

ALASKA STATE LEGISLATURE
SENATE RESOURCES STANDING COMMITTEE

March 5, 2025

3:30 p.m.

MEMBERS PRESENT

Senator Cathy Giessel, Chair
Senator Bill Wielechowski, Vice Chair
Senator Matt Claman
Senator Forrest Dunbar
Senator Scott Kawasaki
Senator Shelley Hughes
Senator Robert Myers

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARING:

Alaska Oil and Gas Conservation Commission
Jessie Chmielowski - Anchorage, Alaska

- CONFIRMATION ADVANCED

PRESENTATION(S) : GLOBAL LIQUID NATURAL GAS (LNG) MARKET

- HEARD

PRESENTATION(S) : ALASKA STATEHOOD DEFENSE OVERVIEW

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

NICK FULFORD, Senior Director
LNG and Energy Transition
Gaffney, Cline and Associates
Houston, Texas

POSITION STATEMENT: Gave the presentation Global LNG Market:
Implications for Alaska.

TREG TAYLOR, Attorney General
Department of Law (DOL)

POSITION STATEMENT: Anchorage, Alaska. Co-presented Alaska
Statehood Defense Overview.

CORI MILLS, Deputy Attorney General
Civil Division
Department of Law
Juneau, Alaska

POSITION STATEMENT: Co-presented Alaska Statehood Defense
Overview.

CHRISTINA CARPENTER, Acting Commissioner
Department of Environmental Conservation (DEC)
Anchorage, Alaska

POSITION STATEMENT: Co-presented Alaska Statehood Defense
Overview.

JOHN BOYLE, Commissioner
Department of Natural Resources (DNR)
Anchorage, Alaska

POSITION STATEMENT: Co-presented Alaska Statehood Defense
Overview.

CHRIS ORMAN, Assistant Attorney General
Department of Law (DOL)
Juneau, Alaska

POSITION STATEMENT: Co-presented Alaska Statehood Defense
Overview.

DOUGLAS VINCENT-LANG, Commissioner
Alaska Department of Fish and Game (ADF&G)
Juneau, Alaska

POSITION STATEMENT: Co-presented Alaska Statehood Defense
Overview.

ACTION NARRATIVE

[3:30:52 PM](#)

CHAIR GIESSEL called the Senate Resources Standing Committee meeting to order at 3:30 p.m. Present at the call to order were Senators Myers, Kawasaki, Hughes, Wielechowski, and Chair Giessel. Senators Dunbar and Claman joined thereafter.

CONFIRMATION HEARING(S) : ALASKA OIL and GAS CONSERVATION COMMISSION

[3:31:47 PM](#)

CHAIR GIESSEL announced the confirmation hearing of the Alaska Oil and Gas Conservation Commission (AOGCC) appointee Jessie L. Chmielowski, continued from March 3, 2025.

[3:32:03 PM](#)

CHAIR GIESSEL opened public testimony on the confirmation of Jessie L. Chmielowski to the Alaska Oil and Gas Conservation Commission (AOGCC); finding none, she closed public testimony.

[3:32:24 PM](#)

CHAIR GIESSEL solicited the will of the committee.

[3:32:33 PM](#)

SENATOR WIELECHOWSKI stated that in accordance with AS 39.05.080, the Senate Resources Standing Committee reviewed the following and recommends the appointment be forwarded to a joint session for consideration:

Alaska Oil and Gas Conservation Commission (AOGCC)
Jessie L. Chmielowski - Anchorage, Alaska

SENATOR WIELECHOWSKI reminded members that signing the report(s) regarding appointments to boards and commissions in no way reflects individual members' approval or disapproval of the appointees; the nominations are merely forwarded to the full legislature for confirmation or rejection.

[3:32:57 PM](#)

CHAIR GIESSEL found no objection and the appointment was forwarded to a joint session for consideration.

PRESENTATION(S) : GLOBAL LNG MARKET

[3:33:10 PM](#)

CHAIR GIESSEL announced the presentation, Global Liquid Natural Gas (LNG) Market: Implications for Alaska.

[3:33:34 PM](#)

NICK FULFORD, Senior Director, LNG and Energy Transition, Gaffney, Cline and Associates, Houston, Texas, moved to slide 1 and prefaced his presentation by offering his observations, having worked on LNG projects since the mid-1980's. He said it was essential to take a long-term view and perspective and that many of these projects take a long time to arrive at a commercially sustainable structure. He said the real financial benefit of such projects shows up around a generation down the road. He acknowledged they're not quick wins, but when in place, they can transform an economy.

[3:34:55 PM](#)

MR. FULFORD moved to and narrated slide 2:

[Original punctuation provided.]

Agenda

Topics to be covered

- Evolution of the LNG Industry
- Supply and Demand
- LNG project evolution
- LNG Economics
- Enabling legislation
- Selected LNG Case Studies

[3:36:36 PM](#)

MR. FULFORD moved to slide 4 and said the LNG market currently stands at 400 million tons annually, equating to 20 trillion cubic feet of feedstock. He noted the historical significance of the Nikiski, Alaska project in 1969, which initially produced half a million tons per annum, similar to the current LNG demand for South Central Alaska. He highlighted the emergence of the U.S. as a major LNG exporter, noting its rapid rise to becoming the largest exporter. He said the three major current exporters were now Australia, Qatar, and the U.S., with Qatar's low-cost gas and potential U.S. supply from various regions shaping future exports:

[Original punctuation provided.]

Historical Growth in LNG trade

1970's - 2000's

PIONEER PHASE OF THE LNG INDUSTRY

2000 - 2015

INCREASE IN LNG FACILITIES WORLDWIDE DRIVEN BY LNG MARKET DEMAND

2016 - 2020

IMPACT OF UNCONVENTIONAL SHALE AND COAL GAS BOOM

2020 to Date

RUSSIAN/UKRAINE CRISIS AND GROWTH IN LOWCARBON LNG

[Slide 4 includes a combined bar graph and timeline illustrating the trade volume of LNG in billion cubic meters from 1970 through 2023, also indicating

geopolitical source entities and the timing of their significance to the market.]

[3:39:01 PM](#)

MR. FULFORD moved to slide 5, Global Trade Routes, a global satellite photo dated Monday, March 3, 2025, with ships indicated in red and green. He explained that the green ships were loaded [with LNG and the red ones carried ballast.] He noted only five vessels in the eastern Pacific, three of which were from Peru and two had either transited the Panama Canal or were waiting to transit on their way from the US Gulf Coast. He emphasized the strategic value of LNG trade from Alaska to the Pacific, noting that it avoided many of the risks and costs associated with other routes. He observed that the Suez Canal was not considered safe for the LNG industry, leading to increased traffic through the southern part of Africa and back to Asia. He concluded that the Pacific region could be strategically valuable for future LNG buyers due to its potential to bypass the risks and costs of other routes.

[3:40:43 PM](#)

MR. FULFORD moved through transition slide 6 explaining that he would discuss supply and demand, beginning by considering the past five years in the [LNG] industry.

[3:40:58 PM](#)

MR. FULFORD moved to slide 7 and discussed the significant disruptions to European gas demand due to COVID-19 and geopolitical issues like the Russia-Ukraine conflict, leading to unprecedented price volatility in the LNG market. He said the LNG industry demonstrated robustness and flexibility, with the US supplying LNG to Europe and substitutions being made elsewhere to maintain gas market stability:

[Original punctuation provided.]

**Market Turbulence
2022-23**

Demand slump and oversupply in 2018-2020
Rapid reversal into undersupply and unprecedented prices
LNG market proved to be resilient and flexible
Security of supply and supply diversity now key elements in procurement strategy

[Slide 7 includes a graph illustrating the price of LNG in US\$/MMBtu from December 2, 2021 through

November 8, 2024, according to: [East Asia (EAX) + 1 Month and Brent Oil + 1 Month.]

