

**ALASKA STATE LEGISLATURE  
HOUSE SPECIAL COMMITTEE ON FISHERIES**

March 17, 2009

10:18 a.m.

**MEMBERS PRESENT**

Representative Bryce Edgmon, Chair  
Representative Craig Johnson  
Representative Wes Keller  
Representative Cathy Engstrom Munoz  
Representative Robert L. "Bob" Buch

**MEMBERS ABSENT**

Representative Charisse Millett  
Representative Scott Kawasaki

**COMMITTEE CALENDAR**

OVERVIEW(S): THE CHANGING ARCTIC - ISSUES ON THE HORIZON FOR  
COASTAL COMMUNITIES IN WESTERN ALASKA

**PREVIOUS COMMITTEE ACTION**

No previous action to report

**WITNESS REGISTER**

CHRIS HLADICK, City Manager  
Unalaska, Alaska

**POSITION STATEMENT:** Participated in the discussion regarding  
the changing Arctic.

ARNE FUGLVOG, Legislative Assistant  
Senator Lisa Murkowski  
Fisheries Policy  
U.S. Senate  
Washington, D.C.

**POSITION STATEMENT:** Testified on behalf of Senator Murkowski  
during the discussion on the changing Arctic.

REAR ADMIRAL ARTHUR EUGENE BROOKS, Commander  
U.S. Coast Guard District 17  
Juneau, Alaska

**POSITION STATEMENT:** Participated in the discussion regarding  
the changing Arctic.

DAVID BENTON, Executive Director  
Marine Conservation Alliance (MCA)  
Juneau, Alaska

**POSITION STATEMENT:** Participated in the discussion regarding the changing Arctic.

**ACTION NARRATIVE**

[10:18:21 AM](#)

**CHAIR BRYCE EDGMON** called the House Special Committee on Fisheries meeting to order at 10:18 a.m. Representatives Edgmon, Buch, and Keller were present at the call to order. Representatives Munoz and Johnson arrived as the meeting was in progress.

[10:18:45 AM](#)

OVERVIEW(S): THE CHANGING ARCTIC - ISSUES ON THE HORIZON FOR COASTAL COMMUNITIES IN WESTERN ALASKA

CHAIR EDGMON announced that the only order of business would be an overview of the issues on the horizon for coastal communities in Western Alaska.

[10:20:30 AM](#)

REPRESENTATIVE EDGMON said that policy issues related to the future of the Arctic are being considered on the state, federal, and national fronts.

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CHRIS HLADICK, City Manager, told the committee that his job is to make recommendations to the Unalaska City Council regarding the projects that come forward to support the infrastructure needed for commercial fishing.

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MR. HLADICK, in response to Chair Edgmon, discussed the importance of establishing a point contact for Arctic issues on the state level, so that municipal officials can keep apprised of related developments and planning.

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ARNE FUGLVOG, Legislative Assistant, Senator Lisa Murkowski, Fisheries Policy, U.S. Senate, told the committee that he works on the following issues: fisheries, transportation, and natural resources. He said he has spent a lot of time on Arctic issues. He said he would give an overview of what has been going on, on the federal level, in hopes of stimulating conversation. He related that ultimately he would like to address how communities, the legislature, and the state can get involved.

MR. FUGLVOG emphasized Senator Murkowski's involvement with Arctic issues. As ranking member on the Energy Committee, she plays a large role in the development on the North Slope, Chukchi, and North Aleutian Basin. The first priority of Senator Murkowski, he said, would be to ratify the United Nations Law of the Sea Treaty; it is the senator's goal to do so this year. Another issue is the development of the new U.S. Arctic policy, released by the Bush Administration on January 9 this year; the last policy made was in 1994. Discussion will take place with Secretary of State Hillary Clinton to decide how to implement policy, what Alaska's priorities are, and what is expected out of the current administration.

