

**Preliminary Cost/Benefit Analysis:
Special Regulations for National Park Service Areas in Alaska**

This preliminary cost/benefit analysis of special regulations for National Park Service Areas in Alaska provides an economic justification for the rulemaking in a statement of need for the proposed action, and a qualitative analysis of the likely costs and benefits of the proposed action. A quantitative cost/benefit analysis was not conducted since the additional cost of that analysis was not considered to be reasonably related to the expected increase in the quantity and/or quality of relevant information. NPS believes that a qualitative analysis provides a sufficient assessment of all relevant costs and benefits associated with this rulemaking.

This analysis indicates positive net benefits for each component of the proposed regulatory action, and therefore for the regulatory action overall. Additionally, this regulatory action is not expected to have an annual economic effect of \$100 million in cost, or to adversely affect an economic sector, productivity, jobs, the environment, or other units of government. This regulatory action is anticipated to improve economic efficiency.

Statement of Need for the Proposed Action

Regulatory action is needed to improve governmental processes certain National Park Service land in Alaska. This improvement will be achieved by:

- Implementing the 2012 Environmental Assessment (EA) and 2014 Finding of No Significant Impact (FONSI) regarding the collection and use of plant materials and byproducts of wildlife harvested or found for creating handicraft articles for subsequent personal use, barter, or customary trade. The regulation is limited to qualified local rural residents. The sale or raw, unworked materials is not authorized.
- Clarifying existing NPS regulations that collecting living wildlife not considered a hunting activity and therefore is generally not allowed in NPS units
- Limiting the types of bait that may be used for taking bears under Federal Subsistence Regulations to fish or wildlife remains that exist from natural mortality or remains not required to be salvaged from a lawful harvest. This would eliminate items such as dog food, grease, bread, marshmallows, etc. which are currently allowed and commonly used. This is consistent with NPS regulations that prohibit feeding wildlife and the NPS legal and policy framework that provide for management of natural processes.

NPS considers these measures necessary to improve public dissemination and understanding of regulatory requirements. A clear understanding of these requirements is

anticipated to enhance visitors' use and enjoyment of NPS-administered areas, and to facilitate more effective resource management.

Regulatory action is also needed to more effectively address market failures in these NPS-administered areas. The type of market failure to be addressed is "externality." An externality occurs when one party's actions impose uncompensated benefits or costs on another. Specifically, the "common property" externality is addressed by this regulatory action. The "common property" externality refers to the protection of wildlife resources, plant materials, and cultural resources.

The protection of wildlife resources, plant materials, and cultural resources will be effectively maintained by requiring superintendent authorization for the proposed collection activities by subsistence-qualified local rural residents, limiting the types of the bait that may be used to take bears to natural items, and clarifying that collection of raptors is not allowed.

Qualitative Cost/Benefit Analysis

The following qualitative analysis of the costs and benefits of the proposed regulatory action is presented by relevant sections of 36 CFR Part 13, Subpart F special subsistence regulations for certain National Park Service lands in Alaska. The baseline conditions for this rulemaking are first discussed for the proposed regulation as a whole.

Baseline Conditions

The baseline conditions for this rulemaking are the conditions that would occur absent the implementation of the proposed regulation. Therefore, all costs and benefits included in this analysis are incremental to the baseline conditions. That is, any future impacts that would occur without the proposed action, as well as any past impacts that have already occurred, are not included in this analysis.

The creation of hand-made crafts from natural materials harvested, trapped, collected, or found has long been a part of the traditional, social, and economic culture of those living a subsistence life-style. The proposed regulations would authorize the barter, customary trade, or sale of handcraft items made from animal parts lawfully collected or harvested and from plant materials by subsistence users, an activity that is already occurring. These provisions would also improve the public's ability to participate in the development of authorizations and other management requirements through the Federal rulemaking process.

Collection or possession of living wildlife, including eggs, is currently not authorized in NPS areas except pursuant to a permit or federal statute. This rule does not change the

baseline condition with respect this activity. This provision improves the public's understanding of existing regulatory provisions.

Limiting the types of bait that may be used to take bears for subsistence uses to 1) remains of native fish or wildlife that exist from natural mortality or 2) native fish or wildlife remains not required to be salvaged from a lawful harvest is consistent with NPS regulations that prohibit feeding wildlife as well as the legal and policy framework that calls for managing for natural process. It also furthers the NPS objective to avoid habituating wildlife to unnatural food sources, such as human foods.

Section 13.420, Definitions

Description: This proposed revision would amend the definition of *Subsistence uses* to include handcrafts articles made from plant materials and would amend the definitions of both *Barter* and *Customary Trade* to include the exchange of handcraft articles. It would also add definitions for *Handicraft article* and *Wild renewable byproducts of wildlife*.

