

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1227 SCOMM 46: HOUSE SPEC. COMMITTEE ON OIL AND GAS 1985-86

3. It would increase the amounts bid on state oil leases.

These are important factors that affect Alaska's revenue picture in the short and medium term. Repeal of the ban is a valid public issue for this legislature to address.

There is no doubt that common sense and economics favor the repeal of the ban.

But as one witness testified yesterday,

"the repeal is a political decision that needs to be made by elected U.S. officials."

It's no secret that although President Reagan's Administration favors repealing the ban, the Congress does not. The reason Congress does not is because of the narrow interests the of maritime union and industry.

These narrow maritime interests will continue to block export of Alaska's oil as long as there is no, consistent, presentation of countervailing arguments.

Yes, we had a skirmish in Congress last year. Senator Murkowski did an outstanding job in raising the congressional consciousness on this issue. But we lost the issue mightily. Most of the research and lobbying expenses were paid for by potential Japanese buyers of our oil. The State's contribution was negligible.

We will continue to lose until we go directly to the constituencies of those people in Congress who now listen only to the Maritime interests. We have arguments that the people in the "lower 48" want to hear.

For Example, the West Coast is the only petroleum district in the U.S. where production exceeds market demand. New production in the next 12 to 18 months from the Santa Barbara offshore will worsen the glut. California's oil will back out some of Alaska's oil; prices will be, and are, artificially low due to the restricted market.

It is in the best interests of West Coast states to bring Alaska's marginal fields into production because the processing modules constructed in the San Francisco Bay area, Anacortes, Tacoma, and other western parts provide more jobs and more economic impact than the tanker jobs that are protected by the ban.

People in the "lower 48" are interested in decreasing the balance of payments and the national deficit. Both of these problems are somewhat ameliorated by repealing the ban.

Mr Speaker, there are other arguments and aspects to these arguments which need to be quantified and targeted for specific areas in the "lower 48". I raised this matter with the Anchorage Chamber of Commerce at the Anchorage Caucus yesterday. I believe there is support in our private sector for a sustained effort to tell Alaska's side of the story to the "lower 48".

February 8, 1985
Remarks on Floor
Page 4

But Somebody has to take the lead. I submit that the Special Committee on Oil and Gas, under the dedicated leadership of the Representative from Fairbanks, is already preparing information on this subject.

I would urge the leadership of this body, you, in particular, Mr. **Speaker**, as we all have great respect for your tutelage, to take the initiative and marshall the legislative, executive, and private sector forces to bring about a repeal of the export ban on Alaska oil.

I, for one, am ready to assist you and to give substantial effort to achieve this goal.

ATTACHMENT 3

Spending Records of the Seafarers Political Activity Donation and
the Masters, Mates and Pilots Political Contribution Fund:
1977-78 and 1979-80

Source: The PAC Directory. 1982 Edition. PAC Researchers:
Burke, Virginia.

NON-PARTY (Continued)
SCHLITZ GOOD GOVERNMENT COMMITTEE (continued)

Office	Party	State	District	Contributions	
INFORMATION:				77-78	79-80
Sensenbrenner, F.	H	REP	WI 9	\$500	\$1,500

SCM PAC New York NY C00128025

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		—	\$5,186	Gross Disbursements:		—	\$5,000	% of Total Contributions & Independent			
Total Contributions:		—	\$5,000	Total Independent Expenditures:		—	0	Expenditures to Gross Disbursements:		— 100.0%	

OF CONTRIBUTIONS				Number of Candidates				Amount				Number of Candidates				Amount				Number of Candidates				Amount			
TO ALL CANDIDATES:				77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80				
Democrats				—	—	—	—	Republicans				—	7	—	\$5,000	Other				—	—	—	—				
President				—	—	—	—	Senate				—	2	—	\$2,000	House				—	5	—	\$3,000				
Incumbents				—	1	—	\$500	Challengers				—	4	—	\$3,000	Open Seat				—	2	—	\$1,500				
Winners - Gen. Elec.				—	4	—	\$3,500	All Losers/Others				—	3	—	\$1,500												
RANGE OF \$1-499				—	—	—	—	\$1000-4999				—	3	—	\$3,000												
\$500-999				—	4	—	\$2,000	\$5000 & UP				—	—	—	—												

SCOTT PAPER COMPANY PAC (SCOTTPAC)
Philadelphia PA C00097220

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		\$5,300	\$24,363	Gross Disbursements:		\$4,300	\$20,750	% of Total Contributions & Independent			
Total Contributions:		\$2,800	\$21,000	Total Independent Expenditures:		0	0	Expenditures to Gross Disbursements:		65.1% 100.0%	

OF CONTRIBUTIONS				Number of Candidates				Amount				Number of Candidates				Amount				Number of Candidates				Amount			
TO ALL CANDIDATES:				77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80				
Democrats				1	9	\$500	\$2,700	Republicans				7	42	\$2,300	\$18,300	Other				—	—	—	—				
President				—	—	—	—	Senate				3	14	\$1,500	\$9,450	House				5	37	\$1,300	\$11,550				
Incumbents				1	29	\$500	\$9,100	Challengers				5	17	\$1,700	\$9,400	Open Seat				2	5	\$600	\$2,500				
Winners - Gen. Elec.				5	41	\$1,500	\$17,300	All Losers/Others				3	10	\$1,300	\$3,700												
RANGE OF \$1-499				5	32	\$1,300	\$7,750	\$1000-4999				—	4	—	\$4,800												
\$500-999				3	15	\$1,500	\$8,450	\$5000 & UP				—	—	—	—												

Office	Party	State	District	Contributions	
INFORMATION:				77-78	79-80
Symms, Steve	S	REP	ID		\$1,800

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD-
Brooklyn NY C00004325

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		\$577,570	\$1,030,216	Gross Disbursements:		\$579,209	\$884,255	% of Total Contributions & Independent			
Total Contributions:		\$396,052	\$685,248	Total Independent Expenditures:		\$4,000	0	Expenditures to Gross Disbursements:		69.0% 77.4%	

OF CONTRIBUTIONS				Number of Candidates				Amount				Number of Candidates				Amount				Number of Candidates				Amount			
TO ALL CANDIDATES:				77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80				
Democrats				246	292	\$374,502	\$619,898	Republicans				20	49	\$21,550	\$64,850	Other				—	1	—	\$500				
President				—	2	—	\$15,000	Senate				28	59	\$139,352	\$243,480	House				238	281	\$256,700	\$426,768				
Incumbents				190	255	\$249,000	\$520,928	Challengers				37	54	\$73,950	\$93,730	Open Seat				39	33	\$73,102	\$70,590				
Winners - Gen. Elec.				186	232	\$237,400	\$390,728	All Losers/Others				80	110	\$158,652	\$294,520												

