establishing priorities for project funding.

Response: The rule has not been revised because § 163.32 provides sufficient flexibility to include determinants appropriate to a broad range of circumstances which may include environmental and ecological analysis.

163.33 Administrative Appeals

114. Comment: The commentor requests that § 163.33 of the rule establish criteria to tighten the legal standing required to file appeals. Specifically, the commentor suggests limiting standing to file administrative appeals to the recognized beneficial Indian tribe in the case of management on tribal trust status lands, to a majority interest of the heirs in the case of management actions on allotted trust land, and to timber sale contractors for actions taken in the administration of the terms of their timber sale contracts.

Response: The authors agree with the commentor in part; however, the commentor's suggested criteria to limit standing are too restrictive. Limiting standing to only a majority interest of the heirs in the case of management actions on allotted trust land is inappropriate. Instead, legal standing should be based on criteria as defined by earlier 25 CFR part 2 regulations which require an interested party to be an entity whose direct and substantive economic interest is adversely affected by a BIA action. § 163.33 of the rule has been revised to provide more explicit guidance on parties that have legal standing in the administrative appeals process.

115. *Comment:* The commentor requests clarification on § 163.33 of the rule in regards to the impact of staying appeals on contract execution and performance.

Response: Historically, BIA Area Offices have acted differently in regards to the issue of staying appeals. Some have allowed disputed actions to proceed (relief from stay) and others have not allowed disputed actions to proceed (not halting stay). § 163.33 of the rule provides that an administrative appeal of an action within these forestry regulations does not stay that action. To further clarify policy on staying appeals, § 163.33 of the rule has been revised to emphasize that appeals filed under 25 CFR part 2 shall not stay any action unless otherwise directed by the Secretary.

163.34 Environmental Compliance

116. *Comment:* § 163.34 of the rule should be modified to require

consideration of environmental concerns of Indian communities.

Response: The rule has not been revised because the scoping process required by the National Environmental Policy Act (NEPA) embodied in the rule provides for an adequate means to identify and address environmental concerns of Indian communities.

117. Comment: § 163.34 of the rule should be revised to provide useful guidance on how to achieve compliance with NEPA by identifying which program actions usually require environmental impact statements or environmental assessments and which are normally categorically excluded from NEPA requirements.

Response: The rule has not been revised because existing Departmental (516 DM 1–7) and Bureau of Indian Affairs Environmental Program manuals (30 BIAM Supplemental 1) provide the needed policy guidance and including the requested guidance is outside the scope of this rule.

118. Comment: § 163.34 of the rule should require that actions taken under the rule explicitly require compliance with applicable tribal environmental laws and regulations rather than merely requiring use of such laws and regulations for guidance.

Response: § 163.34 of the rule has been revised to emphasize that actions taken by the Secretary under the regulations in this part must comply with the National Environmental Policy Act of 1969, Council on Environmental Quality regulations and applicable tribal laws and regulations.

163.35 Indian Forest Land Assistance Account

119. *Comment:* § 163.35 of the rule should provide guidelines to assure the equitable distribution of funds into forest land assistance accounts at multitribe agencies.

Response: The rule has not been revised because distribution of funds is a procedural process which is more appropriately addressed in the BIA forestry manual.

120. *Comment:* What are acceptable sources of funding for deposit into Indian forest land assistance accounts addressed in § 163.35 of the rule?

Response: The rule has not been revised because § 163.35 of the rule provides the comprehensive list of funding sources which can be deposited into Indian forest land assistance accounts identified in 25 U.S.C. 3109.

121. Comment: The reference to a tribe's trust fund account in § 163.35(a) of the rule is technically incorrect. Such accounts should be referred to as tribal accounts within the trust fund system.

Response: § 163.35(a) of the rule has been revised to reflect the technically correct accounting terminology.

122. Comment: Modify § 163.35(b) of the rule to reflect the existence of both forest transportation and general forest land management accounts.

Response: § 163.35(b) of the rule has been revised to reflect the existence of both forest transportation and general forest land management accounts.

123. *Comment*. Modify § 163.35(c) of the rule to reflect the existence of both forest transportation and general forest land management accounts.

Response: § 163.35(c) of the rule has been revised to reflect the existence of both forest transportation and general forest land management accounts.

124. *Comment:* Remove reference to a tribe's organization code in § 163.35(d) of the rule because such reference is limiting and adds unnecessary procedural detail to the rule.

Response: The rule has been revised to delete the reference to the tribe's organization code from § 163.35(c) to clarify the rule by removing unnecessary procedural detail.

125. Comment: Modify § 163.35(h) of the rule to remove reference to the annual audit performed by the Secretary to oversee trust funds. That function is separate and distinct from the 25 U.S.C. 3109 requirement to audit Indian forest land assistance accounts and should be deleted.

Response: § 163.35(h) of the rule has been revised to delete the reference to the Secretary's annual audit to oversee trust funds to clarify the requirement to audit Indian forest land assistance accounts in 25 U.S.C. 3109.

163.36 Tribal Forestry Program Financial Support

126. *Comment:* § 163.36 of the rule should provide for giving category 2 and 3 reservations with Tribal forestry programs a higher priority in funding.

Response: The rule has not been revised because the funding allocation system in §§ 163.36 (f) and (g) provide for equity in distribution of funds appropriated for tribal forestry program financial support and emphasizes allocation of funds to locations with the greatest resource management needs. Further, category 2 and 3 reservations which do not qualify for funding as individual locations can form cooperatives to qualify for the highest level of funding under § 163.36(c) of the rule.

127. *Comment:* Level one funding assistance provided for in § 163.36(e)(1) is insufficient to employ and support an experienced forester.