

**ALASKA STATE LEGISLATURE  
HOUSE RESOURCES STANDING COMMITTEE**

May 6, 2005

1:06 p.m.

**MEMBERS PRESENT**

Representative Jay Ramras, Co-Chair  
Representative Ralph Samuels, Co-Chair  
Representative Jim Elkins  
Representative Carl Gatto  
Representative Gabrielle LeDoux  
Representative Kurt Olson  
Representative Paul Seaton  
Representative Harry Crawford

**MEMBERS ABSENT**

Representative Mary Kapsner

**COMMITTEE CALENDAR**

SENATE BILL NO. 102

"An Act relating to district coastal management programs; and providing for an effective date."

- HEARD AND HELD

SENATE BILL NO. 164

"An Act relating to the salmon product development tax credit; providing for an effective date by amending an effective date in sec. 7, ch. 57, SLA 2003; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: SB 102

SHORT TITLE: COASTAL MANAGEMENT PROGRAMS

SPONSOR(S): SENATOR(S) STEVENS G

02/14/05	(S)	READ THE FIRST TIME - REFERRALS
02/14/05	(S)	CRA, RES
03/14/05	(S)	CRA AT 1:30 PM BELTZ 211
03/14/05	(S)	Heard & Held
03/14/05	(S)	MINUTE(CRA)
03/16/05	(S)	CRA AT 1:30 PM BELTZ 211

03/16/05 (S) Moved CSSB 102(CRA) Out of Committee  
 03/16/05 (S) MINUTE(CRA)  
 03/18/05 (S) CRA RPT CS 1DP 3NR  
 NEW TITLE  
 03/18/05 (S) NR: STEVENS G, WAGONER, STEDMAN  
 03/18/05 (S) DP: ELLIS  
 03/18/05 (S) FIN REFERRAL ADDED AFTER RES  
 04/06/05 (S) RES AT 3:30 PM BUTROVICH 205  
 04/06/05 (S) -- Testimony <Invitation Only> --  
 04/22/05 (S) RES AT 3:30 PM BUTROVICH 205  
 04/22/05 (S) Moved CSSB 102(RES) Out of Committee  
 04/22/05 (S) MINUTE(RES)  
 04/25/05 (S) RES RPT CS 4DP 2NR  
 NEW TITLE  
 04/25/05 (S) DP: WAGONER, SEEKINS, STEDMAN, STEVENS  
 B  
 04/25/05 (S) NR: ELTON, DYSON  
 05/02/05 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 05/02/05 (S) <Bill Hearing Postponed>  
 05/03/05 (S) FIN RPT CS 5DP 1NR  
 NEW TITLE  
 05/03/05 (S) DP: WILKEN, GREEN, HOFFMAN, DYSON,  
 STEDMAN  
 05/03/05 (S) NR: OLSON  
 05/03/05 (S) MOVED TO BOTTOM OF CALENDAR  
 05/03/05 (S) FIN CS ADOPTED Y11 N6 E1 A2  
 05/03/05 (S) FIN AT 9:00 AM SENATE FINANCE 532  
 05/03/05 (S) Moved CSSB 102(FIN) Out of Committee  
 05/03/05 (S) MINUTE(FIN)  
 05/05/05 (S) TRANSMITTED TO (H)  
 05/05/05 (S) VERSION: CSSB 102(FIN) AM  
 05/05/05 (H) READ THE FIRST TIME - REFERRALS  
 05/05/05 (H) RES, FIN  
 05/06/05 (H) RES AT 1:00 PM CAPITOL 124

**WITNESS REGISTER**

MELANIE LESH, Staff  
 to Senator Gary Stevens  
 Alaska State Legislature  
 Juneau, Alaska

POSITION STATEMENT: Presented SB 102 on behalf of Senator Gary  
 Stevens, sponsor.

JOE BALASH, Staff  
 to Senator Gene Therriault  
 Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented the committee substitute (CS) for SB 102 on behalf of the Budget and Audit Committee.

GARY WILLIAMS, Coordinator

Coastal Zone Program

Kenai Peninsula Borough

Soldotna, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

MARLENE CAMPBELL, Coordinator

Coastal Management Program

Sitka, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

RANDY BATES, Deputy Director

Office of Project Management and Permitting

Department of Natural Resources (DNR)

Juneau, Alaska

POSITION STATEMENT: Testified in support of SB 102.

