

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

February 2, 2024

3:30 p.m.

MEMBERS PRESENT

Senator Click Bishop, Co-Chair
Senator Cathy Giessel, Co-Chair
Senator Bill Wielechowski, Vice Chair
Senator Scott Kawasaki
Senator James Kaufman
Senator Forrest Dunbar

MEMBERS ABSENT

Senator Matt Claman

OTHER MEMBERS PRESENT

Senator Kelly Merrick
Senator Jesse Kiehl

COMMITTEE CALENDAR

SENATE BILL NO. 118

"An Act relating to critical and essential minerals and the global energy transition."

- HEARD & HELD

EO 132 ELIMINATING THE ALASKA CHILKAT BALD EAGLE PRESERVE
ADVISORY COUNCIL

- HEARD

PREVIOUS COMMITTEE ACTION

BILL: SB 118

SHORT TITLE: CRITICAL NATURAL RESOURCES; REPORTS

SPONSOR(S): SENATOR(S) MERRICK

03/29/23	(S)	READ THE FIRST TIME - REFERRALS
03/29/23	(S)	RES
02/02/24	(S)	RES AT 3:30 PM BUTROVICH 205

WITNESS REGISTER

SENATOR KELLY MERRICK, District L
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Sponsor for SB 118.

KERRY CROCKER, Staff, Senator Kelly Merrick
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented the sectional analysis for SB 118.

BRENT SHEETS, Director
Petroleum Development Lab
University of Alaska Fairbanks (UAF)
Fairbanks, Alaska
POSITION STATEMENT: Invited testimony for SB 118.

DEANTHA SKIBINSKI, Executive Director
Alaska Miners Association
Anchorage, Alaska
POSITION STATEMENT: Invited testimony for SB 118.

KAREN MATHIAS, Executive Director
Alaska Metal Mines
Anchorage, Alaska
POSITION STATEMENT: Invited testimony for SB 118.

RICKY GEASE, Director
Division of Parks & Outdoor Recreation
Department of Natural Resources (DNR)
Anchorage, Alaska
POSITION STATEMENT: Presented EO 132 on behalf of the
administration.

PRESTON KROES, Superintendent
Southeast Region
Alaska State Parks
Juneau, Alaska
POSITION STATEMENT: Answered questions on EO 132.

CHRISTOPHER ORMAN, Assistant Attorney General
Natural Resources Section
Department of Law
Juneau, Alaska
POSITION STATEMENT: Answered questions on EO 132.

DAVID STRONG, Councilman
Chilkat Indian Village
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

JOE NELSON, Director
Sealaska
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

BILL THOMAS, representing self
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

MARK SOGGE, Vice Chair
Upper Lynn Canal Fish Advisory Committee
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

JOHN SONIN, representing self
Juneau, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

KIMBERLY STRONG, President
Chilkat Indian Village
Klukwan, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

KIP KERMOIAN, representing self
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

SHANNON DONAHUE, Watershed Campaigner
Rivers Without Borders
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

THOMAS MORPHET, Mayor
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

KATEY PALMER, representing self
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

ERIC HOLLE, representing self
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

PETER GOLL, representing self
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

JESSICA PLACHTA, Executive Director
Lynn Canal Conservation
Haines, Alaska

POSITION STATEMENT: Testified in opposition to EO 132.

ACTION NARRATIVE

[3:30:36 PM](#)

CO-CHAIR CATHY GIESSEL called the Senate Resources Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Wielechowski, Dunbar, Kaufman, and Co-Chair Giessel.

^#sb118

SB 118-CRITICAL NATURAL RESOURCES; REPORTS

[3:31:31 PM](#)

CO-CHAIR GIESSEL announced the consideration of SENATE BILL NO. 118 "An Act relating to critical and essential minerals and the global energy transition."

[3:32:12 PM](#)

SENATOR KELLY MERRICK, District L, Alaska State Legislature, Juneau, Alaska, provided the following sponsor statement for SB 118:

[Original punctuation provided.]

Senate Bill 118, version A Sponsor Statement

**"An Act relating to critical and essential minerals
and the global energy transition."**

The purpose of Senate Bill 118 is to acknowledge the crucial role of critical and essential minerals to our state. As we navigate toward a more sustainable energy future, it is imperative that we position Alaska as a key player in the production and manufacturing of these vital minerals.

Alaska could be at the center of U.S. production through the strategic plans outlined in this bill.

Critical and essential minerals comprise a wide range of elements, including lithium, copper, platinum, zinc, and more. These minerals are fundamental components of much of today's everyday equipment, like computers and household appliances. To keep our economy and our day-to-day lives moving forward, we need to ensure we have a plan for accessing these crucial resources as their demand increases. More and more renewable energy sources require components made of these materials as well, and that demand is likely to increase, possibly exponentially. Critical and essential minerals are key elements of emerging energy technologies, ranging from electric vehicles to solar panels.