SECTION I: THE COMMITTEES - PARTY & NON-PARTY PAC CONTRIBUTIONS (PART B) 1-509

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
RANGE OF	\$1-499	8	9	\$1,850	\$1,650	\$1000-4999	114	203	\$186,952
	\$500-999	121	83	\$61,750	\$40,280	\$5000 & UP	23	47	\$145,500
									\$318,884
									\$324,434
DETAILED INFORMATION:									
NAME	Office	Party	State	District	Contributions	NAME	Office	Party	State
					77-78				
Carter, Jimmy	P	DEM	MT		\$10,000	Melcher, John	S	DEM	MT
Kennedy, Edward M.	P	DEM	OH		\$5,000	Metzenbaum, Howard	S	DEM	OH
Anderson, Wendell R.	S	DEM	MN		\$10,000	Miller, Andrew P.	S	DEM	VA
Barnett, Don	S	DEM	SD		\$7,000	Miller, Zell	S	DEM	GA
Baucus, Max S.	S	DEM	MT		\$5,000	Moyrhan, Daniel	S	DEM	NY
Bayh, Birch E., Jr.	S	DEM	IN		\$1,500	Nelson, Gaylord A.	S	DEM	WI
Biden, Joseph R., Jr.	S	DEM	DE		\$4,000	Packwood, Bob	S	REP	OR
Bradley, Bill	S	DEM	NJ		\$5,000	Pell, Claiborne	S	DEM	RI
Christie, Joe	S	DEM	TX		\$5,000	Pettigrew, Richard A.	S	DEM	FL
Church, Frank	S	DEM	ID		\$10,000	Randolph, Jennings	S	DEM	WV
Cranston, John	S	DEM	CA		\$6,500	Ravenel, Charles D.	S	DEM	SC
Culver, Alan C.	S	DEM	IA		\$4,000	Roy, William R.	S	DEM	KS
D'Amato, Alfonse M.	S	REP	NY		\$1,500	Sarbanes, Paul S.	S	DEM	MD
Dixon, Alan J.	S	DEM	IL		\$3,000	Sasser, James Ralph	S	DEM	TX
Dodd, Christopher J.	S	DEM	CT		\$10,000	Schultz, William R.	S	DEM	AZ
Durkin, John Anthony	S	DEM	NH		\$10,000	Stevens, Ted	S	REP	AK
Egleston, Thomas F.	S	DEM	MO		\$7,500	Stewart, Donald	S	DEM	AL
Edmondson, Ed	S	DEM	OK		\$5,000	Talmadge, Herman	S	DEM	GA
Flaherty, Pete	S	DEM	PA		\$5,000	Addabbo, Joseph P.	S	DEM	NY
Flowers, Walter	S	DEM	AL		\$4,852	Albosta, Donald	H	DEM	MI
Ford, Wendell H.	S	DEM	KY			Allegretti, Don	H	DEM	KS
Gleason, John	S	DEM	OH			Ambro, Jerome A.	H	DEM	NY
Gojack, Mary L.	S	DEM	NY			Anderson, Glenn M.	H	DEM	CA
Gravel, Mike	S	DEM	AK			Ashley, Thomas L.	H	DEM	OH
Gunter, Bill	S	DEM	FL			Aucom, Les	H	DEM	OR
Hart, Gary W.	S	DEM	CO			Bailey, Donald Allen	H	DEM	PA
Haskell, Floyd K.	S	DEM	CO		\$10,000	Baldus, Alvin	H	DEM	WI
Hathaway, William D.	S	DEM	ME		\$5,000	Barnes, Michael Darr	H	DEM	MD
Heflin, Howell Thomas	S	DEM	AL		\$5,000	Barragan, Polly Baca	H	DEM	CO
Hollings, Ernest F.	S	DEM	SC			Bauman, Robert	H	REP	MD
Holtzman, Elizabeth	S	DEM	NY			Baumann, Archie	H	DEM	IN
Huddleston, Walter D.	S	DEM	KY		\$1,500	Baumann, James L.	H	DEM	OH
Inouye, Daniel K.	S	DEM	HI			Baggett, Mario	H	DEM	NY
Javits, Jacob K.	S	REP	NY			Boggs, Linda (Mrs.)	H	DEM	LA
Johnson, J. Bennett	S	DEM	TX		\$6,000	Bolling, Richard	H	DEM	MO
Krugger, Robert	S	DEM	LA		\$5,000	Bonior, David E.	H	DEM	MI
Levin, Carl	S	DEM	MI		\$10,000	Burison, Bill D.	H	DEM	MO
Long, Russell B.	S	DEM	LA			Burstein, Karen S.	H	DEM	NY
Magnuson, Warren G.	S	DEM	WA		\$10,000	Burton, John	H	DEM	CA
Martin-Trigona	S	DEM	IL		\$5,000	Carney, Charles	H	DEM	OH
Mathias, Charles	S	REP	MD		\$7,000	Clark, Arthur Joseph	H	DEM	MA
McGovern, George	S	DEM	SD		\$10,000	Clay, William L.	H	DEM	MO
Corcoran, Brian John	H	DEM	WA	2	\$5,000	Corcoran, Dan	H	DEM	CA
Corcoran, James C.	H	DEM	CA	37	\$1,500	Daschle, Thomas	H	DEM	CA
Dellums, Ronald V.	H	DEM	SD	1	\$4,500	Denton, Lane	H	DEM	CA
Dick, Norman D.	H	DEM	TX	11	\$3,000	Duggell, John D.	H	DEM	WA
Dixon, Julian C.	H	DEM	MI	16	\$2,000	Dumelle, Brian J.	H	DEM	MA
Dorgan, Byron L.	H	DEM	CA	28	\$500	Dyson, Royden P.	H	DEM	MD
Eckhardt, Robert	H	DEM	TX	1	\$1,500	Elberg, Joshua	H	DEM	PA
Fazio, Vic	H	DEM	CA	4	\$3,000	Ferraro, Geraldine A.	H	DEM	NY
Fithian, Floyd J.	H	DEM	IN	2	\$3,500	Flippo, Ronnie Gene	H	DEM	AL
Flores, James J.	H	DEM	NJ	1	\$1,500	Foley, Thomas S.	H	DEM	WA
Ford, Harold E.	H	DEM	TN	8	\$2,000	Ford, William David	H	DEM	MI
Frost, Martin	H	DEM	TX	24	\$3,800	Gammage, Robert A.	H	DEM	TX
Gaydos, Joseph M.	H	DEM	PA	20	\$1,000	Gray, William H III	H	DEM	PA
Green, Mark J.	H	DEM	NY	18	\$500	Guarini, Frank J.	H	DEM	NJ
Hall, Tony P.	H	DEM	OH	3	\$500	Hartel, Dennis M.	H	DEM	MI
Hannaford, Mark W.	H	DEM	CA	34	\$1,850	Hindes, Gary E.	H	DEM	DE
Hollenbeck, Harold C.	H	DEM	MI	14	\$1,500	Hollenbeck, Harold C.	H	DEM	MI
Howard, James J.	H	DEM	NJ	9	\$2,500	Huckaby, Thomas	H	DEM	LA
Johnson, Harold T.	H	DEM	CA	1	\$500	Kogovsek, Ray	H	DEM	CO
Lantos, Thomas P.	H	DEM	CA	11	\$7,500	Leach, Claude "Buddy"	H	DEM	LA
Lederer, Raymond F.	H	DEM	PA	4	\$1,000	Lieberman, Joseph	H	DEM	CT
Leid, George	H	DEM	TX	18	\$2,700				
					\$1,000				

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions			Office	Party	State	District	Contributions			Office	Party	State	District	Contributions	
					77-78	79-80						77-78	79-80						77-78	79-80
Lloyd, Jim	H	DEM	CA	35	\$1,000	\$2,000	O'Reilly, Kathleen F	H	DEM	MI	2	\$2,500		Solatz, Stephen J.	H	DEM	NY	13	\$1,000	\$4,994
Long, Clarence D.	H	DEM	MD	2	\$500	\$1,500	Oberstar, James L.	H	DEM	MN	8	\$500	\$2,500	Sprick, Dale K. Bert	H	DEM	MI	5		\$2,000
Long, Gillis W.	H	DEM	LA	8	\$3,000	\$1,500	Olsen, Kirsten	H	DEM	CA	12	\$5,000		Stofferahn, Kenneth D.	H	DEM	SD	2		\$1,500
Lukens, Thomas A.	H	DEM	OH	2	\$1,000	\$2,000	Ottinger, Richard L.	H	DEM	NY	24	\$500	\$2,500	Swift, Allan Byron	H	DEM	WA	2	\$1,000	\$1,700
Matsui, Robert T.	H	DEM	CA	3	\$1,500	\$1,000	Patterson, Jerry M.	H	DEM	CA	38	\$1,500	\$500	Thompson, Frank, Jr.	H	DEM	NJ	4	\$2,000	\$5,000
Mavroules, Nicholas	H	DEM	MA	6	\$2,000	\$4,500	Peck, Carey	H	DEM	CA	27	\$2,250	\$4,500	Tom, Richard	H	DEM	LA	1	\$3,500	
McFall, John J.	H	DEM	CA	14	\$2,000		Pepper, Claude	H	DEM	FL	14	\$5,000	\$1,000	Tucker, James Guy, Jr.	H	DEM	AR	2	\$2,500	
Meeds, Lloyd*	H	DEM	WA	2	\$1,550		Randolph, John F.	H	DEM	NY	1	\$2,000		Udall, Morris K.	H	DEM	AZ	2		\$4,500
Mikulski, Barbara Ann	H	DEM	MD	3	\$500	\$1,625	Ravenel, Charles D.	H	DEM	SC	1		\$2,500	Watlington, Janet B.	H	DEM	VI	At Large	\$7,000	\$500
Miller, George	H	DEM	CA	7		\$1,500	Reibman, Jeanette F.	H	DEM	PA	15		\$1,500	Weaver, James	H	DEM	OR	4	\$2,000	\$1,500
Moakley, John Joseph	H	DEM	MA	9	\$1,500	\$1,000	Richardson, William B.	H	DEM	NM	1		\$3,000	Wenstrom, Gene	H	DEM	MN	7	\$500	\$2,750
Mollohan, Robert	H	DEM	WV	1	\$500	\$2,500	Robinson, David L.	H	DEM	IL	20		\$2,000	Wilson, Charles H.	H	DEM	CA	31	\$3,000	\$1,500
Murphy, John M.	H	DEM	NY	17	\$8,000	\$7,000	Roe, Robert A.	H	DEM	NJ	8	\$2,500	\$3,500	Wolfe, Lester L.	H	DEM	NY	6		\$1,500
Murphy, Morgan F.	H	DEM	IL	2	\$2,000		Rooney, Fred B.	H	DEM	PA	15	\$1,500		Wolpe, Howard	H	DEM	MI	3	\$1,500	\$11,000
Musto, Raphael	H	DEM	PA	11		\$3,000	Rostenkowski, Don	H	DEM	IL	8	\$1,250	\$1,500	Wright, Jim	H	DEM	TX	12	\$1,000	\$2,500
Myers, Michael	H	DEM	PA	1	\$1,200	\$3,000	Schumer, Charles	H	DEM	NY	16		\$7,500	Yatron, Gus	H	DEM	PA	6		\$1,500
Nix, Robert N. C.	H	DEM	PA	2	\$1,500		Shelby, Richard C.	H	DEM	AL	7	\$1,000	\$1,700	Young, Don	H	REP	AK	At Large	\$3,000	\$1,750
Nolan, Richard	H	DEM	MN	6	\$3,000	\$1,000	Slack, John M.	H	DEM	WV	3	\$1,500		Zeferetti, Leo C*	H	DEM	NY	15	\$5,000	\$7,000
O'Neill, Thomas	H	DEM	MA	8	\$500	\$5,000														

