

HJR

12



# ALASKA STATE LEGISLATURE

**Interim:**  
716 West 4<sup>th</sup> Avenue, Suite 640  
Anchorage, Alaska 99501  
(907) 269-0200  
FAX (907) 269-0204  
Rep\_Craig\_Johnson@legis.state.ak.us



**Session:**  
State Capitol, Room 126  
Juneau Alaska  
99801-1182  
(907) 465-4993  
FAX (907) 465-3872

REPRESENTATIVE CRAIG JOHNSON  
HOUSE DISTRICT 28

## - Sponsor Statement -

### CS HJR 12(O&G)

**“Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas exploration, development, and production.”**

House Joint Resolution 12 urges the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge (ANWR) to environmentally responsible oil and gas exploration, development, and production.

Opening ANWR is vital to ensuring Alaska's continued fiscal security, protecting and developing Alaskan jobs, and sustaining the state's economic growth. Oil production from ANWR will improve America's energy security and provide new jobs throughout the country.

Alaska has proven that Arctic oil and gas resources can be developed in an environmentally responsible manner consistent with protection of wildlife and preservation of traditional lifestyles and human values. Exploration in ANWR will be the most environmentally and socially responsible oil development undertaken anywhere in the world.

It is vitally important that the 25<sup>th</sup> Alaska Legislature endorses previous legislatures' efforts, demonstrate our solidarity, and enthusiastically state our support for opening ANWR. HJR 12 mirrors resolutions passed by previous Alaska legislatures and will be a cornerstone of this legislature's commitment to responsibly develop our natural resources; promote sustained economic expansion; create job opportunities for our citizens; and assure safe, growing, and healthy communities throughout our state.

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: CSHJR 12(O&G)  
 (H) Publish Date: 5/4/07

Revision Date/Time (Note if correction):  
 Title: Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge...

Dept. Affected: OOG  
 RDU: Office of the Lt. Governor  
 Component: Office of the Lt. Governor

Sponsor: Representatives Johnson, Stoltze, Lynn, et al  
 Requester: House Oil and Gas Committee

Component No.: 11

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This resolution will have no fiscal impact on the Office of the Lt. Governor.

Prepared by: Gail Fenumiai, Asst. Administrative Director  
 Division: Division of Administrative Services  
 Approved by: Jim Merriner, Chief of Staff  
 Agency: Office of the Lt. Governor

Phone 465-3885  
 Date/Time 4/19/2007, 4:29pm  
 Date 4/19/2007

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## Session

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REPRESENTATIVE CRAIG JOHNSON  
HOUSE DISTRICT 28

## CS HJR 12

### Fact Sheet

#### Summary:

- Urges Congress to pass legislation to open the Arctic National Wildlife Refuge to environmentally responsible oil and gas exploration, development and production;
- Expresses the Alaska State Legislature's opposition to further wilderness or restrictive designations in the coastal plain of ANWR;
- Acknowledges the oil and gas industry's development of directional drilling technology that would minimize the development footprint within the refuge;
- Supports development in a way that protects the Porcupine Caribou herd and uses Alaskan labor; and
- Expresses the Alaska State Legislature's opposition to any reduction in royalty revenue from exploration and development of ANWR.

#### Benefits:

- Supports the efforts of our congressional delegation to open ANWR.

25-LS0188VE  
Bullock  
5/2/07

**CS FOR HOUSE JOINT RESOLUTION NO. 12( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-FIFTH LEGISLATURE - FIRST SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): REPRESENTATIVES JOHNSON, Stoltze, Lynn, Gatto, Crawford**

**A RESOLUTION**

1 **Urging the United States Congress to pass legislation to open the coastal plain of the**  
2 **Arctic National Wildlife Refuge to oil and gas exploration, development, and**  
3 **production.**

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

5 **WHEREAS**, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands  
6 Conservation Act (ANILCA)), the United States Congress reserved the right to permit further  
7 oil and gas exploration, development, and production within the coastal plain of the Arctic  
8 National Wildlife Refuge; and

9 **WHEREAS** the oil industry, the state, and the United States Department of the  
10 Interior consider the coastal plain to have the highest potential for discovery of very large oil  
11 and gas accumulations on the continent of North America, estimated to be as much as  
12 10,000,000,000 barrels of recoverable oil; and