[3:43:03 PM](#)

MR. FULFORD moved to and narrated slide 8:

[Original punctuation provided.]

LNG Demand Uncertainty

- Forecasts range from a doubling in demand to a 75 percent reduction by 2050
- Lower demand forecasts based on rapid decarbonization, electrification, and switch to renewables/hydrogen
- Market signals suggest growth in LNG continues to be the core assumption
- Many IECs are basing their future growth plans on major LNG focus

[Slide 8 includes a graph illustrating ten potential scenarios for LNG Demand Outlook from 2025 through 2050.]

MR. FULFORD added that the forecasts were based on the expectation that primary energy needs will double by 2050. He said gas and LNG were expected to maintain demand as coal and oil were replaced by renewables. He noted that Asian countries, such as Vietnam, were expected to significantly increase their LNG use as a fuel source.

[3:45:22 PM](#)

MR. FULFORD moved to and narrated slide 9:

[Original punctuation provided.]

Supply Outlook

Significant new capacity under construction in US Gulf Coast

However, regulatory delays and legal challenges appear to be growing.

Qatar is undergoing major expansion later this decade -
V

[Slide 9 includes a bar graph illustrating the Capacity Addition on Start Date in Mtpa of the

following LNG producing regions: Asia Pacific, Europe, North America, South America, Middle East and Africa, from 2010 through 2030. The graph points out that the majority of new capacity is anticipated to come from the US and Qatar.]

[3:46:40 PM](#)

MR. FULFORD moved to and narrated slide 10, emphasizing that there was a fair amount of uncertainty in LNG supply projections, particularly focusing on projects in various stages of development. He noted concern about potential oversupply of natural gas by 2030 due to increasing legal and regulatory challenges in the US Gulf Coast. However, he suggested that delays in project starts might result in a more balanced outlook:

[Original punctuation provided.]

Demand/Supply

- Competition for 2035 supply will come largely from announced US Gulf Coast projects
- Reaching FID is a key milestone
- Alaska could benefit from existing permits

[Slide 10 includes a bar graph showing the potential LNG supply at various stages of development by producing regions superimposed on a graph illustrating the potential LNG demand for 2025 through 2050.]

[3:48:15 PM](#)

SENATOR HUGHES asked for clarification of the bar graph on Slide 10.

[3:48:40 PM](#)

MR. FULFORD affirmed that the blue sections represented existing facilities, the red and brown sections were facilities under construction in Asia and the Middle East and the yellow were under construction in the Americas. He emphasized that the yellow represented the US Gulf Coast and the brown represented Qatar.

[3:49:06 PM](#)

SENATOR HUGHES asked whether the bar sections above the yellow section indicated announced and hoped-for development and the orange line represented the demand.

[3:49:18 PM](#)

MR. FULFORD affirmed that the orange line represented a conservative line of demand. He said it was the median between net zero demands and a more positive projection followed by most of the international energy companies. He suggested that a more pragmatic perspective might be to put less emphasis on the four scenarios involving decarbonization and a little more emphasis on the [International Electrotechnical Commission] IEC work, in which case the yellow [orange] demand line would be higher.

[3:50:10 PM](#)

SENATOR MYERS noted that the presentation focused on world supply and demand [for LNG]. He asked whether the Pacific and Atlantic markets were close enough to co-mingle or if they functioned as two separate markets.

[3:50:30 PM](#)

MR. FULFORD said one advantage of the LNG market was its adaptability to weather-related gas demand. He said it was possible to redistribute gas by reloading it onto ships, a common practice in Europe, particularly in Spain. He noted that logistically and to avoid canal fees, it was preferable to keep vessels in the Atlantic or Pacific, but that the industry operated globally, with a dynamic balance managed between the two oceans to meet demand effectively.

[3:51:36 PM](#)

SENATOR HUGHES asked whether the orange band on slide 10 included the anticipated energy demand for AI.

[3:51:58 PM](#)

MR. FULFORD affirmed that gas-fired generation for data centers in support of AI will be a factor [in future LNG demand], however that was not included in the data for the presentation.

[3:52:35 PM](#)

SENATOR WIELECHOWSKI asked how Alaska LNG compares cost wise with the major projects around the world in Qatar and the US Gulf Coast.

[3:52:47 PM](#)

MR. FULFORD said later slides would address the comparisons. He said the Alaska LNG project was perceived as costly due to its high initial capital costs, which include liquefaction, pipeline, and processing plant expenses. He emphasized that operating costs would be lower than those of the US Gulf Coast LNG, particularly in shipping. He said the main vulnerability of Alaska LNG was the risk of capital cost inflation, which could increase the delivered gas cost. He said the competitive balance

between Alaska and the US Gulf Coast could improve if production costs rise in the southern states. In summary, while Alaska LNG has high upfront costs, its running costs are competitive, and potential capital cost increases are a concern.

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SENATOR WIELECHOWSKI noted [Alaska Gasline Development Corporation] AGDC entered an agreement with Glenfarne. He asked Mr. Fulford his opinion of Glenfarne's capacity for a project the magnitude of the Alaska LNG project.

[3:55:17 PM](#)

MR. FULFORD said he attended the Glenfarne lunch and learn about the company but he did not have specific information on the project or negotiations with AGDC. Despite the lack of details, he said active discussion and movement towards the project were positive.

[3:56:25 PM](#)

SENATOR WIELECHOWSKI noted that President Trump referred to the Alaska LNG pipeline in his speech to the joint session of Congress March 4, 2025. He asked what Mr. Fulford anticipated at the federal level and how [administration activity] was impacting discussions in Japan, Korea and Taiwan. He asked whether Mr. Fulford anticipated imminent changes or quick developments.

[3:56:56 PM](#)

MR. FULFORD acknowledged the potential integration of the Alaska LNG project into broader U.S. trade discussions with Asian partners, reflecting on historical LNG project treaties that involved extensive collaboration between countries. He noted that while modern LNG supply chains were more flexible and able to adapt to disruptions, the strategic nature of gas supply was likely to benefit from high-level government dialogue. He suggested that federal initiatives could align well with operational efforts by AGDC and Glenfarne, potentially benefiting the project.

[3:59:23 PM](#)

CHAIR GIESSEL asked whether the yellow portions of the bar graph, representing LNG projects in the Americas [on slide 10], included the Alaska LNG project.

[3:59:31 PM](#)

MR. FULFORD said they did not.

[3:59:40 PM](#)

MR. FULFORD moved to slide 11, LNG Project Evolution. He emphasized alignment among stakeholders in the evolution of an LNG project. He said a project framework that ensured cooperation among gas producers, investors, and buyers was necessary and said there were three common structures typically used in the LNG industry to facilitate stakeholder alignment.

[4:00:33 PM](#)

MR. FULFORD moved to slide 12 and introduced the integrated LNG project model, emphasizing its structure where gas producers invest equally in liquefaction and pipeline infrastructure:

[Original punctuation provided.]

**Project Commercial
Structure Choices
(Integrated Model)**

- Equity participation from wellhead to vessel loading
- Creates strong alignment between parties
- Transfer pricing largely driven by fiscal arrangements
- Examples in Qatar, Sakhalin, Northwest Shelf, Darwin and Tangguh
- Model followed by AK LNG in 2014/15 timeframe (assuming state exercised TAG and RIK)

[Slide 12 includes a diagram illustrating the elements of the integrated LNG project model.]

[4:01:43 PM](#)

MR. FULFORD moved to slide 13 and introduced the merchant model, suitable for situations where gas producers were interested in generating revenue from gas production but lacked the financial capacity or risk appetite to handle the downstream LNG process:

[Original punctuation provided.]