SEA-LAND GOOD GOVERNMENT FUND SEA-LAND INDUSTRIES INC

Winston-Salem NC

C00100495

SUMMARY INFORMATION:		1977-78	1979-80	Gross Disbursements:		1977-78	1979-80	% of Total Contributions & Independent Expenditures to Gross Disbursements:		77-78	79-80
Gross Receipts:		\$1,650	\$17,330	Total Independent Expenditures:		\$200	\$16,275	100.0%			87.7%
Total Contributions:		\$200	\$14,275			0	0				
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	2	23	\$200	\$8,800	Republicans	—	12		\$5,475	Other	
President	—	—	—	—	Senate	—	6		\$5,200	House	2 29 \$200 \$9,075
Incumbents	2	32	\$200	\$12,875	Challengers	—	2		\$1,200	Open Seat	1 \$200
Winners - Gen. Elec.	2	26	\$200	\$9,925	All Losers/ Others	—	9		\$4,350		
RANGE OF	\$1-499	2	\$200	\$5,400	\$1000-4999	—	6		\$7,000		
	\$500-999	—	3	—	\$5000 & UP	—	—		—		

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
					77-78	79-80					77-78	79-80
Magnuson, Warren G	S	DEM	WA			\$1,500	Murphy, John M.	H	DEM	NY	17	\$100 \$1,500

SEARLE PAC Skokie IL C00111484

SUMMARY INFORMATION:		1977-78	1979-80	Gross Disbursements:		1977-78	1979-80	% of Total Contributions & Independent Expenditures to Gross Disbursements:		77-78	79-80
Gross Receipts:		—	\$27,745	Total Independent Expenditures:		—	\$27,250	100.0%			77.4%
Total Contributions:		—	\$21,100			—	0				
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	—	14	—	\$6,500	Republicans	—	30		\$14,600	Other	
President	—	—	—	—	Senate	—	12		\$7,250	House	32 \$13,850

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate.

Democrats	19	\$2,750	Republicans	4	\$1,050	Other	
President			Senate	11	\$4,800	House	22
Incumbents	30	\$9,000	Challengers	3	\$700	Open Seat	\$5,400
Winners - Gen. Elec.	26	\$7,500	All Losers, Others	7	\$2,200		
RANGE OF	\$1-499	31	\$1000-4999	1	\$1,000		
	\$500-999	1	\$5000 & UP				

MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND

Washington DC C00073056

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	77-78		79-80
Gross Receipts:		\$113,448	\$300,357	Gross Disbursements:		\$56,079	\$167,256		
Total Contributions:		\$21,550	\$113,950	Total Independent Expenditures:		0	0		
% of Total Contributions & Independent Expenditures to Gross Disbursements:								38.4% 68.1%	
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	14	96	\$19,050	\$104,450	Republicans	1	10	\$2,500	\$9,500
President	—	1	—	\$1,000	Senate	3	19	\$5,000	\$42,000
Incumbents	11	96	\$16,050	\$107,300	Challengers	3	3	\$4,500	\$2,650
Winners - Gen. Elec.	12	72	\$18,600	\$65,450	All Losers, Others	3	34	\$2,950	\$48,500
RANGE OF	\$1-499	—	2	—	\$400	\$1000-4999	14	32	\$21,050
	\$500-999	1	66	\$500	\$33,550	\$5000 & UP	—	6	\$31,500

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
					77-78	79-80					77-78	79-80					77-78	79-80
Bayh, Birch E., Jr.	S	DEM	IN		\$4,500	Gravel, Mike	S	DEM	AK		\$5,000	Packwood, Bob	S	REP	OR		\$2,500	
Church, Frank	S	DEM	ID		\$5,000	Inouye, Daniel K.	S	DEM	HI		\$2,000	Stewart, Donald	S	DEM	AL		\$3,000	\$2,500
Cranston, Alan	S	DEM	CA		\$2,500	Magnuson, Warren G	S	DEM	WA		\$5,000	Burton, John	H	DEM	CA	5	\$1,000	\$5,000
Durkin, John Anthony	S	DEM	NH		\$2,000	Mathias, Charles	S	REP	MD		\$2,500	Burton, Phillip	H	DEM	CA	6	\$1,000	\$3,000

NON-PARTY (Continued)

MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		
					77-78	79-80					77-78	79-80					77-78	79-80	
Ferraro, Geraldine A	H	DEM	NY	9	\$2,000		Murphy, John M.	H	DEM	NY	17	\$3,000	\$6,500	Wolpe, Howard	H	DEM	MI	3	\$5,000
Lowry, Michael E.	H	DEM	WA	7	\$4,000		Nolan, Richard	H	DEM	MIN	6	\$2,000		Young, Don	H	REP	AK	At Large	\$2,500

MASTERS MATES & PILOTS PENSIONERS' ACTION FUND

New York NY C00012013

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	77-78		79-80
Gross Receipts:		\$21,584	\$253,394	Gross Disbursements:		\$167,394	\$79,248		
Total Contributions:		\$3,970	\$10,250	Total Independent Expenditures:		0	0		
% of Total Contributions & Independent Expenditures to Gross Disbursements:								2.3% 12.9%	
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	3	2	\$3,970	\$10,250	Republicans				
President	—	1	—	\$10,000	Senate				
Incumbents	2	2	\$2,485	\$10,250	Challengers			\$485	
Winners - Gen. Elec.	2		\$2,485	—	All Losers, Others			\$485	\$10,250

Officials say oil ban study erroneous

By DAVID RAMSEUR
News-Miner Bureau

WASHINGTON—A new report being circulated to state legislators around the country touts the merits of exporting Alaska oil but is so riddled with errors that some Alaska officials fear it may do more harm than good.

The report, by the National Conference of State Legislators, says lifting the federal ban on Alaska oil exports could increase federal revenues, stimulate Alaska oil development and enhance America's trade posture abroad.

But it contains errors that suggest Alaska would get substantially richer with no export ban and that removing the ban would put thousands of maritime industry employees out of work.

The report has been mailed to 100 state legislators around the country who next month are scheduled to meet here to consider a resolution on the issue.

State Rep. Terry Martin, R-Anchorage, who was largely responsible for production of the report, said Thursday he was disappointed with it and is organizing an effort to counter it.

That effort includes a correction sheet to be provided to the lawmakers and a public debate in early March between Alaska Sen. Frank Murkowski and Connecticut Rep. Stewart McKinney, a leading opponent of Alaska oil exports.

The eight-page report was requested by Martin at an NCSL conference last summer. It is to accompany a resolution a panel of the national group will consider during a conference here March 7-8.

If approved by the panel, the full NCSL will take it up at a Seattle convention in August.

Martin, minority leader of the Alaska House, had hoped to use the resolution to aid the state's effort to remove the federal oil export ban.

But Martin, here for a three-day NCSL conference, said Thursday the report creates the wrong impression about the oil export issue.

For example, it says removing the ban could cost the jobs of 200,000 maritime industry workers and the loss of \$300 million in federal tax dollars.

But maritime industry officials have estimated the direct job loss at only 1,700 with perhaps another 5,200 "lost job opportunities" in related fields.

The report, relying on a federal General Accounting Office study, also says Alaska would receive 60 percent of new tax revenues generated by lifting the ban.

In fact, Alaska tax laws limit the state take to about 30 percent while the federal government would get about 60 percent.

The report, which also contains a number of typographical errors, has been sent to the 100 members of NCSL's energy committee, all legislators from states across the country.

Martin said he already has begun countering the report with a mailing he made earlier this month to hundreds of state officials throughout the nation.

He said interest in the issue is increasing and said proponents of lifting the ban are picking up new allies.

House leaders sending wrong message to D.C.

4/85

To the editor:

Even though we in the House of Representatives are divided into two groups, the majority and the minority caucuses, and even though we're divided into three political parties, Republican, Democrat and Libertarian, there are certain items and issues where we unite as one, for the good of the state. There is one issue in particular that I thought we had all agreed to fight: the ban on exports of Alaska North Slope crude oil.

Some members of the House have criticized the governor for not doing enough on the issue. Others have criticized our congressional delegation for not doing enough. But what has the Democrat-led House of Representatives done? Nothing.

I once believed that we in the House were united against the ban, but now I'm not so sure. Earlier this session I introduced a resolution putting this Legislature on record as being in favor of lifting the ban. I thought it was a good idea and members of the majority caucus told me that it was. I had hoped that for this one issue, politics and special interests would take a back seat for the good of the state and the nation. Unfortunately, what I believed and hoped has not materialized.

The chairman of the House Oil and Gas Committee, Rep. Mike Davis, a Democrat from Fairbanks, has held one hearing on the bill. I repeat one hearing. When I testified at that hearing, I told the committee that if they wanted to change the bill, that was fine; if they wanted to amend the bill, that was fine; if they wanted to put the committee's name on the bill, that was fine; I just want to get this body on record for having done something.

Recently, I met with a member of Congressman Don Young's staff. He also met

with members of the majority caucus. You might know that Rep. Young has taken an active role in the fight to lift the ban. I must admit that I was embarrassed for the Democratic-led majority when he told me that our congressional delegation might be put to task for pushing repeal of the ban when the Legislature hasn't even passed a simple resolution in favor of lifting the ban.