13 **WHEREAS** the "1002 study area" is part of the coastal plain located within the North  
14 Slope Borough, and residents of the North Slope Borough, who are predominantly Inupiat  
15 Eskimo, are supportive of development in the "1002 study area"; and

1           **WHEREAS** oil and gas exploration and development of the coastal plain of the refuge  
2 and adjacent land could result in major discoveries that would reduce our nation's future need  
3 for imported oil, help balance the nation's trade deficit, and significantly increase the nation's  
4 security; and

5           **WHEREAS** the state's future energy independence would be enhanced with  
6 additional natural gas production from the North Slope of Alaska including what are expected  
7 to be significant gas reserves in the Arctic National Wildlife Refuge, and the development of  
8 those reserves would enhance the economic viability of the proposed Alaska Natural Gas  
9 Pipeline; and

10           **WHEREAS** domestic demand for oil continues to rise while domestic crude  
11 production continues to fall, with the result that the United States imports additional oil from  
12 foreign sources; and

13           **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and  
14 Milne Point has resulted in thousands of jobs throughout the United States, and projected job  
15 creation as a result of coastal plain oil development will have a positive effect in all 50 states;  
16 and

17           **WHEREAS** Prudhoe Bay production is declining ~~by approximately 10 percent a year;~~  
18 ~~and~~

19           **WHEREAS** the Trans Alaska Pipeline System, a transportation facility that is a  
20 national asset and that would cost billions of dollars to replace, would have its useful physical  
21 life extended for a substantial period if the additional reserves of recoverable oil from the  
22 coastal plain were produced; and

23           **WHEREAS**, while new oil field developments on the North Slope of Alaska, such as  
24 Alpine, Northstar, and West Sak, may temporarily slow the decline in production, only giant  
25 coastal plain fields have the theoretical capability of increasing the production volume of  
26 Alaska oil to a significant degree; and

27           **WHEREAS** opening the coastal plain of the Arctic National Wildlife Refuge now  
28 allows sufficient time for planning environmental safeguards, development, and national  
29 security review; and

30           **WHEREAS** the 1,500,000-acre coastal plain of the refuge makes up only eight  
31 percent of the 19,000,000-acre refuge, and the development of the oil and gas reserves in the

1 refuge's coastal plain would affect an area of only 2,000 to 7,000 acres, which is less than  
2 one-half of one percent of the area of the coastal plain; and *only a small portion*

3 **WHEREAS** 8,900,000 of the 19,000,000 acres of the refuge have already been set  
4 aside as wilderness; and ~~and~~

5 **WHEREAS** the oil industry has shown at Prudhoe Bay, as well as at other locations  
6 along the Arctic coastal plain, ~~that it can safely conduct oil and gas activity without adversely~~  
7 affecting the environment or wildlife populations; and *is capable of*

8 **WHEREAS** the state will ensure the continued health and productivity of the  
9 Porcupine Caribou herd and the protection of land, water, and wildlife resources during the  
10 exploration and development of the coastal plain of the Arctic National Wildlife Refuge; and *is not to*

11 **WHEREAS** the oil and gas industry is developing directional drilling technology that  
12 will allow horizontal drilling in a responsible manner by minimizing the development  
13 footprint within the Arctic National Wildlife Refuge and this directional drilling technology  
14 may be capable of drilling from outside of the boundaries of the 1002 study area; and

15 **WHEREAS** the oil industry is using innovative technology and environmental  
16 practices in the new field developments at Alpine and Northstar, and those techniques are  
17 directly applicable to operating on the coastal plain and would enhance environmental  
18 protection beyond traditionally high standards;

19 **BE IT RESOLVED** by the Alaska State Legislature that the Congress of the United  
20 States is urged to pass legislation to open the coastal plain of the Arctic National Wildlife  
21 Refuge to oil and gas exploration, development, and production, and that the Alaska State  
22 Legislature is adamantly opposed to further wilderness or other restrictive designation in the  
23 area of the coastal plain of the Arctic National Wildlife Refuge; and be it

