

HJR

9

<TARGET><BILL>HJR 9</BILL><SUBJECT>HJR
9</SUBJECT><COMM>SRES27</COMM></TARGET>



Official Business


Senate Resources Committee

Senator Joe Paskvan, Co-Chair
Room #115: 465-4907

Senator Tom Wagoner, Co-Chair
Room #427: 465-3792

Members:

Senator Bill Wielechowski, Vice-Chair
Senator Hollis French
Senator Bert Stedman
Senator Lesil McGuire
Senator Gary Stevens

DATE: March 21, 2011
TO: Legislative Legal
FROM: Mary Jackson, Staff 
Senator Tom Wagoner, Co-Chair
Senate Resources Committee
RE: HJR 9 Committee Substitute

The Senate Resources Committee considered and passed HJR 9 with the following amendment:

Page 2, line 18,
Delete "Prudhoe Bay" and replace with
"North Slope"

To read:
WHEREAS, North Slope production is declining; and

Please provide a Senate Resources Committee Substitute that reflects that amendment as soon as is possible.

Thank you in advance for your time and effort.

Alaska State Legislature

Session:
State Capitol Rm. 421
Juneau, AK 99801
Phone: (907) 465-3438
Fax: (907) 465-4565




Interim:
716 W 4th Avenue
Anchorage, AK 99501-2133
Phone: (907) 269-0100
Fax: (907) 269-0105

Representative Lance Pruitt
Co-Chair, House Energy Committee

MEMORANDUM

To: Sen. Joe Paskvan
Sen. Tom Wagoner

From: Rep. Lance Pruitt 

Date: March 3rd, 2011

Re: Hearing Request for CSHJR 9(RES)

I respectfully request that CSHJR 9(RES) be scheduled for a hearing in the Senate Resources Committee. Please feel free to contact me, or my aide Jenna Crouse, at 465-3438 with any questions, thoughts, or ideas. Attached you will find a background packet for CSHJR 9(RES) including a current version of the bill, sponsor statement, summary of changes, fiscal note, and supporting documents.

Thank you for your consideration.

Alaska State Legislature

Session:

State Capitol Rm. 421
Juneau, AK 99801
Phone: (907) 465-3438
Fax: (907) 465-4565



Interim:

716 W 4th Avenue
Anchorage, AK 99501-2133
Phone: (907) 269-0100
Fax: (907) 269-0105

Representative Lance Pruitt
Co-Chair, House Energy Committee

Table of Contents: Background information for CSHJR 9(RES) Endorsing ANWR Leasing

1. Current bill language
2. Sponsor statement
3. Summary of changes since introduction
4. Current fiscal note
5. H.R. 49 Rep. Young's ANWR Bill
6. Arctic Power – 49 ANWR points for the 49th State

Alaska State Legislature

Session:
State Capitol Rm. 421
Juneau, AK 99801
Phone: (907) 465-3438
Fax: (907) 465-4565



Interim:
716 W 4th Avenue
Anchorage, AK 99501-2133
Phone: (907) 269-0100
Fax: (907) 269-0105

Representative Lance Pruitt

Co-Chair, House Energy Committee

Sponsor Statement

CSHJR 9(RES) Endorsing ANWR Leasing

House Joint Resolution 9 urges the United States Congress to pass legislation to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas exploration and development.

The Alaska National Interest Lands Conservation Act of 1980 prohibited leasing or other development leading to production of oil and gas from the Arctic National Wildlife Refuge. Today domestic demand for oil continues to rise while domestic crude production continues to fall, with the result that the United States imports additional oil from foreign sources.

The oil industry has shown at Prudhoe Bay, as well as at other locations along the Arctic coastal plain, that it is capable of conducting responsible oil and gas activity without adversely affecting the environment or wildlife populations.

HJR 9 mirrors and endorses previous Legislature's resolutions in enthusiastically supporting the opening of ANWR for responsible development. It is paramount that the 27th Alaska Legislature joins these past efforts in sending a unified resolution to Congress.

Alaska State Legislature

Session:
State Capitol Rm. 421
Juneau, AK 99801
Phone: (907) 465-3438
Fax: (907) 465-4565



Interim:
716 W 4th Avenue
Anchorage, AK 99501-2133
Phone: (907) 269-0100
Fax: (907) 269-0105

Representative Lance Pruitt
Co-Chair, House Energy Committee

Summary of Changes from HJR 9 Version A to CSHJR 9(RES) Version I

CSHJR 9(RES) Endorsing ANWR Leasing

The following language was added to the title paragraph on page 1 line 1:
“relating to oil and gas exploration, development, production, and royalties; and relating to renewable and alternative energy technologies.” This change was made to better reflect all of the language included in the resolution.

Removed “any” from page 3 line 21.

Added “and alternative” to page 3 line 23-24 and page 4 line 5-6. Alternative adds additional sources of energy generation that renewable alone does not.

“the Alaska State Legislature urges that oil and gas exploration, development, and production” added to page 3 line 28. This was added for clarification.

“and the nation’s” was added to Page 2 line 6 to emphasize national security.

Analysis

This fiscal note has zero impact on the Legislative Affairs Agency.



