

HJR

27

HOUSE RESOURCES COMMITTEE
Roll Call and Members' Bill Votes

* (indicates first public hearing)

Room 124, Capitol Bldg.

(Mon.) Wed., Fri.

Date: 2/13/95

Tape# 95-12 Joint _____

Time: 8:07 (am/pm) Time Adjourned: 9:50 (am/pm)

ROLL CALL:	PRES	ABS	TIME AR	Amend		
Rep. Joe Green	✓			Y		
Rep. Bill Williams			8:19	N		
Rep. Scott Ogan	✓			Y		
Rep. Alan Austerman	✓			N		
Rep. Ramona Barnes			8:30	N		
Rep. John Davies						
Rep. Pete Kott						
Rep. Eileen MacLean						
Rep. Irene Nicholia			8:09	Y		

3-3

Other Legislators Present MALCOLM, F. VAN

AGENDA:	Bill No.	Short Title	Action Taken
	<u>HJR 27</u>	<u>CS HJR 27 (Res)</u>	<u>passed out</u>
		<u>Confirmation of Veal Thompson</u>	
	<u>HB 20</u>		<u>CS HB 20 (Res) passed out of comm.</u>
	<u>HB 79</u>		<u>HB 79 moved out of comm.</u>

OTHER

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Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

*House Resources
2-13-95 8:07am
Tape #95-12, Side A
HJR27*

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
07:58:48 PARTICIPANT LIST (ALL PARTICIPANTS) BY:SIT
TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:SIT
PUBLIC HEARING HOUSE RESOURCES

LOCATION: SITKA
HB 20 WELLS WILLIAMS CITY OF SITKA TESTIFY

02/13/95 08:24:15 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCJEN IN ANCHORAGE JNU

RE TCN: 50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00
SPONSOR: HOUSE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: BOB JUETTNER (OF10) FOR HB 20 IN CONFERENCE

ANCHORAGE

*Klein Schmidt
Andy Gofin
Paul Gronholdt*

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
07:55:33 PARTICIPANT LIST (TESTIFIERS ONLY) BY:JNU
TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:ANC
PUBLIC HEARING HOUSE RESOURCES

LOCATION: ANCHORAGE
HB 20 JOHN BAKER TESTIFY

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
08:15:16 PARTICIPANT LIST (ALL PARTICIPANTS) BY:KOT
TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:KOT
PUBLIC HEARING HOUSE RESOURCES

LOCATION: KOTZEBUE
CONFIRMATION: H. MR. ART IVANOFF MANILAQ TESTIFY

Leant

02/13/95 08:05:14 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCJEN IN ANCHORAGE JNU

RE TCN: 50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00
SPONSOR: HOUSE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: ~~P. KLINE SMITH REVENUE FOR CONFIR HRNG~~

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

08:53:47 PARTICIPANT LIST (ALL PARTICIPANTS) BY:FBX

TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:FBX

PUBLIC HEARING HOUSE RESOURCES

LOCATION: ~~FAIRBANKS~~

CONFIRMATION H MR.

VIRGIL

UMPHENOUR

TESTIFY

~~CONFIRMATION H~~

~~BILL HENRY~~

~~TESTIFY~~

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

08:16:02 PARTICIPANT LIST (ALL PARTICIPANTS) BY:NOM

TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:NOM

PUBLIC HEARING HOUSE RESOURCES

LOCATION: ~~NOME~~

CONFIRMATION H MR.

~~ART~~

~~NELSON~~

~~KAWERAK INC~~

~~TESTIFY~~

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150

08:01:03 PARTICIPANT LIST (ALL PARTICIPANTS) BY:PSG

TCN:50202 SCHEDULED FOR:02/13/95 08:00 TO 10:00 FOR:PSG

PUBLIC HEARING HOUSE RESOURCES

LOCATION: ~~PETERSBURG~~

CONFIRMATION H MS.

~~KRIS~~

~~NOROSZ~~

~~PSGVESSELOWNERS TESTIFY~~

02/13/95 08:05:10 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120
MESSAGE FROM: LIOCLRS IN KODIAK JNU

RE TCN: 50202 SCHEDULED FOR: 02/13/95 08:00 TO 10:00
SPONSOR: HOUSE RESOURCES PURPOSE: PUBLIC HEARING

MESSAGE TEXT: ~~BRUCE SCHAETLER HAS ANOTHER APPT AT 9AM~~
FROM KODIAK

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
08:03:52 PARTICIPANT LIST (ALL PARTICIPANTS) BY: FBX
TCN: 50202 SCHEDULED FOR: 02/13/95 08:00 TO 10:00 FOR: FBX
PUBLIC HEARING HOUSE RESOURCES

LOCATION: FAIRBANKS
CONFIRMATION H MR. VIRGIL UMPHENOUR TESTIFY

02/13/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150
08:06:21 PARTICIPANT LIST (TESTIFIERS ONLY) BY: JNU
TCN: 50202 SCHEDULED FOR: 02/13/95 08:00 TO 10:00 FOR: KOD
PUBLIC HEARING HOUSE RESOURCES

LOCATION: KODIAK
CONFIRMATION H MR. BRUCE SCHAETLER TESTIFY

*234r Ak.
204r fishermen*

HOUSE RESOURCES COMMITTEE



Alaska State Legislature
House of Representatives

DATE: 2/13/95

PLACE: ROOM 124

SUBJECT OF MEETING:

HJR 27
Confirmation of Craig Underwood
HB 20
HB 79

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Ken Freeman	RDC	121 W. Fireweed, #250 Anchorage	99503	276-0700		(Y) N	HJR 27
Dean Paddock	Self	PO Box 20312 Juneau AK	99802	789-4231	463-4970	(Y) N	Confirmation V. Umph
Bill Sherman	SEL	PO Box 22151 Anchorage	"	463 6633		Y N	HB 20 / 79
John J. J. J.	CD/FU	Box 1312 CDV	99574	424 5182		Y (N)	Confirmation
Sharon Hawkins	Self	P.O. 210654 - Anchorage AK	99821	789-7414		(Y) N	HB 27
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

TCN: 50202 DATE & TIME: 02/13/95 08:00 TO 10:00 STATUS:5 IN PROG.

**** ORDER SUMMARY ****

SPONSOR: HRES HOUSE RESOURCES CHAIRS: GREEN
PURPOSE: PUB PUBLIC HEARING LEGISLATIVE WILLIAMS
CONTACT: GAIL FORD TEL#: (907)465-2338
CHAIRING SITE: JUNEAU CAPITOL CAP124
TOLL FREE: (800)478-7612 DIAL-UP: LIO: (800)478-9908

SPONSOR REMARKS(PUB): TESTIMONY:Y ALLOWED
TESTIMONY WILL BE TAKEN WITH A 3 MINUTE LIMIT.
CONFIRMATION HEARING WILL BE FIRST ON THE AGENDA.

2 MINUTE LIMIT

SPONSOR REMARKS(LIO): BACKUP MATERIAL:N MEETING IN PROGRESS:N MAX. SITES:22
OTHER SITES MAY ADD
JNU MOD - SEE NOTES ON PAGE 6.
TCN REQUESTED ON 02/13/95 AND HAS 14 UPDATES

**** AGENDA ****

- 1 HB 20 RIGHTS IN TIDE/SUBMERGED LAND
- 2 CONFIRMATION HEARING - VIRGIL UMPHENOUR
- 3 (CONFIRMATION HEARING WILL BE FIRST ON
- 4 THE AGENDA)

**** PARTICIPATING LIOS ****

ANC ANCHORAGE	716 W 4TH, #200	LOCATION STAFF
DLG DILLINGHAM	KANGIQUATAQ BLDG	LOCATION STAFF
FBX FAIRBANKS	119 N CUSHMAN ST	LOCATION STAFF
* JNU JUNEAU	CAPITOL CAP124	LOCATION STAFF
KOD KODIAK	112 MILL BAY RD.	LOCATION STAFF
KOT KOTZEBUE	333 FRONT STREET	LOCATION STAFF
KTN KETCHIKAN	352 FRONT STREET	LOCATION STAFF
NOM NOME	FRONT STREET	LOCATION STAFF
PSG PETERSBURG	101 GJOA STREET	LOCATION STAFF
SEW SEWARD	2001 SEWARD HWY	LOCATION STAFF
SIT SITKA	210 LAKE STREET	LOCATION STAFF

**** VOLUNTEER & OFFNET SITES ****

DLG SND SAND POINT	CITY OFFICE	PEGGY OSTERBACK	(907)383-2696	OFFNET
ZZZ OF1 OFFNET 1	ANCHORAGE	RON SWANSON	(907)762-2692	
ZZZ OF2 OFFNET 2	KALTAG	RICHARD BARNUM	(907)534-2203	OFFNET
ZZZ OF4 OFFNET 4	NENANA	PERCY DUYCH	(907)832-5824	OFFNET
ZZZ OF5 OFFNET 5	NENANA	PAUL KLINESMITH	(907)832-1080	OFFNET
ZZZ OF6 OFFNET 6	GALENA	GILBERT HUNTINGT	(907)656-1435	OFFNET
ZZZ OF7 OFFNET 7	TANANA	CHARLIE CAMPBELL	(907)366-7111	OFFNET
ZZZ OF8 OFFNET 8	TANANA	PAT MOORE	(907)366-7129	OFFNET
ZZZ OF9 OFFNET 9	???	SIDNEY HUNTINGTO	(907)999-9999	OFFNET
ZZZ O10 OFFNET 10	ANCHORAGE	BOB JUETTNER	(907)274-7555	
ZZZ O11 OFFNET 11	ANCHORAGE	JIM BARNETT	(907)346-2755	

**** SCHEDULING NOTES ****

LIZ GAVE GAIL THE 700/ACCESS CODE FOR OFFNET ON 2/8.
GAVE GAIL 800 NUMBER FOR OFFNETS ON 2/9. BH
JNU - OFFS 10 & 11 NEED TO BE CALLED TO HAVE THEM DIAL INTO THE BRIDGE JUST
PRIOR TO HB 20 COMING UP (IF AT ALL). BOB JUETTNER AT 274-7555 AND
JIM BARNETTE AT 346-2755.