**Project Commercial
Structure Choices
(merchant model)**

- Equity participation can differ along the LNG value chain
- Often used where upstream partners do not all participate in midstream and downstream

- Transfer price into LNG facility typically heavily negotiated
- Examples in Trinidad (1-3), Angola, Nigeria, Equatorial Guinea and Malaysia
- Potential use for AK LNG

[Slide 13 includes a diagram illustrating the elements of the market LNG project model.]

[4:02:47 PM](#)

MR. FULFORD moved to slide 14 and introduced the tolling model. He explained that tolling model investors would receive steady income over many years based on good credit and strong balance sheets, which would enable them to generate a modest return without commodity risk and completely insulated from LNG price fluctuations:

[Original punctuation provided.]

**Project Commercial
Structure Choices
(tolling model)**

- Fee for service model
- LNG plant returns can be isolated from commodity price fluctuations
- Akin to a toll road, airport, or other infrastructure based on long term revenue from service contracts
- Examples include many of the US Gulf Coast projects, Trinidad 4, Damietta and Bontang.
- Potential use for AK LNG

[Slide 14 includes a diagram illustrating the elements of the tolling LNG project model.]

[4:03:32 PM](#)

MR. FULFORD said there were pros and cons to each of the models presented and the key to success was choosing a model that fostered alignment among investors, as misalignment can lead to significant delays in project execution.

[4:04:01 PM](#)

MR. FULFORD moved to slide 15 and said the LNG industry has undergone significant changes, particularly in the supply chain from production to delivery. Recent projects have adopted a new approach in which LNG is sold to a trading affiliate, benefiting

lenders due to the creditworthiness of the trading entity. He said this model can be highly profitable if managed skillfully but risky if not. He suggested this strategy was potentially applicable to future projects like Alaska LNG:

[Original punctuation provided.]

Contracting model evolution

- The LNG trading profit center has become significant for many players
- Using an LNG marketing affiliate to purchase offtake (fob) moves economic rent to LNG marketing, but provides credit for financing
- Equity marketing has become a popular model where large LNG buyers or portfolio players are also project investors.

Pre-2000 model (destination clauses)

LNG Project	Long term take or pay contracts	>	Gas Utilities and power generators
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Portfolio based model (equity marketing no destination restrictions)

LNG Project	LNG trading affiliate	>	LNG portfolio of suppliers and customers	Gas Utilities and power generators
LNG trading affiliate provides credit and supports finance				

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MR. FULFORD moved to slide 16 and discussed the challenges of estimating costs for a project in its early stages. He said precision for the cost estimate was expected to improve as the project progressed through the pre-FEED and [front end engineering and design] FEED process:

[Original punctuation provided.]

Evolution of Cost Estimates

- Cost estimates for AK LNG are currently in the Class 5 range
- FEED would bring cost uncertainty into a range of -20 percent to +25 percent Following bid negotiations with EPC contractors cost uncertainty will improve
- Given scale of project, limited scope for cost guarantees from EPC contractor

[Slide 16 includes a graphic representation of the Evolution of Cost Estimates for the AK LNG project.]

[4:07:10 PM](#)

SENATOR DUNBAR arrived.

[4:07:34 PM](#)

MR. FULFORD moved to slide 17 and said 12 major LNG projects faced cost overruns, particularly in Australia, while the Gulf Coast has generally fared better. He said modular liquefaction trains were a recent development that was improving cost and time to first gas. He noted that despite cost overruns, LNG projects often perform better than expected, with operations enhancing efficiency and generating more value over time. He said this inherent upside wasn't fully captured in initial economic calculations:

[Original punctuation provided.]

**Comparison of cost performance
(select LNG mega projects that achieved start up between 2007 and 2020)**

- In general, costs have been higher than budgeted
- Actual capacity is higher than performance guarantee
- De-bottlenecking can add another 10-15 percent

[Slide 17 includes a bar graph comparing the start-up costs for 12 LNG projects since 2007.]

[4:09:09 PM](#)

MR. FULFORD moved to slide 18 and explained that schedule overruns affect costs as well. He acknowledged that while some of the mega-projects illustrated did reasonably well from a from a schedule point of view, from a private investor perspective, losing early cash flow was proportionally more damaging to the economics than elsewhere:

[Original punctuation provided.]

**Comparison of schedule
(FID to Start Up)
(select LNG mega projects that achieved start up
between 2007 and 2020)**

- Construction schedule has typically slipped
- Delayed startup and cashflow have a disproportionate impact on NPV
- Use of prefabricated modules appears to have mitigated this risk
- Some Gulf Coast projects have achieved acc

[Slide 17 includes a bar graph comparing schedule over-runs for 12 LNG projects since 2007.]

[4:09:38 PM](#)

SENATOR MYERS asked for a definition of "de-bottlenecking".

[4:09:46 PM](#)

MR. FULFORD answered that de-bottlenecking involved additional capital investment that could increase LNG output by 15-20 percent.

[4:10:50 PM](#)

MR. FULFORD moved to and narrated slide 20. He noted that the free cash flow from LNG sales in 15-20 years could reach \$2-3 billion over the long term if the state of Alaska owned a 25 percent equity. He also emphasized the growing importance of LNG trading, a sector where both Exxon Mobil and ConocoPhillips were expanding:

[Original punctuation provided.]

Sources of Economic Return

1

Upstream Gas production

- Smallest element of LNG value chain
- A facilitator for LNG
- Important for host country

- Alaska: 25% Royalty and Tax on upstream circa. \$250m annually

2

Investment in Infrastructure

- Very large capital investment drives large cashflow
- Returns at risk
- Longer term cashflows are attractive.

- **Alaska:** 25% participation in project circa. \$2-\$3 bn free cashflow, once plant fully amortized. Upside potential.

3

LNG Trading

- LNG trading profits are very material
- **ExxonMobil:** "By 2030, we anticipate the cash flow out of the LNG business will be around about \$8 billion per year."
- **ConocoPhillips** is looking to sign more LNG offtake deals and to secure additional regasification capacities, as it continues to expand its LNG portfolio.

- **Alaska:** Participation in global LNG trades not available.

[4:12:36 PM](#)

MR. FULFORD moved to slide 21 and discussed the economic and cost differences of delivering natural gas from Alaska and the Gulf Coast using Wood Mackenzie's 2022 modeling. He said the analysis indicated potential price advantages for Alaska:

[Original punctuation provided.]

Delivered Cost Scenarios

(note: for illustrative purposes only)

- Alaska LNG has very high pre-productive capital needs - In addition to liquefaction circa. \$22bn of additional investment
 - GTP
 - Pipeline
- However, project has potential benefit of low cost feedstock and low freight charges

- If forecast Henry Hub increases materialise, and capital cost controls are achieved Alaska could become very competitive

[Slide 21 includes a table comparing Alaska and US Gulf Coast LNG costs according to Wood MacKenzie (WM) data and modeling.]

[4:14:47 PM](#)

MR. FULFORD moved to slide 22, Delivered Cost Scenarios, continued. He explained that the [proposed Alaska] LNG project would use associated gas as feedstock, offering potential tax revenue benefits for the state. The tax credit from 45Q translates into a significant discount on the landing cost of gas in Asia. Additionally, federal loan guarantees could substantially reduce the project's debt costs for the \$45 billion project. He suggested these were significant upsides for consideration.

[4:16:25 PM](#)

MR. FULFORD moved to slide 25. He focused on the importance of fiscal stability for LNG investors, highlighting that governments often grant assurances to limit future fiscal changes that could impact projects. He offered the example of LNG Canada, which was granted fiscal stability guarantees from both the BC and federal governments. He observed that the Alaska LNG project's magnitude was significant, comparable to the Alaska GDP and said tailor-made legislation, potentially including provisions for state equity or carries, might be necessary. He reiterated that government involvement was often a feature of large LNG projects:

[Original punctuation provided.]