ANWR:

49 ANWR points from the 49th State

**JOBS AND
ENERGY
FOR AMERICA**

ARCTIC POWER

P. O. Box 100220
Anchorage, AK 99510

425 8th Street NW
Ste. 540
Washington, DC
20004
202.248-4468
202.248-6123 FAX
<http://www.anwr.org>

- 1) The 10-02 Area has more conventional oil potential in one spot than any single or collective regional onshore location in North America.
- 2) ANWR has been the most continually active energy issue on Capitol Hill for the past 30 years.
- 3) To date Alaskan oil saved America importing 16,058,674,205 barrels of oil since 1977 when the Trans-Alaska Pipeline opened.
- 4) In 2010 alone the Trans-Alaska Pipeline, operating at 1/3rd capacity, saved America importing \$15,207,988,866 worth of oil.
- 5) Importing oil is the single largest contributor to our national debt. In 2011 a full TAPS would save America \$195,300,000 per day.
- 6) At \$90 pb the mean value of ANWR oil is \$936 billion. At 100\$pb it is worth over \$1.3 Trillion
- 7) Every Alaskan State Legislature, every single Alaskan Congressional delegate, and every single Alaskan Governor has supported opening the 10-02 every year since the debate began. In a 2008 poll 78% of Alaskans supported exploration in ANWR.
- 8) Alaska Federation of Natives (AFN), Alaska's Native governing body, supports exploration; the North Slope Borough (the Government of the Arctic) supports exploration, the Village of Kaktovik (ANWR's only settlement) supports exploration, the Arctic Slope Regional Corporation (representing all natives in the Arctic) supports exploration.
- 9) The State of Alaska position on ANWR is echoed by hundreds of national organizations from all walks of life.
- 10) A majority of Americans support opening the 10-02. This has been proven in a number of independent public polls in 2008 and 2009.
- 11) When told the fact that Alaskans support this issue, more than half of all doubters on ANWR convert.

- 12) Millions more Americans will benefit from the oil and gas from ANWR in one day than will ever visit ANWR in a lifetime.
- 13) No species of animal, fish, insect, or bird has declined in population within the oil fields of Prudhoe Bay since development began negating doomsday claims by environmentalists.
- 14) A job created is better than a job lost! Declining production and an empty pipeline means one thing, jobs lost and lost state, federal and private revenue.
- 15) ANWR has the potential to double Prudhoe Bay's current output. This output could last over 30 years.
- 16) The predictions on Prudhoe Bay was 9 billion barrels; we surpassed 16 billion barrels in 2009.
- 17) The USGS estimates for ANWR now used by all in this debate are based on 37% recovery rate; today we recover over 60%.
- 18) Green organizations will raise more money and spend more money on the ANWR issue in one year than any other environmental issue. It is their golden goose and egg.
- 19) In its first 20 years Prudhoe Bay development has caused well over \$50 billion to be spent by industry buying goods and services nationwide.
- 20) Even after exploration begins, over 90% of ANWR will always be completely off limits to any development.
- 21) 30 years have past since the first, "it will take 10 years to develop" argument was raised in Congress.
- 22) ALL energy provisions in the National Stimulus plan now being implemented could be paid for with ANWR oil royalties / taxes, costing Americans nothing.
- 23) You cannot conserve your way into energy independence. Conservation produces no energy. Production produces energy.
- 24) ANWR is a part of the solution, no one has ever argued that it is the whole solution.
- 25) Saying theoretical "NO" to fossil fuels, leaves us to find other alternative energy sources, not one of which has the current capacity to sustain us or supply us with the products oil does. ALL "alternative energies" use oil and gas to make their component parts.
- 26) The fact is, "oil is where you find it". Roughly 14% of the onshore Arctic areas has strong oil and gas potential. All of which are opposed by greens.

- 27) Oil spills in the Arctic are reported and cleaned up by law. Oil spills in any regular city business' parking lot are not.
- 28) A growing economy means increased energy consumption. The two are directly correlated. This is true, even with increased technological efficiencies.
- 29) An increasing population means increased energy consumption. The two are directly correlated. This is true, even with increased technological energy efficiencies.
- 30) The EIA estimates oil to reach \$106 pb by 2014 and remain above that line thereafter.
- 31) America imports 60% of its oil from abroad.
- 32) In 2010 the US imported over 13.2 million barrels of oil and petroleum products a day (EIA)
- 33) In 2009 we imported an average 12.9 million barrels of oil and petroleum products a day (EIA). The oil alone cost us \$922,072,320 per day, or \$38 million dollars an hour....just for raw crude alone.
- 34) ANWR is not an oil bank. It takes years and years to do exploration and then produce oil. Currently we do not even have any hard data on what is exactly there.
- 35) Given the timeline to produce oil, waiting for a shortage of supply caused by war, hurricane or politics, before approving exploration is a "too little, too late" strategy that will only lead us into a worse economic and social crisis.
- 36) America is perhaps the only nation, developed or otherwise that deliberately refuses to access its own natural resources, preferring instead to play NIMBY and buy from abroad.
- 37) In testimony to Congress during the debate to construct the Trans-Alaska Pipeline (1972) Sierra Club biologists argued to build the pipeline east along the Coastal Plain through (now) ANWR's 10-02 Area and down through Canada, stating it would travel with the flow of the caribou's migration and that the area had no scenic beauty or value.
- 39) ANWR oil production, under current legislation, can take up no more than 2000 acres, or 3.1sq.miles.
- 40) ANWR oil production demands use of "best technology available" and a "take in- take out" policy. This is not an option but the law.
- 41) ANWR oil production would be monitored 24/7 by local hire Wildlife Monitors who have the power to mitigate exploration activity if negative environmental effects are seen.
- 42) Wilderness designation will be near permanent in a political sense. It is nearly impossible to undo it.

