

**ALASKA STATE LEGISLATURE
JOINT MEETING
SENATE SPECIAL COMMITTEE ON THE ARCTIC
HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM &
ARCTIC POLICY
January 22, 2015
10:48 a.m.**

MEMBERS PRESENT

SENATE SPECIAL COMMITTEE ON THE ARCTIC

Senator Cathy Giessel, Co-Chair
Senator Lesil McGuire, Co-Chair
Senator Gary Stevens
Senator Donald Olson

**HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM &
ARCTIC POLICY**

Representative Bob Herron, Chair
Representative Craig Johnson
Representative Louise Stutes
Representative Cathy Tilton
Representative Dan Ortiz
Representative Adam Wool

MEMBERS ABSENT

SENATE SPECIAL COMMITTEE ON THE ARCTIC

Senator Lyman Hoffman

**HOUSE SPECIAL COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM &
ARCTIC POLICY**

Representative Charisse Millett

COMMITTEE CALENDAR

PRESENTATIONS BY PNWER:

ARCTIC FORUM
HOW TO CAPITALIZE ON THE ARCTIC COUNCIL TRANSITION
DRAFT WHITE PAPER ON THE ARCTIC
GOVERNOR AND PREMIERS ROADSHOW ON THE ARCTIC

ROUNDTABLE ON NORTH AMERICAN ARCTIC MARINE AND INTER-MODAL
CORRIDORS

HEARD

PREVIOUS COMMITTEE ACTION

No previous action to report.

WITNESS REGISTER

MATT MORRISON, Executive Director
Pacific NorthWest Economic Region (PNWER)
World Trade Center West
2200 Alaskan Way, Suite 460
Seattle, Washington

POSITION STATEMENT: Presented information from the Pacific NorthWest Economic Region.

REPRESENTATIVE DAVID GUTTENBERG
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Discussed his focus on the Arctic Policy Commission as chair of security.

COLIN SMITH, PNWER Private Sector Chair and Workforce Development Co-Chair and
Past President, APEG BC
Victoria, BC Canada

POSITION STATEMENT: Presented information from the Pacific NorthWest Economic Region.

ACTION NARRATIVE

[10:48:40 AM](#)

CO-CHAIR LESIL MCGUIRE called the joint meeting of the Senate Special Committee on the Arctic and the House Special Committee on Economic Development, Tourism & Arctic Policy to order at 10:48 a.m. Senators present at the call to order were Senators Stevens and Chair McGuire. Representatives present at the call to order were Representatives Johnson, Stutes, Ortiz, Wool, and Chair Herron. Co-Chair Giessel arrived soon thereafter.

PRESENTATIONS BY PACIFIC NORTHWEST ECONOMIC REGION (PNWER)

[10:50:07 AM](#)

CO-CHAIR MCGUIRE welcomed the PNWER delegation and recognized the four House committee members who were recently sworn into office. She explained that the Pacific NorthWest Economic Region (PNWER) was established in statute [in the states of Alaska, Washington, Idaho, Montana, and Oregon, and the western Canadian provinces and territories of British Columbia, Alberta, Saskatchewan, the Yukon, and the Northwest Territories.] She said PNWER is unique in that the country of Canada and the country of the United States have come together as a regional group to discuss areas of economic development, share best practices, and provide better governance. Another unique aspect of PNWER is that it provides the interesting perspective of being a public/private group.

She introduced the PNWER delegation and suggested that new committee members in particular use them as a resource on a variety of topics to find out how things are done in Canada.

[10:53:28 AM](#)

CO-CHAIR GIESSEL joined the committee.

CO-CHAIR MCGUIRE stated that the next gathering of the PNWER group will be during Energy Council and she looks forward to a robust attendance. She explained that when she was President of PNWER, she started the Arctic Caucus with the vision that Canada and the U.S. could work together. Canada has had the leadership position on the Arctic Council for the past two years and will pass the torch to the U.S. at the end of April 2015. In years past they met with Senator Lisa Murkowski, Congressman Don Young and former Senator Mark Begich in the basement of the capitol building in Washington, D.C., but the organization and the issue has outgrown that room. On March 5th, 2015 there will be a televised hearing in the U.S. Senate with Senator Lisa Murkowski who is the new chair of the U.S. Senate Energy Committee.

CO-CHAIR MCGUIRE stated that her vision has been to bring the issue of the Arctic and Arctic energy forward to show the rest of the nation how valuable Alaska is when looking at Arctic issues. She noted that Senator Lisa Murkowski has expressed interest in introducing the resources in the Chukchi and Beaufort seas, the potential for shipping routes, the issue of ANWR, and the National Petroleum Reserve of America. These topics will be discussed at the Arctic Council meeting in March. It will be an opportunity to highlight Senator Lisa Murkowski's work and get the rest of the country to look at the resource development opportunities in the Arctic and look at how well Alaska has done in developing Arctic infrastructure.