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MR. FUGLVOG said the Senator supports what the U.S. Coast Guard would like to do in the Arctic. Her staff met with the ambassador of Canada and spoke extensively about Arctic cooperation. Except for disagreements regarding the sovereignty of the Northwest Passage and the maritime boundary in the Beaufort Sea, Canada wants to work hand in hand with the U.S., he related. Meetings occur periodically with many of the Arctic coastal nations, including Iceland, Denmark, Norway, and Greenland. Russia provides a bigger challenge, he said.

MR. FUGLVOG said Senator Murkowski got Senate Joint Resolution 17 passed through U.S. Congress, which directed the U.S. to initiate international discussions and take necessary steps with other nations to negotiate an agreement for managing migratory and "transboundary" fish stocks in the Arctic Ocean. A primary motivator for this, Mr. Fuglvog said, was the action by the North Pacific Fishery Management Council to develop an Arctic fisheries management plan (FMP) to put a moratorium on fishing north of the Bering Sea until stock assessments are made and there is a better handle on what type of fisheries the council would allow. That proaction by the council has been heralded both internationally and domestically by "pretty much everybody"

as a positive step in protecting the Arctic resources. The state department has taken the council's Arctic FMP overseas to present the idea to some of the other Arctic nations. Mr. Fuglvog said it will be challenging to get all those nations to agree, but he called the effort worthwhile. He added that he anticipates it will take multiple years to reach agreement, but the effort is off to a good start.

[10:33:16 AM](#)

MR. FUGLVOG next discussed what various agencies are doing on the federal and state level. He talked about an effort by the Army Corp of Engineers to undertake a study of harbor needs of all the ports in Alaska, including such issues as infrastructure and ports of refuge. The senator has supported that effort and has tried to assist by authorizing and appropriating funds to pay for the study. He mentioned U.S. Coast Guard, waterway, and Aleutian Island risk assessments that he thinks are currently underway. He opined that the state needs those assessments both in the Chukchi and Bering Seas, and Senator Murkowski's office is ready to assist in that process. He noted that there are other things that need to occur before there is more activity in the Arctic.

MR. FUGLVOG related that Senator Murkowski was the U.S. Representative on the Arctic parliamentarian. The U.S. also sits on the Arctic Council with a representative of the state department. He said, "We want to continue both those forums."

[10:36:04 AM](#)

MR. FUGLVOG reported that a new ship will be headed to the Arctic, which will be a National Science Foundation (NSF) ship to replace the Alpha Helix that has been in Seward. In the stimulus bill there is approximately \$150 million for the construction of this ship, which is called the Alaska Regional Research Vessel (ARRV). The ship will be run by the University of Alaska and paid for by NSF. The ship is not a heavy ice breaker, but will serve as a great scientific platform, he said. It will also have the capability of doing fisheries surveys, although perhaps not full bottom trawling. The ship is expected to be built in three years.

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MR. FUGLVOG said a hearing on the Arctic will come before the U.S. Foreign Relations committee in early May; a first for the

committee. A number of Alaskans will be able to participate. The Arctic policy is non-partisan. Mr. Fuglvog said he does not anticipate that the Arctic policy will change much. It is broad and comprehensive enough to last a decade or more. The preceding policy held for 14 years.

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CHAIR EDGMON asked Mr. Fuglvog to comment regarding the opening of "the passage way."

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MR. FUGLVOG said presently what Alaska is doing is more vague than what other nations are doing, regarding the Arctic. He encouraged the committee to explore better ways to lead the effort. It would be helpful for the D.C. delegation to have a coordinator, working group, or agency to head this issue on behalf of the state, he relayed. Multiple agencies are involved; however, the general public is not particularly involved or informed. Having an Arctic contact to call would be of great help, he said. A person in the legislature or the governor's office may also be an option for this type of support. He concluded, "I want to make sure that the state is just as involved as the feds are up in Alaska."

[10:45:29 AM](#)

MR. FUGLVOG, in response to Representative Buch, said the regional ports and harbors projects are via the Army Corps of Engineers, not Homeland Security. Funding is important for these projects, and should be taken out of competition with Lower 48 dock and harbor needs. The focus is very different. A comprehensive infrastructure will need to be established to support the traffic that will eventually be seen in the Bering Strait. He said it will take a lot of money to do a port and harbor study in every region of Alaska.