The strategic plans that come out of SB 118 analyze the impacts of different regulatory frameworks on mineral development, and include considerations for economic viability, environmental sustainability, and efficient production processes. Alaska's commitment to advancing renewable energy is pivotal for a sustainable future and our commitment to production of critical minerals is pivotal for our own economy.

Senate Bill 118 is a forward-looking initiative that recognizes the critical role Alaska can play in advancing the global energy transition through industry and resources that have played such important roles in our state's past and present.

She added that Communist China is home to the world market for the extraction and processing of critical minerals and dominates with 60 percent of the world's production. She opined that it is unacceptable. Alaska should reduce reliance on adversarial nations and increase its investment potential rather than rely on other nations.

[3:33:41 PM](#)

KERRY CROCKER, Staff, Senator Kelly Merrick, Alaska State Legislature, Juneau, Alaska, presented the sectional analysis for SB 118.

[Original punctuation provided.]

Senate Bill 118, version A
Sectional Analysis

"An Act relating to critical and essential minerals and the global energy transition."

Section 1: Adds a new section to uncodified law to produce three reports: 1. The Office of the Governor shall generate a plan for the exploration, production, refining, and development of critical and essential minerals used in emerging technology.

2. The Department of Natural Resources shall compare Alaska's current and potential critical mineral production to national and international production, including regulation, permitting, and incentives. The report should identify strategies to increase exploration and development over the next three, five, and ten years.

3. The Department of Commerce, Community, and Economic Development shall identify the state's role in innovation, manufacturing, and transportation to support the global green energy transition.

[3:35:05 PM](#)

BRENT SHEETS, Director, Petroleum Development Lab, University of Alaska Fairbanks (UAF), Fairbanks, Alaska, invited testimony for SB 118, conveyed that teams at the Petroleum Development Lab engage with the petroleum industry to identify and address challenges that hinder private sector investment and resource development in Alaska, including technical infrastructure and environmental issues. Current lab projects include the development of technology to enable production of the North Slope's vast heavy oil resources. The lab recently received an award from the Department of Energy (DOE) for carbon capture utilization and sequestration (CCUS) to examine depleting gas fields in the Cook Inlet area for potential carbon (CO²) storage. It also focuses on the demonstration of coal-plant technology to promote affordable energy necessary to build industrial and manufacturing capacity in Alaska. He noted that he is also the principle investigator for the DOE-funded carbon ore rare earth and critical minerals project and it is in that capacity that he is testifying.

[3:36:33 PM](#)

MR. SHEETS moved to slide 2 which shows a map of exploration projects and prospective locations. He pointed out that Alaska Division of Geological and Geophysical Surveys (DGGs) is in partnership with UAF on initiatives funded by DOE. Alaska has long been a major source for some of the world's most valuable resources. Alaskan Geologists have been active in characterizing the state's mineral resources and comprehensive in their efforts within the capabilities of the characterization technology and budgets available at the time of specific studies. Much of the information provided was pulled from archives of rare earth elements and critical minerals characterization. He noted that he would use the two phrases interchangeably during his presentation. Despite documented past findings, rare earth elements and critical minerals have had minimal commercial potential. Department of Natural Resources' (DNR) Division of Geological and Geophysical Surveys (DGGs) is examining this large body of legacy work and conducting preliminary examinations of some of the vast archive of minerals samples that are retained in the Geological Materials Center in Anchorage, a world-class sample repository. The work has already yielded results confirming abundant, untapped critical mineral resources in the state. Rare earth elements can be found at most known mine sites throughout the state and future discoveries are anticipated. He pointed out that potential rare earth elements are coded in red on the map. Ray River is an example shown that was brought to light by the DOE-funded Carbon Ore, Rare Earth and Critical Minerals (CORE-CM) program. DGGs reviewed old reports and subsequently collected samples several miles from the Ray River near the Yukon River Bridge on the Dalton Highway, where world class geranium deposits are believed to be held. Preliminary studies at the Usibelli Coal Mine (UCM) demonstrate a promising future with its critical mineral concentrations. The lab is in the early stages of discussions with UCM on a potential project to concentrate material on site to improve economics and potentially produce minerals from the coal mine. He said his teams have also engaged with several other mines in Alaska and foresee high potential for the production of critical minerals.