- 43) The battle to undo a Wilderness designation will be larger than the battle to open up ANWR.
- 44) The environmental movement is openly against any exploration in the Arctic north of the Brooks Range. This was formally codified in a letter to the President by their main leaders, Sen. Inslee and Rep. Markey in 2009.
- 45) The 10-02 Area contains private land that is effectively locked up by the ANILCA bill that created ANWR's current shape. Private property rights are thus being ignored in the ANWR debate.
- 46) The villagers of Kaktovik in the 10-02 consider it a great insult that they are often ignored in this debate and that their land is considered "pristine" and uninhabited. To them, it is used and an important part of their daily operating lives.
- 47) ANWR's 10-02 is the "dinner plate" for the Inupiat of Kaktovik. They would not support this issue if they felt their source of daily sustenance would be at risk.
- 48) The Inupiat villagers of the Arctic who's sacred land this has been for over 10,000 years, for the past 30 years of development has worked together with the State and the Industry to mitigate a beneficial and positive social, environmental, and economic solution to the development of Prudhoe Bay, America's largest oil field situated on their land. The great success of this effort has made them strong supporters of the fight to open ANWR.
- 49) ANWR is not an "either / or" situation. The choice is not black or white, yes or no. ANWR is a case of responsible management and governance. It is a case of careful planning, environmental sensitivity and compromise. All Alaskans are aware of this and promote this and believe this can be done right. That is precisely why we overwhelmingly support this cause.

112TH CONGRESS
1ST SESSION

H. R. 49

To direct the Secretary of the Interior to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain of Alaska, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 2011

Mr. YOUNG of Alaska introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Energy and Commerce and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of the Interior to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain of Alaska, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “American Energy Inde-
3 pendence and Price Reduction Act”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **COASTAL PLAIN.**—The term “Coastal
7 Plain” means that area described in appendix I to
8 part 37 of title 50, Code of Federal Regulations.

9 (2) **SECRETARY.**—The term “Secretary”, except
10 as otherwise provided, means the Secretary of the
11 Interior or the Secretary’s designee.

12 **SEC. 3. LEASING PROGRAM FOR LANDS WITHIN THE**
13 **COASTAL PLAIN.**

14 (a) **IN GENERAL.**—The Secretary shall take such ac-
15 tions as are necessary—

16 (1) to establish and implement, in accordance
17 with this Act and acting through the Director of the
18 Bureau of Land Management in consultation with
19 the Director of the United States Fish and Wildlife
20 Service, a competitive oil and gas leasing program
21 that will result in an environmentally sound program
22 for the exploration, development, and production of
23 the oil and gas resources of the Coastal Plain; and

24 (2) to administer the provisions of this Act
25 through regulations, lease terms, conditions, restric-
26 tions, prohibitions, stipulations, and other provisions

1 that ensure the oil and gas exploration, development,
2 and production activities on the Coastal Plain will
3 result in no significant adverse effect on fish and
4 wildlife, their habitat, subsistence resources, and the
5 environment, including, in furtherance of this goal,
6 by requiring the application of the best commercially
7 available technology for oil and gas exploration, de-
8 velopment, and production to all exploration, devel-
9 opment, and production operations under this Act in
10 a manner that ensures the receipt of fair market
11 value by the public for the mineral resources to be
12 leased.

13 (b) REPEAL.—

14 (1) REPEAL.—Section 1003 of the Alaska Na-
15 tional Interest Lands Conservation Act of 1980 (16
16 U.S.C. 3143) is repealed.

17 (2) CONFORMING AMENDMENT.—The table of
18 contents in section 1 of such Act is amended by
19 striking the item relating to section 1003.

20 (c) COMPLIANCE WITH REQUIREMENTS UNDER CER-
21 TAIN OTHER LAWS.—

22 (1) COMPATIBILITY.—For purposes of the Na-
23 tional Wildlife Refuge System Administration Act of
24 1966 (16 U.S.C. 668dd et seq.), the oil and gas
25 leasing program and activities authorized by this

1 section in the Coastal Plain are deemed to be com-
2 patible with the purposes for which the Arctic Na-
3 tional Wildlife Refuge was established, and no fur-
4 ther findings or decisions are required to implement
5 this determination.

6 (2) ADEQUACY OF THE DEPARTMENT OF THE
7 INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT
8 STATEMENT.—The “Final Legislative Environ-
9 mental Impact Statement” (April 1987) on the
10 Coastal Plain prepared pursuant to section 1002 of
11 the Alaska National Interest Lands Conservation
12 Act of 1980 (16 U.S.C. 3142) and section 102(2)(C)
13 of the National Environmental Policy Act of 1969
14 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the re-
15 quirements under the National Environmental Policy
16 Act of 1969 that apply with respect to prelease ac-
17 tivities, including actions authorized to be taken by
18 the Secretary to develop and promulgate the regula-
19 tions for the establishment of a leasing program au-
20 thorized by this Act before the conduct of the first
21 lease sale.

22 (3) COMPLIANCE WITH NEPA FOR OTHER AC-
23 TIONS.—Before conducting the first lease sale under
24 this Act, the Secretary shall prepare an environ-
25 mental impact statement under the National Envi-

1 ronmental Policy Act of 1969 with respect to the ac-
2 tions authorized by this Act that are not referred to
3 in paragraph (2). Notwithstanding any other law,
4 the Secretary is not required to identify nonleasing
5 alternative courses of action or to analyze the envi-
6 ronmental effects of such courses of action. The Sec-
7 retary shall only identify a preferred action for such
8 leasing and a single leasing alternative, and analyze
9 the environmental effects and potential mitigation
10 measures for those two alternatives. The identifica-
11 tion of the preferred action and related analysis for
12 the first lease sale under this Act shall be completed
13 within 18 months after the date of enactment of this
14 Act. The Secretary shall only consider public com-
15 ments that specifically address the Secretary's pre-
16 ferred action and that are filed within 20 days after
17 publication of an environmental analysis. Notwith-
18 standing any other law, compliance with this para-
19 graph is deemed to satisfy all requirements for the
20 analysis and consideration of the environmental ef-
21 fects of proposed leasing under this Act.

