

the analysis concludes it is unlikely that all lands within the Urban and Agricultural Districts would be redistricted to Conservation. In addition, such redistricting is not expected to have a significant economic impact because the land most likely converted to the Conservation District are those with a high value for conservation and low economic value (*i.e.*, not suitable for development). The final economic analysis also discusses economic benefits in qualitative terms rather than providing quantitative estimates because of the lack of information available to estimate the economic benefits of endangered species preservation and ecosystem improvements.

A more detailed discussion of our economic analysis is contained in the draft economic analysis and the addendum. Both documents are available for inspection at the Pacific Islands Fish and Wildlife Office (see **ADDRESSES** section).

Other than the Army lands discussed below, no critical habitat units in the proposed rule were excluded or modified due to a determination that the benefits of excluding the lands, taking into account the economic and other relevant impacts, exceeded the benefits of specifying them as critical habitat.

Other Impacts

As described in the "Analysis of Managed Lands Under Section 3(5)(A)" section above, based on our evaluation of the adequacy of special management and protection that is provided in the Army's Final Integrated Natural Resources Management Plan (INRMP) for Oahu Training Areas (Department of the Army 2002) for the plant species addressed in this proposal which are found on Army lands, in accordance with section 3(5)(A)(i) of the Act, we have not included the Army's Dillingham Military Reservation (DMR), Kawaihoa Training Area (KLOA), Kahuku Training Area (KTA), Makua Military Reservation (MMR), Schofield Barracks Military Reservation (SBMR), and Schofield Barracks East Range (SBER), in this final designation of critical habitat. However, to the extent that special management considerations and protection may be required for these areas and they, therefore, would meet the definition of critical habitat according to section 3(5)(A)(i), they are properly excluded from designation under section 4(b)(2) of the Act, based on the following analysis.

As explained below, we believe the benefits of designating critical habitat for the 76 species listed above at DMR, KLOA, KTA, MMR, SBMR, and SBER

are relatively low and outweighed by the benefits of excluding these areas from critical habitat. We also have concerns that a critical habitat designation may negatively impact the Army's ability to effectively carry out a recently proposed training and equipment conversion program on Oahu and otherwise adversely impact national security.

The Army's DMR, KLOA, KTA, MMR, SBMR, and SBER are occupied habitat for 53 species and unoccupied habitat for 23 species, as referenced above. A total of 10,905 hectares (26,946 acres) are excluded from final critical habitat; of this total, 6,208 hectares (15,340 acres) are considered occupied by one or more listed species, while 4,697 hectares (11,606 acres) are considered unoccupied. The unoccupied habitat is located in the northern portion of the Koolau Mountains.

According to our published recovery plans, recovery of these 76 species will require reproducing, self-sustaining populations located in a geographic array across the landscape, with population numbers and population locations of sufficient robustness to withstand periodic threats due to natural disaster or biological threats (Service 1994, 1995a, 1995b, 1996a, 1996b, 1996c, 1996d, 1997, 1998a, 1998b, 1999). The highest priority recovery tasks include proactive management such as plant propagation and reintroduction, fire control, nonnative species removal, and ungulate fencing. Failure to implement these active management measures, all of which require voluntary landowner support and participation, increases the likelihood that species will go extinct or not recover. The Army is undertaking many of these types of conservation actions on their lands on Oahu as part of the implementation of the INRMP for Oahu Training Areas. These activities, which are described in more detail in the "Analysis of Managed Lands Under Section 3(5)(A)" section, require substantial financial obligations by the Army and cooperation with other agencies, landowners, and local residents.

The following analysis describes the likely positive and negative impacts of a critical habitat designation on Army lands compared to the likely positive and negative impacts of a critical habitat exclusion of those lands. The Service paid particular attention to the following issues: To what extent a critical habitat designation would confer additional regulatory, educational, and social benefits; and to what extent would critical habitat interfere with the

Army's ongoing proactive conservation actions.

(1) Benefits of Designating U.S. Army Lands as Critical Habitat

The six Army Oahu installations contain habitat essential to the conservation of the 76 species listed above. The primary regulatory benefit provided by a critical habitat designation on Army lands is the requirement under section 7 of the Act that any actions authorized, funded, or carried out by the Army would not destroy or adversely modify any critical habitat, which includes an evaluation on the effects of the action on recovery of the species. Most of the Army areas are occupied by listed species and thus section 7 consultation would already be required. However, since areas without listed species present or without a critical habitat designation do not always receive section 7 evaluation (*e.g.*, see 50 CFR 402.12, biological assessments are based on a list of species present in the action area), a critical habitat designation in unoccupied areas may provide additional regulatory benefits.

The net benefit of this aspect of critical habitat, however, has been significantly minimized by the Army's commitment to coordinate with the Service on any of its activities that may adversely affect areas whether occupied or unoccupied by listed species that are considered essential to their conservation (*i.e.*, proposed as critical habitat) (Anderson, *in litt.*, March 20, 2003). In fact, for the current consultation at the six Oahu installations, the Army is evaluating impacts of its ongoing and future training activities on habitat considered essential to the conservation, including habitat unoccupied by listed species.

Moreover, the section 7 mandate to avoid destroying critical habitat does not extend to requiring plant reintroductions or other proactive conservation measures (*e.g.*, ungulate control, etc.) considered essential to the conservation of the species. As discussed above, the major threat to these species is the persistent and expanding presence of alien species. Failure to implement proactive management measures such as alien species removal and ungulate and rat management, as well as management of fire risk and plant propagation and reintroduction, may result in extinction of these species even with a critical habitat designation. These actions are, however, included in the Army's INRMP for Oahu Training Areas and will provide tangible benefits that will