REPRESENTATIVE BUCH asked about the disposition of the studies.

MR. FUGLVOG replied that funding has been achieved but further headway has not been made. Preliminary stages are still being worked out, with everything a year or two away. In response to a follow-up question, he said the initial appropriation was only about a couple million dollars, which is not a lot of money for a study of this measure. The Army Corps has estimated a need for \$5-\$10 million. The Senator is working to obtain larger

appropriations now. He offered his understanding that another half million dollars were received in the fiscal year 2009 (FY 09) Omnibus. In response to a request, he said he would send information to the committee regarding how the initial appropriation has been utilized, and he expressed willingness to send any other information requested.

[10:51:21 AM](#)

REAR ADMIRAL ARTHUR EUGENE BROOKS, Commander, U.S. Coast Guard District 17, presented a PowerPoint presentation. He said the big issue is the retreat of the sea ice, which opens up increasingly more sea for shipping; in 2007 the ice was at a record low. Challenges occur because the Arctic does re-freeze each season, which creates a hazardous environment; however, when there is no ice, shipping can occur.

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REAR ADMIRAL BROOKS indicated slide 4, which shows future maritime Arctic shipping routes. The majority of current shipping is on the European side. The reason for shipping across the top, instead of through the Panama or Suez Canals, is because it is half the distance. Currently commercial ships are [taking longer routes] because the Arctic route is still hazardous and Lloyds of London will not insure a vessel traveling that route. When the top route is used, the Bering Strait will become "the new choke point of the planet." In response to Representative Buch, he explained that the boxes shown on slide 4 depict the "choke points" in the transit lines - the straits where ice and vessel traffic are of the utmost concern.

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REAR ADMIRAL BROOKS, regarding slide 5, said the challenge of the Bering Strait is that it is a well-known strait. It is half Russian and half American. There is an assumption that a traffic management scheme will be necessary in 7-10 years to avoid the trouble large ships run into when they are not managed. Any of the ships could cause a large oil spill just through propulsion fuel.

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REAR ADMIRAL BROOKS turned to slide 6, which addresses resource development. He said it is estimated that up to 25 percent of

the world's hydrocarbons are in the Arctic, with as many as \$33 trillion in value inside 200 nautical miles - inside the exclusive economic zones of the nations of the world. He indicated that the majority of the resource is in the Chukchi Sea. There will be pressure for development.

[10:57:44 AM](#)

REAR ADMIRAL BROOKS highlighted slide 7, which shows photos of the Red Dog Mine. He stated that that mine is the world's richest zinc mine. The water is shallow and there are no ports. Large barns are filled with lead and zinc, and for two months each summer, 80,000-ton ore ships anchor 11 miles off shore and are loaded. He said Northern Alaska is rich in minerals, and extracting minerals seasonally could be done in 30 places.

[10:59:02 AM](#)

REAR ADMIRAL BROOKS turned to slide 8, and talked about the increase of eco-tourism in Northern Alaska and Antarctica. "Pocket cruise ships" have been entering the Arctic. He talked about the sinking of the M/S Explorer in Antarctica, and said it is a challenge to keep these ships safe. There have been no casualties in the American Arctic, he noted.

[11:00:34 AM](#)

REAR ADMIRAL BROOKS showed slide 9, regarding the northern migration of fish stocks, including pollock and other ground fish. Salinity is changing and salmon are decreasing, which are signs of animals adapting to climate change. Rear Admiral Brooks said it will be a challenge for him and for NOAA enforcement to ensure that no one fishes in the Arctic once the North Pacific Fishery Management Council puts into effect its management plan for the Chukchi and Beaufort Seas. He mentioned threatened and endangered species, as shown on slide 10.

