

**HOUSE JOINT RESOLUTION NO. 11**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES NAVARRE, Brown, Porter, Davies, Kubina, MacLean, Bunde

Introduced: 1/16/95

Referred: House Special Committee on Oil and Gas, Resources, Finance

**A RESOLUTION**

1 **Requesting the Congress of the United States to pass legislation to permit the**  
2 **export of Alaska crude oil.**

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** 50 U.S.C.S. Appx. 2406(d) prohibits, with tightly restrictive exceptions,  
5 the export of domestically produced crude oil transported by pipeline over the right-of-way  
6 granted by 43 U.S.C. 1652 (sec. 203 of the Trans-Alaska Pipeline Authorization Act); and

7 **WHEREAS** the limitation on export of Alaska North Slope crude oil effectively  
8 restricts its sale to the domestic American market; and

9 **WHEREAS** the higher transportation cost associated with shipping Alaska North Slope  
10 crude oil through the Panama Canal to the Gulf Coast states reduces the wellhead price of the  
11 oil; and

12 **WHEREAS** lower wellhead prices raise the economic threshold for exploring for and  
13 producing all North Slope oil and, as a result, production from certain existing and newly  
14 discovered oil fields is currently uneconomic; and

15 **WHEREAS** domestic exploration and development of newly discovered oil reserves  
16 will enhance the nation's energy and economic security; and

1           **WHEREAS** the foreign export of Alaska North Slope crude oil will provide an  
2 incentive for further domestic oil exploration and development; and

3           **WHEREAS** new discoveries and production resulting from increased domestic  
4 exploration will facilitate the development of infrastructure and production facilities needed  
5 to produce currently uneconomic Alaska North Slope reserves and, thus, lower the average  
6 development costs of all Alaska North Slope production; and

7           **WHEREAS** exporting oil to Pacific Rim nations will decrease the substantial trade  
8 deficit with nations that have expressed a strong interest in purchasing Alaska produced oil,  
9 as evidenced by the sale under a United States Department of Commerce export license of  
10 Alaska Cook Inlet oil to a Taiwanese company; and

11           **WHEREAS** Canada, Mexico, and Venezuela, among other neighboring countries in  
12 this hemisphere, may provide stable, secure exports of crude oil to the United States at more  
13 competitive prices than Alaska North Slope crude oil because of the transportation savings;  
14 and

15           **WHEREAS** the additional cost of shipping Alaska North Slope crude oil to the Gulf  
16 Coast and eastern states imposes an unnecessary burden on those states, reduces federal and  
17 state tax revenue, reduces state royalties, and discourages exploration and development of  
18 North Slope reserves; and

19           **WHEREAS** former President Bush has lifted the ban on the export of oil produced  
20 in the State of California;

21           **BE IT RESOLVED** that the Alaska State Legislature respectfully requests the United  
22 States Congress to pass legislation permitting the export of Alaska crude oil, regardless of the  
23 oil's point of production in the state, on a barrel-for-barrel basis for oil imported from other  
24 countries in this hemisphere, under terms that afford enhanced economic benefits for the  
25 nation without diminishing domestic security or reducing crude oil available for domestic  
26 purposes; and be it

27           **FURTHER RESOLVED** that the Alaska Congressional delegation and the Governor  
28 are urged to continue using their best efforts to obtain passage of legislation permitting the  
29 export of Alaska crude oil, regardless of the oil's point of production within the state.

30           **COPIES** of this resolution shall be sent to the Honorable Bill Clinton, President of the  
31 United States; the Honorable Al Gore, Jr., Vice-President of the United States and President

1 of the U.S. Senate; the Honorable Newt Gingrich, Speaker of the U.S. House of  
2 Representatives; the Honorable Bob Dole, Majority Leader of the United States Senate; and  
3 to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the  
4 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.