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SENATE

{ REPORT
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FINGER LAKES NATIONAL FOREST

SEPTEMBER 17, 2002.—Ordered to be printed

Mr. BINGAMAN, from the Committee on Energy and National Resources, submitted the following

R E P O R T

[To accompany S. 1846]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1846) to prohibit oil and gas drilling in Finger Lakes National Forest in the State of New York, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. FINGER LAKES NATIONAL FOREST LAND WITHDRAWAL.

All Federal land within the boundary of Finger Lakes National Forest in the State of New York is withdrawn from all forms of entry, appropriation, or disposal under the public land laws and disposition under all laws relating to oil and gas leasing.

PURPOSE

The purpose of S. 1846 is to prohibit oil and gas drilling in the Finger Lakes National Forest in the State of New York.

BACKGROUND AND NEED

The Finger Lakes National Forest is the only national forest within the State of New York and encompasses approximately 16,000 acres. The Finger Lakes National Forest is within Seneca County. The Forest Service states that lands within Seneca County, other than National Forest System lands, contain approximately 150 oil and gas wells that have been producing natural gas for decades.

From 1974 to 1984, what is now the Finger Lakes National Forest was under lease for oil and gas exploration and development. Several dry holes were drilled on nearby private lands but no sur-

face disturbance occurred on the Finger Lakes National Forest, and the leases expired. In the spring of 1999, the BLM received two letters nominating lands on the Finger Lakes National Forest for the purpose of oil and gas leasing. The BLM cannot consider leasing without the consent of the Forest Service. As a result, the Forest Service began to examine the issue.

On December 19, 2001, the Forest Service released a Final Environmental Impact Statement and Record of Decision regarding oil and gas leasing on the Finger Lakes National Forest. The Record of Decision states that no lands on the Finger Lakes National Forest will be offered for oil and gas leasing at this time. The Forest Supervisor stated that this decision was made, in large part, because of the strong public opposition to oil and gas leasing on the Forest. Even the townships and counties that would benefit economically from oil and gas leasing on the National Forest supported the final decision.

Representatives of the Forest Service note that the December 2001 decision does not mean that lands on the Finger Lakes National Forest are permanently withdrawn from future consideration of oil and gas leasing. The current Land and Resource Management Plan for the Forest deems that natural gas development is an appropriate use of the Forest and that oil and gas is available for leasing. The question of future availability of this resource may be examined in the revision of the Finger Lakes National Forest Land and Resource Management Plan. The Forest Service expects to complete the revision in 2004.

In order to foreclose a future administrative decision to permit oil and gas leasing, S. 1846 permanently prohibits oil and gas leasing in the Finger Lakes National Forest.

LEGISLATIVE HISTORY

S. 1846 was introduced by Senators Schumer and Clinton on December 18, 2001. The Subcommittee on Public Lands and Forest held a hearing on S. 1846 on June 18, 2002. At the business meeting on July 31, 2002, the Committee on Energy and Natural Resources ordered S. 1846, as amended, favorably reported.

COMMITTEE RECOMMENDATION

The Committee on Energy and Natural Resources, in open business session on July 31, 2002, by a voice vote of a quorum present, recommends that the Senate pass S. 1846, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 1846, the Committee on Energy and Natural Resources adopted an amendment in the nature of a substitute which states that all Federal land within the boundary of the Finger Lakes National Forest is withdrawn from all forms of entry, appropriation, or disposal under the public land laws and disposition under all laws relating to oil and gas leasing.

SECTION-BY-SECTION ANALYSIS

Section 1 states that all Federal land within the boundary of the Finger Lakes National Forest is withdrawn from all forms of entry,

appropriation, or disposal under the public land laws and disposition under all laws relating to oil and gas leasing.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the cost of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 8, 2002.

Hon. JEFF BINGAMAN,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1846, a bill to prohibit oil and gas drilling in Finger Lakes National Forest in the state of New York.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Megan Carroll.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

S. 1846—A bill to prohibit oil and gas drilling in Finger Lakes National Forest in the state of New York

S. 1846 would permanently withdraw federal lands within the Finger Lakes National Forest in New York from programs to develop mineral resources. Withdrawing those lands could reduce offsetting receipts from such programs; therefore, pay-as-you-go procedures would apply. According to the Forest Service, however, the agency does not plan to offer any lands within the Finger Lakes National Forest for mineral leasing and development over the next 10 years. Hence, CBO estimates that any forgone offsetting receipts that might result under S. 1846 would be negligible in any year.

S. 1846 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1846. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 1846, as ordered reported.

EXECUTIVE COMMUNICATIONS

On, July 10, 2002, the Committee on Energy and Natural Resources requested legislative reports from the Department of the Interior and the Office of Management and Budget setting forth Executive agency recommendations on S. 1846. These reports had not been received at the time the report on S. 1846 was filed. When the reports become available, the Chairman will request that they be printed in the Congressional Record for the advice of the Senate. The testimony provided by the Subcommittee hearing follows:

STATEMENT OF TOM THOMPSON, DEPUTY CHIEF, NATIONAL
FOREST SYSTEM, USDA FOREST SERVICE

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to appear before you today. I am Tom Thompson, Deputy Chief for the National Forest System, USDA Forest Service. I am here today to provide the Department's views on S. 1846, to prohibit oil and gas drilling on the Finger Lakes National Forest.

S. 1846 would prohibit the issuance of any Federal permit or lease for oil or gas drilling in Finger Lakes National Forest in the State of New York. Although the Department does not oppose enactment of S. 1846, the measure does raise a number of questions for USDA. The Department would like to work with the Committee in more detail to address leasing in times of national emergency or in response to unforeseen events.

The December, 2001 revision of the Finger Lakes National Forest Land and Resource Management Plan provided that oil and gas resources would not be available for leasing. This decision reflected the opinion of a vast majority of those responding to the draft revision who were strongly against any leasing of federal oil and gas resources on the Finger Lakes National Forest. A broad group of elected officials at the local, state, and federal levels affirmed these opinions. The Record of Decision stated that the Forest Service will not consent to lease federal oil and gas resources until new information becomes available that would prompt the Forest Service to initiate a new analysis. An example of new information would include a change in public attitude toward the need to access oil and natural gas under the Finger Lakes National Forest. This may be in the form of domestic energy crisis or other unforeseen event. It would not include a new request for leasing.

Conclusion

Although the Department does not oppose enactment of S. 1846, the Department would like to work with the Committee in more detail to address oil and gas leasing in times of national emergency or as a result of unforeseen events.

This concludes my testimony. I would be happy to answer any questions that you may have.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 1846, as ordered reported.