10:58:22 AM

MATT MORRISON, Executive Director, Pacific NorthWest Economic Region (PNWER), stated that the last three years have been successful in bringing together congressional leaders, the United States Coast Guard, the United States Research Commission on the Arctic, and the Canadian [Polar] Commission. Annual joint meetings have been held since the first Arctic Council meeting. He said he believes that it is in forums like this that action items are brought forward which highlight the priorities that Alaska has for the Arctic. He mentioned the importance of having Ambassador David Balton, Julia Gourley, and the Canadian lead, and opined that these forums have provided an opportunity to hear Canada's experience and how it prepared to lead the Arctic Council.

He highlighted an important point for Alaska is that Canada sought input from its three Arctic Territories to ask what the priorities should be for Canada's leadership of the Arctic Council. The Canadian Premiers reported that the Government of Canada followed the advice that was given and developed priorities that were appropriate for the people living in the North. The appointment of First Nation leader Leona Aglukkaq from Nunivut as chair of the Arctic Council for the 2013-2015 term is another indicator of the priority that the Government of Canada places on the Arctic and its people.

MR. MORRISON discussed the roundtable that was held in September in conjunction with the Center for Strategic and International Studies to evaluate what Canada did to establish priorities during its chairmanship of the Arctic Council. He said Canada and Alaska have similar issues and it was refreshing to hear Canadian officials say that their priority was the people and the livelihood of the people who live in the North. He expressed hope that Admiral Papp, Ambassador Balton, and the Canadian leaders would be available to attend the meeting on March 5th to talk about why Alaska's priorities, especially as identified by the Alaska Arctic Policy Commission Report, are significant and should be recognized when the U.S. assumes the lead of the Arctic Council on April 25, 2015.

11:01:56 AM

MR. MORRISON said an important takeaway from the Canadians is to get involved in the council working groups. This is the best way to move things forward and ensure that your priorities are voiced. The reasoning is that the Arctic Council's budget is small, so whoever shows up has a large stake in what happens. He

said the agenda for the upcoming meeting is being created and this is an opportunity for the Alaska Arctic Policy Commission (AAPC) to be front and center. He noted that a topic for discussion later in this meeting is about the opportunities between now and April 26th for Alaska to get the authentic northern voice of the Arctic out to the rest of the country so that questions are posed to Alaska rather than Washington, D.C. The challenge is to craft a North American Arctic vision and strategy for the people living in the north.

11:05:02 AM

CO-CHAIR MCGUIRE stated that the next item on the agenda is a discussion on how to capitalize on the Arctic Council transition that will occur in the spring. She asked Representative Herron, Chair of the House Special Committee on Economic Development, Tourism, & Arctic Policy, to provide his thoughts on the transition.

11:05:30 AM

CHAIR HERRON stated his belief that Alaskans have already had conversations with both Senator Giessel and Senator McGuire about the Alaska Legislature's strategies for the Arctic Council transition that will occur in April. He explained that the Alaska Arctic Policy Commission (AAPC) was created by recommendation from the Alaska Northern Waters Task Force. The intent of the commission is for the legislature to educate itself to "think Arctic" because Alaska can't be separated from the Arctic and the Arctic can't be separated from Alaska. He said the legislature had to find its footing to meet this goal and he believes this has been accomplished. The legislature can work with the federal government and the private sector to responsibly develop Alaska's resources and protect the land.

CHAIR HERRON stated that the Arctic Economic Council was created by the Canadians, and he believes that the House and Senate committees on the Arctic should engage with the council and its four permanent participants. These indigenous groups are the Aleut International Council (AIC), the Arctic Athabaskan Council (AAC), the Inuit Circumpolar Council (ICC), and [Gwich'in Council International (GCI)]. He said the Arctic Policy Commission and the State Department have had spirited discussions over the past two years and the legislature has had to remind that agency to keep the channels of communication open. He suggested that the legislature continue these reminders.

11:07:41 AM

Representative Guttenberg joined the meeting via teleconference.

CHAIR HERRON noted that in the State-of-the-State address last night Governor Walker mentioned that the U.S. would assume the chairmanship of the Arctic Council and that 15 of the upcoming 20 meetings would be held in Alaska. With this in mind, Chair Herron suggested that Alaskans, the legislature, and the executive branch form a host committee to ensure that these meetings aren't solely facilitated by the State Department.

He further noted that Governor Walker announced the Cabinet position appointment of Craig Fleener who will work with the Alaska Arctic Policy Commission. Some dialog has already begun and tomorrow there will be a coordination meeting with Mr. Fleener and Kate Wolgemuth from the Governor's Office in Washington, D.C.