Dean Jaddock - to -

HOUSE COMMITTEE REPORT

2/13/95
Rules

(9)
Date Referred: February 3, 1995

FURTHER REFERRALS:

Date of Committee Action: 2/13/95

The RESOURCES Committee considered:

HJR 27

HOUSE JOINT RESOLUTION NO. 27 EXEMPT ALASKA FROM FED CLEAN WATER ACT

Requesting the United States Congress to accommodate Alaska's wetlands circumstances in the federal Clean Water Act reauthorization by increasing statutory flexibility on wetlands use in Alaska, and to recognize Alaska's unique and outstanding history of wetlands conservation.

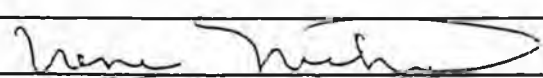
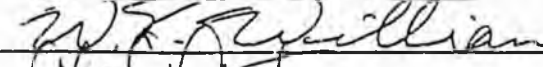
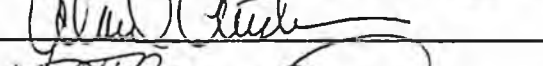
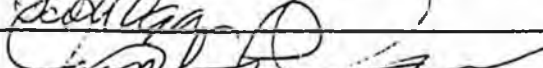

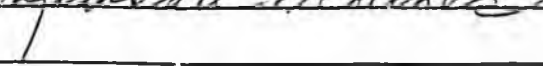
recommends it be replaced with the following committee substitute _____ [] the same title [] a new title

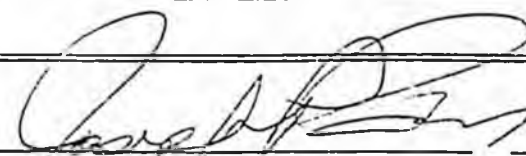
[] additional referral to _____ Committee
[x] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
[] fiscal note(s) _____ [] fiscal note(s) _____

[x] zero fiscal note(s) LAA [] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
 Nicholia			X	
 William Williams	✓			
 Gusterman	✓			
 Ogan	✓			
 Green	✓			
 Barnes	✓			
	(5)		(1)	

CHAIR'S SIGNATURE 
Green

AMENDMENT

In the House Resources Committee

On Monday, February 13, 1995

TO: HJR 27

Page 1, Line 10;

after "regulations to..."

insert "include restricted"

delete "prohibit the"

to read: "regulations to include restricted discharge of..."

Alaska State Legislature

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DISTRICT 10



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COMMITTEE
JUDICIARY COMMITTEE
RESOURCES COMMITTEE
INTERNATIONAL TRADE & TOURISM
COMMITTEE
ECONOMIC TASK FORCE

Representative Joe Green

Sponsor Statement

**HJR 27 - Requesting the US Congress to Accommodate
Alaska's Wetlands Circumstances**

HJR 27 requests Congress to provide regulatory flexibility in the reauthorization of the Clean Water Act, in recognition of Alaska's unique wetlands circumstances.

For the past several years Alaskans have been seeking administrative remedies to the problems caused by strict adherence to federal wetlands policy, including the "no net loss" provision. These efforts have been largely unsuccessful. Now, with members of our congressional delegation in leadership positions, it appears likely that a legislative remedy may be possible.

Senator Ted Stevens has introduced S.49, currently in the Senate Environment and Public Works committee, which seeks to relax the restrictions on the use of wetlands in Alaska. A similar bill has also been introduced in the House of Representatives, where it sits in the House Transportation and Infrastructure committee.

HJR 27 puts the 19th Alaska Legislature on record in support of modifications to the wetlands management program.

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

NO. _____
BILL VERSION: HJR 27
PUBLISH DATE: _____

Revision Date: _____
Title: Requesting the United States Congress
to accommodate Alaska's wetlands....
Sponsor: Representative Green
Requestor: Representative Green

Department Affected: Legislative Affairs Agency
BRU: All
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE	0	0	0	0	0	0
---------------------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER FUND SOURCE						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Zero fiscal impact.

Prepared By: Karla Schofield, Deputy Director *Karla Schofield* Phone: 465-3852
Division: Administrative Services Date: 2/8/95

Approved By: Pamela A. Varni, Executive Director *Pamela A. Varni*
Agency: Legislative Affairs Agency Date: 2/8/95

Distribution (by preparer): Leg. Finance, Legislative Sponsor, Requestor, OMB, Gov. , & Impacted Agency(ies).



This edition sponsored by:

National Bank of Alaska

Resource Review

June 1994

A monthly publication of the Resource Development Council, Inc.

Inside this issue:

• Latest wetlands regulations released
Pages ... 1-2

• ARCO to cut 750 workers
Page 3

• RDC supports logging of infested Kenai trees
Pages 3-6-7

• RDC elects new officers at 20th Annual Meeting
Page 3

• "Unholy Trinity"
Page 7

New wetlands report falls short of recognizing Alaska's unique circumstances

Report fails to clarify how regulations will be applied in Alaska

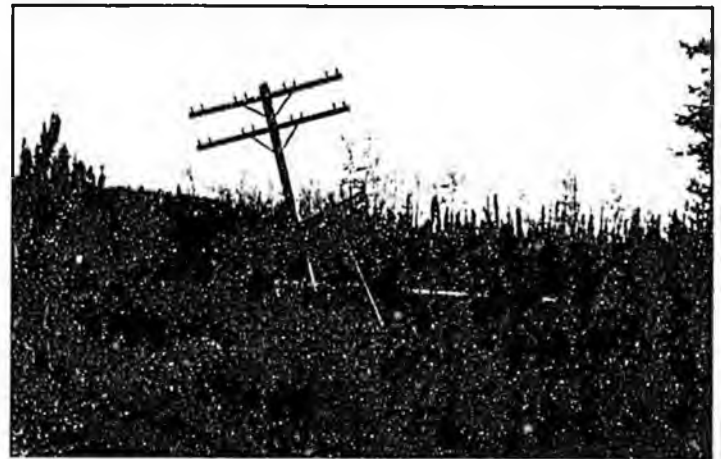
The Clinton administration's newly-proposed guidelines on how wetlands development should proceed in Alaska doesn't go far enough in recognizing that a "no overall net loss of wetlands" policy will not work in Alaska, according to industry and community leaders.

As part of the administration's August 1994 Wetlands Plan, the Environmental Protection Agency (EPA) and the Corps of Engineers convened a panel of "stakeholders" and solicited public comments in a series of meetings across Alaska from November through March to identify and address concerns with federal wetlands policy in the state. The Clinton administration dubbed the six-month effort the "Alaska Wetlands Initiative," which the product of was to guide regulators in formulating new, flexible guidelines recognizing Alaska's unique wetlands circumstances.

The final report, however, offers little in the way of substantive improvements in the Clean Water Act Section 404 program, RDC and other stakeholders claim. Although the guidelines were designed to be flexible, the final report still does not clarify how the regulations will be applied in Alaska, a major concern of stakeholders.

For instance, the report basically states that the "no-net-loss" goal will not always be achieved on a permit-by-permit basis in Alaska, but it doesn't clearly state how, when and where it will be implemented.

"What continues to worry Alaskans is the uncertainty involved in the permitting procedures," said Becky Gay, Executive Director of the RDC. "Which permits will be required to compensate with a net gain in order for some permits to allow a net loss?" Gay asked. "Certainly of how 'no net loss' would be implemented in Alaska was not achieved, and removing the uncertainty was a goal of all stakeholders."



Virtually all development in Alaska, from homeless shelters to schools, hospitals, utility corridors and roads requires land regulated as wetlands. Land that is not considered wetlands is mainly mountainous terrain, leaving little option for where to develop.

(Continued on page 2)

Wetlands proposal offers little substantive improvements for Alaska

(Continued from cover)

Since the report doesn't clearly say Alaska is exempt from "no net loss" or identify which permits will be required to fulfill such a goal, Gay and local community officials fear the new policy could leave all construction open to court challenges from environmental groups.

Many stakeholders, including RDC, repeatedly stressed throughout the Alaska Wetlands Initiative process that compensatory mitigation does not make sense in Alaska because of the abundance of wetlands in the state, the minimal loss of wetlands in Alaska and the general lack of restoration sites. Compensatory mitigation is usually unavailable on-site, with 74 percent of the non-mountainous lands in Alaska considered jurisdictional wetlands. Practical alternatives mostly do not exist.

The Resource Development Council (RDC) is Alaska's largest privately funded nonprofit economic development organization working to develop Alaska's natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and enhancing the environment.

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Writer & Editor
 Carl Portman



RDC believes minimizing a project's impact fulfills the primary purpose of sequencing when applied to Alaska. Rigid sequencing, the steps of avoiding wetlands, minimizing impacts, then compensating for wetlands used, represents onerous treatment in a state which contains more pristine wetlands than the rest of the U.S. combined.

Most stakeholders would like to see the state's wetlands classified by their value, then have simpler and flexible rules for the least valuable ones.

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Gay noted that in the final report, the Section 404 program still overrides previous Congressional action. RDC would like to see the socio-economic imperatives of prior land set-asides (the Alaska Native Claims Settlement Act, the Alaska National Interest Lands Conservation Act and the Statehood Act) given priority status over the 404 program.

