



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Environmental
Conservation

OFFICE OF THE COMMISSIONER

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February 26, 2013

The Honorable Pete Kelly, Co-Chair
Senate Finance Committee
State Capitol Room 532
Juneau, AK 99801

The Honorable Kevin Meyer, Co-Chair
Senate Finance Committee
State Capitol Room 532
Juneau, AK 99801

Dear Senator Meyer and Senator Kelly:

Thank you for the opportunity to provide testimony to the Senate Finance Committee today regarding SB 27. This letter provides additional information to address questions asked by committee members at the hearing.

Senator Hoffman asked about the federal budget for the current program run by the U.S. Army Corps of Engineers (the Corps), and how many positions are in the federal program. In providing these numbers, it is important to note that the uncertainties of the actual balance between State and federal responsibility at primacy make an attempt to estimate State costs at primacy rough.

Currently, the Corps' regulatory program in Alaska has 49 full-time positions and an annual budget of \$7.9 million. However until the State performs the detailed evaluation of assumption of the program as provided for in SB 27, it is impossible to forecast the cost or size of a State program.

Senator Meyer asked if the federal funding for dredging at the Port of Anchorage would be affected by the State assuming primacy for the 404 program. The answer is no. The federal funding for dredging is through the Corps' Civil Works Program while the 404 program is managed through the Corps' Regulatory Program. In addition, because the Port of Anchorage is located in, tidally influenced by, and adjacent to a navigable water used for commerce, the Corps would retain permitting jurisdiction for this area if the State assumes primacy.

Sincerely,

A handwritten signature in blue ink that reads "Larry Hartig".

Larry Hartig
Commissioner