[3:39:25 PM](#)

MR. SHEETS moved to slide 3, which shows a chart of critical minerals imports the United States relies on and Alaska's past, present, and future potential to produce those minerals. He stated that while critical minerals in Alaska are vastly underdeveloped and underexplored, it continues to be a producer of rare elements and critical minerals. Historic rare earth element production includes antimony, barite, chromium,

platinum, and tin. Current production includes zinc and germanium, with the Red Dog Mine being the largest producer of zinc globally. Germanium is contained in the same ore as zinc and separated during the smelting process. A company-owned smelter in Canada receives credit for Alaskan geranium production, not the Red Dog mine, and produced so the quantity of geranium produced by the Red Dog mine is unknown. Many critical minerals needed for economic and national security are supplied by countries with adversarial relationships with the U.S. Most of the 34 critical minerals highlighted on the chart are defined as strategic minerals that Alaska could potentially supply.

[3:40:27 PM](#)

MR. SHEETS moved to slide 4 and listed critical mineral applications and products. He said critical minerals can be used for purposes other than renewable energy and provided examples from the slide:

- Magnetics
- Metal alloys
- Defense
- Catalysts
- Ceramics
- Glass and polishing
- Phosphors

[3:41:18 PM](#)

MR. SHEETS moved to slide 5 and elaborated on the lab's vision:

[Original punctuation provided.]

CARBON ORE, RARE EARTH & CRITICAL MINERALS

Vision: Bring Alaska's CORE-CM potential into perspective

Mission: Establish a CORE-CM industry in Alaska by working with industry and other stakeholders to ID opportunities & address challenges

He said the CORE-CM center seeks to not only mine and export critical minerals, but also establish an industry in the state. This would be consistent with the vision of DOE to accelerate research that would enable the commercial development of advanced processing and production of rare earth and critical

minerals, as well as high-value non-fuel coal products throughout the country. DOE is also funding the CORE-CM initiative to support the engagement of public and private partnerships and would allow self-funding through private funds. The goal is to advance new and innovative technology development, and advance opportunities for the education and training of the next generation of technicians, skilled workers, and science, technology, engineering, and mathematics (STEM) students.

[3:42:28 PM](#)

MR. SHEETS moved to slide 6 and explained project funding by phase. DOE established 13 CORE-CM centers that are currently all in phase 1. The Petroleum Development Lab is one of those 13 centers. All the centers have the same funding amount and tasks. There will be a downselect from thirteen to eight centers for phase 2, and later narrowed to five for phase 3 - which is expected to be competitive and there is a significant funding increase for each phase. DOE is expected to issue the Funding Opportunity Announcement (FOA) for phase 2 in March.

He said that the cautionary requirements will be challenging for the project teams to meet, but DGGs maintains great partners that support this effort. The Petroleum Development Lab is working closely with industry, which is where some of the funding match will come from. Also, any expenditures by DGS on work within the state can be counted as an in-kind match.

[3:44:21 PM](#)

MR. SHEETS moved to slide 7 which lists National Energy Technology Laboratory (NETL) objectives. He said DOE developed six objectives that all thirteen Core-CM centers must address to catalyze regional economic growth and job creation. The table demonstrates each objective that the project is pursuing.

The list below equates NETL Objective from the Funding Opportunity Announcement (FOA) to the UAF/DGGs task equivalent:

[Original punctuation provided.]

1. Basinal Assessment of CORE-CM Resources = Task 2: Basinal Assessments
2. Basinal Strategies for Reuse of Waste Streams = Task 3: Waste Stream Reuse
3. Basinal Strategies for Infrastructure, Industries and Businesses = Task 4: Strategies for Infrastructure, Industries and Businesses

4. Technology Assessment, Development and Field Testing = Task 5: Technology Assessment, Development and Field Testing
5. Technology Innovation Centers = Task 6: AK-TIC
6. Stakeholder Outreach and Education = Task 7: Stakeholder Outreach & Education

MR. SHEETS said SB 118 would enable DGGS to further its efforts under the CORE-CM program to meet DOE objectives. He stated that rare earth elements are not typically sought, so one aim is to help the mines consider the potential for rare earth production.

[3:51:16 PM](#)

MR. SHEETS moved to slide 8, which illustrates all components involved in the critical minerals value chain. He said the default in Alaska is to focus on the exploration and mining value of the chain, but a mine alone may not hold the same value as it would paired with other steps in the process. There is higher value in achieving multiple steps of the Rare Earth Element (REE) Value Chain in the state. Mined critical minerals must be separated and refined to develop the final product. If it could overcome logistical challenges and high energy costs, it could become a mining and processing mecca of rare earth elements in the country. Utah currently has robust mining, processing, and tourism industries that exist simultaneously.

[3:53:10 PM](#)

MR. SHEETS moved to slide 9 and reviewed UAF initiatives:

[Original punctuation provided.]