Features of Enabling Legislation

Noted LNG Canada

1

Fiscal Stability Clause

- LNG requires upfront major capital investment
- Subsequent tax changes are a major risk for investors
- Long term nature of fiscal stability guarantees can be complex
- Constitutional implications

2

Scale usually requires tailormade legislation

- Can include upstream fiscal changes.
- Features can include:
 - Special income tax provisions
 - Mechanisms to provide "minimum return" for investors
 - Accelerated depreciation
 - Tax holidays

3

Host country provisions

- May include sliding scale of upside/downside risk sharing.
- Can involve a "carry" for host government, supported by major investors
- Sometimes features in government to government trade deals or treaties

[4:18:29 PM](#)

SENATOR WIELECHOWSKI opined that Alaska's current tax structure was deficient in that it did not adequately address upstream cost and deduction issues. He asked for any recommendations Mr. Fulford could offer.

[4:19:01 PM](#)

CHAIR GIESSEL said the committee would request Mr. Fulford's return to complete his presentation.

[4:19:21 PM](#)

At ease.

PRESENTATION(S) : ALASKA STATEHOOD DEFENSE OVERVIEW

[4:19:50 PM](#)

CHAIR GIESSEL reconvened the meeting and announced the presentation, Alaska Statehood Defense Overview.

[4:20:01 PM](#)

TREG TAYLOR, Attorney General, Department of Law (DOL), Anchorage, Alaska introduced himself and Deputy Attorney General Cori Mills. He moved to slide 2 and briefly defined statehood defense as the commitment to uphold federal promises made to Alaska at statehood, ensuring that Alaska can manage its lands, waters, and natural resources as it sees fit. He said the Department of Law (DOL), Department of Environmental Conservation (DEC), Department of Natural Resources (DNR), and

the Alaska Department of Fish and Game (ADF&G), collaborate weekly to address statehood defense issues.:

[Original punctuation provided.]

What is Statehood Defense?

Defending the rights and privileges promised to the citizens of the state of Alaska upon the state's admission into the Union, especially concerning the use, conservation, and management of the state's lands, waters, and natural resources.

[4:21:37 PM](#)

CORI MILLS, Deputy Attorney General, Civil Division, Department of Law, Juneau, Alaska, began the presentation, Alaska Statehood Defense Overview. She moved to and narrated slide 3, Multi-Year Statehood Defense Appropriation, a bar graph illustrating the legislature's appropriations for statehood defense for fiscal years 2021, 2023 and 2024. She said the funding was used for various efforts, including federal litigation and offered to provide a report to the committee. She noted the number of active cases increased from 30-40 to over 80 and explained that the legislature provided a temporary increment to the base budget for natural resource work. She said current projections indicated sufficient funds to cover fiscal year 2026.

[4:22:57 PM](#)

MR. TAYLOR moved to slide 4 and said this was Senator Sullivan's famous list. He emphasized the need for caution despite a more aligned current administration. He warned against potential reversals in the future and stressed the importance of finalizing litigation, particularly with the U.S. Supreme Court, to ensure stability and certainty for the state's interests:

[Original punctuation provided.]

67 Executive Orders & Actions Targeting Alaska

01.20.2021 - President Biden is inaugurated and takes office.

01.20.2021 - EO 13990 on Day 1, reviewing the Willow Project EIS.

01.20.2021 - EO 13990 on Day 1, reviewing Bering Sea-Western Interior EIS.

01.20.2021 - EO 13990 on Day 1, reviewing hunting/trapping in National Preserves rule.

01.20.2021 - EO 13990 on Day 1, reviewing Roadless Rule exemption for Alaska.

01.20.2021 - EO 13990 on Day 1, moratorium on congressionally-mandated ANWR leasing.

01.20.2021 - EO 13990 on Day 1, reinstating Northern Bering Sea Climate Resilience Area.

02.01.2021 - U.S. Forest Service halts activities in Alaska Roadless Rule areas.

02.2021 - BLM conducts bad-faith permitting for KIC AK Native lands, blocking access.

04.16.2021 - DOI delays PLOs for AK Native Veteran allotments, tribes, resources.

04.16.2021 - DOI Secretary Order 3398, revoking DOI's previous NPR-A order.

05.24.2021 - Alaska delegation meeting at the White House.

06.01.2021 - DOI initiates new EIS process for 1002 Area, suspends ANWR leases.

06.07.2021 - BLM expands Mendenhall Glacier Recreation Area by 4,500 acres.

11.19.2021 - USDA intends to roll back Roadless Rule exemption for Alaska.

12.9.2021 - Alaska delegation meeting at the White House.

12.31.2021 - USFS fails to hold mandated Tongass timber sale.

2021 - BLM intends to review Central Yukon Resource Plan EIS.

01.10.2022 - BLM selects "No Action Alternative" for 2020 NPR-A IAP/EIS.

01.20.2022 - USDA & DOI publish federal subsistence policy notice.

02.2022 - Administration delays final supplemental EIS for Willow Project.

02.22.2022 - DOI files to reopen Ambler Road ROD.

03.09.2022 - BLM intends to establish recreational fees on Alaska public lands.

04.04.2022 - NOAA intends to designate critical habitat area for Beringia seals.

04.21.2022 - DOI further delays, complicates AK Native Veteran allotments.

04.26.2022 - BLM reverts the NPR-A to the 2013 Integrated Activity Plan.

05.12.2022 - DOI cancels planned oil & gas lease sale in Cook Inlet.

05.25.2022 - EPA proposes 404(c) pre-emptive veto of Pebble Mine site.

12.01.2022 - EPA recommends 404(c) preemptive veto of Pebble. 12.01.2022 - DOI delays release of draft SEIS for ANWR 1002 Area drilling.

12.06.2022 - DOI claims authority over state lands relevant to Ambler Road Project.

12.21.2022 - Alaska delegation meeting at the White House.

2023 - USFS/BLM fails to implement ANILCA-compliant cabin policy, limiting permits.

01.06.2023 - DOI proposes hunting restrictions on Alaska's National Preserves.

01.10.2023 - BLM publishes PLO with 20-year extension of Chugach Forest withdrawal.

01.24.2023 - BLM draft plans include access fees prohibited under ANILCA.

01.31.2023 - EPA publishes pre-emptive veto of Pebble Mine area.

03.03.2023 - Alaska delegation meeting at the White House.

03.13.2023 - DOI proposes additional restrictions on 13 million acres of NPR-A.

03.13.2023 - White House intends to block all oil & gas leasing in the Arctic Ocean.

03.14.2023 - DOI withdraws land exchange for life-saving King Cove Road.

04.04.2023 - EPA enables unachievable deadline for PM2.5 air standard for Fairbanks.

09.08.2023 - DOI proposes restricting development on millions of acres in NPR-A.

12.05.2023 - USFWS's new guiding proposal discriminates against long-term local guides.

12.15.2023 - DOI five-year oil & gas leasing proposal excludes Alaska.

12.15.2023 - BLM draft ANCSA 17(d)(1) withdrawal EIS delays required conveyances.

02.28.2024 - USFS intends to develop new Tongass management plan.

04.19.2024 - DOI finalizes NPR-A restrictions, defying federal law.

04.19.2024 - DOI FEIS denies re-approval of Ambler Access Project, defying federal law.

04.19.2024 - BLM Central Yukon Resource Plan restricts development defying federal law.

06.28.2024 - DOI issues ROD blocking the Ambler Road Project.

06.28.2024 - DOI revokes 2021 PLOs, leaving 28 million acres of land in highly restricted status.

07.03.2024 - NPS implements rule prohibiting certain hunting methods in Alaska Preserves.