22 (d) RELATIONSHIP TO STATE AND LOCAL AUTHOR-
23 ITY.—Nothing in this Act shall be considered to expand
24 or limit State and local regulatory authority.

25 (e) SPECIAL AREAS.—

1 (1) IN GENERAL.—The Secretary, after con-
2 sultation with the State of Alaska, the city of
3 Kaktovik, and the North Slope Borough, may des-
4 ignate up to a total of 45,000 acres of the Coastal
5 Plain as a Special Area if the Secretary determines
6 that the Special Area is of such unique character
7 and interest so as to require special management
8 and regulatory protection. The Secretary shall des-
9 ignate as such a Special Area the Sadlerochit Spring
10 area, comprising approximately 4,000 acres.

11 (2) MANAGEMENT.—Each such Special Area
12 shall be managed so as to protect and preserve the
13 area's unique and diverse character including its
14 fish, wildlife, and subsistence resource values.

15 (3) EXCLUSION FROM LEASING OR SURFACE
16 OCCUPANCY.—The Secretary may exclude any Spe-
17 cial Area from leasing. If the Secretary leases a Spe-
18 cial Area, or any part thereof, for purposes of oil
19 and gas exploration, development, production, and
20 related activities, there shall be no surface occu-
21 pancy of the lands comprising the Special Area.

22 (4) DIRECTIONAL DRILLING.—Notwithstanding
23 the other provisions of this subsection, the Secretary
24 may lease all or a portion of a Special Area under
25 terms that permit the use of horizontal drilling tech-

1 nology from sites on leases located outside the Spe-
2 cial Area.

3 (f) LIMITATION ON CLOSED AREAS.—The Sec-
4 retary's sole authority to close lands within the Coastal
5 Plain to oil and gas leasing and to exploration, develop-
6 ment, and production is that set forth in this Act.

7 (g) REGULATIONS.—

8 (1) IN GENERAL.—The Secretary shall pre-
9 scribe such regulations as may be necessary to carry
10 out this Act, including rules and regulations relating
11 to protection of the fish and wildlife, their habitat,
12 subsistence resources, and environment of the Coast-
13 al Plain, by no later than 15 months after the date
14 of enactment of this Act.

15 (2) REVISION OF REGULATIONS.—The Sec-
16 retary shall periodically review and, if appropriate,
17 revise the rules and regulations issued under sub-
18 section (a) to reflect any significant biological, envi-
19 ronmental, or engineering data that come to the Sec-
20 retary's attention.

21 **SEC. 4. LEASE SALES.**

22 (a) IN GENERAL.—Lands may be leased pursuant to
23 this Act to any person qualified to obtain a lease for depos-
24 its of oil and gas under the Mineral Leasing Act (30
25 U.S.C. 181 et seq.).

1 (b) PROCEDURES.—The Secretary shall, by regula-
2 tion, establish procedures for—

3 (1) receipt and consideration of sealed nomina-
4 tions for any area in the Coastal Plain for inclusion
5 in, or exclusion (as provided in subsection (c)) from,
6 a lease sale;

7 (2) the holding of lease sales after such nomina-
8 tion process; and

9 (3) public notice of and comment on designa-
10 tion of areas to be included in, or excluded from, a
11 lease sale.

12 (c) LEASE SALE BIDS.—Bidding for leases under
13 this Act shall be by sealed competitive cash bonus bids.

14 (d) ACREAGE MINIMUM IN FIRST SALE.—In the first
15 lease sale under this Act, the Secretary shall offer for lease
16 those tracts the Secretary considers to have the greatest
17 potential for the discovery of hydrocarbons, taking into
18 consideration nominations received pursuant to subsection
19 (b)(1), but in no case less than 200,000 acres.

20 (e) TIMING OF LEASE SALES.—The Secretary
21 shall—

22 (1) conduct the first lease sale under this Act
23 within 22 months after the date of the enactment of
24 this Act;

1 (2) evaluate the bids in such sale and issue
2 leases resulting from such sale, within 90 days after
3 the date of the completion of such sale; and

4 (3) conduct additional sales so long as sufficient
5 interest in development exists to warrant, in the Sec-
6 retary's judgment, the conduct of such sales.

7 **SEC. 5. GRANT OF LEASES BY THE SECRETARY.**

8 (a) IN GENERAL.—The Secretary may grant to the
9 highest responsible qualified bidder in a lease sale con-
10 ducted pursuant to section 4 any lands to be leased on
11 the Coastal Plain upon payment by the lessee of such
12 bonus as may be accepted by the Secretary.

13 (b) SUBSEQUENT TRANSFERS.—No lease issued
14 under this Act may be sold, exchanged, assigned, sublet,
15 or otherwise transferred except with the approval of the
16 Secretary. Prior to any such approval the Secretary shall
17 consult with, and give due consideration to the views of,
18 the Attorney General.