ADDITIONAL ASSETS

- UAF INE: Installing an ICP-MS
- UAF GI: Operates a hyperspectral imaging facility in the state
- UAF GI: Advanced instrumentation Laboratory
- UAA is developing bioreactors to separate elements from ores without the use of acids
- UAS and UAF are expanding their respective efforts to provide mine training

MR. SHEETS said appropriations UAA made to UAF last year have expanded critical mineral development efforts. The Institute of Northern Engineering (INE) is using funds to invest in inductively coupled plasma mass spectrometry (ICP-MS)

technology, an instrument that identifies specific elements within ore samples. The measurements are considered the only acceptable data DOE accepts. There are two ICP-MS units in Alaska, but due to contamination concerns, their use in mining is often prohibited. Measurements using ICP-MS are considered the only acceptable data by DOE. Companies often refuse to work on analysis samples from UCM and entities associated with coal or carbon. However, he believes the technology will be a huge asset for the state and anticipates a high volume of customers and the technology can be used for a wide variety of purposes outside of mining. The Geophysical Institute's (GI) HyLab airborne cameras and spectrometers provide an exceptionally detailed map of an area's geologic makeup by measuring surface reflectivity in a variety of wavelengths, which reveals the mineral composition of the ground surface. The Geophysical Institute's advanced instrumentation lab has many assets for use in determining rare earth element composition of minerals. Its equipment also reveals how an element is bound to the ore, which helps to determine the best method for the separation of an element from the ore.

[3:55:16 PM](#)

MR. SHEETS briefly moved to slide 10, which lists phase 1 objectives and concluded his presentation.

[Original punctuation provided.]

PHASE 1

- Basin Resources Assessment & Planning
- Carbon ore REE and critical mineral basin-focused critical mineral resource assessments
- Assessment of technology needs and initial testing
- Understand industrial and energy needs for development
- Develop strategy for integrating regions resources, infrastructure, needs and opportunities

[3:55:32 PM](#)

CO-CHAIR GIESSEL announced invited testimony.

[3:55:51 PM](#)

DEANTHA SKIBINSKI, Executive Director, Alaska Miners Association, Anchorage, Alaska, invited testimony for SB 118. She expressed support for SB 118 and offered recommendations on behalf of the Alaska Miners Association. She said it is unfortunate that the majority of essential minerals are sourced

from foreign adversarial relationships and unacceptable environmental and social values. SB 118 would direct the state government to identify strategies to attract investment opportunities. These directives send a powerful message to investors that the state of Alaska is a jurisdiction of choice in which to invest. She opined that Alaska cannot rely solely on renewable energy, and only reliable fuels can bring reliable power to businesses in the state.

[3:58:37 PM](#)

KAREN MATHIAS, Executive Director, Alaska Metal Mines, Anchorage, Alaska, invited testimony for SB 118. She acknowledged the increase in global demand for responsibly-produced metals and minerals, and the nation's dependence on these resources. Alaska currently depends on foreign-imported minerals, which poses as a national security risk. Considering the abundance of minerals in the state and its rigorous regulatory process, she proposed that Alaska should be part of the solution. She listed three key points from the perspective of Alaska Metal Mines:

1. There is a risk in exclusively focusing on the term "critical minerals" given there are three federal mineral lists that change annually. For example, zinc was only recently listed. The Department of Defense (DOD) reviews current supply and risk, whereas DOE focuses on supply, demand, and risk to that supply. There is widespread agreement that the amount of copper needed for clean energy technologies over the next decade greatly surpasses supply. While these lists draw attention, Alaska's focus should be on the production of its own minerals. The state has one of the greatest zinc mines in the world, tremendous copper resources, and several other minerals.

2. There is a limited number of mines in the state due to high energy costs and a lack of infrastructure that make it difficult to turn deposits into producing mines. Industry clusters are mutually beneficial and bring together companies, suppliers, research and development, and workforce development. Alaska needs a diverse mining industry in order to create mutual support. Gold may not be in short supply, but the state's gold mines are key to the health of the industry.

3. Many of the listed critical minerals are not economically feasible to develop on their own and are often produced as byproducts. The exceptionally high-grade deposit made it possible to build the Red Dog Mine in a remote Alaska location. The mine also produces a substantial amount of germanium, which

is used in electronics and optical industries. It is not feasible to have a geranium mine, but the zinc mine permits its production in Alaska.

MS. MATHIAS concluded that SB 118 calls for the state to investigate strategies to encourage investment, increase exploration, and the production of critical and essential minerals.

[4:04:03 PM](#)

SENATOR MERRICK said SB 118 would attract investment, create jobs, boost the state economy, and keep the U.S. safe.

[4:04:14 PM](#)

CO-CHAIR GIESSEL held SB 118 in committee.

#

^EO 132:Eliminating the Alaska Chilkat Bald Eagle Preserve Advisory Council

**EO 132 ELIMINATING THE ALASKA CHILKAT BALD EAGLE
PRESERVE ADVISORY COUNCIL**

[4:04:25 PM](#)

CO-CHAIR GIESSEL announced the consideration of EO 182 Eliminating the Alaska Chilkat Bald Eagle Preserve Advisory Council.

