enrolled in the program from 1986 to 1990. During the mid-1990's, the early contracts began to expire. Over 85 percent of the producers offered their land for re-enrollment. The offers were

ranked based on the EBI and the highest-ranked offers were selected. A majority of the expiring contracts were re-enrolled based on their relatively high ranking under the EBI. Offering re-enrollment without competition could entail, for example, automatically re-enrolling offers with an EBI score above a certain level, without having to compete. This would permit the Agency to spread out work flow through the year while protecting the most environmentally sensitive land.

6. *In what ways and for what purposes could acreage be set aside to assist local areas to meet local priority concerns?*

Under CREP, States identify resources with CRP to address local environmental issues of importance to the State and nation. CCC has reserved approximately 4 million acres to prioritize and address State and local environmental issues under the continuous CRP enrollments, including acres eligible under CREP, the FWP, and wetland restoration, bottomland, and other initiatives.

7. *Because CCC is concerned about the supply, quality, and cost of seed and tree stock, how can the agency manage large CRP enrollments in future years to address the need to seed and plant vegetation on newly enrolled acres?*

On September 30, 2007, CRP contracts on approximately 16 million acres will expire. Enrollment of large amounts of new land or reseeding large portions of the 16 million acres of expiring land may tax the availability of seed and tree stock.

8. *How can Geographical Information System (GIS) technology be used more effectively?*

GIS technology is being used for CRP's general signup to assess and capture information for environmental benefits and to assist farmers and ranchers understand the impacts of various offer scenarios. GIS is also utilized for program data capture and analysis through the recording of program practice boundaries. It is anticipated that GIS will serve a more comprehensive role in the CRP signup process.

9. *How can local adverse economic impacts, if any, be mitigated?*

Landowners and farm operators have voluntarily enrolled approximately 34 million acres of highly erodible and environmentally sensitive cropland into CRP. In return for planting qualifying land to grasses, trees, and other protective vegetative cover, enrollees receive an annual rental payment and reimbursement for roughly half the cost of establishing approved ground cover. The program provides a stable source of

income to participants and produces a wide range of environmental benefits but, by retiring farmland, it also reduces demand for farm inputs, marketing services, and labor. To limit the local economic impact of taking land out of production, no more than 25 percent of a county's cropland can normally be enrolled in the CRP without formal approval to exceed this cap. Nonetheless, critics of the program contend that CRP contributes to the loss of farm-related jobs and the depopulation of nearby communities that provide agricultural and retail services.

10. *What performance measures can be adopted that are most meaningful and accurately reflect CRP's benefits, but also can be reasonably measured and evaluated?*

Consistent with the President's Management Agenda, a set of performance measures is needed to accurately measure and communicate the benefits of CRP. CRP outcomes include improved soil, water, wildlife habitat, and air quality. Perhaps the greatest obstacle to demonstrating the effectiveness of the program is the complexity of the environmental systems. The complexities include the lag between the adoption of conservation systems and the change in environmental quality, the need to enroll sufficient participants in a program to achieve a measurable change in environmental conditions, and difficulties in explaining how the conservation measures affect the system.

11. *How could CRP be designed to most effectively address hypoxic conditions in the Gulf of Mexico?*

Hypoxia refers to a process driven by high nutrient loads in which water does not have enough dissolved oxygen to support life, essentially creating a "dead zone." This dead zone has been an increasing problem in the Gulf of Mexico and can lead to progressively severe effects on the ecosystem. The area affected averaged 5,400 square miles between 1996 and 2000, about the size of the State of New Jersey.

A Congressionally-mandated task force led by the National Oceanic and Atmospheric Administration and the Environmental Protection Agency concluded that changes in agricultural practices in the Mississippi River Basin, including increased CRP acreage to achieve certain goals, would significantly reduce the nutrient loading thought to be the primary cause of hypoxia. CRP could help achieve the goal of halving the area of hypoxia through enrollment of wetlands and buffers, which would reduce nutrient loading to streams and groundwater.

Other benefits include habitat for waterfowl, migratory birds and other wildlife, flood control, safer drinking water supplies and carbon sequestration.

Signed at Washington, DC, on July 30, 2004.

James R. Little,

Executive Vice President, Commodity Credit Corporation.