19 **SEC. 6. LEASE TERMS AND CONDITIONS.**

20 (a) IN GENERAL.—An oil or gas lease issued pursu-
21 ant to this Act shall—

22 (1) provide for the payment of a royalty of not
23 less than 12½ percent in amount or value of the
24 production removed or sold from the lease, as deter-

1 mined by the Secretary under the regulations appli-
2 cable to other Federal oil and gas leases;

3 (2) provide that the Secretary may close, on a
4 seasonal basis, portions of the Coastal Plain to ex-
5 ploratory drilling activities as necessary to protect
6 caribou calving areas and other species of fish and
7 wildlife;

8 (3) require that the lessee of lands within the
9 Coastal Plain shall be fully responsible and liable for
10 the reclamation of lands within the Coastal Plain
11 and any other Federal lands that are adversely af-
12 fected in connection with exploration, development,
13 production, or transportation activities conducted
14 under the lease and within the Coastal Plain by the
15 lessee or by any of the subcontractors or agents of
16 the lessee;

17 (4) provide that the lessee may not delegate or
18 convey, by contract or otherwise, the reclamation re-
19 sponsibility and liability to another person without
20 the express written approval of the Secretary;

21 (5) provide that the standard of reclamation for
22 lands required to be reclaimed under this Act shall
23 be, as nearly as practicable, a condition capable of
24 supporting the uses which the lands were capable of
25 supporting prior to any exploration, development, or

1 production activities, or upon application by the les-
2 see, to a higher or better use as approved by the
3 Secretary;

4 (6) contain terms and conditions relating to
5 protection of fish and wildlife, their habitat, subsist-
6 ence resources, and the environment as required
7 pursuant to section 3(a)(2);

8 (7) provide that the lessee, its agents, and its
9 contractors use best efforts to provide a fair share,
10 as determined by the level of obligation previously
11 agreed to in the 1974 agreement implementing sec-
12 tion 29 of the Federal Agreement and Grant of
13 Right of Way for the Operation of the Trans-Alaska
14 Pipeline, of employment and contracting for Alaska
15 Natives and Alaska Native Corporations from
16 throughout the State;

17 (8) prohibit the export of oil produced under
18 the lease; and

19 (9) contain such other provisions as the Sec-
20 retary determines necessary to ensure compliance
21 with the provisions of this Act and the regulations
22 issued under this Act.

23 (b) PROJECT LABOR AGREEMENTS.—The Secretary,
24 as a term and condition of each lease under this Act and
25 in recognizing the Government's proprietary interest in

1 labor stability and in the ability of construction labor and
2 management to meet the particular needs and conditions
3 of projects to be developed under the leases issued pursu-
4 ant to this Act and the special concerns of the parties to
5 such leases, shall require that the lessee and its agents
6 and contractors negotiate to obtain a project labor agree-
7 ment for the employment of laborers and mechanics on
8 production, maintenance, and construction under the
9 lease.

10 **SEC. 7. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

11 (a) NO SIGNIFICANT ADVERSE EFFECT STANDARD
12 TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—
13 The Secretary shall, consistent with the requirements of
14 section 3, administer the provisions of this Act through
15 regulations, lease terms, conditions, restrictions, prohibi-
16 tions, stipulations, and other provisions that—

17 (1) ensure the oil and gas exploration, develop-
18 ment, and production activities on the Coastal Plain
19 will result in no significant adverse effect on fish
20 and wildlife, their habitat, and the environment;

21 (2) require the application of the best commer-
22 cially available technology for oil and gas explo-
23 ration, development, and production on all new ex-
24 ploration, development, and production operations;
25 and

1 (3) ensure that the maximum amount of sur-
2 face acreage covered by production and support fa-
3 cilities, including airstrips and any areas covered by
4 gravel berms or piers for support of pipelines, does
5 not exceed 2,000 acres on the Coastal Plain.

6 (b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—
7 The Secretary shall also require, with respect to any pro-
8 posed drilling and related activities, that—

9 (1) a site-specific analysis be made of the prob-
10 able effects, if any, that the drilling or related activi-
11 ties will have on fish and wildlife, their habitat, sub-
12 sistence resources, and the environment;

13 (2) a plan be implemented to avoid, minimize,
14 and mitigate (in that order and to the extent prac-
15 ticable) any significant adverse effect identified
16 under paragraph (1); and

17 (3) the development of the plan shall occur
18 after consultation with the agency or agencies hav-
19 ing jurisdiction over matters mitigated by the plan.

20 (c) REGULATIONS TO PROTECT COASTAL PLAIN
21 FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS,
22 AND THE ENVIRONMENT.—Before implementing the leas-
23 ing program authorized by this Act, the Secretary shall
24 prepare and promulgate regulations, lease terms, condi-
25 tions, restrictions, prohibitions, stipulations, and other

1 measures designed to ensure that the activities undertaken
2 on the Coastal Plain under this Act are conducted in a
3 manner consistent with the purposes and environmental
4 requirements of this Act.

5 (d) COMPLIANCE WITH FEDERAL AND STATE ENVI-
6 RONMENTAL LAWS AND OTHER REQUIREMENTS.—The
7 proposed regulations, lease terms, conditions, restrictions,
8 prohibitions, and stipulations for the leasing program
9 under this Act shall require compliance with all applicable
10 provisions of Federal and State environmental law, and
11 shall also require the following:

12 (1) Standards at least as effective as the safety
13 and environmental mitigation measures set forth in
14 items 1 through 29 at pages 167 through 169 of the
15 “Final Legislative Environmental Impact State-
16 ment” (April 1987) on the Coastal Plain.

17 (2) Seasonal limitations on exploration, develop-
18 ment, and related activities, where necessary, to
19 avoid significant adverse effects during periods of
20 concentrated fish and wildlife breeding, denning,
21 nesting, spawning, and migration.

