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Growing Alaska Through Responsible Resource Development

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

Re: Support of CS HB 77 - An Act relating to the Alaska Land Act (LAND USE/DISP/EXCHANGES; WATER RIGHTS)

Dear Senator Kelly and Senator Meyer:

The Resource Development Council for Alaska, Inc. (RDC) is writing in support of CS HB 77, an act relating to the Alaska Land Act, including certain authorizations, contracts, leases, permits, or other disposals of state land, resources, property, or interests; relating to authorization for the use of state land by general permit; relating to exchange of state land; relating to procedures for certain administrative appeals and requests for reconsideration to the commissioner of natural resources; relating to the Alaska Water Use Act.

RDC is a statewide, non-profit, membership-funded organization founded in 1975. The RDC membership is comprised of individuals and companies from Alaska's oil and gas, mining, timber, tourism, and fisheries industries, as well as Alaska Native corporations, local communities, organized labor, and industry support firms. RDC's purpose is to link these diverse interests together to encourage a strong, diversified private sector in Alaska and expand the state's economic base through the responsible development of our natural resources.

It is a top legislative priority of RDC to encourage the state to promote and defend the integrity of Alaska's permitting process and advocate for predictable, timely, and efficient state and federal permitting processes based on sound science and economic feasibility.

The Alaska Legislature, to its credit, has provided the Department of Natural Resources (DNR) with additional resources to address what had become an untenable backlog of permits and authorizations. Such backlogs negatively affect our resource industries as well as individual Alaskans seeking required state authorizations. While a backlog still exists, DNR has made real progress in catching up on that work.

Ramping up staff to adjudicate the backlog is addressing the symptom, however systemic improvements to what has become a very complex set of statutes authorizing DNR's work is also needed to help prevent future backlog and delays. Governor Sean Parnell,

with support from DNR Commissioner Sullivan and his staff, has identified specific means of improving the efficiency of our complex permitting system. RDC applauds the administration for proposing numerous changes to the DNR enabling statutes in order to make their processes more timely and efficient. Adapting our key DNR statutes to ensure we are adjudicating our land and resource authorizations in a more timely and efficient manner is overdue.

Furthermore, an improved permitting process could lead to more investment and job creation in Alaska. Alaska has some of the highest standards in the world for resource development projects. RDC does not believe this bill negatively impact those standards.

Specific to the issue of in-stream water reservations, State and Federal agencies should be the only entities that can reserve water for in-stream flow. When any "person" is allowed to apply for such reservations, such applications can be used as a tool to delay and frustrate the development of public and private resources. Restricting such reservations to the agencies ensures reservations are made for a legitimate public purpose, such as important habitat or navigability considerations.

RDC encourages members of the Senate Finance Committee to support the administration's efforts to more efficiently manage DNR's tremendous workload as the reach of the department affects a broad cross section of Alaska businesses, resource industries, and individuals. We encourage the passage of this legislation with an immediate effective date.

Thank you for the opportunity to comment.

Sincerely,

Rick Rogers

Executive Director