Early last week, the House passed a resolution requesting our congressional delegation to support legislation on the federal level. Legislation, I might add, that is totally unrelated to Alaska. Yet we refuse to support them in their efforts to allow the export of our natural resources and, more importantly, reassert the sovereignty of our state.

Having been a committee chairman myself, I believe the Oil and Gas Committee has had plenty of time to complete any work on this bill. The chairman knows enough about the issue to pass it on. I might add that when the opportunity arose for him to travel back east to Washington, D.C., to attend a meeting on the ban, he went.

Count me in the group in favor of lifting the ban. I believe this is a clear cut issue.

The Democrats who lead the majority caucus are either in favor of lifting the ban or they aren't.

The time for action on this bill is long past. As the group leading the House of Representatives I see the responsibility as the Democrats', and theirs alone, to guide this bill through the Legislature so the people of Alaska and the other 49 states know where we stand on this issue. Since it is well within the power of the Democrat-controlled majority to do so, anything less than passage of HJR 15 is tantamount to their proceeding hand-in-hand with the forces that seek to restrict the sovereignty of our great state.

If your readers are in favor of lifting the ban on the export of Alaska oil, I ask them to please send Public Opinion Messages to their elected leaders by calling the local Legislative Information Office.

Rep. Terry Martin
R, Anchorage

Terrance Chalmers

STATE OF ALASKA



POUCH V
JUNEAU, ALASKA 99811
(907) 485-4941

HOUSE SPECIAL COMMITTEE ON OIL AND GAS

May 2, 1985

The Anchorage Times
P.O. Box 40
Anchorage, AK 99510-0040

Dear Editor,

I believe all Alaskans are pleased with how smoothly the legislature has conducted its business this session.

Unfortunately, Rep. Terry Martin has felt compelled to conduct a political campaign reminiscent of the antagonistic and unproductive activities of the last legislature. This is a form of reminiscence that we can all do without.

Rep. Martin claims that the House Special Committee on Oil and Gas has not passed a resolution regarding the foreign export of Alaskan crude oil because the House Majority is opposed to such a measure. The truth of the situation, though, is that the committee has been working hard to repair the damage that Mr. Martin has done to this cause.

Terry Martin traveled to Washington, D.C. this March to lobby for the lifting of the oil export ban. This lobbying effort consisted of sending materials to 100 state legislators across the nation that was so seriously flawed with incorrect and misleading information that the House Minority Leader announced he would have to get back to these legislators with correct information at a later date.

The misinformation so liberally disseminated by Mr. Martin stated that lifting the export ban would result in a windfall to the State of Alaska, and a severe loss of jobs to the maritime industry.

Ironically, these are the same claims made by lobbyists who have spent millions of dollars to keep the ban in place, and these are the claims that the Governor and the Alaskan congressional delegation have been fighting against for years.

February 8, 1985
Remarks on Floor
Page 4

But Somebody has to take the lead. I submit that the Special Committee on Oil and Gas, under the dedicated leadership of the Representative from Fairbanks, is already preparing information on this subject.

I would urge the leadership of this body, you, in particular, Mr. Speaker, as we all have great respect for your tutelage, to take the initiative and marshall the legislative, executive, and private sector forces to bring about a repeal of the export ban on Alaska oil.

I, for one, am ready to assist you and to give substantial effort to achieve this goal.

ATTACHMENT B

**Spending Records of the Seafarers Political Activity Donation and
the Masters, Mates and Pilots Political Contribution Fund:
1977-78 and 1979-80**

**Source: The PAC Directory. 1982 Edition. PAC Researchers:
Burke, Virginia.**

NON-PARTY (Continued)

SCHLITZ GOOD GOVERNMENT COMMITTEE (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions	
					77-78	79-80
Sensenbrenner, F.	H	REP	WI	9	\$500	\$1,500

SCM PAC New York NY C00128025

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		—	\$5,186	Gross Disbursements:		—	\$5,000	% of Total Contributions & Independent			
Total Contributions:		—	\$5,000	Total Independent Expenditures:		—	0	Expenditures to Gross Disbursements:		— 100.0%	
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	—	—	—	—	—	—	7	—	\$5,000	Other	—
President	—	—	—	—	—	—	2	—	\$2,000	House	5
Incumbents	—	1	—	—	\$500	—	4	—	\$3,000	Open Seat	2
Winners - Gen. Elec.	—	4	—	—	\$3,500	—	3	—	\$1,500		
RANGE OF	\$1-499	—	—	—	—	—	3	—	\$3,000		
	\$500-999	—	4	—	\$2,000	—	—	—	—		

SCOTT PAPER COMPANY PAC (SCOTTPAC)

Philadelphia PA C00097220

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		\$5,300	\$24,363	Gross Disbursements:		\$4,300	\$20,750	% of Total Contributions & Independent			
Total Contributions:		\$2,800	\$21,000	Total Independent Expenditures:		0	0	Expenditures to Gross Disbursements:		65.1% 100.0%	
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	1	9	\$500	\$2,700	Republicans	7	42	\$2,300	\$18,300	Other	—
President	—	—	—	—	Senate	3	14	\$1,500	\$9,450	House	5
Incumbents	1	29	\$500	\$9,100	Challengers	5	17	\$1,700	\$9,400	Open Seat	2
Winners - Gen. Elec.	5	41	\$1,500	\$17,300	All Losers/Others	3	10	\$1,300	\$3,700		
RANGE OF	\$1-499	5	32	\$1,300	\$7,750	—	4	—	\$4,800		
	\$500-999	3	15	\$1,500	\$8,450	—	—	—	—		

DETAILED INFORMATION:	Office	Party	State	District	Contributions	
					77-78	79-80
Symms, Steve	S	REP	ID			\$1,800

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD-

Brooklyn NY C00004325

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80		77-78		79-80	
Gross Receipts:		\$577,570	\$1,030,216	Gross Disbursements:		\$579,209	\$884,255	% of Total Contributions & Independent			
Total Contributions:		\$396,052	\$685,248	Total Independent Expenditures:		\$4,000	0	Expenditures to Gross Disbursements:		69.0% 77.4%	
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	246	292	\$374,502	\$619,898	Republicans	20	49	\$21,550	\$64,850	Other	—
President	—	2	—	\$15,000	Senate	28	59	\$139,352	\$243,480	House	238
Incumbents	190	255	\$249,000	\$520,928	Challengers	37	54	\$73,950	\$93,730	Open Seat	39
Winners - Gen. Elec.	186	232	\$237,400	\$390,728	All Losers/Others	80	110	\$158,652	\$294,520		

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
RANGE OF									
\$1-499	8	9	\$1,850	\$1,650	\$1000-4999	114	203	\$186,952	\$318,884
\$500-999	121	83	\$61,750	\$40,280	\$5000 & UP	23	47	\$145,500	\$324,434