ANDREW DEVALPINE, Director

Bristol Bay Coastal Resource Service Area

Dillingham, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

MARV SMITH, Community Development Coordinator

Lake and Peninsula Borough

King Salmon, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

THEDE TOBISH, Coastal District Coordinator

Anchorage, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

TOM LOHMAN, Environmental Specialist

North Slope Borough

Barrow, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

JOHN OSCAR, Program Director

Ceñaliulriit Coastal Resource Service Area

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

MORRIS NASSUK

Bering Strait Coastal Resource Service Area

Koyuk, Alaska

POSITION STATEMENT: Spoke in favor of a time extension and in opposition to many other provisions in the committee substitute (CS) of SB 102.

JUDY BRADY, Executive Director

Alaska Oil and Gas Association (AOGA)

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HCS CSSB 102.

JEAN WOODS

Matanuska-Susitna, Alaska

POSITION STATEMENT: Spoke in favor of public input during district ACMP planning.

NOEL WOODS

Matanuska-Susitna, Alaska

POSITION STATEMENT: Spoke in favor of public use of public lands.

#### **ACTION NARRATIVE**

**CO-CHAIR RALPH SAMUELS** called the House Resources Standing Committee meeting to order at [1:06:12 PM](#). Representatives Elkins, Crawford, Samuels, Gatto, Ramras, Olson, LeDoux, and Seaton were present at the call to order.

#### **SB 102-COASTAL MANAGEMENT PROGRAMS**

CO-CHAIR SAMUELS announced that the first order of business would be SENATE BILL NO. 102 "An Act relating to district coastal management programs; and providing for an effective date."

CO-CHAIR RAMRAS moved to adopt HCS CSSB 102, labeled 24-LS0491\U, Bullock, 5/5/5 as a work draft. There being no objection, it was so ordered.

The committee took an at-ease from 1:06:51 to [1:07:23 PM](#).

MELANIE LESH, Staff to Senator Gary Stevens, Alaska State Legislature, said Senator Stevens supports the "C" version of SB 102 that was reported out of the Senate, which was amended on the Senate floor as the compromise. Senator Gary Stevens hasn't had a chance to look at the current work draft, she said.

The committee took an at-ease from [1:09:10 PM](#) to 1:09:24 p.m.

JOE BALASH, Staff to Senator Gene Therriault, and to the Legislative Budget and Audit committee, explained the committee substitute (CS) to SB 102. He said Sections 1-13 clean up language to fit with the sunset provisions in the bill, and Section 14 adds a legislative program audit in the year before the Alaska Coastal Management Program (ACMP) sunsets in 2011. He said "may" changes to "shall" in Section 15, "with regard to local coastal districts duplicating, restating or incorporating by reference state or federal statutes."

CO-CHAIR SAMUELS said it was a "may not" to a "shall not".

MR. BALASH said, "Section 16 extends the life of the existing local district plans against which consistency determinations are going to be rendered through the transition phase, and that runs out through March 1, 2007." Section 17 extends to March 1, 2006 the deadline for the submission of the new local revised district plans. He stated that the intent is to open up a gap between the date of final federal approval on the state's new standards and the submission of the local district plans. He said there have been complaints that the rules are changing, so there will be a two-month window so the local districts can know what the final federally approved standards are. Section 18 is the repeal section, he noted. Section 19 automatically repeals and declares as null and void any provision within an existing local district plan that has adopted by reference any state or federal standards or statutes. "It also goes into those local district plans which address any matter regulated by DEC; those provisions within the local plans are declared null and void as well."

[1:14:08 PM](#)

MR. BALASH said the bill puts a time limit on DNR's completion of a review of the ABC list, and it sets out a list of things the review must include. Section 20 was requested by DNR and it contains a declaration that DNR may adopt emergency regulations. Section 21 sets the date the existing state standards expire, which presupposes that the new standards are approved by the Office of Ocean and Coastal Resource Management (OCRM) by December 31. Section 22 is the effective date of the repeal section, which is July 1, 2011.