[11:01:37 AM](#)

REAR ADMIRAL BROOKS, regarding slides 11 and 12, discussed working with Native Alaskans on tribal, community, borough, and corporate levels and his focus on protecting the subsistence lifestyle of these people. In response to Representative Buch, he explained that Executive Order (EO) 13175 is a requirement by former President Dwight D. Eisenhower for a federal agency to consult with Native tribes before taking any actions that would materially affect their interest or well being. He offered

further details. He explained that part of his job is to prepare the Native Alaskans living in the Northern part of the state for the eventual appearance of large ships.

[11:04:21 AM](#)

REAR ADMIRAL BROOKS moved on to slide 13, which highlights challenges in the U.S. Arctic. He noted that the last full service port for ships going north is Dutch Harbor. Although the Corp of Engineers has done some harbor work in Nome, the large ships still cannot get into that harbor. Beyond Nome, there is no pier or port. As ships funnel in or out of the Bering Strait, he noted, their options for support, maintenance, or repairs are limited.

[11:06:16 AM](#)

REAR ADMIRAL BROOKS displayed slide 15, which lists Arctic operations conducted by the U.S. Coast Guard in the summer of 2008. He said the U.S. Coast Guard made efforts to complete exercises in the northern areas that are routine in southern waters, but found them to be either tough or impossible. For example, the helicopters were too small to handle the great distances in the north, while the boats were too large. He described the exercises and the levels of proficiency achieved. He highlighted that the Canadian Coast Guard was involved in these exercises.

[11:09:04 AM](#)

REAR ADMIRAL BROOKS talked about the lessons learned, as shown on slide 16. Infrastructure is insufficient and there is a lack of effective communication. Also, there is a lack of ice-hardened vessels. The U.S. Coast Guard relies on input from indigenous people.

REAR ADMIRAL BROOKS discussed pending operations, as shown on slide 17. There are plans to work a spring patrol for the Polar Sea, into the Bering Sea, in order to get ice breaking training, and perhaps to make a port call on Russia. He stated his intent to work in cooperation with the Russians, rather than in competition with them. Admiral Brooks spoke of resuming the Arctic "main awareness" flights as soon as the ice breaks and deploying larger helicopters and smaller boats in Nome and Barrow this summer. He said the U.S. Coast Guard will continue its waterways analysis and outreach in the Arctic.

11:10:35 AM

REAR ADMIRAL BROOKS talked about the United States being an Arctic nation and the responsibilities and obligations that carries. As shown on slide 18, there is a balance between developing the area, helping indigenous people maintain their culture and subsistence way of life, and maintaining a pristine environment that is being stressed by climate change. Currently, he said, there is no way to achieve that balance. Every Arctic nation is part of this conundrum.

11:12:22 AM

REAR ADMIRAL BROOKS turned to slide 19, which addresses U.S. Arctic policy goals. The U.S. policy regarding the Arctic region is being reviewed by the Obama Administration.

11:13:25 AM

CHAIR EDGMON asked if there are any prospects for stimulus package money to be put toward this overall effort.

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REAR ADMIRAL BROOKS responded that he was amazed that ice breakers were removed from the stimulus package as "pork." He said that clearly shows the ignorance that exists regarding the Arctic. He said the question to answer is in regard to how much presence the federal and state governments want in the Arctic. Once someone decides to build a port, the question will be how much security is needed for that port and how that will fit within the regime of the Maritime Transportation Security Act.

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REAR ADMIRAL BROOKS, in response to Co-Chair Keller, reiterated that the U.S. Coast Guard works closely with Canadian forces. He noted that Joint Task Force North is the Canadian military component that does surveillance and security in the Canadian Arctic. He said working together is imperative, because no one has enough resources to deal with the issue of the Arctic alone. He noted that there is a boundary dispute that does exist in the Beaufort Sea, but that is not an issue that is addressed by either the Canadian or U.S. Coast Guard.

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REPRESENTATIVE BUCH asked what Admiral Brooks knows about the Russians currently building 100 double-bottomed, ice-breaking liquefied natural gas (LNG) tankers.