22 (3) That exploration activities, except for sur-
23 face geological studies, be limited to the period be-
24 tween approximately November 1 and May 1 each
25 year and that exploration activities shall be sup-

1 ported, if necessary, by ice roads, winter trails with
2 adequate snow cover, ice pads, ice airstrips, and air
3 transport methods, except that such exploration ac-
4 tivities may occur at other times if the Secretary
5 finds that such exploration will have no significant
6 adverse effect on the fish and wildlife, their habitat,
7 and the environment of the Coastal Plain.

8 (4) Design safety and construction standards
9 for all pipelines and any access and service roads,
10 that—

11 (A) minimize, to the maximum extent pos-
12 sible, adverse effects upon the passage of mi-
13 gratory species such as caribou; and

14 (B) minimize adverse effects upon the flow
15 of surface water by requiring the use of cul-
16 verts, bridges, and other structural devices.

17 (5) Prohibitions on general public access and
18 use on all pipeline access and service roads.

19 (6) Stringent reclamation and rehabilitation re-
20 quirements, consistent with the standards set forth
21 in this Act, requiring the removal from the Coastal
22 Plain of all oil and gas development and production
23 facilities, structures, and equipment upon completion
24 of oil and gas production operations, except that the
25 Secretary may exempt from the requirements of this

1 paragraph those facilities, structures, or equipment
2 that the Secretary determines would assist in the
3 management of the Arctic National Wildlife Refuge
4 and that are donated to the United States for that
5 purpose.

6 (7) Appropriate prohibitions or restrictions on
7 access by all modes of transportation.

8 (8) Appropriate prohibitions or restrictions on
9 sand and gravel extraction.

10 (9) Consolidation of facility siting.

11 (10) Appropriate prohibitions or restrictions on
12 use of explosives.

13 (11) Avoidance, to the extent practicable, of
14 springs, streams, and river system; the protection of
15 natural surface drainage patterns, wetlands, and ri-
16 parian habitats; and the regulation of methods or
17 techniques for developing or transporting adequate
18 supplies of water for exploratory drilling.

19 (12) Avoidance or minimization of air traffic-re-
20 lated disturbance to fish and wildlife.

21 (13) Treatment and disposal of hazardous and
22 toxic wastes, solid wastes, reserve pit fluids, drilling
23 muds and cuttings, and domestic wastewater, includ-
24 ing an annual waste management report, a haz-
25 ardous materials tracking system, and a prohibition

1 on chlorinated solvents, in accordance with applica-
2 ble Federal and State environmental law.

3 (14) Fuel storage and oil spill contingency plan-
4 ning.

5 (15) Research, monitoring, and reporting re-
6 quirements.

7 (16) Field crew environmental briefings.

8 (17) Avoidance of significant adverse effects
9 upon subsistence hunting, fishing, and trapping by
10 subsistence users.

11 (18) Compliance with applicable air and water
12 quality standards.

13 (19) Appropriate seasonal and safety zone des-
14 ignations around well sites, within which subsistence
15 hunting and trapping shall be limited.

16 (20) Reasonable stipulations for protection of
17 cultural and archeological resources.

18 (21) All other protective environmental stipula-
19 tions, restrictions, terms, and conditions deemed
20 necessary by the Secretary.

21 (e) CONSIDERATIONS.—In preparing and promul-
22 gating regulations, lease terms, conditions, restrictions,
23 prohibitions, and stipulations under this section, the Sec-
24 retary shall consider the following:

1 (1) The stipulations and conditions that govern
2 the National Petroleum Reserve-Alaska leasing pro-
3 gram, as set forth in the 1999 Northeast National
4 Petroleum Reserve-Alaska Final Integrated Activity
5 Plan/Environmental Impact Statement.

6 (2) The environmental protection standards
7 that governed the initial Coastal Plain seismic explo-
8 ration program under parts 37.31 to 37.33 of title
9 50, Code of Federal Regulations.

10 (3) The land use stipulations for exploratory
11 drilling on the KIC-ASRC private lands that are set
12 forth in appendix 2 of the August 9, 1983, agree-
13 ment between Arctic Slope Regional Corporation and
14 the United States.

15 (f) FACILITY CONSOLIDATION PLANNING.—

16 (1) IN GENERAL.—The Secretary shall, after
17 providing for public notice and comment, prepare
18 and update periodically a plan to govern, guide, and
19 direct the siting and construction of facilities for the
20 exploration, development, production, and transpor-
21 tation of Coastal Plain oil and gas resources.

22 (2) OBJECTIVES.—The plan shall have the fol-
23 lowing objectives:

24 (A) Avoiding unnecessary duplication of fa-
25 cilities and activities.

1 (B) Encouraging consolidation of common
2 facilities and activities.

3 (C) Locating or confining facilities and ac-
4 tivities to areas that will minimize impact on
5 fish and wildlife, their habitat, and the environ-
6 ment.

7 (D) Utilizing existing facilities wherever
8 practicable.

9 (E) Enhancing compatibility between wild-
10 life values and development activities.

11 (g) ACCESS TO PUBLIC LANDS.—The Secretary
12 shall—

13 (1) manage public lands in the Coastal Plain
14 subject to subsections (a) and (b) of section 811 of
15 the Alaska National Interest Lands Conservation
16 Act (16 U.S.C. 3121); and

17 (2) ensure that local residents shall have rea-
18 sonable access to public lands in the Coastal Plain
19 for traditional uses.

