

SB

69

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FILE

SENATE FINANCE COMMITTEE REPORT

REPORTED OUT

APR 18 2005

SENATE FINANCE
COMMITTEE

DATE: 2/4/05

FURTHER:

DATE TURNED
IN TO OFFICE: 18 April 2005

Finance Committee considered

SENATE BILL NO. 69

SB 69 APPROP: GRANT TO ARCTIC POWER FOR ANWR

"An Act making special appropriations to promote the opening of the Arctic National Wildlife Refuge for oil and gas exploration and development; and providing for an effective date."

and recommends:

- be replaced with _____ CS SB 69 (FIN)
- adopt previous _____ CS CS forthcoming (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to _____ Committee

Senate Bill:

- Same Title
- New Title

House Bill:

- Same Title
- Technical Title Change
- New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Ind.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
<i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>				

Adopted 4/18/05

WORK DRAFT

WORK DRAFT

WORK DRAFT

24-LS0438\G
Utermohle
4/14/05

CS FOR SENATE BILL NO. 69(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Funding Information:	General Fund	\$1,300,000
	Other Funds	-0-
	Total	\$1,300,000

Sponsor(s): SENATE RESOURCES COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act making a special appropriation for a grant to Arctic Power to promote the
 2 opening of the Arctic National Wildlife Refuge for oil and gas exploration and
 3 development; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * Section 1. GRANT TO ARCTIC POWER. The sum of \$1,300,000 is appropriated from
 6 the general fund to the Department of Commerce, Community, and Economic Development
 7 for payment as a grant under AS 37.05.316 to Arctic Power for education efforts to open the
 8 coastal plain of the Arctic National Wildlife Refuge for oil and gas exploration and
 9 development. The amount appropriated in this section includes \$50,000 for the participation
 10 of the Native Village of Kaktovik and \$50,000 for the participation of the City of Kaktovik in
 11 support of the education efforts undertaken by Arctic Power under this section.

12 * Sec. 2. The appropriation made by this Act lapses June 30, 2009.

13 * Sec. 3. This Act takes effect immediately under AS 1.10.070(c).



Official Business

Alaska State Senate

Senate Finance Committee

Mail Stop 3100
State Capitol
Juneau, Alaska 99801-1182

FAX COVER SHEET

DATE: 18 April 2005 TIME: 9:10 am

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND
SENATE FINANCE COMMITTEE SECRETARY
PHONE: 465-4935
FAX: 465-2187

NOTES: Final Please
CS SB 69 (FIN) 24-LS0438 \ G
Utermohle 4/14/05

no changes

Thx
Mindy

ALASKA STATE LEGISLATURE



Official Business

SENATE RESOURCES COMMITTEE

Senator Tom Wagoner, Chair

State Capitol, Room 427

Juneau, AK 99801-1182

Phone: (907) 465-4907 Fax: (907) 465-4779

Senator Ralph Seekins, Vice-Chair

Senator Ben Stevens

Senator Kim Elton

Senator Fred Dyson

Senator Bert Stedman

Senator Gretchen Guess

Sponsor Statement

SB 69 – Grant to Arctic Power for ANWR

SB 69 appropriates \$1.2 million in general funds to Arctic Power for its efforts to secure support for legislation opening ANWR to oil exploration.

The bill also includes a general fund appropriation of \$100,000 to the native village of Kaktovik for their community outreach effort to open ANWR.

Arctic Power is a private non-profit entity that has been coordinating the effort to open ANWR for over 12 years. State funding has previously been awarded to them for that effort. They have provided such things as Congressional member visitations to ANWR as well as providing travel for ANWR advocates to other states to advocate for opening the area.

The decrease in production from existing fields negatively impacts state revenues. By opening ANWR, we will be adding new fields to provide new revenues for our future generations.



About Arctic Power

ANWR:

**JOBS AND ENERGY
FOR AMERICA**

ARCTIC POWER

P. O. Box 100220
Anchorage, AK 99510
907.274.2697
907.274.2706 FAX

203 Maryland Ave, NE
Washington, DC 20002
202.544.5363
202.544.1121 FAX
<http://www.anwr.org>

Formed in 1992, Arctic Power is a 501(c)6 non-profit organization advocating jobs and energy for Americans through development of the Arctic National Wildlife Refuge's (ANWR) resources. We seek congressional and presidential approval of legislation to allow responsible oil and gas exploration and production within ANWR's promising Coastal Plain.

Arctic Power is a grassroots coalition of citizens from Alaska and across the nation who hail from a full economic spectrum: miners, fishermen, loggers, tourism operators, retail and service businesses, transportation companies, labor unions, financial institutions, educational systems, the legal community, Alaska Native Corporations, elected officials and more. Many trade and business associations have joined our ranks through membership and participation on the Arctic Power board of directors. These include the Alaska Support Industry Alliance, Alaska State Chamber of Commerce, Alaska State Home Builders Assn., Alaska Forest Assn., Alaska Oil & Gas Assn., Alaska Miners Assn., Resource Development Council for Alaska, Alaska Trucking Assn., Alaska Outdoor Council, Associated General Contractors, Bristol Bay Driftnetters Assn., Anchorage Convention & Visitors Bureau, People for the USA and National Federation of Independent Businesses.