08.27.24 - DOI issues ROD revoking 2021 PLOs, finalizing restrictions on 28 million acres.

[4:23:48 PM](#)

SENATOR DUNBAR asked about the implications of new [federal] executive orders and actions for statehood defense. He suggested recent orders could compel states to enact federal policies, citing Maine's response to potential funding cuts. He questioned whether statehood defense funds would be utilized to protect [state] sovereignty when state actions are commandeered by federal government.

[4:25:05 PM](#)

MR. TAYLOR noted that accepting federal funds often came with specific stipulations that the federal government can change over time. He said the core issues for statehood defense involved the state's self-sufficiency and resource management, particularly in areas like the Department of Environmental Conservation (DEC), Department of Natural Resources (DNR), and Alaska Department of Fish and Game (ADF&G). Despite a [federal] administration more aligned with [Alaska's] interests, Mr. Taylor said he anticipated an increase in litigation due to executive actions. He said Alaska would intervene in lawsuits to protect its interests, some of which may be settled, while others will be pursued to final decisions.

[4:27:17 PM](#)

SENATOR DUNBAR asked whether the concept of statehood defense was being defined as state resource and land defense rather than a broader conception of state sovereignty.

[4:28:03 PM](#)

MR. TAYLOR affirmed that [state resource and land defense] was the meat and potatoes of statehood defense. He advocated for avoiding politicized issues and using state defense funds only in areas of broad agreement amongst the legislature and the [Alaska] population.

[4:28:27 PM](#)

SENATOR DUNBAR noted the Pebble Mine was listed as a project for statehood defense. He asserted a lack of broad consensus [amongst Alaskans] in support of the Pebble Mine.

[4:28:37 PM](#)

MR. TAYLOR clarified that the [statehood defense] objection was not to the Pebble Mine itself but to the [federal Environmental

Protection Agency] (EPA's) preemptive veto of the project. He argued that the EPA's action undermined Alaska's authority to manage and permit projects on state land. He said the goal was to get a court ruling ensuring that the EPA cannot use such preemptive powers to override state control, thereby protecting state sovereignty over land-use decisions rather than defending the specific mine.

[4:29:20 PM](#)

SENATOR WIELECHOWSKI pointed out that while the list included items related to the Pebble Mine and Willow projects, it omitted Trump administration actions affecting Alaska, such as the halting of \$750 million in federal energy funds, wind farm permits, and state EV charging station funding. He noted these projects received broad bipartisan and statewide support. He mentioned a lawsuit by 22 attorneys general alleging the Trump administration defied a court order to release the funds. The speaker asked why the state didn't join that lawsuit or take similar legal action to restore hundreds of millions in blocked energy and infrastructure funding for Alaska.

[4:31:11 PM](#)

MR. TAYLOR explained that the list of 67 federal actions affecting Alaska was shown for context. He said the state's statehood defense efforts focused on protecting Alaska's right to manage its own resources, not on obtaining federal funds. He noted that while the state sometimes aligned with the federal government, it may also align with other entities, and therefore cases about federal funding would not qualify for statehood defense funds.

[4:32:09 PM](#)

SENATOR WIELECHOWSKI asked whether any [state] funds would be used [to pursue litigation]. He noted Alaska's extremely high energy costs and questioned why the state had not joined the lawsuit that 22 other attorneys general had filed to challenge the halted federal energy funds.

[4:32:26 PM](#)

MR. TAYLOR said [the attorney general's office] regularly received requests to join lawsuits and must carefully decide which cases to participate in based on strategy, policy, and the best use of state resources. He clarified that he [as attorney general] was not a policymaker, but an advisor to elected officials who made those decisions. He said the state [attorney general] evaluates whether a federal action is unlawful or harmful to Alaska before recommending involvement. He noted that Alaska sometimes chooses not to join certain lawsuits, such as

some against the Biden administration, when other states are already representing Alaska's interests effectively.

[4:33:50 PM](#)

MS. MILLS moved to slide 5 and introduced Acting Commissioner Christina Carpenter from the Department of Environmental Conservation:

[Original punctuation provided.]

Department of Environmental Conservation
ACTING COMMISSIONER CHRISTINA CARPENTER

MS. MILLS explained that the multi-year appropriation for environmental conservation had doubled from about 40 to 80 actions, with funding limited to resource protection and management and excluding subsistence cases. She noted that subsistence issues were handled through other means.

[4:34:48 PM](#)

CHRISTINA CARPENTER, Acting Commissioner, Department of Environmental Conservation (DEC), Anchorage, Alaska, introduced herself and moved to slide 6. She explained that (DEC) currently managed several federal "primacy" programs, meaning the federal government delegated authority to Alaska to implement certain environmental laws within the state. Established in 1971, DEC first gained primacy for the Safe Drinking Water Act (SDWA) in 1978, and subsequently added programs under the Clean Air Act, the Federal Insecticide, Fungicide, and Rodenticide Act, the Resource Conservation and Recovery Act (RCRA), and Section 402 of the Clean Water Act through the Alaska Pollutant Discharge Elimination System (APDES). She emphasized that primacy allowed Alaskans to regulate Alaskans, ensuring compliance with federal standards while applying local expertise and flexibility better suited to Alaska's unique conditions:

[Original punctuation provided.]

**Implementing
Primacy
Programs**

DEC can find flexibility in federal laws to make these programs work better for Alaska and Alaskans.

- Federal Programs Currently Implemented by DEC:
- Resource Conservation and Recovery Act, Solid Waste
- Safe Drinking Water Act

- Clean Air Act
- Clean Water Act section 402, Alaska Pollutant Discharge Elimination System (APDES) Program
- Federal Insecticide Rodenticide and Fungicide Act

[4:36:58 PM](#)

SENATOR CLAMAN arrived.

[4:37:21 PM](#)

MS. CARPENTER moved to slide 7 and focused on current and future uses of statehood defense funds, beginning with the Waters of the United States (WOTUS). She said since the 2013 Sackett decision, there was little change in how the U.S. Army Corps of Engineers applied WOTUS regulations, leading to inconsistent, case-by-case decisions and unclear guidance for industry. To address this, DEC was collaborating with resource agencies and contractors to create clear, Alaska-specific guidance to help the regulated community identify jurisdictional wetlands, anticipate permitting timelines, and plan mitigation options more effectively:

[Original punctuation provided.]

Commenting on Federal Proposals

DEC experts evaluate federal proposals and push back where the federal agencies seek to expand federal authority or impose standards that don't make sense for our state.

WOTUS: U.S. Environmental Protection Agency (EPA) and the Army Corps continue to resist issuing clear Waters of the United States (WOTUS) rules that include wetlands only when they are indistinguishable from jurisdictional waters. The federal agencies have refused to clearly define the bounds of their authority. This has direct impact on Alaska's vast wetlands on the North Slope.

Fairbanks PM2.5 Non-Attainment Area: The EPA proposes to approve a stakeholder-driven plan for correcting air quality concerns; DEC will engage to address concerns raised in any anticipated legal challenge to this important approval.

[4:39:53 PM](#)

SENATOR KAWASAKI noted Fairbanks had long dealt with air quality issues. He said a recent state implementation plan, approved by the administration and EPA, mandated that realtors must have an Energy Rating performed on houses before sale. Realtors said they would find compliance difficult, especially with only two energy raters in the area. He said the new rule takes effect at the end of December [2025], raising concerns about meeting the requirements. He questioned whether the Attorney General will defend the plan if challenged, particularly by affected realtors.

[4:41:23 PM](#)

MS. CARPENTER thanked the Interior delegation for meeting with the Air Quality Division Director, Jason Olds, and staying informed on air quality issues. She said DEC supported the EPA's planned approval of the non-discretionary section of Alaska's State Implementation Plan (SIP). She explained that if the SIP is approved, the state will be able to modify the plan later through a formal demonstration process following any court proceedings.