CHAIR HERRON highlighted that on January 30th the members of the Alaska Arctic Policy Commission will deliver a report to the legislature that establishes an implementation plan. The report asks both the executive branch and the legislature to undertake certain projects and it outlines projects for the federal partners. He described the report as a good product and a starting place for the two Arctic Committees to "think Arctic."

11:12:03 AM

SENATOR OLSON joined the committee.

11:12:14 AM

CO-CHAIR GIESSEL said that she recently received emails urging Americans and the federal government to focus on the Arctic, but Alaska wasn't mentioned. When they asked for feedback, she reminded them that the U.S. is an Arctic nation because of Alaska. She said she doesn't want the federal government or environmental extremists to lead the discussion.

She explained her part on the commission was in the oil, gas, and mineral resource section. She emphasized the need to communicate that Alaska can continue to support itself through responsible development of its resources and can establish its own fate while using the environment positively. This transition will call on Alaska to be vocal. She said committee members need to raise the awareness of their colleagues and work together.

She said she shares a belief with Lieutenant Governor Mallott who said, "I believe that Alaska is the Arctic; Alaska policy is Arctic policy."

11:15:37 AM

CO-CHAIR MCGUIRE explained that AAPC is the acronym for the Alaska Arctic Policy Commission and the website akarctic.gov has all the AAPC reports listed. She relayed that AAPC is established in statute and has 26 members: 5 from the Senate, 5 from the House and 16 public members with expertise in a variety of subject areas. This group traveled the state to prove that Alaska as a whole is an Arctic state.

She stated a goal to continue what has been done. She reported on the success of delaying the federal government's accelerated action plan for the Arctic and getting it to work with AAPC. The federal policy did not include people; it only included the tundra, the changing climate, ice flows, and animals. This was pointed out at the June meeting in Barrow. She suggested that the most important task between now and April 23rd is to continue the pressure on the federal government. Some of the agencies involved are the State Department, the Secretary of State, and Admiral Papp, who is the head of Alaska issues. She encouraged everyone to send letters.

CO-CHAIR MCGUIRE said another goal is to establish a host committee made up of private and public sector people in order to control the agenda of those who visit Alaska seeking Arctic information. She mentioned Izembek Road [from King Cove to Cold Bay] as an example of something that could be viewed from a variety of perspectives. She also stressed the importance of the legislature working with the executive branch. As part of the executive branch, Craig Fleener will be tapped for the work he has done on Arctic policy.

CO-CHAIR MCGUIRE discussed the importance of the January 30th rollout. It is an opportunity to communicate with constituents and with the federal government about economic development for the people of the North and how the state adapts to climate change. She discounted the idea that climate change will be solved in two years looking at Alaska as a "locked up model."

She offered to provide information about the federal policy perspectives on global warming, ocean governance (the mapping of the Arctic Ocean for various uses), and economic development. She noted that the Canadian outlook has a northern vision - Arctic development for the people of the Arctic. The challenge for Alaska is to get a northern perspective and make it clear that this is a once-in-a-lifetime opportunity for Alaska.

11:23:19 AM

SENATOR STEVENS expressed concern about what happens now that AAPC is over and stressed the importance of having the legislative bodies work together. He agreed with Senator Giessel about "stepping up our game." Speaking as a Kodiak citizen, he said what happens in the Arctic is important to him. He agreed that the President talked about global warming and acidification, but not about the people, which should be the focus.

11:25:18 AM

SENATOR OLSON said expectations and activities in the Arctic are changing and nothing exemplifies this more than the people. He mentioned the road thru Izembek as an example of why the people must be considered. He thanked the chairs for bringing the Canadian focus to the meeting.

11:26:58 AM

REPRESENTATIVE GUTTENBERG, Alaska State Legislature, said his focus on the commission was chairing the security section and in this capacity he realized the importance of the military in the discussion. He said Jamie Robinson from the U.S. Coast Guard and Harry Bader from the university have a lot of knowledge about the Arctic. He said he attended a briefing with the Secretary of the Navy where it was noted that Alaska is ahead of the world in Arctic research. He agreed with previous comments that the people need to be considered and Alaska needs to remain front and center in developing Arctic policy.

11:28:49 AM

CO-CHAIR MCGUIRE stated that Steve Meyers would present the draft white paper on the Arctic.

11:29:05 AM

STEVE MEYERS, Program Manager, Pacific NorthWest Economic Region (PNWER), related that the white paper was developed through the offices of Senator McGuire and Representative Herron and AAPC. It focuses on the people when looking at economic development in the Arctic and stresses the importance of a unified voice. It intends to bring a stronger unified voice across the North American Arctic to federal leaders. He asked for guidance on when to release this white paper.

CO-CHAIR MCGUIRE recommended releasing it about the same time as the AAPC report.