Arctic Power is governed by a board of directors representing all regions of the state...from Barrow to Kodiak. The board works closely with Alaska's U.S. congressional delegation, who have endorsed Arctic Power's purpose. Outreach efforts in Washington, D.C. are the product of cooperative efforts between Arctic Power, the State of Alaska and our congressional leaders. Arctic Power is based in Anchorage but maintains an office in Washington, D.C. when ANWR is being debated in Congress.



ANWR - IMPORTANT DATES

ANWR: <hr/> JOB AND ENERGY FOR AMERICA	1002	President Theodore Roosevelt established the National Wildlife Refuge System.
ARCTIC POWER P. O. Box 100220 Anchorage, AK 99510 907.274.2697 907.274.2706 FAX	1949	The National Park Service began a recreational survey in Alaska to identify areas with special natural values.
203 Maryland Ave, NE Washington, DC 20002 202.544.5363 202.544.1121 FAX http://www.anwr.org	1954	The National Park Service recommended that the undisturbed lands in the northeastern corner of Alaska be preserved for their wildlife, wilderness, recreation, scientific, and cultural values.
203 Maryland Ave, NE Washington, DC 20002 202.544.5363 202.544.1121 FAX http://www.anwr.org	1957	The Department of the Interior announced plans to ask Congress to establish an 8,000 square-mile wildlife reserve in the area identified by the National Park Service study.
	Jan. 3, 1959	Alaska Statehood
	Dec. 6, 1960 (acres)	Arctic National Wildlife Range Created (8.9 million acres)
	1964	President Lyndon Johnson signed the Wilderness Act, establishing the National Wilderness Preservation System and policies for wilderness management.
	1969	The first manager was hired for ANWR.
	Dec. 18, 1971	Alaska Native Claims Settlement Act. The Act gave the Kaktovik Inupiat Corporation (KIC) surface rights to 69,000 acres along the arctic coast within the Range.
	June 20, 1977	Trans Alaska Pipeline Start-up
	Dec. 2, 1980	Alaska National Interest Lands Conservation Act (ANILCA). The Act expanded the Arctic Range to approximately 18 million acres, renamed it the Arctic National Wildlife Refuge, designated eight million acres as Wilderness, designated three rivers as Wild, and called for wildlife studies and an oil and gas assessment of 1.5 million acres of the ANWR Coastal Plain (the "10-02 Area"). Gwich'in opt out settling for Indian Reservation status and thus not subject to ANILCA revenue sharing of

	natural resources. Likewise they don't receive benefit of other native natural resource royalties.
1983	The Chandler Lake land exchange agreement conveyed subsurface ownership of Kaktovik Inupiat Corporation lands to the Arctic Slope Regional Corporation.
1983 cont. ...	Nearly one million acres were added to the south side of the Refuge when the State of Alaska decided not to retain control of lands it had selected under the Statehood Act.
Winter, 1983-84	Approx. 600 line miles of 2D geophysical data acquired in ANWR
Winter, 1984-85	Approx. 580 line miles of 2D geophysical data acquired in ANWR
Dec. 2, 1985	ANWR closed to any further geophysical surveys
Sept. 2, 1986	Secretary of Interior's Report to Congress, as required by Sec. 1002 of ANILCA
Feb., 1987	Draft Environmental Impact Statement for ANWR Exploration Published
Sept. 1987	Dept. Of Interior recommends to Congress to open the coastal plain.
1988	House Merchant Marine & Fisheries Committee approves an open ANWR Bill. Congress added 325,000 acres to the south side of the Refuge, bringing the total area managed by the Refuge to approximately 19.3 million acres and making ANWR the largest Refuge in the National Wildlife Refuge System.
early 1989	House Merchant Marine & Fisheries Committee again approves an ANWR Bill.
Mar. 24, 1989	Exxon Valdez aground in Prince William Sound.
Aug 2, 1990	Saddam Hussein invades Kuwait.
October 31, 1991	Congress debated National Energy Policy Act, Title 9 of which allowed for development of the Coastal Plain. Senate Energy Committee approves Title 9.