MS. CARPENTER added that the EPA planned to reopen the public comment period on the energy audit requirement in response to feedback, and DEC will notify interested parties when that happens. Meanwhile, DEC was working with Housing Finance Corporation (HFC) to expand the list of qualified energy auditors and pursuing grants to offset potential financial impacts on home buyers and sellers. She said DEC intended to use all available administrative options to prevent the department from becoming a bottleneck in Fairbanks home sales.

[4:43:32 PM](#)

SENATOR KAWASAKI noted that some of the current discussion stemmed from concerns raised by the Department of Transportation (DOT) about potential loss of transportation funding due to Alaska's noncompliance with EPA air quality regulations in the Fairbanks watershed and Fairbanks Municipal Transit area. He questioned why the Attorney General was not challenging this issue instead of allowing it to proceed.

[4:44:16 PM](#)

MS. Mills clarified that the [decision not to challenge the loss of transportation funds] had been handled [by the attorney general's office] in consultation with the Department of Environmental Conservation (DEC) and that while the process was not yet complete, policy officials had decided on the current approach. She added that the attorney general could be brought

in if needed, but for now, the policy direction was guiding the response to the issue.

[4:44:56 PM](#)

SENATOR CLAMAN asked for the timeline for the [SIP] approval.

[4:45:07 PM](#)

MS. CARPENTER said the EPA had published its plan for approval, with the initial public comment period closing on February 7. She noted that the EPA intended to reopen the comment period, though there was no updated timeline available. She offered to provide the committee with written follow-up.

[4:45:49 PM](#)

MS. CARPENTER moved to slide 8 and highlighted two key successes achieved through statehood defense funds. First, she explained that in 2021, DEC issued 548 notices of intent to sue the federal government for failing to clean up contaminated sites transferred to Alaska native corporations under ANCSA (1971). Although the lawsuits were dismissed or stayed, they prompted Congress to appropriate \$40 million for cleanup efforts. She said DEC also received \$7 million to work with federal agencies to create a public database tracking cleanup progress, improving accountability and transparency:

[Original punctuation provided.]

**Holding
Federal
Agencies
Accountable**

DEC works to ensure the federal government corrects its own failures.

Alaska Native Claims Settlement Act (ANCSA)

Contaminated Sites: DEC is pushing the Department of Interior to clean up contamination they left on properties the federal government transferred to Alaska Native Corporations under ANCSA.

EPA Woodstove Certification Program: LAW and DEC were successful in a lawsuit against the EPA to ensure an effective update to critical EPA-certified woodstove program. DEC discovered that the EPA certification program is fundamentally flawed and pushed the EPA to do its job to ensure the new stoves are actually cleaner. Without cleaner devices, the DEC plan to

reach attainment and achieve clean air is severely harmed.

[4:48:15 PM](#)

CHAIR GIESSEL asked whether a home in Fairbanks could use a woodstove for heat.

[4:48:26 PM](#)

MS. CARPENTER affirmed that they could.

[4:48:29 PM](#)

CHAIR GIESSEL asked what would be required of a homeowner to [use a woodstove for home heating].

[4:48:34 PM](#)

MS. CARPENTER said homeowners would have to use an approved [wood-burning system]. She said there was a [DEC] approved list of manufacturers.

[4:48:57 PM](#)

CHAIR GIESSEL asked for clarification. She understood that DEC hadn't completed the process of identifying clean-burning woodstoves and certifying them.

[4:49:10 PM](#)

Ms. Carpenter explained that the EPA had not created regulations ensuring that EPA-approved stoves were truly clean-burning or met testing standards. As a result, the Department of Environmental Conservation (DEC) sued the EPA, successfully compelling the agency to update its regulations so that DEC could verify that stoves sold in the Fairbanks area meet clean-burning requirements.

[4:49:47 PM](#)

SENATOR KAWASAKI asked whether there was a challenge from EPA saying they would not create [reasonable and effective standards]. He asked whether the state of Alaska spent [statehood defense] money against the Biden administration.

[4:50:24 PM](#)

MS. MILLS recalled litigation because EPA issued inconsistent or impractical standards that couldn't be met. She was unsure of the details and offered to look up the case and report back to the committee.

[4:51:13 PM](#)

SENATOR KAWASAKI referred to the travesty wells [on lands conveyed to Alaska native corporations by the Department of the

Interior (DOI) following Alaska Native Claims Settlement Act (ANCSA)] which needed to be cleaned out. He asked whether there was push-back from the administration regarding addressing [the wells].

[4:51:42 PM](#)

MS. MILLS explained that DEC had been in discussions about the litigation because EPA hadn't provided funding or clear lists of contaminated sites, and previous administrations hadn't made much progress despite Senator Murkowski's efforts. Filing the lawsuit prompted some additional federal funding for cleanup, though she said it was still not enough to fully address the problem.

[4:52:59 PM](#)

MS. Mills moved to slide 10 and explained that the Pebble Mine case challenged EPA's 404(c) veto, which blocked development over a 300-square-mile area—far larger than the proposed mine site. The state argued the veto was an improper use of EPA authority. In addition, if the veto is upheld, Alaska claims the federal government should compensate the state for restricting its mineral rights. The compensation case was on hold pending resolution of whether the veto itself was lawful:

[Original punctuation provided.]

**EPA's 404(c)
Determination**

EPA's determination:

- **Prohibits** all "future proposals to construct and operate a mine to develop the Pebble deposit" that result in any "**one**" of the stream or wetland losses serving as a basis for the permit denial
- **Restricts** development in a specified 309 square-mile area of primarily state-owned land
 - o Alaska v. EPA et al., case no. 3:-cv-00084 (D. Alaska)(matter consolidated with related cases
 - o State seeks declaration that 404(c) determination was unlawful, violates Clean Water Act and Administrative Procedures Act by failing to engage in reasonable decision making, and failing to consider relevant factors
 - o In related claim before U.S. Federal Court of Claims, State alleges taking without just

compensation (inverse condemnation) and breach of contract entitling Alaska to damages if US District Court does not set aside veto

[4:54:25 PM](#)

MS. Mills introduced Commissioner Boyle.

[4:54:36 PM](#)

JOHN BOYLE, Commissioner, Department of Natural Resources (DNR), Anchorage, Alaska said DNR's statehood defense work had two main focuses and discussed the first of the two, Navigability and state land ownership. He explained that under the Statehood Act and federal law, Alaska should hold title to the submerged lands under all navigable rivers and lakes, yet the federal government has only recognized a small fraction (about nine percent of rivers and sixteen percent of lakes). He said this lack of recognition affected state management, Native corporation land selections, access, and economic development. He highlighted the work of DNR's Public Access Assertion and Defense (PAD) team which collected evidence allowing the pursuit of litigation to confirm state ownership where federal acknowledgment was lacking.

[5:00:30 PM](#)

COMMISSIONER BOYLE discussed the second focus of DNR's statehood defense efforts, federal land and resource management disputes and federal actions that limited state resource development. He said the Biden administration changed the National Petroleum Reserve in Alaska (NPR) management plan, which restricted development and infrastructure access. He said boundary disputes in the Arctic National Wildlife Refuge (ANWR) affected the potential for state leasing, and federal withdrawals and leasing restrictions on the Outer Continental Shelf and Cook Inlet, made energy development more difficult.

[5:02:40 PM](#)

MS. MILLS moved to slide 13 and said Ron Opsahl was available online to answer questions about navigability:

[Original punctuation provided.]