24 **FURTHER RESOLVED** that that activity be conducted in a manner that protects the  
25 environment and the naturally occurring population levels of the Porcupine Caribou herd on  
26 which the Gwich'in and other local residents depend, that uses directional drilling ~~and~~ other  
27 advances in technology to minimize the development footprint in the 1002 study area, and  
28 that uses the state's work force to the maximum extent possible; and be it

29 **FURTHER RESOLVED** that the Alaska State Legislature urges the Congress of the  
30 United States to pass legislation opening the 1002 study area for oil and gas development  
31 while continuing to work on measures for increasing the development and use of renewable

*Kenneth  
Kane  
4-1*

1 energy technologies; and be it

2 **FURTHER RESOLVED** that the Alaska State Legislature opposes any unilateral  
3 reduction in royalty revenue from exploration and development of the coastal plain of the  
4 Arctic National Wildlife Refuge and any attempt to coerce the State of Alaska into accepting  
5 less than the 90 percent of the oil, gas, and mineral royalties from the federal land in Alaska  
6 that was, ~~re~~vised to the state at statehood.

7 **COPIES** of this resolution shall be sent to the Honorable George W. Bush, President  
8 of the United States; the Honorable Richard B. Cheney, Vice-President of the United States  
9 and President of the U.S. Senate; the Honorable Dirk Kempthorne, United States Secretary of  
10 the Interior; the Honorable Nancy Pelosi, Speaker of the U.S. House of Representatives; the  
11 Honorable John Boehner, Minority Leader of the U.S. House of Representatives; the  
12 Honorable Harry Reid, Majority Leader of the U.S. Senate; the Honorable Mitch McConnell,  
13 Minority Leader of the U.S. Senate; the Honorable Jeff Bingaman, Chair of the Energy and  
14 Natural Resources Committee of the U.S. Senate; the Honorable Ted Stevens and the  
15 Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S.  
16 Representative, members of the Alaska delegation in Congress; and, by electronic  
17 transmission, to all other members of the U.S. Senate and the U.S. House of Representatives  
18 serving in the 110th United States Congress.

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REPRESENTATIVE CRAIG JOHNSON  
HOUSE DISTRICT 28

## House Joint Resolution 12

### Endorsing ANWR Leasing

### Changes in Work Draft CS version E

**Page 2, lines 5-9: (new paragraph)**

"WHEREAS the state's future energy independence would be enhanced with additional natural gas production from the North Slope of Alaska including what are expected to be significant gas reserves in the Arctic National Wildlife Refuge, and the development of those reserves would enhance the economic viability of the proposed Alaska Natural Gas Pipeline; and"

**Page 3, lines 11-14: (new paragraph)**

"WHEREAS the oil and gas industry is developing directional drilling technology that will allow horizontal drilling in a responsible manner by minimizing the development footprint within the Arctic National Wildlife Refuge and this directional drilling technology may be capable of drilling from outside of the boundaries of the 1002 study area; and"

**Page 3, line 26, after "depend," insert:**

"that uses directional drilling and other advances in technology to minimize the development footprint in the 1002 study area,"

**Page 3, line 29 - Page 4, line 1: (new paragraph)**

"FURTHER RESOLVED that the Alaska State Legislature urges the Congress of the United States to pass legislation opening the 1002 study area for oil and gas development while continuing to work on measures for increasing the development and use of renewable energy technologies; and be it"

# FISCAL NOTE

**STATE OF ALASKA**  
**2007 LEGISLATIVE SESSION**

Fiscal Note Number: HJR012-OOG-LGO-4-19-07  
 Bill Version: HJR 12  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_  
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 Requester: House Oil and Gas Committee

Dept. Affected: OOG  
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<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2007) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This resolution will have no fiscal impact on the Office of the Lt. Governor.

Prepared by: Gail Fenumiai, Asst. Administrative Director Phone 465-3885  
 Division: Division of Administrative Services Date/Time 4/19/2007, 4:29pm  
 Approved by: Jim Merriner, Chief of Staff Date 4/19/2007  
 Agency: Office of the Lt. Governor

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## House Joint Resolution 12

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#### Benefits:

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## **- Sponsor Statement -**

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**“Urging the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas exploration, development, and production.”**

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