"In Alaska, Congressionally-man-

dated land compacts and conservation efforts to date should be given precedence, particularly if any alternatives test is required," Gay said.

"In the interest of fair public policy, Congress must recognize Alaska's wetlands situation. With over 50 percent of the nation's total wetlands base, any national policy affects Alaska first and most."

The Alaska delegation is mounting a campaign to gain regulatory flexibility through the reauthorization of the Clean Water Act which may arrive on the Senate floor later this summer. Gay was in Washington recently for a series of meetings with administration and congressional officials on the clean water bill.

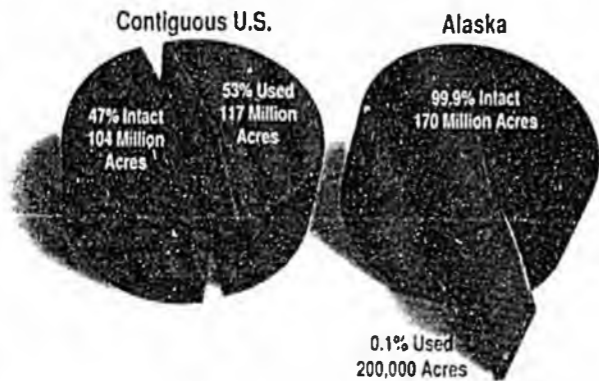
Gay said preventing "takings" should be a policy outcome in reauthorization of the Clean Water Act. "If takings occur, compensation should be given for lands with economic value diminished or taken by wetlands regulation."



Only about 200,000 acres (less than one percent) of Alaska's wetlands have been used for all types of development, ranging from community infrastructure to oil field development.

Alaska's Wetlands Are Vast And Well-Protected

Wetland Comparison



According to U.S. Fish and Wildlife Service estimates, Alaska originally had approximately 170.2 million acres of wetlands. Only about 200,000 acres (0.1%) of these wetlands have been used for all types of development, including communities and infrastructure. In the contiguous 48 states, development has taken a toll on wetlands, about 53% of which have been affected. The current annual wetland reduction of 275,000 acres in the contiguous 48 states is more than the total estimated acreage of all wetlands used in Alaska.

Land that is not considered wetlands in Alaska is mainly mountainous terrain, leaving little option for where to develop. Many Alaskan communities are forced to build in wetlands or in narrow strips of flat land between mountains and the sea. Virtually all development — from homeless shelters to schools, hospitals, and roads — requires using land regulated as wetlands. For instance, Juneau, the state capital, would have no airport were it not for filling some wetlands. The fact that the City of Petersburg and vicinity in Southeast Alaska are 100% wetlands has prevented construction of a Little League baseball field. In Alaska, wetlands cannot be avoided. Dry land is scarce. High-value wetlands and habitat for wildlife are abundant. Summer breeding grounds for migratory birds abound.

Every state has a different story. In Alaska, the record shows that a wetlands problem simply does not exist.



World-class mineral development such as the Red Dog Mine near Kotzebue entails crossing wetlands.



The village of Solawik, like many in Alaska, is built on wetlands near a navigable stream.



The town of Bethel on the Kuskokwim River is a center of commerce in Southwest Alaska.



Dutch Harbor in the Aleutians is the number one commercial fishing port in the nation in terms of value of the catch.

North Slope oil fields provide approximately 25% of domestic U.S. oil production, yet only about 0.01% of Alaska's wetlands have been disturbed by this development.

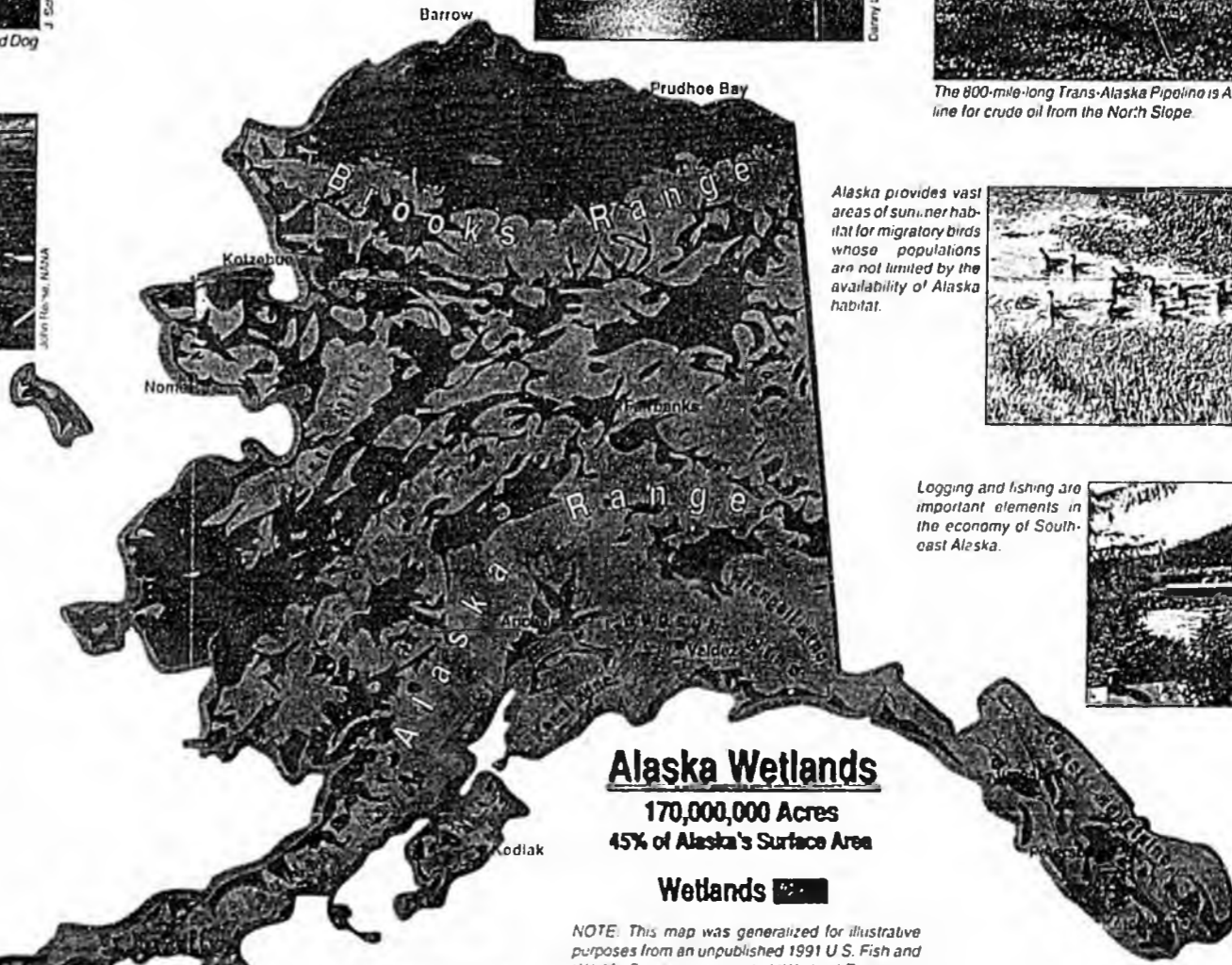


Curry Larman

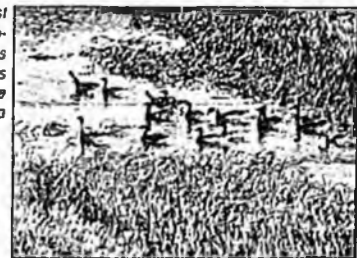


Michael Gibbons

The 800-mile-long Trans-Alaska Pipeline is America's lifeline for crude oil from the North Slope.



Alaska provides vast areas of summer habitat for migratory birds whose populations are not limited by the availability of Alaska habitat.



Phil Scrogg

Logging and fishing are important elements in the economy of Southeast Alaska.



Michael Papp

Alaska Wetlands

170,000,000 Acres
45% of Alaska's Surface Area

Wetlands

NOTE: This map was generated for illustrative purposes from an unpublished 1991 U.S. Fish and Wildlife Service map entitled "Wetland Resources of Alaska" (by J. V. Hall, Anchorage, AK). Only major mountain ranges are shown. Data on acreage of wetlands is taken from "Wetland Losses in the United States 1780's to 1980's," by T.E. Dahl, U.S. Fish and Wildlife Service, Washington, D.C. (1990).



Kodiak, the nation's number three fishing port, serves a large fishing fleet which depends on an adequate port and processing facilities.



The Port of Anchorage is an important sea link.

Phil Scrogg

Alaska's Mayors Speak Out



Third Eye Photography 1993

"The Mat-Su Borough has the oldest and largest agriculture area in Alaska, as well as tourism and port sites, mineral deposits, timber, sportfishing, and hunting opportunities, all of which require utilizing some wetlands. Any policy which requires us to strictly avoid wetlands to build a school, road, or visitor center will not work in Alaska. Basically, by the latest definition, most lands in Alaska not a glacier or a mountain are wetlands."

– Mayor Ernie Brannon, Matanuska-Susitna Borough



Carl Portman

"The 'no net loss' concept is not flexible to Alaska's unique position. Alaska has an abundance of wetlands with minimal dry (or flat) lands available for basic community needs. People deserve a balanced public policy, one which minimizes wetland disturbance yet allows for responsible local development."

– Mayor Jerome Selby, Kodiak Island Borough



AeroMap U.S.

"The 'no net loss' policy on wetlands could have major effects on communities in Alaska. For instance, Seward is a growing community in the Kenai Peninsula Borough with a limited amount of usable land. This policy could have major implications on economic development if it is not fair, balanced, and flexible enough to account for the uniqueness of communities in Alaska."