**State
Submerged
Lands**

- North Fork of Fortymile River
 - Alaska v. United States (U.S. Dist. Alaska)

- Middle Fork of Koyukuk River, Dietrich River, and Bettles River
 - Alaska v. United States (U.S. Dist. Alaska)
- Mulchatna River, Chilikadrotna River, Twin Lakes, and Turquoise Lake
 - Alaska v. United States (U.S. Dist. Alaska)
- Mendenhall Lake and River
 - Alaska v. United States (U.S. Dist. Alaska)

[5:02:48 PM](#)

MS. MILLS moved to slide 15 and said Mary Gramling was available for questions about oil and gas development:

[Original punctuation provided.]

**National Petroleum
Reserve-Alaska (NPR-A)**

**Arctic National Wildlife
Refuge (ANWR) Coastal
Plain**

**Outer Continental
Shelf (OCS)**

- NPR-A
 - Defending Willow Project Approvals
 - Center for Biological Diversity, et al. v. Bureau of Land Management (9th Circuit)
 - Challenging 2024 NPR-A Regulations
 - Alaska v. Bureau of Land Management (U.S. Dist. Alaska)
 - Defending 2020 NPR-A Integrated Activity Plan (IAP) Environmental Impact Statement (EIS)
 - National Audubon Society, et al. v. Haaland (U.S. Dist. Alaska)
- ANWR
 - Supporting 1002 Area Leasing and Challenging Cancellations, Reduced Revenues, and Deficient Processes
 - Alaska v. U.S. (U.S. Court of Federal Claims)
 - Alaska v. U.S. Dep't of Interior (U.S. Dist. Alaska)

- Setting the Proper ANWR Boundary and Asserting the State's Ownership
 - Alaska v. U.S. Dep't of Interior (U.S. Dist. Alaska)
- OCS
 - Challenging Continental Shelf Withdrawals
 - Louisiana v. Biden (U.S. Dist. W.D. La.)
 - Defending 2022 Cook Inlet OCS Lease Sale
 - Cook Inletkeeper, et al. v. U.S., Dep't of Interior (U.S. Dist. Alaska)

[5:04:12 PM](#)

CHRISTOPHER ORMAN, Assistant Attorney General, Department of Law (DOL), Juneau, Alaska, moved to and narrated slide 17:

[Original punctuation provided.]

**Tribal
Territorial
Jurisdiction**

Alaska v. Newland
3-23-CV-00007-SLG (District Court)
Nos. 24-5280, 24-5285, 24-5461 (Appeal)

Alaska v. Department of the Interior, et al.
1:25-cv-00330-PLF (District Court)

Lands-into-Trust

- The Federal Government changed its position on whether the Secretary has authority to take lands-into-trust and create new Indian country in Alaska.
- The State seeks final resolution from the courts.
- The State received a partially favorable decision from the district court, and all parties appealed. The appeal is pending.

Tribal Territorial Jurisdiction over Native Allotments

- For over 30 years, Interior's position was Alaska tribes did not have territorial jurisdiction over Alaska Native Allotments.
- In 2021, a district court in D.C. held that interpretation was "correct."

- In 2024, Interior changed its position, and its Solicitor concluded the district court was in error.
- The State seeks final resolution from the courts.
- The State filed its complaint and is waiting for the other parties to respond.

[5:06:18 PM](#)

MR. ORMAN explained that the native allotments case was closely related to the lands-into-trust litigation. While that earlier case was still before Judge Gleason, the Department of the Interior issued a new "M opinion" declaring that Alaska tribes have territorial jurisdiction over Native allotments—a major policy reversal after decades of the opposite understanding. He said the shift became central to the case involving the Native Village of Eklutna, which was pursuing a casino on the Ondola allotment. The D.C. Circuit Court had ruled in 2021 that the allotment was not "Indian land" under the Indian Gaming Regulatory Act, making it ineligible for gaming. However, the current administration later reversed course, telling Eklutna that gaming was allowed. He said the state's lawsuit seeks clarification on this conflict, focusing on separation of powers questions—specifically, how much authority the executive branch has to reinterpret or override existing court decisions through new administrative opinions.

[5:09:10 PM](#)

DOUG VINCENT-LANG, Commissioner, Alaska Department of Fish and Game (ADF&G), Juneau, Alaska, emphasized that while lawsuits against the federal government are sometimes necessary, his department prefers to engage proactively to ensure federal understanding of Alaska's laws, history, and scientific data on fish and game resources. He noted that substantial resources were invested in scientific research to support decision-making and legal actions, which he SAID were pursued only when federal actions conflicted with state policy or science.

[5:10:04 PM](#)

COMMISSIONER VINCENT-LANG moved to and narrated slide 19:

[Original punctuation provided.]

Right to Manage

- Protect Alaska's right to manage our state's fish and game resources and their uses

- Ensure the best available information is being used in federal permitting processes
- Challenge unnecessary and unjustified listings of species and their critical habitats under the Endangered Species Act

[5:10:27 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 20 and explained that Alaska became a state largely to secure control over its fish and game resources. The Alaska Statehood Compact and the Alaska Constitution, with its sustained-yield mandate, established strong state authority, and President Eisenhower formally transferred fish and game management to Alaska in 1959. He said ANILCA later reaffirmed that the state retains primary management, allowing the federal government to step in only when rural subsistence needs weren't being met, and only to close or restrict hunts or fisheries—not to take over full management. However, he noted that over time, the limited federal role expanded into much broader federal management with the federal government increasingly replacing the state's authority on federal lands:

[Original punctuation provided.]

Right to Manage

- Fight for statehood was largely driven by federal fish and game mismanagement
- Alaska's statehood compact gave us control over fish and game
- On December 29, 1959, President Eisenhower formally recognized the transfer of authority over fish and game to Alaska (Executive Order 10857)
- These rights were re-affirmed with the passage of ANILCA

BOTTOMLINE

The State is the primary manager of fish and game on all lands throughout Alaska

[5:11:37 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 21 and said, under federal management, many Anchorage residents, Alaska's largest Native community, are barred from subsistence hunting on federal lands, despite longstanding cultural traditions. He said the state believes subsistence priorities should be protected and

that people displaced from rural areas for economic or cultural reasons should still be allowed to hunt. He raised concerns about federal actions that limit access, such as de facto wilderness designations and challenges to 17(b) easements, which were originally meant to guarantee Alaskans continued access to federal lands:

[Original punctuation provided.]

Right to Manage

Why is this important?

Alaskans must have the ability to access fish and game resources without being unnecessarily restricted by federal agencies.

[5:12:51 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 22, Best Available Science, ADF&G collects and utilizes sound science to inform federal decision processes.

[5:13:00 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 23 and explained that when Alaska received an Endangered Species Act (ESA) petition for Chinook salmon, the state did not immediately sue but instead gathered scientific data and submitted a detailed report to the federal government showing that a listing was not scientifically justified. ADF&G also placed two state scientists on the status review team to correct the record. He said statehood defense funds provided part of the funding for ADF&G to follow this same science-based approach for other species, such as the Pacific walrus, where their data helped prevent a federal ESA listing. The state also provided key research on numerous other species under review and in many cases, these efforts successfully prevented unwarranted listings:

[Original punctuation provided.]

State Science Initiatives

Inform Endangered Species Act decisions

- Gulf of Alaska Chinook listing
- Pacific walrus listing
- Other listings: small mammals, birds, insects, and plants

- Recovery planning: wood bison, ice seals, humpback whales
- North Pacific right whale critical habitat

[5:14:53 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 24:

[Original punctuation provided.]

State Science Initiatives (cont.)