[4:05:09 PM](#)

RICKY GEASE, Director, Division of Parks & Outdoor Recreation, Department of Natural Resources (DNR), Anchorage, Alaska, presented EO 132 on behalf of the administration. He moved to slide 2 of the presentation and provided an overview:

[Original punctuation provided.]

Alaska Chilkat Bald Eagle Preserve

- 43,921 acres of river bottom near Haines
- Established by Legislature in 1982 (AS 41.21.611)
- Primary purpose: protect and perpetuate the bald eagle habitat inside the preserve
- One of the world's largest concentrations of bald eagles

[4:06:15 PM](#)

MR. GEASE moved to slide 3 and spoke to statute:

[Original punctuation provided.]

Alaska Chilkat Bald Eagle Preserve

- Alaska State Constitution Article 8, Section 7:
 - Special Purpose Sites: Legislature may reserve land from the public domain
- Legislature closed the preserve to "multiple use" and dedicated area as special purpose site (closed to oil and gas leasing, mineral entry) (AS 41.21.610(d))
- Traditional uses including hunting, fishing, trapping, and other subsistence and recreational uses are allowed (AS 41.21.618)

[4:06:59 PM](#)

MR. GEASE moved to slide 4 and explained the 12-member Advisory Council:

[Original punctuation provided.]

Advisory Council Members

The 12-member Advisory Council established by AS 41.21.625:

- Governor appoints 3 members to 2-year terms:
 - Haines Borough resident representing a conservation organization
 - United State Fish and Wildlife Service representative
 - Upper Lynn Canal Fish and Game Advisory Committee member
- Haines Borough Mayor recommends to Governor appointee to fill seat representing commercial or industrial interests
- Ex-officio members are named positions in statute (or designees):
 - Haines Borough Mayor
 - Klukwan, Inc. President
 - Chilkat Indian Village Council chair
 - Chilkoot Indian Association chair
 - Haines Borough Assembly member
 - Alaska Department of Fish & Game Commissioner (or designee)
 - Alaska Director of Division of Parks & Outdoor Recreation (or designee)

- Alaska Director of Division of Forestry & Fire Protection (or designee)

MR. GEASE added that of the 12 seats there are four vacancies.

[4:08:16 PM](#)

MR. GEASE moved to slide 5 and listed the following points:

[Original punctuation provided.]

- Advisory council provides feedback, recommendations and local insight regarding management, operations and facilities
- Meetings serve as a forum for public input on preserve management
- Members set agenda items and discuss topics such as user conflicts, resource issues, proposed developments and proposed regulation changes
- Council shall assist the Department in monitoring and revising preserve management plan (AS 41.21.625(e))
- Council may provide feedback on matters for which Division of Parks & Recreation, Division of Forestry & Fire Protection and Alaska Department of Fish & Game are required to seek council input

MR. GEASE said the management plan was last revised in 2002. The Division of Mining, Land and Water (DMLW) conducts robust management planning for state parks.

[4:09:41 PM](#)

MR. GEASE stated that the Advisory Council could provide input on commercial use permits before the start of the upcoming operating season, regulations impacting preserve, findings by the director that traditional use is causing resource damage, use information from cooperative resource studies to comment on management decisions, and review notice of proposed additions to the preserve. The process requires the Division of Forestry to consult with the council administering the Haines State Forest resource management plan, which is currently being updated. He clarified it is important to note that the Department of Fish and Game sets all regulations in all state parks for all management of fish and wildlife.

[4:11:01 PM](#)

MR. GEASE moved to slide 6 and spoke to the following:

[Original punctuation provided.]

The Division of Parks & Outdoor Recreation coordinates and supports the Advisory Council by:

- Issuing public notice for meetings
- Assisting with agendas
- Taking meeting minutes and/or recording meeting
- Posting meeting minutes and/or recording meeting
- Coordinating appointments through Governor's office
- Filling requests for information from DNR The council has met online since 2020 and the most recent council meeting was November 2022. The May 2023 meeting lacked a quorum.

MR. GEASE said the Governor's Office has 130 boards that DNR operates with. The Advisory Council has a set of bylaws that coordinate how meetings are run.

[4:12:44 PM](#)

SENATOR DUNBAR asked if any boards were vacant in May of 2023.

[4:12:57 PM](#)

MR. GEASE replied that he believes there has been an issue with governor's appointments continuing to have vacancies, and invited Superintendent Kroes to answer.

[4:13:27 PM](#)

PRESTON KROES, Superintendent, Southeast Region, Alaska State Parks, answered questions on EO 132. He said all three boards were vacant in May of 2023.

[4:13:41 PM](#)

SENATOR DUNBAR asked if there would have been a quorum if all three governor's appointments were filled.

