

and offer sufficient incentives for sound long-term resource management practices.

Critics have suggested that S. 1459 provides for grazing and livestock activities as the dominant use on the allotments. That is simply not true. The bill explicitly provides that the public lands will continue to be accessible to all multiple-use activities.

It has also been suggested that this legislation will curtail public participation in the decisionmaking process. The public's opportunity to participate in the NEPA and FLPMA processes is not affected by this legislation. It does, however, address the problem of who can appeal allotment management decisions by limiting appeals to persons who have affected interests. This will enable Federal land managers to review appeals more expeditiously and will shorten the delays in achieving a final implementation plan. This process will allow permittees and lessees to carry out their business without the heavy financial losses usually associated with lengthy delays.

Most importantly, this legislation provides for periodic monitoring of rangeland resource conditions. The Secretaries of Agriculture and the Interior have the ability to amend allotment plans where resource conditions dictate. I believe that the bill therefore reflects a wide variety of environmental and user concerns; and I urge its favorable consideration.

Mr. CAMPBELL addressed the Chair. The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. I thank the Chair.

Mr. President, I would like to take this opportunity to clarify the issue grazing fees on public lands. As I mentioned before in my opening statement, I believe there is a grave misperception about ranchers who utilize public lands. For those of you unfamiliar with ranchers or the ranching business, let me tell you that it is not a lucrative business. I believe it is this misperception that drives the efforts to try to hike up the grazing fees to unacceptable heights. Opponents of the new fee structure proposed in S. 1459, argue that ranchers don't pay fair market value. Well, I would like my colleagues to explain to the rest of us, how one can determine what fair market value is.

For example, when doing a fair market value appraisal, appraisers compare the value of similarly situated pieces of property—they compare apples with apples. When opponents of the proposed grazing fee compare the prices charged to lease private or State lands with the grazing fees ranchers pay for BLM or Forest Service lands, however they are comparing apples with oranges. They simply are not the same thing.

My friends from Arkansas and Vermont, are attempting to draw comparisons between apples—State lands, and oranges—Federal lands, to legitimize their logic. States fees are struc-

tured under an entirely different scenario than Federal fees. State lands are administered for completely different purposes and goals compared to Federal lands. To compare the fee dollars and cents on a chart is simply not fair.

With their amendments, my colleagues are attempting to utilize the State fee structure to create a more fair return to the Government and taxpayer. However, as I have stated before, this logic is flawed.

If we follow this rationale utilized in this amendment, by implementing the State rate fees, we might as well streamline the process and manage the public lands according to State management systems. Heck, if we charge a grazing fee according to State rates, manage the Federal lands like State lands, we might as well turn the whole operation and ownership over to the States. I suspect there are many Members in this body that would not agree with this type of logic.

Furthermore, the grazing fee structure in the Bumpers amendment is fundamentally unfair to ranchers. This proposal does not fully consider the investment that ranchers already have made in building their lots and stock ponds. In addition, the profit margins for many ranchers is small, and thousands of ranchers have already fallen into bankruptcy. Raising the fees as this amendment proposes to do will drive even more ranchers into economic insolvency.

Mr. President, the fee structure proposed by S. 1459 would establish a fair system. It is a very simple and straightforward method for calculating the grazing fee that would apply to western BLM and Forest Service lands.

Quite simply, you would take the 3-year average of the total gross value of production of beef cattle for the 3 years preceding the grazing fee year—based on data supplied by the Economic Research Service of the USDA—and multiply that number by the 10-year rolling average of 6-month Treasury bills. That number would be divided by 12, the number of months in a year. The dividend would be the grazing fee, expressed in dollars per animal unit month. S. 1459 would increase the fee by an average of about 50 cents per AUM.

Anyone who truly understands the grazing fees, will understand that there is only one agency that really attempts to compile data about private leased lands—it is the USDA's Economic Research Service—and that is why they are the source of the critical data used in this fee formula.

Mr. President, I am deeply concerned about this misperception of grazing fees that has become a symbol representing unfair subsidies and environmental degradation. Fee increases are imminent, and most people here understand that. However, these increases must be carefully structured with appropriate data. S. 1459 achieves this, by establishing a grazing fee formula that protects the rancher while allowing for

equitable returns to the Federal Government.

I would like to abbreviate my comments because I know my colleagues want to get out of here at a decent hour this evening. I was over in the office listening to the Senator from Arkansas and the Senator from Vermont, and I have to tell you I think they are just simply missing the target. I would ask my colleagues to oppose both their amendments.

As I understand the Jeffords amendment in the second degree, is attempting to put corporate interests in the same category as the family rancher, who has spent years and years of hard work to make his ranch grow. I think that is a mistake. It seems to me that we are confusing the issue of large and small ranchers and real ranchers with corporate operations.

I know in our State of Colorado we give special 100-year awards to ranchers and farmers. If the family has stayed with the land for 100 years, we give them an award at our State fair every year to try to encourage them to stay on the land. Many of those ranchers have sacrificed a great deal and their families have sacrificed too in order to make the ranch grow.

Some have done well over the years and invested in other things, but their primary income still comes from the ranch. This reality is a little different than the reality I have heard described by the two Senators and their amendments. I understand that the amendments that are being offered now are an attempt to try to get the corporate people out of ranching, and both Senator BUMPERS and Senator JEFFORDS mentioned Anheuser-Busch and Hewlett-Packard and a number of others, Simplot and Texaco, and so on.

I think most of us recognize that there are corporations in America that have bought ranches or bought permits to use as some kind of a tax shelter. I understand that. Most of us understand that. That is not who we are trying to protect. I know the Senator from Wyoming [Mr. THOMAS] and I have a lot of friends who fall into the first category that I was trying to describe. Those people who have worked the land, stuck to the land and sacrificed to keep the land are the ones we are concerned about. We are not in any way trying to protect the big corporations from using ranching legislation as a tax writeoff.

It would seem to me what they should introduce perhaps is an amendment to prevent nonranchers from buying permits, or to specify the criteria for permittees. It seems to me that is who they are trying to identify are those people who are abusing or misusing, if I can use their words, the system of ranching and the system of using permits.

Now, I wanted to also respond to the Senator from Arkansas question of quote, "Where does the money go?" I will tell you where the little money ranchers gain in profit goes. It goes