CHAIR HERRON suggested that PNWER go live at the end of the month.

MR. MEYERS mentioned the Beaufort Regional Council concept which focuses more on the private sector looking at companies that have a foothold or presence in the Arctic.

[11:32:34 AM](#)

MR. MORRISON added that they had a two-day meeting of the Arctic Council, where Canada discussed the role of the private sector in Arctic policy development and the role of the private sector with the Arctic Council. The culmination of these discussions was the Arctic Economic Council, which was launched six months ago.

He added that in a two-day meeting in Yellow Knife, the private sector concluded that having an Arctic Economic Council was fine, but what is needed is something closer to home. The regional model could feed into the Arctic Economic Council.

CHAIR HERRON said that PNWER and the Arctic Caucus discussed how to move resources across borders. The idea of corridors to and from the Arctic emerged. The intent is to get the private sector more involved in regional economic development. He concluded that this has great potential.

[11:35:49 AM](#)

CO-CHAIR GIESSEL said the Transition Committee reports are on the Governor's website. However, when she met with Lieutenant Governor Mallott, he was not sure it was the report from the Transition Committee. She said she hopes to further discuss economic development in rural communities with Lieutenant Governor Mallott.

She said the "Arctic Policy and Climate Change Report" echoes a lot of the federal focus on things like climate change. Alaska still needs access to resources on federal lands. She mentioned the Red Dog Mine as a successful partnership with NANA Regional Corporation, as mentioned in the white paper. She concluded that she would like to see more such collaborations.

CO-CHAIR MCGUIRE suggested committee members read and have conversations about the report.

She invited Mr. Morrison to present information about Canada's perspective of the Arctic.

[11:39:14 AM](#)

MR. MORRISON said Premier McCloud from the Northwest Territories has been an active member of PNWER and is keen on sharing what they have learned in the last two years. He invited Governor Walker to join him in late March to present the authentic northern perspective to the public in various places in the U.S. Other Premiers have agreed to join the group. He suggested it could help the dialogue.

[11:41:38 AM](#)

CHAIR HERRON said he and Senator McGuire met with the Governor and they brought up the concept of a northern governments road show. The Governor was very receptive and thought it would be appropriate in the next few months or so, especially in light of the fact that the U.S. will be taking over the Arctic Council chairmanship. He added that the legislature supports the idea.

MR. MORRISON said Dave Ramsey is the Premier's right hand man and Canada is willing to commit resources to set up meetings. The theme will be the New Frontier - The North American Arctic.

[11:44:08 AM](#)

SENATOR STEVENS pointed out that governors don't like to leave the capital during session.

CHAIR HERRON said it's important to recognize that the legislature is very supportive of the plan and if both the Premier and the Governor want to do it, it will be very successful.

[11:44:56 AM](#)

MR. MORRISON reviewed the "Roundtable on North American Arctic Marine and Inter-Modal Corridors" handout. He said that PNWER is partnered with the Center for International Governance Innovation and there will be a dinner and session about how their organization works and a geopolitical perspective about what is going on in the Barents Euro-Arctic Council area. There will also be Alaska representatives to talk about the automated information systems for ships offshore. The hope is to also talk about the Arctic Caucus going forward. This will be next week.

[11:47:25 AM](#)

COLIN SMITH, PNWER Private Sector Chair and Workforce Development Co-Chair, Past President, APEG B.C., said there's a federal responsibility for transportation in Canada under the Canada Transportation Act. The most recent statutory review was in June and a blue ribbon committee was appointed and headed by

the Honorable David Emerson. This committee is traveling across the country seeking input to determine Canada's transportation infrastructure needs for the next 10 years. The upcoming meeting in Vancouver will provide valuable input in this regard. Specifically, the meeting on marine transportation is of vital interest to Alaska and the opportunity for cooperation in managing that marine based transportation will only work well if it's jointly done.

He explained the new navigation tracking system is world-class. A demonstration yesterday showed that every vessel in the waters is tracked in real time. If a vessel deviates from its pre-filed transit plan, the vessel will immediately receive a message to correct the course or the Coast Guard will follow up. From a search and rescue and environmental protection perspective, this system will be important in developing the Arctic.

He noted that the upcoming meeting will be opened by the head of the Barents Euro-Arctic Council, and will build on the experience of the four European nations that worked together over the eight years that they shared the chair. He expressed delight that Alaska will participate and opined that the report should be informative to the work of the joint committee.

CO-CHAIR MCGUIRE thanked the presenters and committee members.

11:53:35 AM

There being no further business to come before the committees, Co-Chair McGuire adjourned the meeting of the Senate Special Committee on the Arctic and the House Special Committee on Economic Development, Tourism & Arctic Policy at 11:53 a.m.