



Council of
Alaska Producers

HB14: LEG. APPROVAL OF BRISTOL BAY SULFIDE MINE

February 17, 2017

Representative Louise Stutes
Chair, House Fisheries Committee
State Capitol
Juneau, 99801

Dear Representative Stutes,

The Council of Alaska Producers (CAP) appreciates the opportunity to provide comments on HB14 "An Act relating to the Bristol Bay Fisheries Reserve; and providing for an effective date."

CAP is a non-profit trade association formed in 1992 and serves as a spokesperson for the large metal mines and major metal developmental projects in the state. Bringing together mining companies with interest in Alaska, the Council represents and informs members on legislative and regulatory issues, supports and advances the mining industry, educates members, the media, and the general public on mining related issues, and promotes economic opportunity and environmentally sound mining practices.

CAP opposes HB14 because this law would be an unconstitutional violation of the separation of powers doctrine. The legislature is supposed to enact laws and the executive branch is supposed to implement and execute laws. Adding an additional step for the legislature to review permits *after* they have been thoroughly vetted and issued is equivalent to a legislative veto and the Alaska Supreme Court has repeatedly said that a legislative veto is unconstitutional. The proposed review would not strengthen the existing regulatory system, but it would add time and cost to an already lengthy and rigorous process.

Alaska competes globally for investment dollars. At a time when the state should be working to attract investment, HB14 sends a negative message that Alaska's permitting system is unstable. Investors look at the way HB14 and the Bristol Bay Forever Initiative single out a resource project in Bristol Bay and they ask what project or area will be next?

HB14 also unnecessarily politicizes Alaska's resource permitting process. Currently, professional agency regulators base their regulatory decisions on science. This is how permitting decisions should be made. By turning a science decision into a political decision, HB14 weakens due process. For democratic systems and market economies to function well, all participants need to be able to trust that they will be treated equally according to consistent rules and that special exceptions will not be made for projects or issues that are particularly liked or disliked.

In these difficult fiscal times for the state, I urge you to send a message to the investment community that Alaska is open for business with a thorough and rigorous permitting system that is based on science and applied consistently. This is the best way to strengthen our economy while ensuring responsible development that safeguards the environment.

Please keep politics out of the permitting process and stop HB14.

Thank you for this opportunity to provide comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Matthias', with a stylized, flowing script.

Karen Matthias
Executive Director