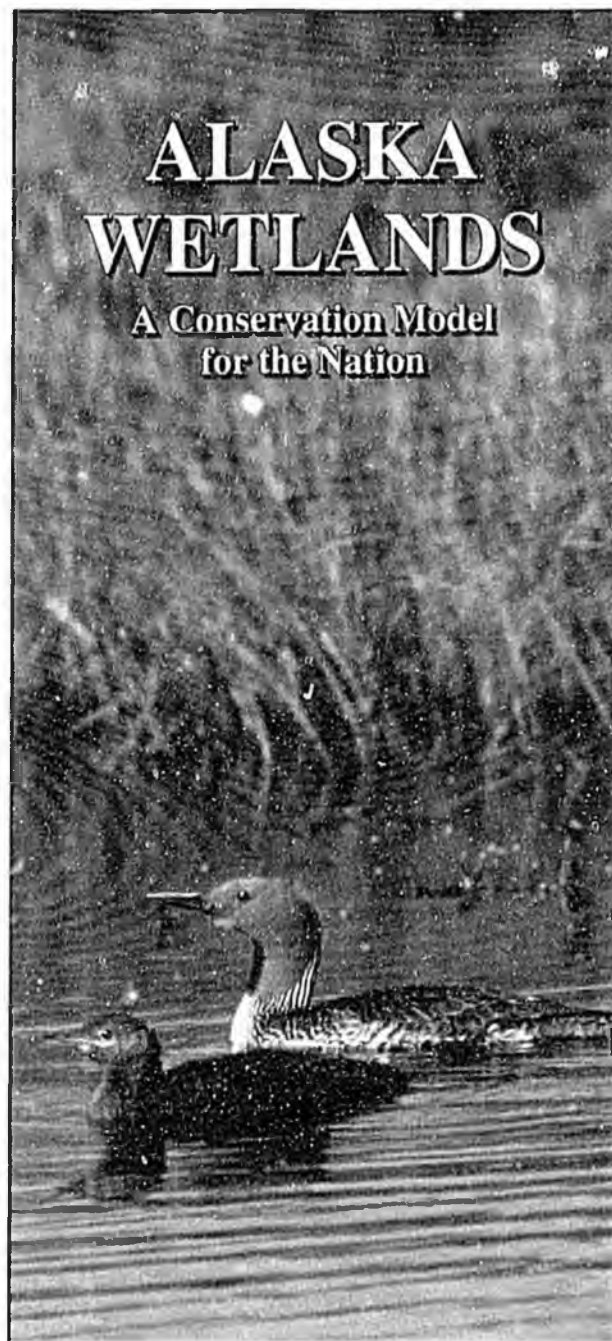
– Mayor Dave W. Crane, City of Seward



AeroMap U.S.

"Without a doubt, wetlands are among the most important lands in our community for natural as well as social purposes. Because of our concerns for wetland use, Juneau undertook an exhaustive and expensive study to protect high-valued wetlands while identifying others suitable for reasonable development. This new and aggressive effort has been difficult to complete and has encountered resistance, perhaps because of its novelty."

– Mayor Jamie Parsons, City and Borough of Juneau



John Warden

ALASKA WETLANDS

A Conservation Model
for the Nation

Alaska Wetlands Coalition

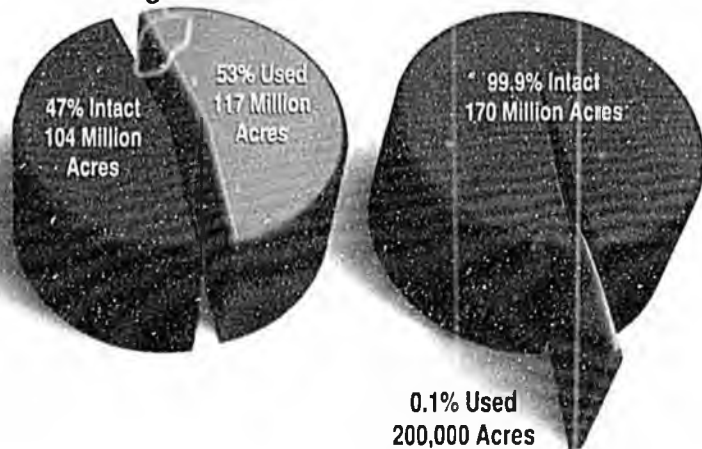
121 West Fireweed Lane, Suite 250
Anchorage, Alaska 99503
Phone 907-279-1783, Fax 907-276-3887

Alaska's Wetlands Are Vast And Well-Protected

Wetland Comparison

Contiguous U.S.

Alaska



World-class mineral development such as the Red Dog Mine near Kotzebue entails crossing wetlands.

J. Schultz, Cominc.



The village of Selawik, like many in Alaska, is built on wetlands near a navigable stream.

John Rensen, NANA

According to U.S. Fish and Wildlife Service estimates, Alaska originally had approximately 170.2 million acres of wetlands. Only about 200,000 acres (0.1%) of these wetlands have been used for all types of development, including communities and infrastructure. In the contiguous 48 states, development has taken a toll on wetlands, about 53% of which have been affected. The current *annual* wetland reduction of 275,000 acres in the contiguous 48 states is more than the *total* estimated acreage of all wetlands used in Alaska.

Land that is not considered wetlands in Alaska is mainly mountainous terrain, leaving little option for where to develop. Many Alaskan communities are forced to build in wetlands or in narrow strips of flat land between mountains and the sea. Virtually all development — from homeless shelters to schools, hospitals, and roads — requires using land regulated as wetlands. For instance, Juneau, the state capital, would have no airport were it not for filling some wetlands. The fact that the City of Petersburg and vicinity in Southeast Alaska are 100% wetlands has prevented construction of a Little League baseball field. In Alaska, wetlands cannot be avoided. Dry land is scarce. High-value wetlands and habitat for wildlife are abundant. Summer breeding grounds for migratory birds abound.

Every state has a different story. In Alaska, the record shows that a wetlands problem simply does not exist.



The town of Bethel on the Kuskokwim River is a center of commerce in Southwest Alaska.

Third Eye Photography 1993

Dutch Harbor



Dutch Harbor in the Aleutians is the number one commercial fishing port in the nation in terms of value of the catch.

Nome

Facts About Alaska Wetlands, Economy, And Regulatory Environment

President Clinton's Office of Environmental Policy is currently formulating the administration's position on wetlands. At the same time, both houses of Congress are pursuing legislative changes to wetlands management under the Clean Water Act. Central to this debate is the previous administration's policy of "no net loss" of wetlands. The purpose of the Alaska Wetlands Coalition is to bring Alaska's message to this debate. Policymakers need to understand Alaska's unique record of historic wetlands conservation and present-day abundance of habitat.

Alaska Wetlands Are Abundant And Not Threatened

Alaska is a state of vast physical dimensions. Covering 375 million acres, it stretches over 2,000 miles from west to east and over 1,000 miles from north to south. By the latest definition, Alaska has 170 million acres of wetlands. The existing regulatory framework, as well as Alaska's unique geographic setting, will ensure that wetland loss is minimized. Alaska has achieved its current level of development while preserving 99.9% of its wetlands.

Wetlands Are Strictly Regulated

A comprehensive set of existing state, federal, and local laws ensures that all development is carefully

scrutinized before it begins. Many of Alaska's wetlands were set aside when Congress passed the Alaska National Interest Lands Conservation Act in 1980, placing over 100 million acres of the state in conservation units, with the expressed purpose that the remaining land be available for development. In addition, Alaska's coastal regions are protected by the Alaska Coastal Zone Management Program. Adding another layer of regulatory control through "no net loss" would accomplish little but to stifle economic growth throughout Alaska — from the smallest village to metropolitan Anchorage.

Alaska's Economy Depends On Resource Production

Alaska has a rich endowment of oil and gas, fish, wildlife, minerals, forests, and other natural resources essential to the health of the nation's economy. The wise use and management of these resources provide the basis of the state's economy, while at the same time serving as a model of conservation for other resource-rich states and nations.

If Alaska is to continue to contribute its much-needed resources to the nation, reasonable expansion of the state's infrastructure is necessary and prudent. Ports, roads, airports, schools, and other vital facilities are key to maintaining the viability of Alaska's basic economy. Most coastal communities in Alaska are undertaking port and harbor development and expanding marine repair facilities. Most have to rely on water-based transportation for fishing, processing, recreation, and tourism. Development of this important infrastructure invariably affects some wetlands.

Though Alaska already makes a substantial contribution to the nation's resource needs, only a tiny fraction of its wetlands have been modified. And since oil and gas, minerals, fisheries, timber, and tourism are the mainstays of Alaska's economy, the value of careful resource development cannot be overlooked.

Alaska Deserves Special Consideration

In a national wetlands policy, Alaska deserves special consideration both because of its vast wetlands and because of its need for economic development.

"The demands and constraints of federal wetland regulation impose a heavy burden on the ability of the Yupik people to use their lands. . . This protection, without realistic balancing of the consequences and values, is denying Native Alaskans the basic standard of living taken for granted by other citizens of the United States."

— Nelson Angapak, Alaska Federation of Natives

"Because Alaska has taken special measures to protect its unique wetlands and related resources . . . imposing the same restrictions on Alaska that are imposed on the conterminous 48 states would be burdensome and unfair. . . Such restrictions would retard the sustainable development initiatives underway in rural Alaska Native villages and other communities."