[4:13:47 PM](#)

MR. KROES responded he was unsure of the exact turnout, but believes it would have likely reached a quorum.

[4:14:10 PM](#)

MR. GEASE moved to slide 7 and elaborated on the impact of EO 132.

[Original punctuation provided.]

WHAT:

- Sunsets the advisory council; stakeholder input would be received through traditional channels and creation of informal advisory groups WHY:
- Creates efficiency and establishes single point of contact for preserve management
- Eliminates duplication within state government
- Aligns management activities with those of other parks

FUTURE:

- Management processes don't change - revisions subject to robust public process and multiple input opportunities
- Alaska Department of Fish & Game remains involved in management plan development, associated activities

MR. GEASE said regional input is vital to the operations of Alaska state parks.

[4:16:48 PM](#)

MR. KROES moved to slide 8.

[Original punctuation provided.]

DNR has other important engagement tools:

- Creation of a local citizen advisory board covering the parks in the local region
- Citizen advisory boards assist DNR staff with management and development issues
- Alaska State Parks director appoints members for up to 3-year terms
- Members are representative of multiple user groups
- Currently active boards in Chugach, Juneau, Kachemak Bay, Ketchikan, Kodiak, Mat-Su, Northern Region and Seward

MR. GEASE said one issue in statute is there are 20k acres of different park units in the Haines area in addition to the Chilkat Reserve. DNR does not have the means for robust public input. The department recently had a design and construction project which involved four to five public meetings, but a regional citizen advisory board would have streamlined the process.

[4:20:42 PM](#)

MR. GEASE said board members represent multiple user groups and the region designates seats when establishing bylaws.

[4:21:28 PM](#)

SENATOR DUNBAR asked if there are statutory requirements that current or other Indigenous entities are included in the future council.

[4:22:07 PM](#)

MR. GEASE replied yes. He said regional citizen advisory boards are established through an informal process that is done through bylaws. There are not currently designated seats, but he offered to work with the Haines municipality if desired.

[4:22:35 PM](#)

SENATOR KAWASAKI asked if there are currently local citizen advisory boards that overlay the Chilkat Bald Eagle Preserve.

[4:22:48 PM](#)

MR. GEASE replied no.

[4:22:54 PM](#)

SENATOR KAWASAKI asked for confirmation of his understanding that a local citizen advisory board appointed by DNR would be duplicative.

[4:23:03 PM](#)

MR. GEASE replied that DNR would work with the local community, which would most like be the existing advisory council. They would comprise the initial set of members. Then bylaws would be written for a citizen advisory board. One advantage to having director-appointed seats when there are vacancies is that it would be simpler to make recommendations to the director. The turnaround time would be one to two weeks as opposed to several months. A regional citizen's advisory board would permit all parks to involve public input. The time of the vacancies would decrease resulting in less vacancies and more meetings that would have quorums. The management plan process would remain the same.

[4:25:32 PM](#)

SENATOR KAWASAKI asked how the current makeup would be changed under EO 132. He referred to slide 5 and wondered how frequently advisory council responsibilities are revised.

[4:25:59 PM](#)

MR. GEASE said that in the 70s and 80s, the legislature established legislatively designated areas, which were set up as management plans. In the 90s and early 2000s, a group of management plans were updated. These types of plans generally exist for 20-30 years. DNR has not yet made changes to the management plan because it is uncertain if the hydro project would be certified through the Federal Energy Regulatory Commission (FERC). If it is certified, the legislature would likely need to make adjustments to the boundaries around Wood-Tikchik State Park.

[4:27:46 PM](#)

SENATOR WIELECHOWSKI asked if there have been discussions about potential carbon offset projects in Haines State Park.

[4:28:01 PM](#)

MR. GEASE invited the Assistant Attorney General to respond.

[4:28:47 PM](#)

CHRISTOPHER ORMAN, Assistant Attorney General, Natural Resources Section, Department of Law, Juneau, Alaska, answered questions on EO 132. He said Department of Law is currently in the process of drafting regulation for carbon offset projects on state land pursuant to AS.38.95.400 through AS.38.95.499.

[4:29:40 PM](#)

SENATOR WIELECHOWSKI asked for confirmation of his understanding that the administration supports local control.

[4:29:54 PM](#)

MR. GEASE stated his belief that the administration prefers that state parks have public involvement at the local level. He said DNR, the Commissioner, and the Governor support this method.

[4:30:09 PM](#)

SENATOR WIELECHOWSKI provided a potential scenario of a federal law that required consulting with Alaska before taking action and wondered how DNR would respond if the Biden administration opposed this.

[4:30:41 PM](#)

MR. GEASE suggested consulting with the Governor's Office for an answer.