Nov. 1991	Senate Roll-call vote on Sen. Wellstone amendment to cut off debate on ANWR, 50 to 44. (60 votes needed to defeat filibuster) National Energy Policy Act shelved.
October 1992 passed.	New National Energy Policy Act, without ANWR.
Nov. 1992	Mr. Clinton elected President
March 1995	ANWR resurrected as part of the Balanced Budget bill.
May 24, 1995	Senator Roth amendment to table ANWR from the Budget Resolution defeated 56 to 44 votes.
Sept. 1995	President Clinton tried to create a National Monument of ANWR under the Antiquities Act - this was prevented.
Sept. 19, 1995	Cong. Vento motion to strike ANWR from the Budget Reconciliation Bill in the House Resources Committee, defeated 27 to 14.
Oct., 1995	House vote on Budget Reconciliation plan including ANWR, passed 227 to 203 votes.
Oct. 25, 1995	Sen. Bumpers asset sale amendment (which would drop ANWR from the Reconciliation bill), defeated.
Oct. 26, 1995	Sen. Baucus anti-ANWR amendment defeated 51 to 48 votes.
Dec. 6, 1995	President Clinton vetoed the Balanced Budget Act which included a provision to open ANWR.
May, 1996	A new Budget Resolution was initiated by Congress.
May 24, 1996	Sen. Bumpers again tried an asset sale amendment on the floor of the Senate as a way of killing ANWR. The first amendment was modified and defeated 98 to 0, but a second attempt aimed directly at ANWR was defeated 52 to 46 votes.
1997	President William Clinton signed the "National Wildlife Refuge System Improvement Act." This Act provides specific guidance to the Refuge System, and establishes the mission of the National Wildlife Refuge System "to administer a national network of lands and waters for the conservation, management, and where appropriate,

restoration of fish, wildlife, and plant resources and their habitats within the United States for the benefit of present and future generations of Americans."

The U.S. Supreme Court affirmed that the barrier islands and the lagoons which they enclose, along the northeast coast of Alaska, are within the boundaries of the Arctic Refuge. The State of Alaska had hoped to claim ownership of these lagoons and to lease them for oil and gas exploration and development.

- May 1998 U.S. Geological Survey released the Arctic National Wildlife Refuge, 1002 Area, Petroleum Assessment, 1998 containing the highest estimates ever for the region. The agency's mid-range estimate of oil in place rose from 13.8 billion barrels to 20.7 billion barrels of oil.
- Jan. 2000 Representative Vento's Morris Udall ANWR Wilderness Bill has 165 co-sponsors; while Senator Roth's Senate version has 25 co-sponsors.
- March 31, 2000 Assumptions about ANWR revenues were included in the FY2001 budget resolution (S. Con. Res. 101) as reported by the Senate Budget Committee. An amendment to remove the language was tabled. However, conferees rejected the language.
- January 10, 2001 Clinton announced that ANWR would not be declared a national monument.
- May 24, 2001 Vermont Senator James Jeffords changes party affiliate from Republican to Independent. Democrats take over Senate majority.
- July 27, 2001 Representative Billy Tauzin (D-SD) introduces HR4 that included a provision to open ANWR.
- Aug. 1, 2001 HR4 passed in the House of Representatives.
- Dec. 5, 2001 Senator Tom Daschle introduces S.1766. Bill does not move.
- January 17, 2002 The Interior Department concluded that the proposed Arctic drilling plan would not violate American treaty obligations to protect polar bears.
- February 26, 2002 As the energy bill begins to wind its way through the Senate, the White House considered a "scaled-back"

version of the ANWR drilling plan, including only 500,000 of the original 1.5 million acres of the refuge's coastal plain.

- | | |
|-------------------------------|--|
| Mar. 12, 2002 | Senator Jeff Bingaman (D-NM) introduces S.517, The National Energy Policy Act. |
| Apr. 25 2002 | S.517 passes Senate 88-11. It did not contain ANWR. |
| Nov 2002 | Conference Committee fails to pass Comprehensive Energy Bill |
| Dec 2002 | Energy Bill is shelved. |
| April 2003
House
passes | Amendment vote to take ANWR language out of the Energy Bill. The vote did not pass. House votes and its version of the Energy Bill (H.R.6) that included ANWR. Senate votes 52-48 to strip from a budget resolution language to lift the longtime ban on the development of oil in the ANWR. |
| July 2003 | Senate passed the 2002 Senate Energy Bill excluding ANWR language. |
| Sept 2003 | Conference Committee convened and failed to reach agreement |
| 2004 | The House again passed a comprehensive energy bill that included authorization to open the Coastal Plain to exploration and development. No action occurred in the Senate. |
| Jan 2005 | Sen. Domenici reappointed Chairman of Senate Natural Resources Committee and in inaugural speech announces opening the Coastal Plain of AN |

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 1/21/05

FURTHER: Finance

Date of 5-Day Notice: 1/20/05
(in accordance with Uniform Rule 23)

DATE TURNED IN TO OFFICE: 2/2/05

Resources Committee considered SENATE BILL NO. 69

SB 69 APPROP: GRANT TO ARCTIC POWER FOR ANWR

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and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
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Senate Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
House Bill:	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input type="checkbox"/>	New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Indet.	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:		DO PASS	DO NOT PASS	NO REC	AMEND
	<i>Den Steen</i>	✓			
	<i>D. S.</i>		✓		
	<i>Paula Debin</i>	✓			
	<i>Paul Olson</i>	✓			
CHAIR:	<i>Thomas Wagner</i>	✓			