DETAILED INFORMATION:		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
						77-78	79-80					77-78	79-80					77-78	79-80
Carter, Jimmy	P	DEM				\$10,000		Melcher, John	S	DEM	MT		\$5,000	Corcoran, Brian John	H	DEM	WA	2	\$2,500
Kennedy, Edward M.	P	DEM				\$5,000		Metzenbaum, Howard	S	DEM	OH		\$5,000	Corcoran, Dan	H	DEM	CA	37	\$1,500
Anderson, Wendell R.	S	DEM	MN		\$10,000			Miller, Andrew P.*	S	DEM	VA		\$6,000	Corman, James C.	H	DEM	CA	21	\$500
Barnett, Don	S	DEM	SD		\$7,000			Miller, Zell	S	DEM	GA		\$7,500	Daschle, Thomas	H	DEM	SD	1	\$4,500
Baucus, Max S.	S	DEM	MT		\$5,000	\$1,500		Moynihan, Daniel	S	DEM	NY		\$5,000	Dellums, Ronald V.	H	DEM	CA	8	\$2,150
Bayh, Birch E., Jr.	S	DEM	IN		\$1,500	\$10,000		Nelson, Gaylord A.	S	DEM	WI		\$9,500	Denton, Lane	H	DEM	TX	11	\$3,000
Biden, Joseph R., Jr.	S	DEM	DE		\$4,000	\$1,000		Packwood, Bob	S	REP	OR		\$6,000	Dicks, Norman D.	H	DEM	WA	6	\$2,000
Bradley, Bill	S	DEM	NJ		\$5,000	\$3,000		Pell, Claiborne	S	DEM	RI		\$2,000	Dingell, John D.	H	DEM	MI	16	\$1,500
Christie, Joe	S	DEM	TX		\$5,000			Pettigrew, Richard A.	S	DEM	FL		\$5,000	Dixon, Julian C.	H	DEM	CA	28	\$500
Church, Frank	S	DEM	ID		\$10,000			Randolph, Jennings	S	DEM	WV		\$7,000	Donnelly, Brian J.	H	DEM	MA	11	\$500
Cranston, Alan	S	DEM	CA		\$6,500			Ravenel, Charles D.	S	DEM	SC		\$7,000	Dorgan, Byron L.	H	DEM	ND	At Large	\$2,000
Culver, John C.	S	DEM	IA		\$4,000			Roy, William R.	S	DEM	KS		\$3,000	Dyson, Royden P.	H	DEM	MD	1	\$2,000
D'Amato, Alfonse M.	S	REP	NY		\$1,500			Sarbanes, Paul S.	S	DEM	MD		\$3,000	Eckhardt, Robert	H	DEM	TX	8	\$1,500
Dixon, Alan J.	S	DEM	IL		\$3,000			Sasser, James Ralph	S	DEM	TN		\$2,500	Eilberg, Joshua	H	DEM	PA	4	\$3,000
Dodd, Christopher J.	S	DEM	CT		\$10,000			Schulz, William R.	S	DEM	AZ		\$5,000	Fazio, Vic	H	DEM	CA	4	\$1,000
Durkin, John Anthony	S	DEM	NH		\$10,000			Stevens, Ted	S	REP	AK		\$7,500	Ferraro, Geraldine A.	H	DEM	NY	9	\$1,500
Engleton, Thomas F.	S	DEM	MO		\$7,500			Stewart, Donald	S	DEM	AL		\$5,000	Fithian, Floyd J.	H	DEM	IN	2	\$3,500
Edmondson, Ed	S	DEM	OK		\$5,000			Talmadge, Herman	S	DEM	GA		\$3,000	Flippo, Ronnie Gene	H	DEM	AL	5	\$500
Flaherty, Pete	S	DEM	PA		\$5,000			Addabbo, Joseph P.	H	DEM	NY	7	\$2,050	Florio, James J.	H	DEM	NJ	1	\$1,500
Flowers, Walter	S	DEM	AL		\$4,852			Albosta, Donald	H	DEM	MI	10	\$4,000	Foley, Thomas S.	H	DEM	WA	5	\$500
Ford, Wendell H.	S	DEM	KY		\$5,000			Allugranci, Don	H	DEM	KS	5	\$1,500	Ford, Harold E.	H	DEM	TN	8	\$2,000
Glenn, John	S	DEM	OH		\$5,000			Ambro, Jerome A.	H	DEM	NY	3	\$1,000	Ford, William David	H	DEM	MI	15	\$1,100
Gojack, Mary L.	S	DEM	NV		\$2,500			Anderson, Glenn M.	H	DEM	CA	32	\$1,500	Frost, Martin	H	DEM	TX	24	\$3,800
Gravel, Mike	S	DEM	AK		\$5,000			Ashley, Thomas L.	H	DEM	OH	9	\$500	Gammage, Robert A.	H	DEM	TX	22	\$3,500
Gunter, Bill	S	DEM	FL		\$5,000			Aucoin, Les	H	DEM	OR	1	\$4,000	Gaydos, Joseph M.	H	DEM	PA	20	\$1,000
Hart, Gary W.	S	DEM	CO		\$5,000			Bailey, Donald Allen	H	DEM	PA	21	\$1,000	Gray, William H III	H	DEM	PA	2	\$500
Haskell, Floyd K.	S	DEM	CO		\$10,000			Baldus, Alvin	H	DEM	WI	3	\$1,500	Green, Mark J.	H	DEM	NY	18	\$5,000
Hathaway, William D.	S	DEM	ME		\$5,000			Barnes, Michael Darr	H	DEM	MD	8	\$1,000	Guarini, Frank J.	H	DEM	NJ	14	\$500
Hefflin, Howell Thomas	S	DEM	AL		\$5,000			Barragan, Polly Baca	H	DEM	CO	4	\$2,500	Hall, Tony P.	H	DEM	OH	3	\$2,000
Hollings, Ernest F.	S	DEM	SC		\$9,000			Bauman, Robert	H	REP	MD	1	\$1,000	Hannafor, Mark W.	H	DEM	CA	34	\$1,850
Holtzman, Elizabeth	S	DEM	NY		\$9,500			Baumann, Archie	H	DEM	MN	6	\$1,500	Hertel, Dennis M.	H	DEM	MI	14	\$2,000
Huddleston, Walter D.	S	DEM	KY		\$1,500			Baumann, James L.	H	DEM	OH	12	\$1,500	Hindes, Gary E.	H	DEM	DE	At Large	\$1,500
Inouye, Daniel K.	S	DEM	HI		\$4,000			Biaggi, Mario	H	DEM	NY	10	\$2,000	Hollenbeck, Harold C.	H	REP	NJ	9	\$2,500
Javits, Jacob K.	S	REP	NY		\$5,000			Boggs, Lindy (Mrs.)	H	DEM	LA	2	\$2,000	Howard, James J.	H	DEM	NJ	3	\$1,500
Johnston, J. Bennett.	S	DEM	LA		\$6,000			Bolling, Richard	H	DEM	MO	5	\$500	Huckaby, Thomas	H	DEM	LA	5	\$1,500
Krueger, Robert	S	DEM	TX		\$5,000			Boniort, David E.	H	DEM	MI	12	\$1,000	Johnson, Harold T.	H	DEM	CA	1	\$500
Levin, Carl	S	DEM	MI		\$10,000			Burlison, Bill D.	H	DEM	MO	10	\$3,000	Kogovsek, Ray	H	DEM	CO	3	\$4,500
Long, Russell B.	S	DEM	LA		\$5,000			Burstein, Karen S.	H	DEM	NY	5	\$7,500	Lantos, Thomas P.	H	DEM	CA	11	\$2,000
Magnuson, Warren G.	S	DEM	WA		\$10,000			Burton, John	H	DEM	CA	5	\$2,000	Leach, Claude 'Buddy'	H	DEM	LA	4	\$1,500
Martin-Trigona,	S	DEM	IL		\$5,000			Carney, Charles	H	DEM	OH	19	\$1,500	Lederer, Raymond F.	H	DEM	PA	3	\$1,000
Mathias, Charles	S	REP	MD		\$7,000			Clark, Arthur Joseph	H	DEM	MA	4	\$2,790	Leland, George	H	DEM	TX	18	\$1,500
McGovern, George	S	DEM	SD		\$10,000			Clay, William L.	H	DEM	MO	1	\$2,000	Lieberman, Joseph	H	DEM	CT	3	\$2,500

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate.

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions			Office	Party	State	District	Contributions			Office	Party	State	District	Contributions	
					77-78	79-80						77-78	79-80						77-78	79-80
Lloyd, Jim	H	DEM	CA	35	\$1,000	\$2,000	O'Reilly, Kathleen F	H	DEM	MI	2	\$2,500		Solarz, Stephen J.	H	DEM	NY	13	\$1,000	\$4,994
Long, Clarence D.	H	DEM	MD	2	\$500	\$1,500	Oberstar, James L.	H	DEM	MN	8	\$500	\$2,500	Sprick, Dale Robert	H	DEM	MI	5		\$2,000
Long, Gillis W.	H	DEM	LA	8	\$3,000	\$1,500	Olsen, Kirsten	H	DEM	CA	12	\$5,000		Stofferahn, Kenneth D	H	DEM	SD	2		\$1,500
Luken, Thomas A	H	DEM	OH	2	\$1,000	\$2,000	Ottinger, Richard L	H	DEM	NY	24	\$500	\$2,500	Swift, Allan Byron	H	DEM	WA	2	\$1,000	\$1,700
Matsui, Robert T.	H	DEM	CA	3	\$1,500	\$1,000	Patterson, Jerry M.	H	DEM	CA	38	\$1,500	\$500	Thompson, Frank, Jr.	H	DEM	NJ	4	\$2,000	\$5,000
Mavroules, Nicholas	H	DEM	MA	6	\$2,000	\$4,500	Peck, Carey	H	DEM	CA	27	\$2,250	\$4,500	Tonry, Richard	H	DEM	LA	1	\$3,500	
McFall, John J.	H	DEM	CA	14	\$2,000		Pepper, Claude	H	DEM	FL	14	\$5,000	\$1,000	Tucker, James Guy, Jr.	H	DEM	AR	2	\$2,500	
Meeds, Lloyd*	H	DEM	WA	2	\$1,550		Randolph, John F.	H	DEM	NY	1	\$2,000		Udall, Morris K.	H	DEM	AZ	2		\$4,500
Mikulski, Barbara Ann	H	DEM	MD	3	\$500	\$1,625	Ravenel, Charles D.	H	DEM	SC	1		\$2,500	Watlington, Janet B.	H	DEM	VI	At Large	\$7,000	\$500
Miller, George	H	DEM	CA	7		\$1,500	Reibman, Jeanette F.	H	DEM	PA	15	\$1,500		Weaver, James	H	DEM	OR	4	\$2,000	\$1,500
Moakley, John Joseph	H	DEM	MA	9	\$1,500	\$1,000	Richardson, William B	H	DEM	NM	1		\$3,000	Wenstrom, Gene	H	DEM	MN	7	\$500	\$2,750
Mollohan, Robert	H	DEM	WV	1	\$500	\$2,500	Robinson, David L.	H	DEM	IL	20		\$2,000	Wilson, Charles H	H	DEM	CA	31	\$3,000	\$1,500
Murphy, John M.	H	DEM	NY	17	\$8,000	\$7,000	Roe, Robert A.	H	DEM	NJ	8	\$2,500	\$3,500	Wolff, Lester L.	H	DEM	NY	6		\$1,500
Murphy, Morgan F.	H	DEM	IL	2	\$2,000		Rooney, Fred B.	H	DEM	PA	15	\$1,500		Wolpe, Howard	H	DEM	MI	3	\$1,500	\$11,000
Musto, Raphael	H	DEM	PA	11		\$3,000	Rostenkowski, Dan	H	DEM	IL	8	\$1,250	\$1,500	Wright, Jim	H	DEM	TX	12	\$1,000	\$2,500
Myers, Michael	H	DEM	PA	1	\$1,200	\$3,000	Schumer, Charles	H	DEM	NY	16		\$7,500	Yatron, Gus	H	DEM	PA	6		\$1,500
Nix, Robert N. C.	H	DEM	PA	2	\$1,500		Shelby, Richard C.	H	DEM	AL	7	\$1,000	\$1,700	Young, Don	H	REP	AK	At Large	\$3,000	\$1,750
Nolan, Richard	H	DEM	MN	6	\$3,000	\$1,000	Slack, John M.	H	DEM	WV	3	\$1,500		Zeferetti, Leo C*	H	DEM	NY	15	\$5,000	\$7,000
O'Neill, Thomas	H	DEM	MA	8	\$500	\$5,000														