[1:16:14 PM](#)

MR. BALASH said there will be a transition phase until the first quarter of 2007. It will run for four years before sunseting, and there will have been an audit in the last year, he stated. The legislature can reauthorized the program, "much like they do at the federal level." "The difference between the sunset clause that the Senate passed and the one before you is that if OCRM fails to approve the revised plan--the new state standards--if they fail to approve by January 1, 2006, then the program sunset takes effect March 1, 2006," he explained.

[1:18:20 PM](#)

CO-CHAIR RAMRAS asked about the contentious relationship between OCRM and DNR.

MR. BALASH said the wide chasm between the two has narrowed down to four issues. He said OCRM can approve the state's program by the end of the year. "But it's a six-month extension, and that is it."

[1:20:26 PM](#)

CO-CHAIR RAMRAS asked if the governor is supportive of the CS.

MR. BALASH said he doesn't speak for the governor, but, yes.

[1:21:08 PM](#)

CO-CHAIR RAMRAS asked who benefits from this CS.

MR. BALASH said everyone will, "because we will get through the end of this year, and when we come back to Juneau next session, we'll either have federal approval of the new state standards, and be able to continue on getting the local districts to revise

their plans, get those plans reviewed at the state and federal levels, and operational by 2007, or at least early 2007."

[1:21:52 PM](#)

REPRESENTATIVE SEATON asked if Mr. Balash is giving assurance that the federal government will meet a timeline on an Environmental Impact Statement (EIS) and the standards will be approved by January 1.

MR. BALASH said state officials have received assurances from the federal agencies that the EIS can be completed by that time. "Getting them started on it is ... the big problem we've been faced with and why we're in this ... lock-box."

[1:22:59 PM](#)

REPRESENTATIVE SEATON said he would like to hear from DNR. He noted that he has been involved in EISs and finds they can get held up. The legislature may be out of the loop, and he said he will be making a motion to change the January date to March 1, which will give the legislature 45 days after the beginning of the session to act if it wants.

[1:25:01 PM](#)

CO-CHAIR SAMUELS said the March 1 date is on page 14, and "if we don't have a deadline, then no deadline will ever be followed."

REPRESENTATIVE SEATON clarified that he is speaking of the date in Section 21, page 13, line 30.

REPRESENTATIVE OLSON said the sponsor just saw the CS, and he asked where it came from.

CO-CHAIR SAMUELS said he worked on it.

REPRESENTATIVE OLSON asked about public testimony, and said his borough has not seen this, and he is concerned about the speed of the bill.

CO-CHAIR SAMUELS said the committee is about to hear testimony from 20 people.

[1:26:26 PM](#)

REPRESENTATIVE SEATON noted that DNR already has the option of emergency regulations.

MR. BALASH said DNR does have the authority under existing statutes to issue emergency regulations, but DNR requested that the emergency regulations provision be added.

REPRESENTATIVE SEATON asked if this is a legislative declaration of an emergency.

MR. BALASH said, "I do believe we're going to save a piece of paper."

[1:28:18 PM](#)

GARY WILLIAMS, Coastal Zone Coordinator, Kenai Peninsula Borough, Soldotna, said he supports the time extension, and he particularly appreciates the provision that starts the clock after the conclusion the negotiations between DNR and OCRM. He added that programs should be able to survive an audit, but he does not know "why there's a rush to pile abuse on the ACMP, further abuse, including language to sunset the program. The ACMP is arguably one of the best programs the state has in a role of expediting project reviews, and I think by the mere participation of the 27 coastal districts and the fact that their local governments provide matching money for their programs, and some in excess of the match requirement, offers a strong vote of confidence in the efficacy of the Coastal Zone Management program on the local level." He added that by offering the sunset language the legislature is saying the input of local districts is suspect. He is bewildered of how "the positive contribution of the ACMP and local input on activity that affects every Alaskan in coastal districts became a matter of such concern that the legislature seeks to place the program on probationary status."

CO-CHAIR SAMUELS said he put in the sunset provision because he thinks the legislature should constantly review all its programs, and it wasn't meant to "poke a stick" at the ACMP.