Costs: There is a cost associated with processing and issuing written authorization, however this cost is minimal and no new NPS employees are required. There is also a cost associated with removing these natural items from the landscape and natural ecological processes, but since this activity is already occurring and since it is not expected to be a widespread activity, this cost is minimal.

Benefits: The benefits of this provision are anticipated to be positive. The proposed regulation expands the definition of Subsistence uses to include the long-time tradition of making handcrafts from natural materials.

Net Benefits: Given the likely positive benefits and minimal costs, this provision is anticipated to generate positive net benefits for the public and NPS.

Section 13.482, Subsistence collection and use of animal parts

Description: This provision would implement the 2014 EA/FONSI regarding the collection and use of animal parts by local rural residents with a federal customary and traditional (C&T) use determination for the species and area where the collecting occurs and with written authorization from the superintendent.

Costs: There is a cost associated with processing and issuing written authorization, however this cost is minimal and no new NPS employees are required. There is also a cost associated with removing these natural items from the landscape and natural ecological processes, but since this activity is already occurring and since it is not expected to be a widespread activity, this cost is minimal.

Benefits: The benefits of this provision are anticipated to be positive. The proposed regulation authorizes the collection and use of lawfully harvested, collected, or found animal byproducts for the creation of handcrafts.

Net Benefits: Given the likely positive benefits and minimal costs, this provision is anticipated to generate positive net benefits for the public and NPS.

Section 13.485, Subsistence use of timber and plant material

Description: This provision would allow for the collection of plant materials for the creation of handicrafts by local rural residents in NPS areas where subsistence uses are allowed with written authorization from the superintendent. The permit provision does not apply to Gates of the Arctic National Preserve or the Kobuk Valley National Park where this activity is already allowed by regulation (36 CFR §13.1006 and §13.1504 respectively).

Costs: There is a cost associated with processing and issuing written authorization, however this cost is minimal and no new NPS employees are required. There is also a cost associated with removing these natural items from the landscape and natural ecological processes, but since this activity is already occurring and since it is not expected to be a widespread activity, this cost is minimal.

Benefits: The benefits of this provision are anticipated to be positive. The proposed regulation widens the use of plant materials for handicrafts beyond the two places it is currently permitted.

Net Benefits: Given the likely positive benefits and minimal costs, this provision is anticipated to generate positive net benefits for the public and NPS.

Section 13.40(d) Hunting and Trapping

Description: The NPS is also proposing to clarify that collection of raptors, including eggs, is not authorized in NPS units absent a specific statutory allowance or pursuant to an NPS research specimen collection permit issued under 36 CFR section 2.5.

Costs: No costs are anticipated as a result of this provision.

Benefits: The benefits of this provision are anticipated to be positive. The proposed regulation clarifies existing regulations for the public.

Net Benefits: Given the likely positive benefits, this provision is anticipated to generate positive benefits for the public and NPS.

Section 13.40(d) Hunting and Trapping

Description: The NPS is also proposing to limit the type of bait that can be used for taking bears under Federal Subsistence Regulations in NPS units. Under the proposed rule, bait would be limited to (1) Parts of legally taken native wildlife or fish that are not required to be salvaged; or (2) native wildlife or fish that died of natural causes.

Costs: Federally qualified subsistence users would no longer be able to use items as bait that do not naturally occur in the environment.

Benefits: The benefits of this provision are anticipated to be positive. The proposed regulation would eliminate the use of human foods and other items that do not naturally occur in the environment, which is inconsistent with NPS regulations that prohibit feeding wildlife and the NPS legal and policy framework which calls for managing for natural processes.

Net Benefits: This provision is anticipated to generate positive net benefits for the public and NPS.

Uncertainty

The number of subsistence users that would benefit from the proposed regulatory action is unknown. Therefore, the total benefits generated by this action cannot be estimated. Nevertheless, positive benefits will be generated as illustrated in the discussion above. Any uncertainty involved in this analysis is associated only with the magnitude of those benefits. NPS is not aware of any other sources of uncertainty.

Conclusion

This qualitative analysis indicates that positive net benefits will be generated by each component of the proposed regulatory action discussed above, and hence by the regulatory action overall. This proposed regulatory action is not expected to have an annual economic effect of \$100 million in cost, or to adversely affect an economic sector, productivity, jobs, the environment, or other units of government.

This qualitative analysis does indicate, however, that governmental processes in NPS-administered areas in Alaska will be improved, and that market failures will be more effectively addressed. Therefore, it is anticipated that economic efficiency will be improved by this proposed regulatory action.