SEA-LAND GOOD GOVERNMENT FUND SEA-LAND INDUSTRIES INC

Winston-Salem

NC

C00100495

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	1977-78		1979-80
Gross Receipts:		\$1,650	\$17,330	Gross Disbursements:		\$200	\$16,275		
Total Contributions:		\$200	\$14,275	Total Independent Expenditures:		0	0		

OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats		2	23	\$200	\$8,800	Republicans		—	\$5,475	Other		—	—
President		—	—	—	—	Senate		—	\$5,200	House		2	\$9,075
Incumbents		2	32	\$200	\$12,875	Challengers		2	\$1,200	Open Seat		1	\$200
Winners - Gen. Elec.		2	26	\$200	\$9,925	All Losers Others		9	\$4,350				
RANGE OF		\$1-499	2	\$200	\$5,400	\$1000-4999		6	\$7,000				
\$500-999		—	3	—	\$1,875	\$5000 & UP		—	—				

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
					77-78	79-80					77-78	79-80
Magnuson, Warren G	S	DEM	WA		\$1,500	Murphy, John M.	H	DEM	NY	17	\$100	\$1,500

SEARLE PAC

Skokie

IL

C00111484

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	1977-78		1979-80
Gross Receipts:		—	\$27,745	Gross Disbursements:		—	\$27,250		
Total Contributions:		—	\$21,100	Total Independent Expenditures:		—	0		

OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats		—	14	—	\$6,500	Republicans		30	\$14,600	Other			
President		—	—	—	—	Senate		12	\$7,250	House		32	\$13,850

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate.

Democrats	19	\$5,750	Republicans	14	\$3,950	Other		
President	—	—	Senate	11	\$4,300	House	22	\$5,400
Incumbents	30	\$9,000	Challengers	3	\$700	Open Seat		
Winners - Gen. Elec.	26	\$7,500	All Losers/ Others	7	\$2,200			
RANGE OF \$1-499	31	\$8,200	\$1000-4999	1	\$1,000			
\$500-999	1	\$500	\$5000 & UP					

MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND

Washington DC

C00073056

SUMMARY INFORMATION:		1977-78	1979-80			1977-78	1979-80			77-78	79-80				
Gross Receipts:		\$113,448	\$300,357	Gross Disbursements:		\$56,079	\$167,256	% of Total Contributions & Independent Expenditures to Gross Disbursements:		38.4%	68.1%				
Total Contributions:		\$21,550	\$113,950	Total Independent Expenditures:		0	0								
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount			
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80		
Democrats		14	96	\$19,050	\$104,450	Republicans		1	10	\$2,500	\$9,500	Other		—	—
President		—	1	—	\$1,000	Senate		3	19	\$5,000	\$42,000	House		12	86
Incumbents		11	96	\$16,050	\$107,300	Challengers		3	3	\$4,500	\$2,650	Open Seat		1	7
Winners - Gen. Elec.		12	72	\$18,600	\$65,450	All Losers/ Others		3	34	\$2,950	\$48,500				
RANGE OF \$1-499		—	2	—	\$400	\$1000-4999		14	32	\$21,050	\$48,500				
\$500-999		1	66	\$500	\$33,550	\$5000 & UP		—	6	—	\$31,500				

DETAILED INFORMATION:	Office	Party	State	District	Contributions			Office	Party	State	District	Contributions			Office	Party	State	District	Contributions	
					77-78	79-80						77-78	79-80						77-78	79-80
Bayh, Birch E., Jr.	S	DEM	IN		\$4,500		Gravel, Mike	S	DEM	AK		\$5,000			Packwood, Bob	S	REP	OR		\$2,500
Church, Frank	S	DEM	ID		\$5,000		Inouye, Daniel K.	S	DEM	HI		\$2,000			Stewart, Donald	S	DEM	AL	\$3,000	\$2,500
Cranston, Alan	S	DEM	CA		\$2,500		Magnuson, Warren G	S	DEM	WA		\$5,000			Burton, John	H	DEM	CA	5	\$1,000
Durkin, John Anthony	S	DEM	NH		\$2,000		Mathias, Charles	S	REP	MD		\$2,500			Burton, Phillip	H	DEM	CA	6	\$1,000

NON-PARTY (Continued)**MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND** (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions			
					77-78	79-80					77-78	79-80					77-78	79-80		
Ferraro, Geraldine A	H	DEM	NY	9	\$2,000		Murphy, John M.	H	DEM	NY	17	\$3,000	\$6,500	Wolpe, Howard	H	DEM	MI	3	\$5,000	
Lowry, Michael E.	H	DEM	WA	7	\$4,000		Nolan, Richard	H	DEM	MN	6	\$2,000		Young, Don	H	REP	AK	At Large	\$2,500	\$500

MASTERS MATES & PILOTS PENSIONERS' ACTION FUND

New York NY

C00012013

SUMMARY INFORMATION:		1977-78	1979-80			1977-78	1979-80			77-78	79-80		
Gross Receipts:		\$21,584	\$253,394	Gross Disbursements:		\$167,394	\$79,248	% of Total Contributions & Independent Expenditures to Gross Disbursements:		2.3%	12.9%		
Total Contributions:		\$3,970	\$10,250	Total Independent Expenditures:		0	0						
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	3	2	\$3,970	\$10,250	Republicans					Other			
President	—	1	—	\$10,000	Senate					House	3	1	\$3,970
Incumbents	2	2	\$2,485	\$10,250	Challengers	1	\$2,485			Open Seat			\$2,500
Winners - Gen. Elec.	2	—	\$2,485	—	All Losers/ Others	1	\$2,485	\$10,250					

The **Background** *Heritage Foundation*

No248

The Heritage Foundation • 513 C Street • N.E. • Washington, D.C. • 20002 • (202) 546-4400

February 22, 1983

For your info -

Paula Easley

EXPORTING ALASKA'S OIL AND GAS

INTRODUCTION

A huge resource of oil and gas is locked up in Alaska by federal legislation that prohibits its free commercial export. As a result, Alaskan oil is currently creating a glut and discouraging oil production in California. Half of Alaska's oil production therefore has to be shipped to the East Coast and Gulf Coast at considerable cost, ultimately borne by American consumers.

Removing export restrictions would gain the federal treasury about \$1.5 billion per year and also increase Alaska's revenues substantially. It would reduce the nation's deficit trade balance with Japan and the Far East by up to \$20 billion in potential oil and gas exports. Beyond these financial benefits, the action could help break the impasse in trade relations with Japan and ensure supplies of energy to close allies who are very vulnerable to interruptions in the flow of Middle East oil. In addition, it would render unnecessary the construction of a \$2 billion pipeline from Puget Sound to the Midwest and eliminate the current costly and wasteful tanker traffic to the East Coast.

Most important, it would stimulate Alaskan producers to develop more oil for export, probably from 0.5 to 1 million barrels per day (mbd)--worth about \$5 to \$10 billion per year. And it would blaze the way for exports of natural gas in the form of liquid natural gas (LNG) or as raw materials for fertilizer, with great benefits to the economic development of Alaska. Gas exports of about 1 tcf (trillion cubic feet) would be worth about \$5 billion per year and add the equivalent of another 0.5 mbd to the world oil market.

Changing the law that bans overseas sales of Alaskan oil will take a measure of political effort. That ban has a powerful constituency in the maritime unions. Under a 1920 law--the Jones

Act--all shipments between American ports must be made in American-flag ships, manned by American crews. All the oil that leaves the southern Alaska port of Valdez for terminals on the West and Gulf Coasts falls under the Jones Act. Even though only part of the 1.6 million barrels of oil that run through the Alaska pipeline each day might be involved in export to Japan, the maritime unions would fight to keep the law from being changed.

A second problem involves equity for the American companies engaged in northern Alaska oil production. Legally barred from selling this oil to foreign countries, Exxon, Standard Oil Company of Ohio, and Atlantic Richfield Corporation invested heavily in tankers to ship oil from Valdez to other U.S. ports. In addition, these companies are under a three-year contract to move some of the oil going to the Gulf Coast through a pipeline across Panama, offloading from tankers on the Pacific side, reloading to tankers on the Caribbean side. These investments, entered into in good faith, would have to be protected.

But on balance, more would be gained than lost if exports were permitted. Moreover, export of Alaskan hydrocarbons poses no threat whatsoever to U.S. security. On the contrary, putting another 1 mbd (or more) of non-OPEC hydrocarbons into the world market would enable the consumer nations to reduce the amount of oil imported from unreliable OPEC producers. Allowing export of Alaska oil and gas also could improve U.S. relations with Japan. Not only would it narrow the U.S.-Japan trade imbalance (\$16 billion surplus for Japan in 1982), but it would go far to alleviate Japan's fears of energy dependence on unstable Middle East nations.