MARLENE CAMPBELL, Coordinator, Coastal Management Program, Sitka, said the ACMP program in the City and Borough of Sitka has been in effect since 1981 and gives Sitka a strong seat at the table for management decisions. She said the extension is appreciated because of the legal determinations of the revision language, to sort out what will be required, especially in terms of impacts to federal lands. But instead of just simply

extending the deadline, other provisions have been added that muddy the waters and complicate the revisions, she noted. She said Sitka has attempted, in good faith, to revise its coastal program. She said it put a great deal of effort and money into it, but it is frustrated with the continuing changes in the requirements that the districts must meet. She suggested taking out the extraneous requirements, including the emergency regulations and sunset language.

[1:35:25 PM](#)

REPRESENTATIVE SEATON asked about the assurance that OCRM will approve the final regulations by January 2006.

RANDY BATES, Deputy Director, Office of Project Management and Permitting, Department of Natural Resources (DNR), said it isn't in writing, but the state is moving rapidly toward preliminary approval of the coastal management program by the OCRM. He expects preliminary approval this July, and then the state can continue to spend the money from the federal grant, which is \$2.6 million for this coming fiscal year. He continued:

The surety that we have that they will finish NEPA within that timeframe, is a handshake--we worked with the leadership back at [the National Oceanic and Atmospheric Administration] to make sure they understood we have a very short timeframe and that they have all the information they need to be able to conduct the NEPA review and issue their record of decision within that timeframe. In addition, and what's more important is that they realize--and this is federal law--preliminary approval cannot extend beyond a six-month period of time. So we know that they will be working to make sure that Alaska has a program approved and that if they have not finished their work by January 1, the six-month timeframe, the state loses its ability to continue to expend federal monies. They also realize that our state standards with this extension provision force the state into a position of losing the ability to conduct consistency reviews on federally permitted activities.

[1:39:03 PM](#)

REPRESENTATIVE SEATON asked what happens if approval comes a month later or earlier.

MR. BATES said a letter from OCRM detailed the final changes the state had to make to secure federal approval--there are just a handful. The state has regulations out for review right now, and once DNR is done with those, it will package them, he said. With that information, OCRM will be able to offer preliminary approval, he stated.

[1:40:21 PM](#)

REPRESENTATIVE LEDOUX asked about losing federal grant money.

MR. BATES said coastal management in Alaska is as valuable to the federal government as it is to the state.

REPRESENTATIVE LEDOUX asked what if OCRM doesn't meet the deadline.

MR. BATES said that the CS clarifies that if OCRM does not get to approval by January the repeal takes effect as of March 1. "Therefore, if OCRM has not finished their work, the state, with the voluntary coastal management program, has decided we're not going to continue this program--that's what this CS does."

CO-CHAIR SAMUELS said, "We will be back in session, so we've put a deadline to the feds, a very realistic deadline, and we said if you don't do this there will be consequences. However, we've got until March 1 to rethink it."

REPRESENTATIVE LEDOUX asked what consequences there will be to the federal government.

MR. BATES said, "That would be a question for the feds."

[1:43:26 PM](#)

REPRESENTATIVE SEATON said he wants the legislature to have time to deal with a pending repeal, so he offered to move Amendment 1, as follows:

Page 13, line 30, after "effect"  
Delete "January"  
Insert "March"

There being no objection, Amendment 1 carried.

REPRESENTATIVE SEATON questioned the language "or any matter regulated by DEC" on page 12, Section 19. He asked how to define "any matter".

[1:45:56 PM](#)

MR. BATES said that line was put in by the Senate Finance Committee.

REPRESENTATIVE SEATON asked why the language was there.

MR. BATES told Representative Seaton to ask a Senator why it was in the bill, but he said subsection (a) of Section 19 "requires any coastal district enforceable policy that is a restatement, duplication, or contrary provision of existing state or federal law--that those become null and void." He stated that DNR will run into a problem when the new state standards go into effect on the day OCRM approves the coastal program. He said, "Many of the coastal districts have incorporated, by reference, our current state standards or state or federal law that is already managed or implemented by a different agency. And what this provision, I believe, does is render those null and void as of the signing of this legislation if it so moves that direction."

[1:48:01 PM](#)

REPRESENTATIVE SEATON asked if this create a hole between the time the law is signed and when the new standards are in place.