— Commissioner John Sandor, Alaska Department of Environmental Conservation

- 99.9% of Alaska's historic wetlands are intact. In comparison, only 47% of the wetlands in the contiguous 48 states are intact.
 - The options for development in Alaska are limited. Nearly half of the state's land area is considered wetlands, accounting for three-quarters of Alaska's non-mountainous, developable land.
 - Alaska is a public land state, with less than 1% of its lands in conventional private ownership. The federal government owns 60%, the state 28%, and the Native peoples 12% of the land.
 - In the Alaska Native Claims Settlement Act of 1971, Congress intended that lands selected by Native peoples be available for subsistence and development.
 - About half of Alaska is already protected from development as federal and state parks, wildlife refuges, and other conservation units. In fact, Alaska has contributed 62% of all federally designated Wilderness lands, 70% of all park land, and 90% of all wildlife refuge land in the national system.
- Alaska's economic base — and vital community development in urban and rural Alaska — would be crippled if "no net loss" applies to the 49th State. The cost of building schools, roads, medical and transportation facilities, and basic sanitation systems could be prohibitive. The record shows that environmentally sound development can proceed without significant impact to wetlands.

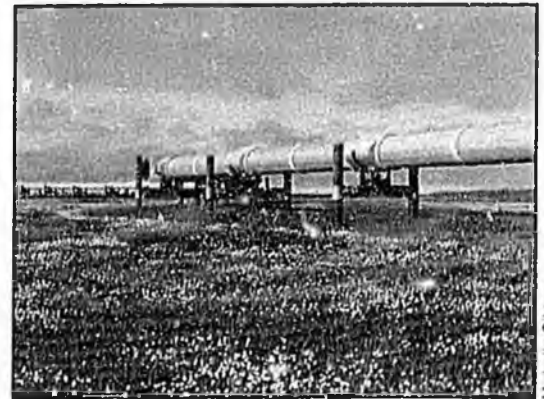


Alaska accounts for a significant portion of the nation's natural resources, ranging up to 30% for oil and 50% for coal.

North Slope oil fields provide approximately 25% of domestic U.S. oil production, yet only about 0.01% of Alaska's wetlands have been disturbed by this development.

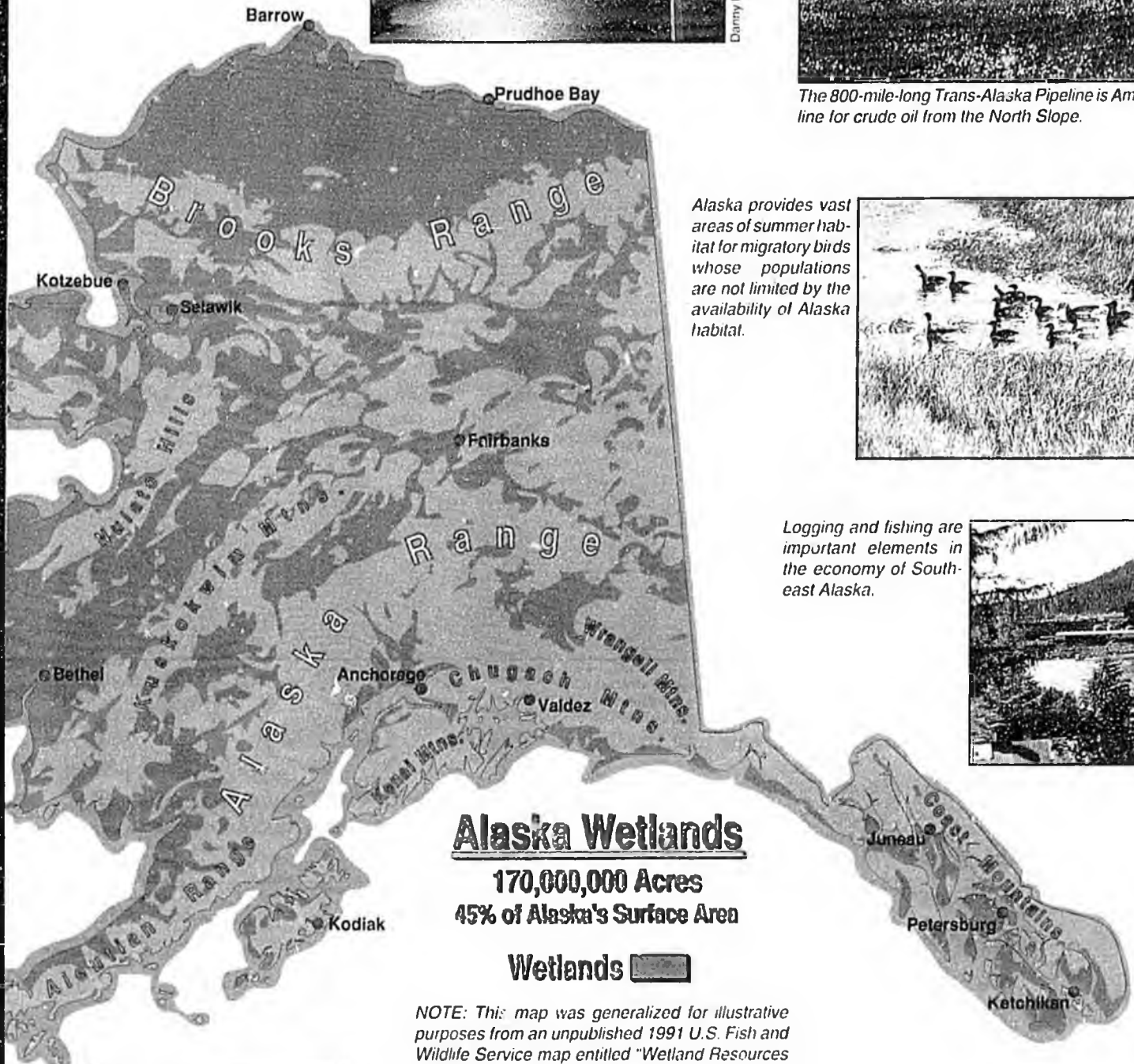


Danny Lehman

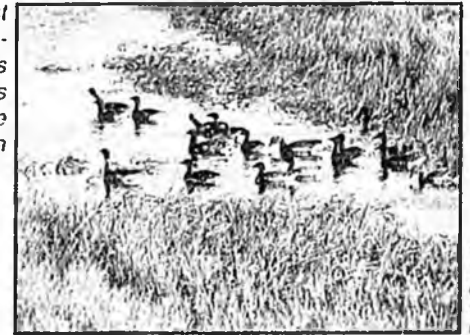


Michelle Gilders

The 800-mile-long Trans-Alaska Pipeline is America's life-line for crude oil from the North Slope.



Alaska provides vast areas of summer habitat for migratory birds whose populations are not limited by the availability of Alaska habitat.



Pete Scrup

Logging and fishing are important elements in the economy of South-east Alaska.



Ketchikan Pulp

Alaska Wetlands

170,000,000 Acres

45% of Alaska's Surface Area

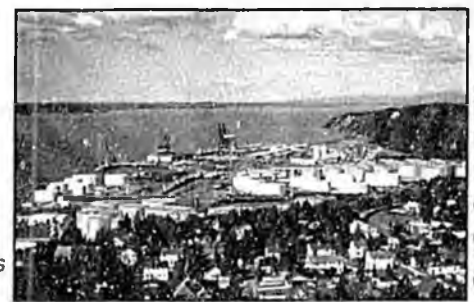
Wetlands 

NOTE: This map was generalized for illustrative purposes from an unpublished 1991 U.S. Fish and Wildlife Service map entitled "Wetland Resources of Alaska" (by J.V. Hall, Anchorage, AK). Only major mountain ranges are shown. Data on acreage of wetlands is taken from "Wetland Losses in the United States 1780's to 1980's," by T.E. Dahl, U.S. Fish and Wildlife Service, Washington, D.C. (1990).



Carl Portman

Kodiak, the nation's number three fishing port, serves a large fishing fleet, which depends on an adequate port and processing facilities.



Third Eye Photography 1993

The Port of Anchorage is an important sea link.



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Resource Review

January 1995

A monthly publication of the Resource Development Council, Inc.

Echo Bay disputes EPA's findings on A-J Mine

Company, EPA hope to reach common ground

The Environmental Protection Agency has been widely criticized by Juneau officials, consultants, qualified scientists and others for its recently completed two-year study of Echo Bay Alaska's plans to develop the historic Alaska-Juneau Mine on the edge of Alaska's capital city.

In a letter to the federal agency, Juneau city officials said the EPA took too long in its review and should have worked to find solutions for the project.

"Had we been in your position, our approach would have been to advise the city of the likelihood of significant EPA concern, and then confront Echo Bay much sooner and try to either reach agreement on the technical disputes or work on changes to the mine plan that would have solved the problem," said Mayor Byron Mallott and city manager Mark Palesh.

The EPA's study, called a Tech-

(Continued to page 4)

Kenai Fjords National Park

Park Service considers
options to accommodate
increase in visitation

The Resource Development Council is calling for a wider range of alternatives for accommodating a large increase in visitors to the "frontcountry" of Kenai Fjords National Park near Seward.

Socio-economic forecasts indicate there will be substantial growth in visitation to the national park, a popular tourist destination on the eastern side of the Kenai Peninsula. Projections suggest that visitor numbers will exceed 300,000 annually by the year 2003, compared to 150,000 visitors in 1993. Studies also reveal that two-thirds of all visitors travel to Exit Glacier, 10 miles west of Seward while one-third stop at a small visitor center located in the Resurrection Bay community.

In a letter to park Superintendent Anne Castellina, RDC said that three alternatives developed by a Park Service planning team fall short of adequately addressing the projected increases in visitation at Exit Glacier. Visitor numbers at the glacier are pro-

(Continued to page 6)



The historic Alaska-Juneau Gold Mine is captured in this 1938 photo.



Message from the Executive Director
by Becky L. Gay

RDC, delegation work on new wetlands bill

On the opening day of the 104th Congress, Alaska's Congressional delegation wasted no time in launching an aggressive agenda addressing top priorities of the 49th state. At the top of the Alaska agenda is a bill jointly introduced by Senators Stevens and Murkowski, "The Alaska Wetlands Conservation Credit Procedure Act of 1995."