ALASKA'S HYDROCARBON POTENTIAL

In January 1968, roughly 19 billion barrels of oil and 26 trillion cubic feet (tcf) of natural gas were discovered at Prudhoe Bay, Alaska. In 1968-1969, Alaska sold the basic leases for about \$900 million, reserving for itself a 12.5 percent royalty interest. Development of the Prudhoe Bay field and plans for an oil pipeline commenced almost immediately. Congress became involved in the decision-making process of selecting the best route for transporting Alaskan North Slope (ANS) oil to market because any oil pipeline would have to cross federal land.

While oil and natural gas have been produced at Cook Inlet since 1954--and successfully exported to Japan in the form of LNG by Phillips-Marathon--it was the 1977 opening of the Trans-Alaska Pipeline System (TAPS) to the Prudhoe Bay field that turned Alaska into a major energy supplier. Last year, Alaska averaged over 1.7 mbd of crude oil production, including over 1.6 mbd from the North Slope. Another 80,000 was added to the TAPS throughput with production from the new Kuparuk field just west of Prudhoe Bay. By the mid-1980s, the \$3 billion Waterflood Project will keep up Prudhoe Bay's production by maintaining reservoir pressure

through seawater injection. At the same time, Kuparuk production is expected to be at least 0.2 mbd. So production from the North Slope will come near to TAPS' capacity of 2.0 mbd this decade, even if there are no new discoveries.

Estimates of North Slope reserves have been made for the wells and production in the Prudhoe Bay and Kuparuk fields. As of August 1980, Alaska estimated its "most likely" discovered resources at 10.2 billion barrels of oil and 35.4 trillion cubic feet (tcf) of gas. Under stricter definitions, the American Gas Association (AGA) estimated (in January 1982) proven gas reserves to be 26 tcf for the North Slope and 31.9 tcf for all of Alaska. These estimates are for known, existing fields. Though not confirmed by drilling, undiscovered reserves do exist. The AGA study estimated potential gas reserves for Alaska at 145 tcf. The National Petroleum Council issued estimates (December 1981) for the North Slope and the Bering Sea using averages of other studies. They put undiscovered recoverable resources at a mean of 24 billion barrels of oil (high of 55 billion barrels) and 109 tcf of natural gas (high of 246 tcf). These estimates were based on current energy market conditions. Using historical changes in prices and technology, Heritage Foundation analysts estimate Alaska's potential oil reserves at between 48 and 124 billion barrels, with commensurate increases in potential gas reserves. (For comparison, recent annual U.S. consumption was about 5.5 billion barrels (bb) of oil, and about 20 tcf of natural gas. Note that 1 tcf of gas has a heat content of 1 quad 1,000 trillion BTU's, and is equivalent to 0.17 bb of oil.)

RESTRICTIONS ON EXPORTS

The two primary alternatives for carrying the oil to the lower 48 states were a proposed Trans-Canada pipeline, which was to deliver the oil to Midwestern refineries, and the TAPS to deliver the oil to a tanker terminal at Valdez, Alaska, from where it would be shipped south. Certain groups vigorously opposed the Trans-Alaska route, arguing that it would result in serious ecological degradation of the tundra (they were wrong) and that the West Coast would not be able to absorb all of the Alaskan oil (they were right). There were also charges by consumer groups and representatives of Midwestern and Eastern states that the ultimate purpose was oil companies' desire to ship Alaskan North Slope oil to Japan.

When the TAPS bill was passed by Congress, two weeks after the beginning of the Arab oil embargo, concerns about domestic energy security resulted in inclusion within the Act of tight limitations on domestic oil exported to noncontiguous nations, such as Japan. The Act established two broad criteria to determine whether exports should be permitted: (1) The President must make a finding that the exports would "not diminish the total quantity or quality of petroleum available to the United States and are in the national interest and are in accord with the Export Adminis-

tration Act of 1967," and (2) upon such a finding, the President is required to publish and report it to Congress, which then has 60 days during which it can veto exports by passing a concurrent resolution.

Additional restrictions were put on the export of oil to noncontiguous nations by the 1977 and 1979 amendments to the Export Administration Act (EAA). The 1979 change required that both houses affirm a presidential export proposal. Restrictions on exports have become so tight that it is accurate to speak of an effective export ban for noncontiguous nations.

The reason for the increasing severity of export restrictions has been the continuing, though incorrect, assumption that exports would undermine national energy security. Clashes over the TAPS issue have only made the matter more complex and politically sensitive.

Primarily because oil prices have increased from \$2.50 to over \$30 per barrel, the demand for oil has not increased as much as both government and industry officials anticipated. As a result, there is an oil surplus on the West Coast. Of the 1.6 mbd of Alaskan oil leaving Valdez, only half is refined in California. The other half is carried by tankers through the Panama Canal (or trans-Panama pipeline) or around Cape Horn to refineries on the East Coast, the Gulf Coast, and the Caribbean.

The maritime industry has a vested interest in the transportation of Alaskan oil, because the Jones Act mandates that any cargo transported between U.S. ports be carried in U.S. bottoms and with U.S. seamen. Half of Jones Act traffic is devoted to Alaskan oil, and about one-quarter of Jones Act traffic would be affected if Alaskan oil were to be freely exported to other countries by cheaper foreign flag tankers.

Another development affecting the maritime industry is the longstanding effort to build a west-to-east oil pipeline. The Northern Tier Pipeline Company, for instance, proposes to construct a pipeline from Port Angeles, Washington, to Clearbrook, Minnesota. The project would cost an estimated \$1.9 billion (1981 dollars). This 42" diameter line ultimately would carry .933 mbd. The original project was vetoed by Washington Governor John Spellman for environmental reasons. A new proposal would carry the oil around, rather than across, Puget Sound. Naturally, if such a line were to be constructed, the maritime industry would lose much of its Jones Act business.

Clearly, the time is right for Congress to consider all the options available for Alaskan oil and gas, including the removal of restrictions on exports.

THE SECURITY ISSUE

The maritime industry aside, the principal objection to Alaskan exports stems from security concerns. In case of an embargo or oil cut-off, the argument goes, the U.S. must be guaranteed sufficient Alaskan oil to meet American needs. This argument was born in the period of the first Arab oil embargo. It is no longer valid, if it ever was. The export of Alaskan oil would in no way compromise U.S. security. Indeed, it could enhance it, for the following reasons:

1) The Inconsistency of Oil Export Restrictions

There are no prohibitions regarding the export of oil products, such as gasoline and fuel oil. It seems strange, therefore, that there should be a prohibition against exporting crude oil. There also are no restrictions on exporting oil during emergencies to U.S. partners in the International Energy Agency. In fact, the U.S. has an agreement concerning the sharing of oil supplies during emergencies. It has never been tested, but all IEA members are bound to honor it. Why then should the U.S. not permit the export of Alaskan oil and gas during nonemergency periods?

2) Ineffective Embargoes

There are two kinds of potential embargoes. The first is an embargo declared against the United States without a production cutback. The second is an embargo coupled with a production cutback. The level of production is the critical factor; the simple declaration of an embargo would make little difference to the U.S. except for psychological pressure.

An embargo against the United States cannot be effective--and has never been effective. Oil imported from overseas comes from a number of different sources. If any one of these, or even a combination of them, should embargo oil to the United States, one or both of the following scenarios might develop: (1) the oil companies would sell the oil to another customer, say France, but oil destined to France from, say, Africa, would be diverted and shipped to the United States; (2) oil from the countries involved in the boycott would come into a transshipping terminal, such as Rotterdam, and then be shifted to the U.S. under a swap arrangement. The point is that oil is a fungible substance. Its source matters little.

An embargo would be effective in one instance: if an adversary imposed a naval blockade against the United States along both coasts. Such action would be difficult for any power to mount. But if it were successful, it would interfere with the traffic from Alaska to California and certainly to the East Coast. Short of military actions by opponents, however, the U.S. is immune to any simple embargo.

3) Production Cuts and the Market Price

But what if the embargo were coupled with production cutbacks, such that simple swapping procedures would not be possible? In that case the market could take over and adjust the available supply--now reduced--to the demand. Any production cutback thus would raise the world price, whether the production cutback were coupled with an embargo, or caused by an accident or by third parties, such as a war or sabotage. Everyone would have to pay the higher price in these circumstances--not just the United States. Indeed, the Alaskan oil exported would also command the higher price (as would all domestic oil, in the absence of price controls).

There is often talk about countries "outbidding" each other during a supply crisis, but in a free market this would not be the case. As the price went up, those persons (not countries) wishing to buy the oil would have to pay the higher price, and oil use by others would fall. This redistribution of oil would be entirely automatic, in response to normal market forces, not to government allocation efforts.