20 **SEC. 8. EXPEDITED JUDICIAL REVIEW.**

21 (a) FILING OF COMPLAINT.—

22 (1) DEADLINE.—Subject to paragraph (2), any
23 complaint seeking judicial review of any provision of
24 this Act or any action of the Secretary under this
25 Act shall be filed—

1 (A) except as provided in subparagraph
2 (B), within the 90-day period beginning on the
3 date of the action being challenged; or

4 (B) in the case of a complaint based solely
5 on grounds arising after such period, within 90
6 days after the complainant knew or reasonably
7 should have known of the grounds for the com-
8 plaint.

9 (2) VENUE.—Any complaint seeking judicial re-
10 view of any provision of this Act or any action of the
11 Secretary under this Act may be filed only in the
12 United States Court of Appeals for the District of
13 Columbia.

14 (3) LIMITATION ON SCOPE OF CERTAIN RE-
15 VIEW.—Judicial review of a Secretarial decision to
16 conduct a lease sale under this Act, including the en-
17 vironmental analysis thereof, shall be limited to
18 whether the Secretary has complied with the terms
19 of this Act and shall be based upon the administra-
20 tive record of that decision. The Secretary's identi-
21 fication of a preferred course of action to enable
22 leasing to proceed and the Secretary's analysis of
23 environmental effects under this Act shall be pre-
24 sumed to be correct unless shown otherwise by clear
25 and convincing evidence to the contrary.

1 (b) LIMITATION ON OTHER REVIEW.—Actions of the
2 Secretary with respect to which review could have been
3 obtained under this section shall not be subject to judicial
4 review in any civil or criminal proceeding for enforcement.

5 **SEC. 9. FEDERAL AND STATE DISTRIBUTION OF REVENUES.**

6 (a) IN GENERAL.—Notwithstanding any other provi-
7 sion of law, of the amount of adjusted bonus, rental, and
8 royalty revenues from Federal oil and gas leasing and op-
9 erations authorized under this Act—

10 (1) 50 percent shall be paid to the State of
11 Alaska; and

12 (2) except as provided in section 12(d), the bal-
13 ance shall be transferred to the ANWR Alternative
14 Energy Trust Fund established by this Act.

15 (b) PAYMENTS TO ALASKA.—Payments to the State
16 of Alaska under this section shall be made semiannually.

17 **SEC. 10. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.**

18 (a) IN GENERAL.—The Secretary shall issue rights-
19 of-way and easements across the Coastal Plain for the
20 transportation of oil and gas—

21 (1) except as provided in paragraph (2), under
22 section 28 of the Mineral Leasing Act (30 U.S.C.
23 185), without regard to title XI of the Alaska Na-
24 tional Interest Lands Conservation Act (30 U.S.C.
25 3161 et seq.); and

1 (2) under title XI of the Alaska National Inter-
2 est Lands Conservation Act (30 U.S.C. 3161 et
3 seq.), for access authorized by sections 1110 and
4 1111 of that Act (16 U.S.C. 3170 and 3171).

5 (b) **TERMS AND CONDITIONS.**—The Secretary shall
6 include in any right-of-way or easement issued under sub-
7 section (a) such terms and conditions as may be necessary
8 to ensure that transportation of oil and gas does not result
9 in a significant adverse effect on the fish and wildlife, sub-
10 sistence resources, their habitat, and the environment of
11 the Coastal Plain, including requirements that facilities be
12 sited or designed so as to avoid unnecessary duplication
13 of roads and pipelines.

14 (c) **REGULATIONS.**—The Secretary shall include in
15 regulations under section 3(g) provisions granting rights-
16 of-way and easements described in subsection (a) of this
17 section.

18 **SEC. 11. CONVEYANCE.**

19 In order to maximize Federal revenues by removing
20 clouds on title to lands and clarifying land ownership pat-
21 terns within the Coastal Plain, the Secretary, notwith-
22 standing the provisions of section 1302(h)(2) of the Alas-
23 ka National Interest Lands Conservation Act (16 U.S.C.
24 3192(h)(2)), shall convey—

1 (1) to the Kaktovik Inupiat Corporation the
2 surface estate of the lands described in paragraph 1
3 of Public Land Order 6959, to the extent necessary
4 to fulfill the Corporation's entitlement under sec-
5 tions 12 and 14 of the Alaska Native Claims Settle-
6 ment Act (43 U.S.C. 1611 and 1613) in accordance
7 with the terms and conditions of the Agreement be-
8 tween the Department of the Interior, the United
9 States Fish and Wildlife Service, the Bureau of
10 Land Management, and the Kaktovik Inupiat Cor-
11 poration effective January 22, 1993; and

12 (2) to the Arctic Slope Regional Corporation
13 the remaining subsurface estate to which it is enti-
14 tled pursuant to the August 9, 1983, agreement be-
15 tween the Arctic Slope Regional Corporation and the
16 United States of America.

17 **SEC. 12. LOCAL GOVERNMENT IMPACT AID AND COMMU-**
18 **NITY SERVICE ASSISTANCE.**

19 (a) **FINANCIAL ASSISTANCE AUTHORIZED.**—

20 (1) **IN GENERAL.**—The Secretary may use
21 amounts available from the Coastal Plain Local Gov-
22 ernment Impact Aid Assistance Fund established by
23 subsection (d) to provide timely financial assistance
24 to entities that are eligible under paragraph (2) and
25 that are directly impacted by the exploration for or

1 production of oil and gas on the Coastal Plain under
2 this Act.

3 (2) ELIGIBLE ENTITIES.—The North Slope
4 Borough, the City of Kaktovik, and any other bor-
5 ough, municipal subdivision, village, or other com-
6 munity in the State of Alaska that is directly im-
7 pacted by exploration for, or the production of, oil
8 or gas on the Coastal Plain under this Act, as deter-
9 mined by the Secretary, shall be eligible for financial
10 assistance under this section.