CO-CHAIR SAMUELS said, "The transition is hugely problematic. The new plans can't conflict with the state law, but right now we're currently still having conflicts."

[1:48:47 PM](#)

REPRESENTATIVE SEATON said this null and void takes place as soon as the bill is signed, and he asked if the state standards are all in effect now.

CO-CHAIR SAMUELS said it only effects the ones that are in conflict or duplicating current regulations.

[1:49:18 PM](#)

MR. BATES said, "The bottom line is are the resources protected? and the answer is, yes. If districts have duplicative laws, who

has deference? The answer is the agency that has the authority has the responsibility to implement those laws. And it should not be a question of, can the districts or district enforceable policies second guess how that agency does it. This cleans that situation up. And it is actually the way we have been implementing House Bill 191."

REPRESENTATIVE SEATON asked if all of the state standards are in effect now.

MR. BATES said yes. "Districts have incorporated those by reference; they should not be maintained in those district enforceable policies. Nor should the provisions of DEC, since in HB 191, DEC was carved out. The issuance of their permit constitutes constituency with the ACMP."

[1:50:58 PM](#)

REPRESENTATIVE SEATON said he hoped this will not require the district to do rewrites if it is already required. He said he wants to make sure the districts can keep their focus, so they don't have to make revisions. "Is it correct they don't have to take any action based on this?"

MR. BATES said that is correct; it is unrelated to the planning revisions that the districts are doing right now.

[1:51:56 PM](#)

REPRESENTATIVE SEATON asked if "any matter regulated by the department" is the same as any matter that requires the issuance of a permit, certification, approval, or other authorization.

MR. BATES said that is a legal question, and it would be reckless for him to answer it. "Districts are unable to draft enforceable policy related to those areas where DEC regulates anyway under the coastal program." It is rendered moot by the fact that they can't write policies regarding air or water quality issues, he stated.

[1:52:54 PM](#)

REPRESENTATIVE GATTO asked, "What happens if the state is not allowed to spend federal money? Do you terminate employees?"

MR. BATES said this is a legal issue that he can't answer. He added that the state standards sunset on January 1, and without

state standards, the state is unable to implement the consistency reviews, and it runs afoul of its own program.

REPRESENTATIVE GATTO asked what happens to employees.

MR. BATES said there are two timeframes to give the authority to the legislature to get back into coastal management even if the standards have gone off the books. "I assume it is a little bit premature to decide what happens to our employees."

[1:54:58 PM](#)

ANDREW DEVALPINE, Director, Bristol Bay Coastal Resource Service Area, Dillingham, said the resource district is larger than Vermont. He thanked the committee for the legislation and favors the extension to March. He said the sunset provision seems gratuitous because there is already a provision for reviewing the program. Section 19 (b) would be best left out, he said, because it will confound things.

[1:57:29 PM](#)

MARV SMITH, Community Development Coordinator, Lake and Peninsula Borough, King Salmon, said he supported the senate version of the bill, and the new amendments are confusing, conciliatory, and controversial. The borough supports the March extension, but does not support Section 19 (a), as it would be very confusing for districts and add work for DNR staff. He said the borough is "totally opposed" to (b), requiring the ABC list to be done immediately. Looking at the ABC list will be very time consuming, and it is not the appropriate time, he opined. The borough "certainly does not support" the review. Everyone is working diligently trying to get the plans done, but the extensions are needed, he concluded.

[2:00:45 PM](#)

THEDE TOBISH, Coastal District Coordinator, Anchorage, said Anchorage is excited to redo its plan and the time extension to March is perfect. He said he is concerned with complications of recent amendments. Section 22, the sunset provision, seems extraneous and provides undue pressure, possibly requiring additional staff and funding. He said Anchorage doesn't support Section 19 (b), because it may be impossible to revise the ABC list in the timeframe. "We urge you to carefully consider any last minute amendments, especially those that might not reflect what should be a broader dialogue."