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REAR ADMIRAL BROOKS replied that the Russians are the most experienced Arctic nation, as they have the most Arctic frontage, and they want to identify and protect their national interest. He reported that he is in daily contact with his Russian counterparts, primarily regarding fishing issues. He stated that it is in the best interest of the United States to communicate with Russia, and he opined that, given Alaska's history with Russia, it is easier for Alaska to do so.

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REPRESENTATIVE BUCH remarked that there is no choice but to work with Russia. He asked if Rear Admiral Brooks currently works with Russia regarding that country's ongoing processes for shipping LNG in the northern region.

REAR ADMIRAL BROOKS replied that he does not "have visibility on how much or how they're doing that." He stated his concern is that sooner or later the Russian ships will come. That is why he is pushing to develop some sort of traffic scheme with Russia in order to control the Bering Strait and minimize risk to that area before the ships come. He emphasized that he does not want to be unprepared.

[11:21:12 AM](#)

REPRESENTATIVE JOHNSON asked what Russia is protecting its borders against and whether or not the United States should be doing the same.

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REAR ADMIRAL BROOKS responded that the Russians, like any other country, want to protect what is theirs. He explained, "They're posturing because they know that these boundaries will have to be determined." He said he understands protecting interests, and he said he does not see this as belligerence on the part of the Russians. He added that he is willing to help Russia protect its interests, as long as that support is returned as it pertains to America's interests.

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REAR ADMIRAL BROOKS, in response to Representative Johnson, named some Russian ports and noted that Russia shares Alaska's problem of having shallow waters and limited infrastructure further north. He speculated that from a safety perspective, having a place further north in Alaska where ships could be brought in for maintenance would be helpful. Currently, he said, there is no place up north to "get out of the weather" to "work a ship." Risk assessment for the Aleutians and then Cook Inlet are a priority. The infrastructure to prevent disaster is important to have in place.

[11:25:23 AM](#)

REPRESENTATIVE JOHNSON asked what the repercussions are for signing or not signing the Law of the Sea Treaty.

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REAR ADMIRAL BROOKS responded that the treaty has worked for a long time. Since 1982, the U.S., having been an architect of the treaty, but not a signer, has reaped its benefits; however, it is taking advantage of the treaty without meeting any responsibilities. He said he has been told by other countries, including Canada, that U.S. leadership is needed in the international arena - especially when it comes time to make the difficult decisions regarding where the boundaries of the Arctic are. He emphasized that the issue of the seabed claims beyond 200 nautical miles is the real challenge. Decisions are being made without the U.S. having a voice. Rear Admiral Brooks opined that all treaties abrogate sovereignty to some extent; a country gives something up to get something more. It would be important for the U.S. to be part of the discussions, he concluded.

[11:28:41 AM](#)

CHAIR EDGMON asked what the U.S. Coast Guard's presence in Unalaska will be in the future, given the efforts directed toward opening the Arctic.

[11:29:02 AM](#)

REAR ADMIRAL BROOKS said the U.S. Coast Guard has experienced a slowly growing marine safety detachment in Unalaska. He said Unalaska is the busiest port in terms of ships that come and go.

He said he considers Unalaska an important port. How much the U.S. Coast Guard grows there will depend upon shipping. Being prepared ahead of time is crucial. Now is the time to set the economic and political structures in place "to deal with what will be," he said.

[11:30:59 AM](#)

REPRESENTATIVE BUCH remarked that some were thinking five years ago was the time. He asked Rear Admiral Brooks to talk about discussions regarding Wrangell Island, which is just north of Russia - shown on the top of the world map.

REAR ADMIRAL BROOKS said he does not know the history of the discussions. He offered his understanding that during World War II, the U.S. "walked away from any claim to Wrangell [Island]." He said Senator Helms and others have said that the U.S. should assert a claim to the island. Currently the U.S. is not asserting any claim to the island, but owning the island would dramatically alter the seascape in the Arctic.