Inform Marine Mammals Protection Act decisions

- Polar bear Incidental Take Regulations (AOGA) and Stock Assessment
- Harbor porpoise management
- Fur Seal Conservation Plan

[5:15:01 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 25 and said the state reviewed about 14 species, including Southeast Alaska wolves, bull kelp, butterflies, bumblebees, Pacific walrus, seals, puffins, murrelets, yellow cedar, and certain sharks. He explained that for many of the species, federal listings would have triggered critical habitat designations and major restrictions. He said that by providing accurate scientific data and collaborating early with federal agencies, ADF&G prevented unnecessary listings and habitat designations for species that were either not actually present in Alaska or more abundant than previously believed:

[Original punctuation provided.]

State Science Initiatives (cont.)

In the last decade, avoided unnecessary ESA listings for:

Wolves in Southeast Alaska	Tufted puffin
Bull kelp	Kittlitz's murrelet
Suckley's bumblebee	Yellow cedar
Pacific walrus	Short-fin Mako shark
Lake Iliamna seals	

[5:15:39 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 26 and explained that the state actively participated in federal regulatory processes, especially with the Federal Subsistence Board, even though it

did not have a vote. The state provided data to prevent unnecessary hunting closures, such as recent decisions on deer in Southeast Alaska and caribou in Northwest Alaska and pursued appeals before resorting to litigation. He said the state also intervened in federal wildlife regulations when those rules could unnecessarily restrict development. He said that for polar bears on the North Slope, the federal government shifted from data-based incidental take rules to broad modeling that assumed polar bear dens could occur almost anywhere. He said ADF&G direct observations showed most areas lacked enough snow for dens, and they were working to correct the model so oil and gas activity wouldn't be unduly limited. He said the state was also working with federal agencies to secure more reasonable incidental take rules for Cook Inlet beluga whales:

[Original punctuation provided.]

Informed Participation

Participate in the federal subsistence program

Federal Subsistence Board

Federal Subsistence Regional Advisory Councils

Marine Mammals subsistence management

Participate in lawsuits to defend federal findings we support

Intervention in the Polar Bear Incidental Take Regulations suit

Cook Inlet Incidental Take Regulations suit

[5:17:44 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 26 and explained that the state was challenging several federal decisions. Despite an estimated 3-7 million ringed seals worldwide, the National Marine Fisheries Service listed them as threatened based on projections 70-100 years into the future due to potential climate-change impacts and designated critical habitat. He said the state lost its initial challenge to the listing before Judge Gleason and was appealing. The state was told they could not submit a delisting petition until the end of the century, meaning the species would remain listed regardless of population growth. He reported that the state won a major case overturning a critical habitat designation for ringed and bearded seals that covered an enormous area, larger than Texas, based on where seals exist now and might exist a century from now. The court found the designation overly broad and ordered the agency to revisit the designation:

[Original punctuation provided.]

Challenging Decisions

Unnecessary and unjustified listings of species and their critical habitats under the Endangered Species Act

- GOA Chinook salmon - build a strong administrative record
- Ringed seal de-listing
- Ringed and Bearded seal critical habitat

Alaska National Interest Lands Conservation Act (ANILCA) Program

- Assert and defend State authority to manage fish and wildlife on all lands in Alaska and maintain public access and use of federal public lands
 - Actively engaged on issues to address federal overreach
 - Working with Federal agencies to ensure adherence to ANILCA and state management
 - Formally commenting on behalf of the State on land use plans and proposed federal rules

[5:18:56 PM](#)

COMMISSIONER VINCENT-LANG moved to slide 27 and summarized several ongoing state litigation efforts:

Arctic ringed seals: The state is challenging both the denial of its petition to delist the species and the federal critical habitat designations for ringed and bearded seals.

Metlakatla fishery jurisdiction: Metlakatla historically had exclusive fishing rights only within a defined zone around the island. Some tribal members once held state-issued permits to fish outside that zone but later sold many of them. Metlakatla is now suing, claiming broader tribal fishing rights beyond the exclusive zone. The state is opposing this, arguing it would undermine state fishery management and affect other fishermen in state waters.

Cook Inlet salmon management: The state is challenging expanded federal management in the EEZ area of Cook Inlet, opposing efforts that could extend federal control into the tributaries:

[Original punctuation provided.]

Current Litigation

Challenge Finding Regarding State's Petition to Delist Arctic Ringed Seal

Alaska v. National Marine Fisheries Service (9th Circuit)

Challenge to Critical Habitat Designations for Arctic Ringed Seal and Bearded Seal

Alaska v. National Marine Fisheries Service (9th Circuit)

Metlakatla Fishing Jurisdiction

Metlakatla Indian Community v. State

Chinook Salmon & Southern Killer Whales

Wild Fish Conservancy v. Rumsey, et. al.

Upper Cook Inlet Salmon Management

United Cook Inlet Drift Association v. NMFS

[5:20:29 PM](#)

MS. MILLS moved to slide 29, SEAK Chinook Fishery Biological Opinion, AARON PETERSON ASSISTANT ATTORNEY GENERAL, and said these slides referred to law suits already mentioned in the presentation. She invited the committee to ask questions.

[5:20:52 PM](#)

MS. MILLS moved to and narrated slide 30:

[Original punctuation provided.]

Wild Fish

Conservancy

v. Rumsey, et. al.

No. 2:20-cv-00417

Appeal Nos. 23-35322, 23- 35323, 23-35324, 23- 35354

- In early 2020 the Wild Fish Conservancy sued the United States, arguing that the Southeast Alaska Chinook Biological Opinion related to Southern Resident Killer Whales was flawed and that take of their food (chinook salmon) was unlawful
- Alaska intervened to defend the Biological Opinion
- The court found violations of Endangered Species Act and National Environmental Policy Act, granted the

plaintiff summary judgment, and vacated the Biological Opinion

- Alaska petitioned the Ninth Circuit for a stay pending appeal, which was granted, effectively keeping the fishery open while the matter was on appeal
- The Ninth Circuit ultimately agreed with Alaska and reversed the District Court's remedy order

[5:21:15 PM](#)

MS. MILLS moved to slide 31, Marine Mammal Litigation, RON OPSAHL ASSISTANT ATTORNEY GENERAL.

[5:21:18 PM](#)

MS. MILLS moved to an narrated slide 32:

[Original punctuation provided.]

**Marine
Mammal
Litigation**

- Challenge to negative 90-day finding regarding State's petition to delist Arctic ringed seal
 - Alaska v. National Marine Fisheries Service (9th Circuit)
- Challenge to critical habitat designations for Arctic ringed seal and bearded seal
 - Alaska v. National Marine Fisheries Service (9th Circuit)

[5:21:29 PM](#)

MS. MILLS moved to slide 33, Off-Reservation Fishing Rights, CHRISTOPHER ORMAN ASSISTANT ATTORNEY GENERAL.

[5:21:30 PM](#)

MS. MILLS moved to and narrated slide 34, concluding the Alaska Statehood Defense presentation:

[Original punctuation provided.]

**Metlakatla
Indian
Community v.
State of Alaska**

No. 5:20-cv-00008-SLG

- In early 2020, the Metlakatla Indian Community filed a complaint asserting that due to the 1891 Act creating the Annette Islands Reserve, their members hold an implied off-reservation fishing right in fishing districts 1 and 2. They further asserted the State of Alaska's limited entry permit program, in place since the 1970s, violates their fishermen's off-reservation fishing right.
- The State initially won a motion to dismiss before the trial court.
- On appeal, the Ninth Circuit reversed and remanded; instructing the trial court to determine whether the Metlakatlans "traditionally fished" throughout fishing districts 1 and 2.
- If the Metlakatla Indian Community is successful, their commercial fishermen will have an economic advantage over all other commercial fishermen in fishing districts 1 and 2.
- The parties recently exchanged expert reports. Trial, if needed, is scheduled for August 2025.

5:22:20 PM

There being no further business to come before the committee, Chair Giessel adjourned the Senate Resources Standing Committee meeting at 5:22 p.m.