Senate Bill 49, previously the legislative number assigned to proposed wilderness bills, is slated to reform Section 404 of the wetlands permitting program under the Clean Water Act by introducing balance, common sense and

reason into wetlands regulation in Alaska.

The new measure includes changes addressing Alaska's unique circumstances, as well as national wetlands policy. The bill specifies that a "no net loss" of wetlands policy is not applicable in Alaska, was not designed for Alaska circumstances, and should not be applied here, a long-standing policy omission sought by RDC.

Provisions specific to Alaska include changes to the sequencing methodology, the elimination of compensatory mitigation requirements of current permit processing, and the expansion and applicability of general permitting standards.

Federal law will be amended to ensure national policy will "achieve a balance between wetlands conservation and adverse economic impacts on local, regional, and private economic interests" and "eliminate the regulatory taking of private property by the regulatory program authorized under section 404."

RDC highly endorses a number of important segments, including the exemption of log transfer sites and ice pads from mitigation sequencing requirements. RDC also highlighted the need to make airport safety a priority over the conservation of wetlands in a commercial air zone.

The bill further recognizes that

Alaska should get credit for those wetlands already in protected status. This change to federal law ensures "conserved wetlands" will include those wetlands located in federal, state and locally designated conservations systems. This change is important when designing mitigation banking systems in Alaska.

Also noted in other provisions of this legislation, lands owned by Alaska Native entities and the State of Alaska shall be considered economic base lands, highlighting the importance of the social and economic needs of Alaska Natives and the citizens of Alaska and recognizing prior agreements under other federal laws.

Congressman Young will form a wetlands task force this session addressing wetlands policy and its application to Alaska and the nation. The task force will include members from the House Resource, Transportation and Infrastructure, and Agriculture committees. Congressman Young will reportedly introduce a wetlands bill in the House of Representatives later this session.

Much thanks goes out to the Alaska delegation and staff for the introduction of a bill recognizing a wetlands regulatory fix for the uniquely qualified state of Alaska. For a copy of this bill, call RDC. Remember, Alaska is not just a state of mind.

The Resource Development Council (RDC) is Alaska's largest privately funded nonprofit economic development organization working to develop Alaska's natural resources in an orderly manner and to create a broad-based, diversified economy while protecting and enhancing the environment.

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Writer & Editor
Carl Portman



RDC Executive Director Becky Gay, member of the OCS Regional Stakeholders Task Force, participates in a recent hearing in Anchorage at the U.S. Minerals Management Service. The Task Force will develop recommendations to MMS on the upcoming 5-year leasing program. Pictured at left is Kenai Peninsula Borough Mayor Don Gilman.



Thoughts from the President

by David J. Parish

The recent power shift in Washington will bring new, substantive opportunities to advance a broad range of public land issues important to Alaska. Sparing no time in taking swift action on issues critical to development, each of Alaska's two senators and its lone congressman — in the opening days of the 104th Congress — introduced important legislation addressing long-standing Alaska priorities.

Congressman Don Young, the new chairman of the revamped House Resources Committee, introduced legislation re-authorizing and amending the Magnuson Fishery Conservation and Management Act. A major objective of the bill is to end the wasteful dumping at sea of tons of bycatch by some fishing fleets.

Meanwhile, Senator Ted Stevens has introduced a bill taking aim at overly burdensome federal wetland regulations in Alaska. Stevens' bill would mandate that wetlands conservation be balanced with economic impacts on local and private landowners. The bill would exempt some wetlands mitigation requirements for Native and state-owned lands and for specific activities such as public sewer facilities, airports and log transfer sites.

Senator Frank Murkowski took aim at the 22-year ban on the export of Alaska's North Slope oil by introducing a measure repealing the ban, citing the positive impacts a repeal would have on jobs and state revenues.

Absent from the delegation's early initiatives was legislation to open the Coastal Plain of ANWR to oil and gas exploration and development. According to the delegation,

Alaska delegation assumes leadership role

ANWR will come later after the Alaskans carefully assess the mood in Washington and build a broader base of support in Congress and among members of the Clinton administration.

The recent changes in Congress will bring new opportunity for Alaska to advance other major priorities, including long-standing transportation and access issues. Our delegation has stated a desire to examine a broad range of public land issues, ranging from cracking down on government actions devaluing private property to management of federal forests and logging restrictions. They'll also have a major role in the re-authorization of the Endangered Species Act and revisions to the Mining Law of 1872 — all important issues to Alaska.

But make no mistake, there's much homework to be done; by no means can Alaskans afford to sit back and expect immediate, easy resolution of these issues. As Alaskans, we must continue to work hard on these issues and support positive changes for Alaska.

RDC'S 20TH ANNIVERSARY CELEBRATION

Friday, March 3, 1995
 Sheraton Anchorage Hotel
 Cocktails 6:30 p.m. Dinner 7:30 p.m.

The Program

GOVERNOR TONY KNOWLES (invited)
 Keynote Presentation

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EPA taken to task for A-J report

Echo Bay says it has addressed major issues raised by the EPA

(Continued from page 1)

nical Assistance Report (TAR), was prepared to assist the U.S. Army Corps of Engineers in deciding whether to issue a federal Clean Water Act permit to Echo Bay for construction of a tailings pond at Sheep Creek Valley.

Chuck Clarke, EPA's Northwest regional administrator in Seattle, said that as long as the A-J mine relies solely on the Sheep Creek impoundment for tailings disposal, state water quality standards for cyanide, arsenic and copper would likely be violated in Gastineau Channel during operation of the mine. The EPA review offered no solution for how the company might achieve a green light for its project.

The TAR is considered the most important regulatory review for the mine. The city's mine permit issued in 1993 is dependent on a favorable review by EPA. The report took more than two years to complete. The agency had promised to issue the TAR several times over the past 18 months, but did not meet its deadlines.

Mine developers plan to store waste rock from the mine behind a dam at Sheep Creek where water would be recycled within the complex, but because of the high rainfall in Southeast, excess water would build up in the tailings impoundment that is part of the mine design. Because the excess rainfall would be released, a Clean Water Act 402 permit is required from the EPA.

Echo Bay has proposed eliminating cyanide from its gold extraction process and ship out unprocessed ore for treatment elsewhere. Eliminating cyanide from the process not only



Echo Bay crew poses on an eight-yard Wagner scoop at A-J mine portal in early winter.

(Photo courtesy of Echo Bay Mines)

eliminates concern for the chemical, but for the other metals as well.

Despite the two years the EPA took to finish its report, Echo Bay scientists and independent experts knowledgeable about this project are convinced the EPA failed in its task to scientifically analyze relevant data.

The company hotly disputes EPA's conclusion that there is no way to avoid

harm to water quality or to offset the loss of wildlife from the reopening of the A-J. While the EPA said it could not "suggest any feasible, effective option that would give the Alaska-Juneau mine a green light," Echo Bay charged that the agency knew among other options the company has provided, the elimination of cyanide from the mining process — a key concern — is a feasible,

effective option.

After careful analysis of data, a number of the nation's top scientists and engineers in the mining and water treatment fields believe there will not be a problem with water being released from the mine's tailings pond into Gastineau Channel because of the size of the proposed treatment facility and the length of time the pond can hold water. In addition, Echo Bay has included a number of mitigation measures in its mine design that makes its site better than other existing treatment facilities.

One of those measures, which the EPA condemned in its recent review, included pumping tailings below 20 feet of clear, overlying water. The idea for the underwater tailings facility came from early discussions between the company, local officials and the EPA in the scoping process at the outset of the mine permitting process. The underwater tailings disposal option was seen as a solution to potential dust and water quality issues. The company hired top experts in the field to design an improved underwater tailings facility that would provide added safeguards and become an integral part of the mine design. Prior to that, Echo Bay had considered a subaerial tailings plan.

Now, more than five years later and after almost \$80 million spent by the company — much of it on numerous scientific and environmental studies — the EPA has completely reversed its position in the TAR. The agency now claims a tailings pond won't work despite what the company says is overwhelming evidence to the contrary.

Echo Bay says its tailings facility design contains more safeguards than any sites already meeting all environmental water quality standards. The company says its facility design is better because it calls for pumping tailings below the surface of the water, rather than at the surface where they have to settle to the bottom of the pond. The A-J tailings facility is also bigger, so there is a longer time available for holding water if a problem should develop. The company designed the facility so it could stop the

(Continued to page 7)



Exit Glacier is accessible to the general public via a 10-mile road link from Seward.

Park Service considers several options to manage Kenai crowds

(Continued from page 1)

jected to reach up to 4,000 people on weekend days. Yet the emphasis of the planning team, RDC said, appears to be on restricting public access and capping development at or near its existing level. RDC suggested that federal planners recognize Exit Glacier for what it is, a frontcountry attraction, and respond accordingly to accommodate a larger flow of visitors.

In its comments on a federal planning document addressing the three alternatives, RDC stressed that the current range of options is inadequate, especially given the extreme nature of the plan's first alternative, known as "A." That alternative would remove existing facilities at the glacier, establish a visitor threshold and introduce a permit system to restrict visitation — measures which RDC believes are inappropriate for a frontcountry attraction in Alaska where most park lands are managed as backcountry.

Under Alternative A, the road leading to the Exit Glacier parking lot and existing facilities would be blocked at the Resurrection River bridge and visi-

tors would be required to hike from that point.