11 (b) USE OF ASSISTANCE.—Financial assistance
12 under this section may be used only for—

13 (1) planning for mitigation of the potential ef-
14 fects of oil and gas exploration and development on
15 environmental, social, cultural, recreational, and sub-
16 sistence values;

17 (2) implementing mitigation plans and main-
18 taining mitigation projects;

19 (3) developing, carrying out, and maintaining
20 projects and programs that provide new or expanded
21 public facilities and services to address needs and
22 problems associated with such effects, including fire-
23 fighting, police, water, waste treatment, medivac,
24 and medical services; and

1 (4) establishment of a coordination office, by
2 the North Slope Borough, in the City of Kaktovik,
3 which shall—

4 (A) coordinate with and advise developers
5 on local conditions, impact, and history of the
6 areas utilized for development; and

7 (B) provide to the Committee on Resources
8 of the House of Representatives and the Com-
9 mittee on Energy and Natural Resources of the
10 Senate an annual report on the status of co-
11 ordination between developers and the commu-
12 nities affected by development.

13 (c) APPLICATION.—

14 (1) IN GENERAL.—Any community that is eligi-
15 ble for assistance under this section may submit an
16 application for such assistance to the Secretary, in
17 such form and under such procedures as the Sec-
18 retary may prescribe by regulation.

19 (2) NORTH SLOPE BOROUGH COMMUNITIES.—A
20 community located in the North Slope Borough may
21 apply for assistance under this section either directly
22 to the Secretary or through the North Slope Bor-
23 ough.

24 (3) APPLICATION ASSISTANCE.—The Secretary
25 shall work closely with and assist the North Slope

1 Borough and other communities eligible for assist-
2 ance under this section in developing and submitting
3 applications for assistance under this section.

4 (d) ESTABLISHMENT OF FUND.—

5 (1) IN GENERAL.—There is established in the
6 Treasury the Coastal Plain Local Government Im-
7 pact Aid Assistance Fund.

8 (2) USE.—Amounts in the fund may be used
9 only for providing financial assistance under this
10 section.

11 (3) DEPOSITS.—Subject to paragraph (4), there
12 shall be deposited into the fund amounts received by
13 the United States as revenues derived from rents,
14 bonuses, and royalties from Federal leases and lease
15 sales authorized under this Act.

16 (4) LIMITATION ON DEPOSITS.—The total
17 amount in the fund may not exceed \$11,000,000.

18 (5) INVESTMENT OF BALANCES.—The Sec-
19 retary of the Treasury shall invest amounts in the
20 fund in interest bearing government securities.

21 (e) AUTHORIZATION OF APPROPRIATIONS.—To pro-
22 vide financial assistance under this section there is author-
23 ized to be appropriated to the Secretary from the Coastal
24 Plain Local Government Impact Aid Assistance Fund
25 \$5,000,000 for each fiscal year.

1 **SEC. 13. ANWR ALTERNATIVE ENERGY TRUST FUND.**

2 (a) **ESTABLISHMENT OF TRUST FUND.**—There is es-
 3 tablished in the Treasury of the United States a trust fund
 4 to be known as the “ANWR Alternative Energy Trust
 5 Fund”, consisting of such amounts as may be transferred
 6 to the ANWR Alternative Energy Trust Fund as provided
 7 in section 9.

8 (b) **EXPENDITURES FROM ANWR ALTERNATIVE**
 9 **ENERGY TRUST FUND.**—

10 (1) **IN GENERAL.**—Amounts in the ANWR Al-
 11 ternative Energy Trust Fund shall be available with-
 12 out further appropriation to carry out specified pro-
 13 visions of the Energy Policy Act of 2005 (Public
 14 Law 109–58; in this section referred to as
 15 “EPAAct2005”) and the Energy Independence and
 16 Security Act of 2007 (Public Law 110–140; in this
 17 section referred to as “EISAct2007”), as follows:

To carry out the provisions of:	The following percentage of annual receipts to the ANWR Alternative Energy Trust Fund, but not to ex- ceed the limit on amount authorized, if any:
EPAAct2005:	
Section 210	1.5 percent
Section 242	1.0 percent
Section 369	2.0 percent
Section 401	6.0 percent
Section 812	6.0 percent
Section 931	19.0 percent
Section 942	1.5 percent
Section 962	3.0 percent
Section 968	1.5 percent
Section 1704	6.0 percent
EISAct2007:	

To carry out the provisions of:	The following percentage of annual receipts to the ANWR Alternative Energy Trust Fund, but not to ex- ceed the limit on amount authorized, if any:
Section 207	15.0 percent
Section 607	1.5 percent
Title VI, Subtitle B	3.0 percent
Title VI, Subtitle C	1.5 percent
Section 641	9.0 percent
Title VII, Subtitle A	15.0 percent
Section 1112	1.5 percent
Section 1304	6.0 percent.

1 (2) APPORTIONMENT OF EXCESS AMOUNT.—
2 Notwithstanding paragraph (1), any amounts allo-
3 cated under paragraph (1) that are in excess of the
4 amounts authorized in the applicable cited section or
5 subtitle of EPLAct2005 and EISAct2007 shall be re-
6 allocated to the remaining sections and subtitles
7 cited in paragraph (1), up to the amounts otherwise
8 authorized by law to carry out such sections and
9 subtitles, in proportion to the amounts authorized by
10 law to be appropriated for such other sections and
11 subtitles.

○