

found: "All available land at Camp Bullis is being used for training for the Army, Air Force, Marine Corps, Reserve components, San Antonio police, FBI, U.S. Marshals and Academy Health Sciences." Training includes search and rescue, escape and evasion, survival, mechanized infantry maneuvers, urban warfare tactics, reconnaissance in enemy territory, parachute operations and combat assault landing, air base ground protection and low-level helicopter assault and maneuvering. An average of over 36,000 Army and other services' medical personnel undergo field medical training at Camp Bullis, and total military training use averages over 720,000 person-days annually.

The space and facilities for this training at Camp Bullis cannot readily be duplicated elsewhere. The benefits of avoiding adverse impacts to the U.S. Army's mission if training were delayed due to the need to reinitiate section 7 consultation as a result of concerns for irreversible or irretrievable commitment of resources with respect to the agency's action (section 7(d)) exceed the benefits of designation of proposed Units 10 and 11 as critical habitat.

Based on section 4(b)(2) and the consideration of the information described above, we find that the benefits of excluding the areas covered by the La Cantera HCP, proposed Units 1a, 1b, 1c, and 1d of the GCSNA lands, and proposed Units 10 and 11 on Camp Bullis, greatly exceed the limited benefits of including these areas in the designation of critical habitat. Benefits of exclusion include implementation of special management and protection plans that provide protection and management far in excess of any protection afforded by the Act through designation of critical habitat, by encouraging the formation of partnerships that will be the key to recovery of the species, by reducing the time and money that would have been needed to complete regulatory processes under sections 7(a)(2) and 10(a)(1)(B) of the Act, and by ensuring that the U.S. Army's role in protecting the Nation is not impaired.

We may exclude areas from the critical habitat designation unless the Secretary determines, "based on the best scientific and commercial data available, that the failure to designate such areas as critical habitat will result in extinction of the species concerned." Here, we have determined that the exclusion of the La Cantera HCP, GCSNA, and Camp Bullis lands will not result in the extinction of the species. First, activities authorized, funded, or carried out by Federal agencies in these areas that may affect the listed karst

invertebrates will still require consultation under section 7 of the Act, based on the requirement that Federal agencies ensure that such activities are not likely to jeopardize the continued existence of listed species. This requirement applies even without critical habitat designation on these lands. Second, these three entities have committed to protecting and managing these endangered species in accordance with their special management plans and natural resource management objectives. In short, they have committed to greater conservation measures on these areas than would be available through the designation of critical habitat. With these natural resource measures, we have concluded that these exclusions from critical habitat will not result in the extinction of these karst invertebrates.

We have determined that, with the exceptions noted above, for the rest of the areas included in the designation of critical habitat in this final rule, the benefits of exclusion do not outweigh the benefits of critical habitat designation. As part of this determination, we conducted an economic analysis of the proposed rule designating critical habitat for these species.

Economic Analysis

Section 4(b)(2) of the Act requires that we designate critical habitat on the basis of the best scientific information available and that we consider the economic and other relevant impacts of designating a particular area as critical habitat. We may exclude any area from designation as critical habitat upon a determination that the benefits of such exclusion outweigh the benefits of specifying such an area as critical habitat, unless we determine, on the basis of the best scientific and commercial data available, that the failure to designate such area will result in the extinction of the species concerned. Following the publication of the proposed critical habitat designation, we completed a draft economic analysis to estimate the potential economic effect of the designation. The draft analysis was made available to the public for review on November 21, 2002 (67 FR 70203) and we accepted comments on the proposed rule and the draft economic analysis of it until December 23, 2002.

In making our final critical habitat designation, we utilized the economic analysis and our analysis of other relevant impacts, and considered all comments and information submitted during the public hearing and comment period. No areas proposed as critical

habitat were excluded or modified because of economic impacts. This analysis first identifies land use activities within or in the vicinity of those areas being proposed for critical habitat that are likely to be affected by section 7 of the Act. To do this, the analysis evaluates a "without section 7" scenario and compares it to a "with section 7" scenario. The "without section 7" scenario constitutes the baseline of this analysis. It represents the level of protection currently afforded the species under the Act, absent section 7 protective measures, which includes other Federal, State, and local laws. The "with section 7" scenario identifies land-use activities likely to involve a Federal nexus that may affect the species or its designated critical habitat, which accordingly have the potential to be subject to future consultations under section 7 of the Act.

Upon identifying section 7 impacts, the analysis proceeds to consider the subset of impacts that can be attributed exclusively to the critical habitat designation. To do this, the analysis adopts a "with and without critical habitat approach." This approach is used to determine those effects found in the upper-bound estimate that may be attributed solely to the proposed designation of critical habitat. Specifically, the "with and without critical habitat" approach considers section 7 impacts that will likely be associated with the implementation of the jeopardy provision of section 7 and those that will likely be associated with the implementation of the adverse modification provision of section 7. In many cases, impacts associated with the jeopardy standard remain unaffected by the designation of critical habitat and thus would not normally be considered an effect of a critical habitat rulemaking. The subset of section 7 impacts likely to be affected solely by the designation of critical habitat represents the lower-bound estimate of this analysis.

This analysis estimates that, over 10 years, 10 formal consultations and 22 informal consultations will occur on projects with the potential to affect the proposed critical habitat area. As mentioned, most of the future section 7 consultations associated with the area proposed as critical habitat are likely to address private landowner HCPs and participation in Partners for Fish and Wildlife. In addition, the Service expects to provide technical assistance to parties on 431 occasions.

The economic impact associated with section 7 consultations for the invertebrates is anticipated to be approximately \$33.4 million over the next 10 years, \$23.4 million when