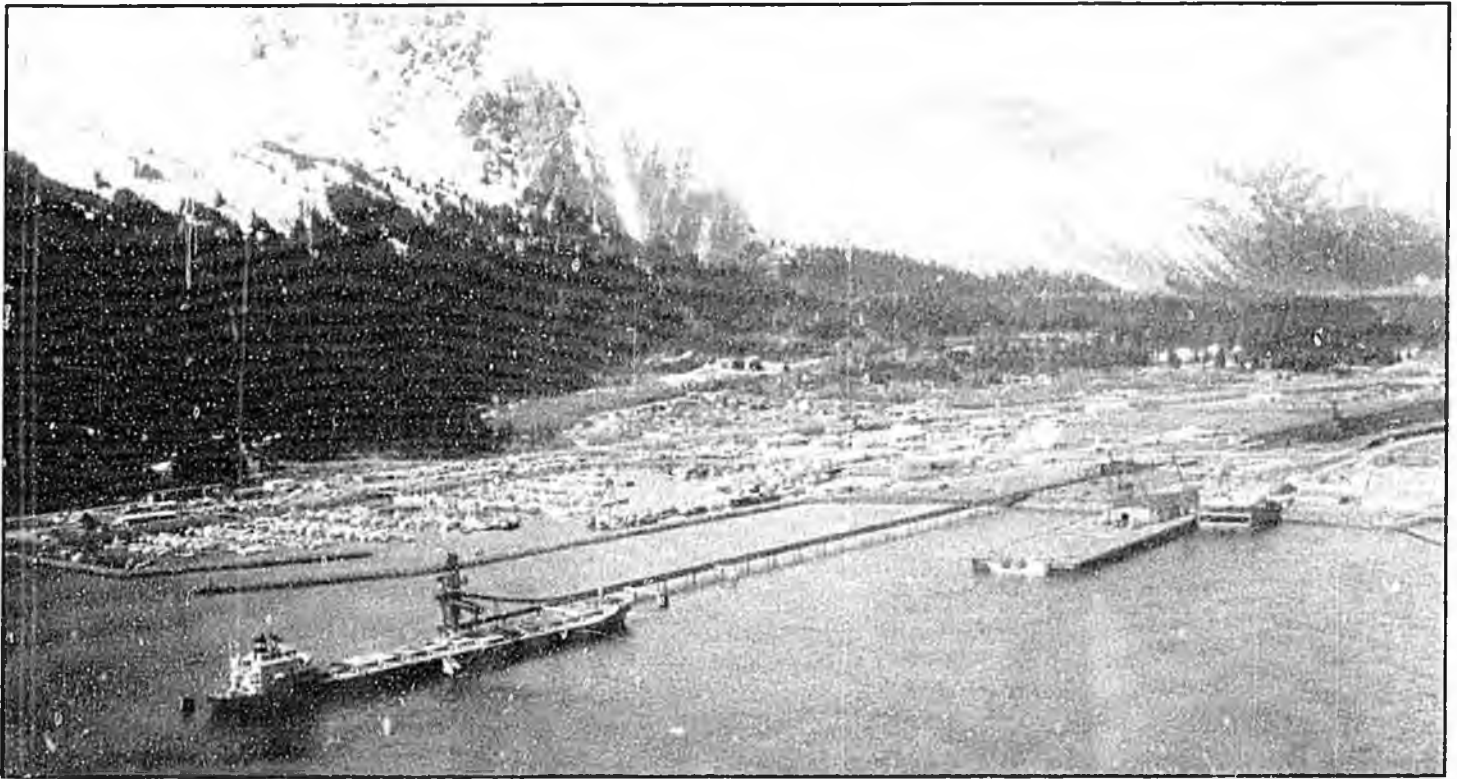
A *second* option, Alternative B, would provide for only minimum improvements, falling short of any meaningful steps to accommodate visitor increases. This option is basically a "no action" alternative, one which would maintain the status quo.

The Park Service initiated its current planning efforts to address increases in visitation to the frontcountry of Kenai Fjords National Park. In that light, RDC said it would be ironic if the Park Service chose the second option as its preferred alternative *since it does so little to address future needs.*

Although billed as the "Higher Level of Development" option, the third option, Alternative C, is not an extreme development proposal when compared to the primitive nature of Alternative A.

Of the current range of alternatives presented, RDC believes Alternative C is the logical choice, although it may fall short of meeting increased visitor demands. RDC supports the various elements comprising this third alternative,

(Continued to page 6)



The current Kenai Fjords National Park Visitors Center is located in Seward in front of the small boat harbor, pictured to the left. Since the facility is often overcrowded by cruise ship visitors and others, the Park Service is considering a new, larger facility at a site in Seward.

Park Service developing new "frontcountry" plan

(Continued from page 5)

including construction of a rustic, modest size visitor complex, extension of the area's trail network, improvements to parking and utilities and the construction of a winter warming hut and public use cabins. The alternative allows existing uses to continue, including ski access, snowmobiling and commercial dog-mushing.

Some people are opposed to any development at Exit Glacier and the winter uses outlined in Alternative C, ignoring the fact that Exit Glacier is a frontcountry attraction. It is not a wilderness, although nearly all of the Park is already managed for the preservation of backcountry qualities for those who demand solitude and untracked wilderness experiences.

RDC proposed a fourth option to provide a more meaningful and wider range of options in the current planning process and to provide a true balance to Alternative A. The fourth option could feature a larger scale of visitor development, complete with a tramway to the Harding Ice Field. The tram would



Kenai Fjords Superintendent Anne Castellina addresses RDC at a January breakfast meeting in Anchorage.

provide handicap visitors, the elderly and the less hardy access to the rugged high alpine and nearby ice fields.

The Park Service has held a number of public scoping meetings on the park plan. Park Superintendent Castellina recently addressed a packed RDC Thursday breakfast meeting in Anchorage where she noted the Park Service has a responsibility to not only accommodate visitors, but to protect the park's resources from significant impacts, which she said are likely to occur unless measures are adopted to control crowds.

Castellina is highly respected in Seward for her personal involvement in the community and her open-door policy to business and industry. Her RDC presentation was well-received by the pro-access crowd.

Although a preferred alternative is not expected until next fall, Castellina said her agency is unlikely to choose Alternative A, the primitive alternative.

In scoping meetings held last year, public comment ran in favor of improved access to the park, but on the other hand most people attending the meetings did not wish to see large-scale development near the glacier. Castellina pointed out that the public tends to support a modest-size facility at Exit, on the scale of the Eagle River visitors center at Chugach State Park. As a result, planners are leaning more toward siting a larger visitor center, perhaps a shared facility with other agencies, in Seward.

The Park Service is continuing to seek public comments on its Kenai Fjords Draft Development Concept Plan. RDC encourages its members to submit comments to: Anne Castellina, Superintendent, Kenai Fjords National Park, Box 1727, Seward, AK 99664-9985.



Reflections and visions from a Past President by Mano Frey

Editor's Note: Mano Frey served as President of the Resource Development Council from 1982 to 1983. He has been a member of RDC's Executive Committee for over 15 years. Outside RDC, Mr. Frey serves as Business Manager/Secretary Treasurer of Laborers Local #341 and Executive President of Alaska AFL-CIO.

It is truly amazing that the Resource Development Council is on the verge of celebrating 20 years of service to Alaskans. Amazing, for those of us fortunate enough to have been in Alaska during this time, to have seen a single-issue group evolve into a multi-faceted, pro-development force. This has resulted in respect from throughout the world for the battles waged and fights won, and sometimes lost. RDC has not only survived, but thrived, and now we come to 1995 and beyond.

What a tremendous opportunity for

Tremendous opportunity

all of us, regardless of "political affliction," to move forward and reach closure on many important issues facing RDC. We can take advantage of the seniority and majority status of our Congressional delegation. To have Congressman Don Young and Senators Stevens and Murkowski chairing committees and sub-committees critical to resource extraction and so many RDC long-standing priorities, it presents an opportunity for Alaska that is envied by every other state.

After 20 years of many times trying to stay afloat, we get to work from a position of offense, instead of defense. California Representative George Miller does not get to claim to be "our" representative any more.

He has been doing his best to lock up Alaska and, in turn, drive our resource industries out of business. As Secretary of Interior Bruce Babbitt explained to reporters upon visiting Chairman Young's office, "I come on bended knee." That's the right attitude, and it is what will allow us to push and expand a pro-development agenda on the national level.

The other dynamic that is so exiting for those of us that are pro-development and Democrat is the prospect of working with our Congressional delegation and simultaneously demonstrating to President Clinton and his administration that it is poor public policy to have overly restrictive laws with respect to wetlands, timber, mining, oil and natural gas line development.

I believe many of the same facts apply to the Alaska Legislature and Governor Knowles. I have espoused for a long time that Tony Knowles is not anti-development. Remember that the Tony Knowles Coastal Trail was a development project. You can see this attitude reflected by the choices for commissioners of the various state departments; quality people, many having strong ties to developing Alaska.

With a Republican led Legislature and a Democratic Governor, all of us have a tremendous opportunity, and obligation, to provide support, and more importantly, educate the new administration and the Legislature on our collective issues.

Lastly, but certainly not least, we have been blessed at RDC by a succession of extremely distinguished executive directors, beginning with Bev Isenson and continuing with Paula Easley and Becky Gay. We have a dedicated staff that is unparalleled in their field. I know that all of the former president's appreciate the staff's devotion to the RDC mission. Without their knowledge and support of the issues, RDC would be just a memory, not the strong protagonist that it is still today.

Onward and upward!

Echo Bay confident A-J mine won't cause harm

(Continued from page 5)

flow of water out of the tailings pond at any time.

The company believes it has effectively addressed the major issues raised by the EPA, including the cyanide leach process, the quality of water released into Gastineau Channel, the efficiency of the tailings pond, the length of time available for holding water, the size of the tailings dam and reclamation. These issues were all addressed in the project's Final Environmental Impact Statement which recommended that an NPDES permit be issued.