[11:33:07 AM](#)

REAR ADMIRAL BROOKS, in response to Representative Buch, said the U.S. Coast Guard in Alaska has jurisdiction over all vessels within 12 miles of U.S. shores, regardless of the nationality of those vessels. Furthermore, he said he has jurisdiction over all vessels engaged in economic activities, such as fishing, within 200 miles of U.S. shores. The U.S. Coast Guard also has jurisdiction over the navigable waters of the U.S., which essentially means "all waters in the internal part of the state that are subject to tidal influence or subject to navigation and interstate commerce." There are many places in Alaska where the U.S. Coast Guard has no jurisdiction, he said. For example, jurisdiction on dry land extends only as far as the back fence of a terminal or facility.

[11:34:47 AM](#)

DAVID BENTON, Executive Director, Marine Conservation Alliance (MCA), listed his work history. He stated that Alaska ranks ninth in the world for fisheries production, accounts for approximately 62 percent of the United States' "landings," and provides 78,000 jobs in the fishing industry. Furthermore, 80 percent of the manufacturing done in Alaska is related to seafood processing. The "breadbasket" for that fishery is in the Bering Sea. Dutch Harbor, Unalaska, has been the number one

fishing port in terms of volume for the nation for many years, he noted.

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MR. BENTON mentioned climate change, and he stated that there is evidence that fish populations are moving north, and several important species are relocating to new areas. How these changes are going to affect the industry is still not known; however, renewable resource management calls for conservative approaches and a scientific approach.

[11:39:00 AM](#)

MR. BENTON reported that the North Pacific Fishery Management Council has passed an FMP that would close all waters north of the Bering Sea to commercial fishing. He said that it is a bold pro-active step. The long tradition of getting the science right can be upheld by this type of action. He said the council looks forward to working with the science community and managers to determine "what's up there, what might be available, and, at some future date, perhaps have fisheries occur."

[11:40:41 AM](#)

MR. BENTON said another reason that the council supported the FMP is because it has had a long experience with international relations and the effects that international fisheries can have on Alaska's resources and industry. He provided an example to illustrate the vulnerability resulting from not having rules in place, and he said he does not want to see a similar situation occur in the high Arctic. It would be better to hold a moratorium prior to nations gaining a vested interest. The U.S. is leading the way in this, via the council establishing this platform.

[11:44:01 AM](#)

MR. BENTON related that the European Union is interested in fisheries exploitation in the high Arctic, which causes concern, because Spain and Portugal, for example, are not known as great stewards of the resource. He said the council is encouraging those countries to engage in "a manner more consistent with the approach that we've taken." He said the Norwegians and Icelanders have interests in the region as well. The council advocates reaching a consensus first with Canada and Russia before branching out to work with other countries that are not

connected to the Arctic but may have Arctic "interests or designs."

[11:45:23 AM](#)

MR. BENTON stated that Alaska can either wait for events to unfold and then react to them or take charge and be an active player. He indicated that the council has already secured statutory authority for an organization called the Bering Sea Fisheries Advisory Body. Seats on that body are filled by Alaskans and fishing representatives, scientist, and managers from the state of Washington, and it is charged with coordinating U.S. policy on fisheries with Russia. The governor of Alaska makes appointments to that body.

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MR. BENTON urged that the state put together a small group of experts to meet regularly to discuss "cross-cutting issues" and report back to the legislature and Alaska public. He suggested that funding be established to support the group's need to travel to crucial meetings.

[11:48:41 AM](#)

MR. BENTON noted that the congressional delegation has been through changes, and he recommended that the Alaska State Legislature consider how it will engage with this delegation, as well as with the State of Washington's delegation, to forge a common goal.

[11:51:06 AM](#)

MR. HLADICK suggested that 7-10 years is not a long time frame with which to be working, particularly considering the building projects that may be involved in a strategic plan. It is important to not delay, he stressed, as this new frontier opens. The unknowns are great, but it is important to be ahead of the game.

[11:52:11 AM](#)

#### **ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Fisheries meeting was adjourned at 11:52 a.m.