[4:30:45 PM](#)

SENATOR WIELECHOWSKI said Section 2 includes a series of requirements that state, "Division of Forestry & Fire Protection shall consult with the Chilkat Bald Eagle Preserve Advisory Council." He also referenced other sections that require consultation. Requirements under current law give power to the local community, but EO 132 would remove that component. He asked whether the proposed section would compensate for consultation requirements or diminish the ability for local engagement.

[4:32:43 PM](#)

MR. GEASE responded that DNR's process of public engagement would remain the same. He said all management plans and any amendments would follow the same basic process.

[4:33:50 PM](#)

SENATOR WIELECHOWSKI opined that the statute requirement to consult is unequal to a management plan that would permit public testimony.

[4:34:22 PM](#)

SENATOR DUNBAR said he has worked with the Chugach State Park Citizen Advisory Board and acknowledged active public participation but does not understand why the council seeks to fix the current process.

[4:35:14 PM](#)

MR. GEASE replied that all state park units in the area will have a public forum. He said during his time as Director, he has had the ability to review and make appointments to citizen advisory boards more quickly than the Commissioner's Office or the Governor's Office, ensuring fewer board vacancies and helping to establish more meetings without needing a quorum. Different citizen advisory boards involve arrangements for sister agencies to speak to issues.

[4:37:20 PM](#)

CO-CHAIR GIESSEL opened public testimony. She informed the committee that a large amount of comments were received but only one email was received in support EO 132.

[4:38:48 PM](#)

DAVID STRONG, Councilman, Chilkat Indian Village, Klukwan, Alaska, testified in opposition to EO 132. He introduced himself in Tlingit and introduced his clan opposite, Joe Nelson. He said Chilkat Indian Village is a federally recognized tribal government with inherent sovereignty, and its tribal

constitution requires members to protect tribal lands. He urged the legislature to reject EO 132 by passing a special concurrent resolution that protects the integrity of the Alaska Chilkat Bald Eagle Preserve Advisory Council. He provided background on the four clans that settled the area and expressed the Chilkat relationship with the land occupied by yéiks or "spirits that are all things." He spoke to the impact dissolving the council would have on Klukwan.

[4:41:00 PM](#)

JOE NELSON, Sealaska, Juneau, Alaska, testified in opposition to EO 132. He introduced himself, stating his moiety is Eagle and his clan opposite is Raven. He said Indigenous people have been on the land for thousands of years because of their ties to the people of the area. He said to achieve efficiency and alignment, long-lived ancestral knowledge about a place must be accounted for. He urged that local tribes are the stewards of the area and should chair these advisory committees. He encouraged members to reject EO 132.

[4:43:18 PM](#)

BILL THOMAS, representing self, Haines, Alaska, testified in opposition to EO 132. He stated he has been involved in Alaskan politics since 1973. He said he was Chairman and CEO of Klukwan, Inc. when the Chilkat Bald Eagle Preserve was created. He gave a brief history of how the preserve came into existence and stated it was intentionally recognized as a preserve rather than a park.

[4:46:57 PM](#)

MARK SOGGE, Vice Chair, Upper Lynn Canal Fish Advisory Committee, Haines, Alaska, testified in opposition to EO 132. He stated that EO 132 is not in the state's best interest and suggested the legislature pass a special resolution in its place. The Chilkat Bald Eagle Preserve is not a park and should not be managed as such. It was created for the specific purpose to protect and perpetuate the Chilkat Bald Eagles and their essential habitat in the preserve. EO 132 would eliminate the ability for council members to directly participate in the process as an equal player. The Chilkat Bald Eagle Preserve Advisory Council is composed of representatives and entities with vested interests in the preserve that DNR does not represent. Subsistence and economic resources are essential for the people of Haines and Klukwan. The council provides management expertise and ensures representation of vested and legal interest.

[4:49:29 PM](#)

JOHN SONIN, representing self, Douglas, Alaska, testified in opposition to EO 132. He expressed dissatisfaction with the current executive trend, which fails to bring justice for all, what the nation was built on. He urged the legislature to oppose the power grab demonstrated by the Governor's actions. EO 132 would generate a sense of misery for the population in the impacted area. He urged the legislature to stop the destruction of the planet. EO 132 is duplicative, a waste of energy, and would destroy the home planet.

[4:51:48 PM](#)

KIMBERLY STRONG, President, Chilkat Indian Village, Klukwan, Alaska, testified in opposition to EO 132. She said she took part in the development and creation of the Chilkat Bald Eagle Preserve Advisory Council. When this occurred, the council opposed federal regulation to ensure the advisory council would be managed by local authority. She expressed appreciation for Senator Wielechowski's comments and encouraged members to pass a joint resolution opposing EO 132.