2:02:48 PM

TOM LOHMAN, Environmental Specialist, North Slope Borough, Barrow, said he supports what has been said by other district representatives. The North Slope Borough strongly opposes the sunset provision, he said, and it is premised on an outright falsehood that the districts have abused their power under the program. "No one has ever come forward with examples of good projects that have been rejected or significantly delayed by an ACMP consistency review." He said an attempt was made "six or seven years ago to do away with the ACMP, and as ammunition there was a list of reportedly delayed projects that was offered, and upon staff investigation it was shown that none of the claims were valid." He added that no district has abused its power. More than 250 communities are represented by coastal districts, and they don't need the threat of non-reauthorization to keep them in line. He said he opposes the ABC list review timeline. He noted that DNR is already short staffed, and it faces a substantial challenge reviewing the 27 revised plans and conducting the day to day work of the program.

MR. LOHMAN said he guessed that the inclusion of North Slope oil and gas activities on the list was done by the Alaska Oil and Gas Association (AOGA). There are significant definitional problems, and moving quickly on something that requires an in depth dialogue with the districts is risky. Terms like "adjacent to" are rife with controversy and problems, he noted. He said his district opposes Section 22; "I think it is unreasonable to risk losing the entire state program if OCRM cannot complete the EIS process within ... seven or eight months." He said losing the program means the loss of local control. "If you want to talk about a state's rights issue, that's a state's rights issue, not the way its been characterized by the administration. There's no other program where the federal government yields to the state ... and for us to lose that would be a huge loss to Alaska and the 250 communities that the coastal program covers."

MR. LOHMAN said there are significant misrepresentations. "The reason we are at this point at this late hour is not solely the fault of OCRM ... but DNR has to acknowledge that [it] repeatedly gave conflicting interpretations of its proposed regulations and unclear guidance regarding the districts' ability to craft enforceable policies." He noted that there have been allegations of district foot dragging. "That is absolutely untrue," he said. "We don't like the direction the

state has taken this program, of course, it reduces any meaningful role in many areas." He asked for a clean bill with an extension.

[2:08:04 PM](#)

JOHN OSCAR, Program Director, Ceñaliulriit Coastal Resource Service Area, said there are 38 Yupik villages in the service area, and many are remote. "This is an open plea to the legislature," he said. He agrees with other district representatives who have spoken. There are developments on SB 102 that he is gravely concerned about. He said last year House Bill 191 removed ... land, air, and water quality standards, and all references to mining. "We have been dissected and dissected, looking for an illness that is not there," he said. Section 19 will declare null and void any policy that seems to address statewide standards. It leaves no room to breathe, he declared. Regarding subsistence, DNR said a district may only write a policy that "allows or disallows", and comments on its draft district plan said "none of the three subsistence policies would be allowed because they do not flow from the statewide standards." The policies would become null and void, and this is "Catch 22" he said. "You basically cannot submit any policy relating to subsistence protection." Mr. Oscar named three responses from DNR when subsistence policies were included in the local plan: 1. The maintenance of subsistence use area is adequately addressed under the state standard, and therefore the policy is not allowed. 2. Access does not flow from 11AAC112270, therefore this policy is not approvable. 3. Level of need does not flow from 11AAC112270, therefore the policy is not allowed.

MR. OSCAR said Section 20 gives DNR more power to dictate against the people of Alaska, with no idea of what those emergency regulations would be. He said he is concerned about the sunset clause.

[2:12:29 PM](#)

MR. OSCAR said he supports the extensions, and he concluded that removing the ACMP would remove local rights.

[2:13:14 PM](#)

MORRIS NASSUK, Bering Strait Coastal Resource Service Area, Koyuk, said the district supports the extension of the deadline for submitting revised coastal plans, and opposes the sunset

provision. "This program has worked well for Alaska for over 25 years," he noted.

[2:14:27 PM](#)

JUDY BRADY, Executive Director, Alaska Oil and Gas Association (AOGA), said AOGA was opposing extensions that the coastal districts wanted, not because they are not doing their job, but because she doesn't want OCRM to dictate to Alaska. She said the governor wrote a letter saying it was a state program. She said AOGA is supporting--with some concern--the extensions this bill allows. She said she would object to an extension based on the time of action, because it "puts the ball in the federal court." A map of Alaska shows a lot of federal land, "and the rest of it is state land and Native Corporation land." She said ACMP was intended to be a state program, and the federal government comes to Alaska every three to four years to see how the state is doing. "It's not their program," she said. If the legislature is giving extensions, "we would support an end date that the program would go away unless the legislature takes other action." She said OCRM will not and cannot let the Alaska ACMP program go away because it is one of the stars in the coastal management program. It would have huge political repercussions, she said. "Those of you who have read their responses to the state, you can't hardly get through a paragraph without saying, what? what?" She said the tone is "condescending" and "in-your-face." She said the industry looked at what might happen if the program goes away, and a date is the only thing that will keep OCRM on deadline, or else "it will just go on and on."