Although it disputes many of the conclusions reached by EPA in the TAR, Echo Bay is now engaged in discussions with the agency on how best to reach common ground and resolve key issues. Spokesman David Stone said the company is considering new modifi-

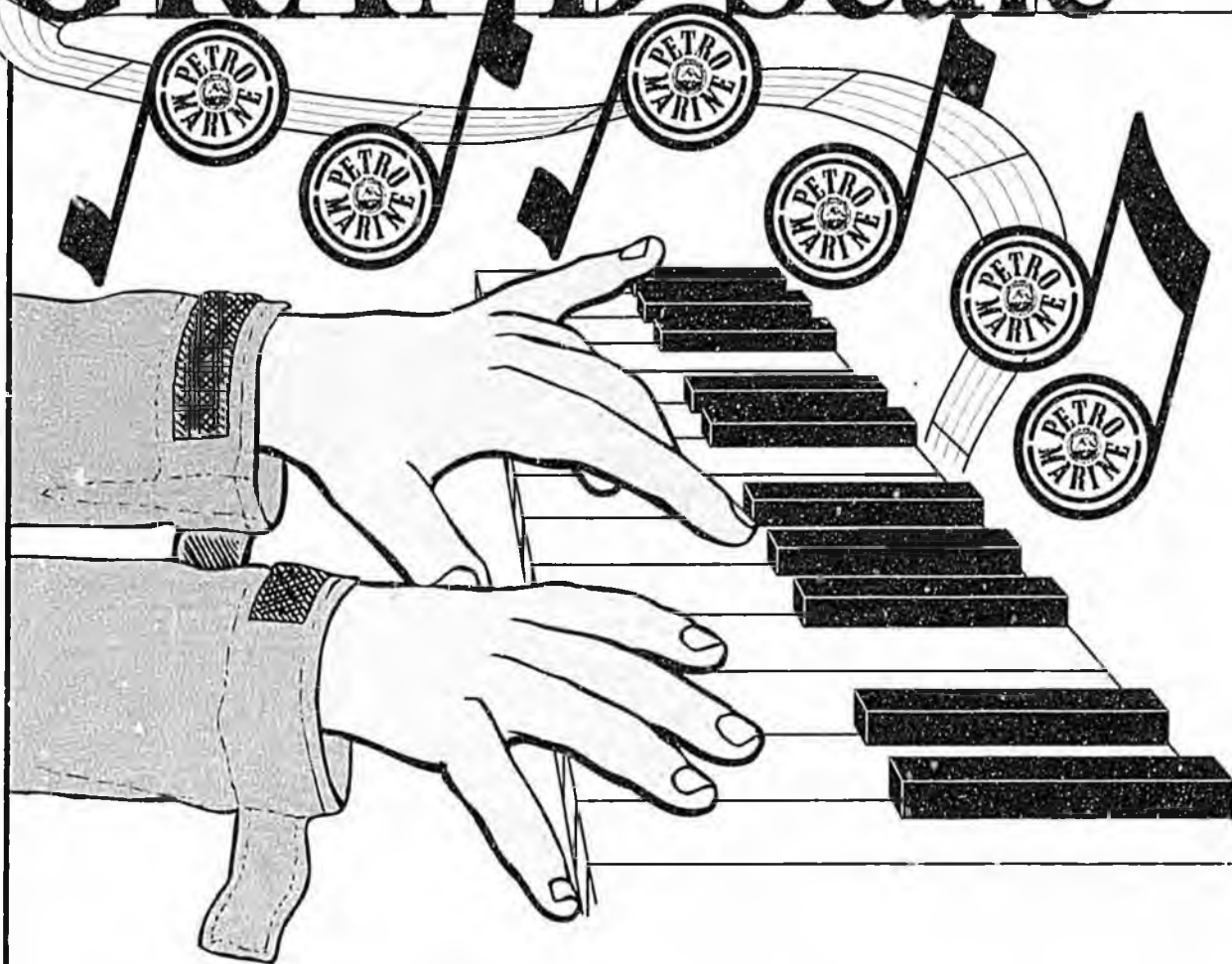
cations to the project that would meet EPA concerns. He said his company does not want to engage in a public battle with EPA; it only wishes to work with the agency to move forward in a positive, constructive manner.

Stone said the company is willing to go the extra mile to ensure environmental impacts from the mine are mitigated.

"The area can be mined and reclaimed after mining operation in a way that won't harm Juneau residents or the surrounding environment," Stone said.

Since changes contemplated by Echo Bay could result in a re-design of its proposal to reopen the mine, EPA said it now prefers to delay a workshop on the project until it's known if the TAR remains relevant.

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**TESTIMONY OF KEN FREEMAN AND CARL PORTMAN ON BEHALF OF
THE RESOURCE DEVELOPMENT COUNCIL BEFORE THE HOUSE
RESOURCES COMMITTEE FEBRUARY 13, 1995**

Good morning. My name is Ken Freeman and I am appearing on behalf of the Resource Development Council.

Approximately 170 million acres in Alaska, nearly half the state, are classified as wetlands, compared with the contiguous U.S. which has 95 million acres. Put another way, Alaska currently has 64% of all the wetlands remaining in the United States.

About 5% of the surface area in the contiguous United States is wetlands, compared to approximately 45% of Alaska, accounting for three-quarters of Alaska's non-mountainous, developable land.

Unlike the lower 48 states, many of which face significant losses of wetlands, over 99% of Alaska's remain untouched and intact. The great irony, of course, is that the overwhelming proportion of these lands provide little in the way of traditional wetland functions and values. For the most part, they are "wetlands" in name only.

Many of Alaska's wetlands are isolated and remote from navigable waters. Many of the millions of acres of wet tundra which cover Alaska's North Slope are wet precisely because they are too far removed from waterways to drain and because the underlying permafrost prevents water from filtering down.

Alaska wetlands, wildlife and migratory waterfowl are not threatened or jeopardized by use of wetlands here. Special protection of coastal areas and many inland areas such as the entire North Slope is provided by the Alaska Coastal Management Program which encompasses 34,000 miles of shoreline. More importantly, wildlife is in no way habitat-limited in Alaska.

It is important to note that much of Alaska is protected from development and many of its wetlands will never be developed. Much of Alaska is already protected from development as federal and state parks, wildlife refuges, and other conservation units.

As many of you are aware, approximately 87 percent of the state is in public ownership -- 59% under federal jurisdiction, where many

development activities are prohibited or carefully regulated. Over 57 million acres (an area the size of Utah) are in Wilderness status.

Since so much of the state is wetlands, Alaska's villages, cities and municipalities often have no alternative to "wetlands" for development. Because so much of Alaska is undeveloped, restoration of degraded or damaged wetlands, or creation of new wetlands is not much of an option.

Strict application of Section 404 is clearly unwarranted in Alaska and can offset our basic needs such as building basic services, facilities and infrastructure such as schools, homes, roads and hospitals, as well as expediting potable water and sanitation systems in rural Alaska.

The options for development are limited, and most industries that utilize Alaska's wetlands, including but not limited to tourism, hunting, commercial and sport fishing, agriculture, recreation, oil and gas, mining and forest products, all have a stake in what happens to the wetlands regulatory climate in Alaska.

Many non-development groups look at Corps of Engineers statistics to demonstrate that administration of section 404 is already more flexible in Alaska than the lower 48. What they do not take into consideration is the number of permits that are withdrawn, how many projects are delayed at tremendous costs, how many permits were accepted only after mitigation took place with other regulatory agencies and was not accounted for in the official process. Whether section 404 is more flexible in Alaska is not the issue, what is the issue is that "no net loss" is unwarranted in Alaska.

The Section 404 program needs to be significantly reformed to address the problems experienced by public and private landowners in Alaska. Senator Steven's and Murkowski's new wetlands bill looks to do this in a fair and effective manner.

Alaska will likely never face many of the wetlands problems seen in the contiguous United States. Alaskans have been excellent stewards of our land and resources and should not be penalized for its outstanding conservation record.

House Joint Resolution 27 sends a clear signal to the administration and lawmakers in Washington D.C. that Alaska needs current wetlands regulation that is tailored to provide flexibility in Alaska wetland permitting commensurate with the vast amount of wetlands in Alaska, the

large amount of wetlands set aside in Alaska and the low historic loss of wetlands in Alaska.

RDC supports HJR 27, because it is directed at stimulating policy that is balanced and driven by reason.

RDC hopes the House Resources committee will move HJR expeditiously and that the Alaska State Legislature passes this resolution.

Thank you very much for the opportunity to present comments this morning. Carl and I would be happy to answer any questions.

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Testimony before House Resources Committee Monday, February 13, 1995

Good morning. I'm Carl Portman, Communications Director of the Resource Development Council for Alaska. With me today is Ken Freeman, Projects Coordinator of RDC and one of our lead staffers on the Wetlands issue.

The wetlands debate in Alaska has been a long-standing controversial issue for many years. Concern over wetlands policy became vital for many Alaskans in 1989 when a Memorandum of Agreement between the Corps of Engineers and the EPA directed a national policy which prescribed "no overall net loss" of wetlands in the United States.

RDC spearheads the Alaska Wetlands Coalition, an organization formed to work on current wetland regulations. The Coalition brings a community perspective and balance to the debate and helps guide the overall national policy decision.

RDC and the broad-based membership of the Alaska Wetlands Coalition supports Senate Bill 49, the Alaska Wetlands Conservation Credit Procedures Act., sponsored by Senator Ted Stevens. We believe this landmark legislation will go a long ways in resolving many of the problems in Alaska posed by unworkable federal policy.

I now turn to Ken Freeman who will address why Alaska deserves special recognition in federal wetlands policy and why RDC and the Alaska Wetlands Coalition supports HJR 27.