[4:54:03 PM](#)

KIP KERMOIAN, representing self, Haines, Alaska, testified in opposition to EO 132. He stated he has engaged in subsistence activities, hunting, recreation, and worked within the Chilkat Bald Eagle Preserve for more than 40 years. He also held the Upper Lynn Canal Fish and Game Preserve Advisory committee seat on the Chilkat Advisory Council for several years. During his tenure, he understood that the advisory functioned as a community-based democratic forum to address numerous local issues, often reflecting broad community support. The platform allowed the community to voice their thoughts. The Governor's contention to eliminate this 40-year, transparent tradition would be replaced by a state department that prioritizes the permitting of extraction activities at the expense of the habitat. It would put existing traditional subsistence activities at risk that have been followed for centuries. Fishing and tourism could also be at risk as a result of a decline in the health of the preserve.

[4:56:41 PM](#)

SHANNON DONAHUE, Watershed Campaigner, Rivers Without Borders, Haines, Alaska, testified in opposition to EO 132. She spoke to the economy, local communities, and fisheries that would be impacted by EO 132.

[4:57:55 PM](#)

THOMAS MORPHET, Mayor, Haines, Alaska, testified in opposition to EO 132. He said the Chilkat Bald Eagle Preserve Advisory Council is not broken and has worked for over 40 years. It involves common people and government officials who meet, hold discussions, and vote together. Haines battles over many issues, but not the advisory council, which has done a good job at airing and resolving issues in an agreeable way. The council relies on science and local expertise to make decisions. He reiterated that the preserve is not a park and enables subsistence fishing, hunting, and other essential practices. He stated his belief that there is language in state law that allows for a separate advisory council in Haines for the other four park units, but this administration has underfunded and abandoned state parks in Haines over the past three to four years. He expressed concerns about the administration's management of the parks and ongoing chronic neglect. He urged the legislature to reject EO 132.

[5:00:51 PM](#)

KATEY PALMER, representing self, Haines, Alaska, testified in opposition to EO 132. She expressed appreciation for Senator Wielechowski's comments and said the DNR's explanation of the purpose of EO 132 fails to demonstrate how it would increase efficiency or align with the management of other parks. She stated that the preserve is not a park, but a unique unit within itself and the only one within the Division of Parks and Outdoor Recreation (DPOR) that has its own regulations.

[5:02:34 PM](#)

ERIC HOLLE, representing self, Haines, Alaska, testified in opposition to EO 132. He stated that he was both vice-president and president of Lynn Canal Conservation in Haines for over 35 years and played a key role in establishing the Chilkat Bald Eagle Preserve. He also occupied a conservation seat on the council. EO 132 would not make government more efficient but would discard a perfectly fine council. It would also establish a single point of contact, which he questioned. There is already a broad spectrum of input from citizens, agencies, and tribal entities with centuries of local expertise and knowledge. None of the other explanations for EO 132 make any sense. He suggested reading the history and legal environment from the Chilkat Bald Eagle plan and requested the passage of a concurrent order that would maintain the current advisory council.

[5:05:12 PM](#)

PETER GOLL, representing self, Haines, Alaska, testified in opposition to EO 132. He said he worked with elected officials on the development of the first management plan for the Chilkat Bald Eagle Preserve Advisory Council. He opined that removing the preserve would be problematic. When a similar measure was proposed in 1978, the legislature experienced pushback from dozens of angry people. Thereafter, parties came together to develop a collective plan and subsequently a resolution. He expressed that the current law has worked. Disenfranchising Native people would take away their only formal voice, which would result in controversy and financial repercussions.

[5:08:28 PM](#)

JESSICA PLACHTA, Executive Director, Lynn Canal Conservation (LCC), Haines, Alaska, testified in opposition to EO 132. She urged the legislature to pass a concurrent joint resolution to overturn EO 132 and maintain the Chilkat Bald Eagle Preserve Advisory Council for the essential services it provides. The advisory council ensures a fully informed state agency and is crucial for the responsible management of the preserve. LCC was a founder of the preserve and has monitored its success over the decades. The legislature established the preserve during a challenging time, but it has grown to be universally appreciated and a significant economic driver. EO 132 is not in anyone's best interest and would diminish essential values. The community depends on the preserve's resources, including fish and wildlife, commercial activity, recreation and tourism, and subsistence food. LCC is especially concerned that the Indigenous seats on the advisory council are the only formal voice for the original stewards of this land to have a voice on its management. The advisory council is nothing less than a community voice on the lands and waters at the heart of the Chilkat Valley. Members on the advisory council include various local entities with local knowledge and perspective, and there is no substitute for local knowledge. She said she applied and interviewed for a vacant conservation seat several years ago but continues to await the Governor's response.

[5:11:07 PM](#)

CO-CHAIR GIESSEL closed public testimony and held EO 132 in committee.

[5:11:50 PM](#)

There being no further business to come before the committee, Co-Chair Giessel adjourned the Senate Resources Standing Committee meeting at 5:11 p.m.