[2:19:39 PM](#)

MS. BRADY said there is a no-man's-land between existing enforceable policies and new ones. Randy Bates and Bill Jeffress are working diligently so things don't get stopped, she said. She expressed a danger of third-party suits, which would make ACMP a nightmare. She noted that a person from OCRM said "this is more of a federal program than a state program, and your legislature doesn't understand." She said the industry has been asking for a review of the ABC list for ten years. An ice road is on the "B" list, she explained. "What we were looking for was to extend ... the "B" list ... these are some things we're interested in," she said, but "whether you want to have a list in your statute or not, is up to you," she offered.

[2:23:54 PM](#)

MS. BRADY said she believes that House Bill 191 made important changes in the coastal program, and they didn't take away from the coastal districts. The legislation just forbade the districts from duplicating other laws. "Now when they make an enforceable policy that's specific to their area, and that is not covered by federal or state law, that's what it should be, it should be something so special and so--that it's not covered." She said, "Frankly, over that past 30 years the state and federal government have passed so many environmental laws trying to protect the coastal resources, that there's probably--we expected there wouldn't be many enforceable policies." The coastal districts have the same power as the legislature on state land and for activities on federal land that require a federal permit, she stated. She added that every activity on the North Slope requires a federal permit, so the powers of the coastal district are very extensive. She concluded that AOGA supports the amendments.

[2:26:25 PM](#)

REPRESENTATIVE SEATON asked why AOGA opposes the districts having their rewrites tied to the approval by OCRM of the state standards, so they know the conditions.

[2:28:27 PM](#)

MS. BRADY said AOGA is assuming that OCRM will approve the state standards because they have done so for every other state. "In our minds the state standards are--unless OCRM is just flat lying--are going to be approved as presented. I think there were four areas of change that we are in the middle of getting public comment on right now."

REPRESENTATIVE SEATON said Ms. Brady has more confidence in the federal government than he does.

MS. BRADY said, "I have absolutely no confidence."

[2:29:41 PM](#)

JEAN WOODS, Matanuska-Susitna, said there has been no public input yet on the Mat-Su Borough draft plan, and she wants an extension of the deadline. She read from Chapter 6, Enforceable Policies: "There is no state standard for recreation or tourism. It is also important to note that the state standard for coastal development and coastal access are limited to marine coastal

water, therefore neither is applicable to rivers, lakes, and streams." She added that at a recent assembly meeting, the administration tried to designate the coastal zone in the Matanuska-Susitna area without any public comment. She asked for an extension of the deadline to allow for public input.

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NOEL WOODS, Matanuska-Susitna, said he appreciates the effort to bring ACMP in line with statewide public expectation. He added that Matanuska-Susitna sportsmen are interested in public use of public lands.

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MR. BALASH said he failed to speak on behalf of his boss [Senator Therriault] on why he pushed for the sunset date. He said over the last eight years the senator has gotten to know about the program through the DNR budget and has become the one person who knows the ACMP process. It is difficult to sort through the information of different viewpoints, he said. The benefit of the legislative audit is a thorough and objective review because of who is doing it, and there will be access to quantifiable data. Senator Therriault insists on the sunset and audit provisions, he said.

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MR. BALASH said in 2002, local districts were given specific direction to remove references of any statute or regulation of the state or another federal agency, and they did not. In 2003, the commissioner at DNR was given powers to delete those adoptions by reference, and DNR has not done that. "It would be fair to say that my boss is seeking to make a point ... that it needs to be done."

#### **ADJOURNMENT**

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The House Resources Standing Committee meeting was recessed to the call of the chair at 2:36 p.m. [The meeting reconvened on 5/7/05.]