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BILLING CODE 3410-05-P

DEPARTMENT OF AGRICULTURE

Forest Service

Dakota Prairie Grasslands, McKenzie Ranger District; North Dakota; NE McKenzie Allotment Management Plan Revisions

AGENCY: Forest Service, USDA.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The McKenzie Ranger District, Dakota Prairie Grasslands, proposes to authorize grazing on 28 allotments in Pastures 12, 13, and 14 in a manner consistent with direction set forth in the Dakota Prairie Grasslands Land and Resource Management Plan and applicable laws. The EIS will lay the groundwork for revising the Allotment Management Plans (AMPs). Site-specific resource objectives, allowable grazing strategies, and adaptive management tools will be set forth in the EIS in order to allow managers flexibility to meet objectives.

DATES: Comments concerning the scope of the analysis must be received within 14 days of publication of this notice in the **Federal Register**. The draft environmental impact statement is expected by January 2005 and the final environmental impact statement is expected by April 2005.

ADDRESSES: Send written comments to Frank Guzman, District Ranger, McKenzie Ranger District, 1901 South Main Street, Watford City, ND 58854 or e-mail your comments to comments-north-dakota-prairie-mckenzie@fs.fed.us.

FOR FURTHER INFORMATION CONTACT: Libby Knotts, Project Leader, McKenzie Ranger District, USDA Forest Service at the above address or call (701) 842-2393.

SUPPLEMENTARY INFORMATION:

Purpose and Need for Action

The Forest Service needs to revise existing allotment management plans to be consistent with direction of the

recently developed Dakota Prairie Grasslands Land and Resource Management Plan, referred to as the Grasslands Plan. A Record of Decision was signed for the Grasslands Plan on July 31, 2002. As required by its Record of Decision, a scientific review team is analyzing 64 sample allotment management plans to determine whether the Grasslands Plan can be implemented with effects similar to those anticipated by the Forest Service. Planning efforts, such as this project, may occur during the scientific review, but final decisions will not be made on allotment management plans until the review process is complete. If the review process requires changes in the Grasslands Plan, the changes will be incorporated into this project as appropriate.

Proposed Action

The Forest Service proposes to authorize grazing on 28 allotments in Pastures 12, 13, and 14 of the McKenzie Ranger District in a manner consistent with direction in the Grasslands Plan and applicable laws. The proposal takes an adaptive management approach to allow flexibility for both the Forest Service and the livestock operators to manage properly under changing conditions.

The Forest Service has developed allotment-specific desired conditions, needs, and adaptive management proposals designed to meet the overall purpose and need for the project area. Stocking rates will be determined annually based on progress toward desired conditions, weather conditions and considering needs of the livestock operators.

Affected resources will be monitored to determine whether they are moving toward or meeting desired conditions. If desired conditions are not being met, or measurable progress is not being made toward them, then adaptive management practices will be employed.

Possible Alternatives

A No-Action alternative, which would continue grazing, as currently authorized, will be considered. A No-Grazing alternative, which would exclude all domestic livestock grazing, will also be considered. Other alternatives may be developed in response to comments.

Responsible Official

Frank Guzman, McKenzie District Ranger, is the responsible official. See address under the **ADDRESSES** section above.

Nature of Decision To Be Made

The District Ranger will decide whether to authorize grazing, whether to implement specific changes in grazing management to meet desired conditions, what optional grazing strategies may be used to meet desired conditions, what monitoring items need to be included, and whether any amendments to the Grasslands Plan are required.

Scoping Process

The Forest Service mailed scoping packages on the proposed action to 115 potentially interested or affected individuals, organizations, local and state governments, and local, state and federal agencies on April 9, 2004, with a request for responses by May 14, 2004. In the cover letter, it was stated that the Forest Service's intent was to prepare an environmental assessment for the project, but that if scoping results or further analysis indicated that the project might have significant environmental impacts, an environmental impact statement would be prepared. A public open house was held in Watford City, ND on April 29, 2004. The Forest Service has decided to prepare an environmental impact statement. This notice of intent invites additional public comment on the proposal and initiates the preparation of the environmental impact statement. Due to the extensive scoping effort already conducted, no further scoping meetings or mailings are planned. The public is encouraged to take part in the planning process and to visit with Forest Service officials any time during the analysis and prior to the decision. While public participation in this analysis is welcome at any time, comments received within 14 days of the publication of this notice will be especially useful in the preparation of the draft environmental impact statement.

Preliminary Issues

Issues identified through preliminary work and previous scoping of similar projects include effects of implementing the proposed action on individual livestock grazing operators and the local economy, effects of livestock grazing on habitat for the management indicator species sharp-tailed grouse, effects of livestock grazing on riparian areas, effects of livestock grazing on sensitive species, and effects of the drought strategy on livestock operations, wildlife and plants.

Comment Requested

This notice of intent initiates the scoping process which guides the