Some time could elapse before the new supply relationships were established following an oil cutoff. During this time, there could be dislocations and shortages just as there are shortages in retail outlets when the inventory is low. To soften such short-term disruption, the United States and other industrialized countries have provided for strategic reserves of petroleum. The U.S. reserve is designed to replace 90 days of imports, sufficient for orderly adjustments to take place--even if all imports were cut off. (If, on the other hand, only imports from the Middle East were affected, then the stockpile could last well over six months). The release of oil from the U.S. stockpile (or from the stockpiles of other industrialized countries) would limit any price increase due to sudden interruptions in production levels. If the supply interruption persisted, the oil market would reach equilibrium at a higher price; if it were only temporary, there would be no long-term change in price--although, of course, stockpiles would be partly depleted.

4) Two Case Studies--1973 and 1979

What happened during past embargoes? In October 1973, producers on the Arabian peninsula declared an embargo and cut back their production. The declaration itself did little but scare people. The cutback in production, however, increased the price of oil, which eventually soared from about \$3 to \$12 per barrel.

There was considerable market disruption in the United States in Spring 1974, characterized chiefly by long lines at gasoline stations. These lines were caused by the exaggerated reaction of the federal government, which sought to allocate gasoline and other oil products to achieve a "fair distribution."

Yet federal bureaucrats had no more success than any other planners in trying to simulate the workings of the market, and misallocation inevitably followed. "Shortages" occurred widely in 1974 because well-meaning government interference with the market process was compounded by price controls on domestic oil. Without free movement of prices, there was no reason for demand to fall to the new, reduced level of supply--other than by the forced decline in consumption because of waiting in line. (The 1974 experience has been discussed and documented in some detail by a number of authors, for example, Professors Paul MacAvoy, H.A. Merkley, and others.) But nothing was learned. In 1979, the Department of Energy again put into effect an allocation system--with predictable results: long lines at gasoline stations.

Further proof that embargoes do not work is found in the events of November 1979. When the U.S. Embassy in Teheran was occupied, President Jimmy Carter declared that the U.S. would no longer buy Iranian oil. The action was, in effect, a self-imposed embargo--a boycott. Of course, nothing happened. The Iranian oil went elsewhere, and the U.S. bought oil from other sources. There was no psychological impact either--perhaps because the word "embargo" was never mentioned.

One of the first acts of the Reagan Administration was to remove price controls on oil. Congress still believed that an allocation system had to be instituted during emergencies and tried to force the White House to agree to such a system. In vetoing the bill, President Reagan explained why the market allocates more successfully than any bureaucrat or combination of bureaucrats. The U.S. Senate upheld the presidential veto.

It should seem clear that embargoes and production cutbacks do not work, when oil prices are decontrolled and a large strategic stockpile keeps prices from moving too high. An embargo threat is little more than a psychological tool that is effective only if the victim thinks it might be harmful.¹

Security Benefits from Alaskan Exports

There are certain security benefits that should be taken into account when contemplating export of Alaskan oil. If exports were to be permitted, the oil companies holding concessions on the North Slope would certainly increase production and put more oil into the world market. A conservative estimate is that the additional output could amount to 0.5 mbd (more optimistic estimates exceed 1 mbd), in addition to the 1.6 mbd now being supplied through the pipeline.² The liquid natural gas exports could exceed 0.5 mbd of oil equivalent.

¹ It should be noted that President Reagan ousted Libyan diplomats from Washington, and Libya made no effort to institute retaliatory action in the oil market against the United States; they also know that embargoes don't work.

² If production rises above 2 mbd, the pipeline's capacity can be increased at relatively little cost.

Putting more oil and gas onto the world market would be very beneficial to the United States. Not only would it improve the trade balance by about \$15 billion per year, and make money for the Treasury, Alaska, and the stockholders of American oil companies, but it would weaken the power of OPEC. As American oil captured a share of the world market, it would decrease consumer dependence on OPEC oil. It would also put downward pressure on the world price by limiting what the OPEC cartel could sell.

If U.S. exports to Japan were increased by 1 mbd, for instance, Japan could reduce its imports from Mexico by a like amount, and the U.S. could replace 1 mbd of Middle East imports by more Mexican oil. Clearly U.S. security would be enhanced, Mexico would gain through lower transportation costs, and even more important, the world oil price would probably be lowered by approximately 5 percent. Since OPEC is currently earning about \$200 billion a year in revenues, this would reduce the oil bill of the importing countries, including the United States, by about \$10 billion a year.

ECONOMIC BENEFITS AND COSTS OF ALASKAN EXPORTS

The effective ban on exports has led to an established market of Alaskan North Slope (ANS) crude oil on the Gulf and West Coasts. About half of North Slope production is used on the West Coast; the rest is shipped to the Gulf and East Coasts on U.S. flag tankers. The exportation ban, the Jones Act, and the lack of a west-east U.S. oil pipeline mean there is no other marketing option--except not selling oil at all. Eliminating the export ban would open up other, more profitable markets for the surplus.

For an estimate of the scale of the export potential, market prices may be approximated using the price of Persian Gulf (i.e., Saudi Arabian) oil, plus the costs of its transportation to each market. The "wellhead" price which producers receive for their crude oil is the market price (say, in Houston) minus transportation costs. These costs vary with shipping distances, tanker size, and other factors.

Jones Act requirements set U.S. tanker rates well above world tanker rates. Table 1 gives some relevant tanker rates.

Table 1
CRUDE OIL TRANSPORTATION COSTS
(\$/barrel)

<u>Departure Port</u>	<u>Destination Port</u>	<u>Tanker Costs</u>
Alaska (Valdez)	West Coast	\$1.47
	Gulf Coast	4.00
	Japan	.51
Persian . Gulf	West Coast	1.50
	Gulf Coast	2.03
	Japan	.96

The different rates mean that ANS producers receive different wellhead prices for their oil, depending on its destination. Using market prices established by Persian Gulf oil, ANS producers would net back \$2.00/barrel more for their West Coast shipments than for the Gulf Coast shipments. They could use such a price advantage to drive the West Coast price down and expand their market share by discounting. In fact, there is already increasing, although incomplete, evidence of some West Coast "discounting."

If the ban on exports were lifted, ANS producers could increase the wellhead prices of their currently Gulf Coast-bound shipments by \$2.42 per barrel (i.e. $\$1.97 + 0.96 - 0.51$) by changing the destination to Japan and taking advantage of lower shipping costs. At the same time, of course, a change in the destination of ANS crude would reduce the glut in the West Coast market, and West Coast crude oil prices could rise by as much as \$2.00 per barrel. So there would be an increase in the netback to the ANS and to the local California producers, who were previously forced to lower their prices to match the ANS competition.

Another factor in the equation would be the reduced shipping costs associated with the Alaska-West Coast route. The reduction in the demand for U.S. tankers because of the reduced Alaska to West Coast trade and the absence of Jones Act requirements on exported oil would mean more competition along the American coastline--further raising the ANS netback. (For computation ease, it is assumed here that Alaska-West Coast shipping costs would fall by \$.42 per barrel, from \$1.47 to \$1.05, although larger decreases have been forecast.) A summary of total possible increases in wellhead prices resulting from these factors is given in Table 2.

Table 2
ESTIMATED INCREASES OF CRUDE OIL WELLHEAD PRICES
AFTER THE LIFTING OF THE OIL EXPORT BAN
(\$/barrel)

Market Conditions	Originating Port	Export Ban		No Export Ban		Wellhead Increases with Export Ban Removed
		Destination Port	Wellhead Price	Destination Port	Wellhead Price	
No Discounting	California	West Coast	PG* + 1.50	West Coast	PG + 1.50	.00
	Alaska	West Coast	PG + .03	West Coast	PG + .45	.42
	Alaska	Gulf Coast	PG + 1.97	Japan	PG + .45	2.42
Full Discounting (by Alaskan Producers in California)	California	West Coast	PG - .50	West Coast	PG + 1.50	2.00
	Alaska	West Coast	PG - 1.97	West Coast	PG + .45	2.42
	Alaska	Gulf Coast	PG - 1.97	Japan	PG + .45	2.42

*PG=Persian Gulf price

ANS oil shipments to the eastern U.S. amounted to more than 0.8 mbd in 1982. 0.82 mbd was used for calculations of gross wellhead revenue increases if the oil were exported to Japan, (and 1.1 mbd for California production). The wellhead increases would be between \$804 million per year and \$1,391 million per year for ANS production, and up to \$803 million per year for California production. But the private producers would not receive all of these benefits. Alaskan royalty oil and severance and income taxes would take over 32 percent of ANS increases. The federal government would take 7 percent in corporate income taxes and 52 percent in windfall profit taxes for most current production. California oil producers' increases in revenue would also be taxed. Analysis suggests that the division would leave ANS producers with 8.27 percent of the increases or between \$66 million and \$115 million per year. The gross yearly wellhead revenue increases and its division are given in Table 3.

Table 3
ESTIMATES OF GROSS REVENUE INCREASES
AND ITS DIVISION
(\$ millions/year)

Market Conditions	Gross Wellhead Revenue	Yearly Increases		Gross Federal Taxes
		Producer	State Profits	Taxes
No Discount	804	66	262	475
Full Discount				
Alaska producers	1391	115	454	822
California producers	803		626	177
Total	2194			999

Increased revenue to oil producers and the governments does mean some costs to others. Initially the wellhead gains could come at the expense of the tanker owners and crews, the new Panama pipeline, and other groups involved in the transportation of the Alaskan oil to the Gulf Coast. The West Coast refiners and their consumers would also lose the present discount. And some tax revenue would be lost from those companies and individuals.³ But these losses would occur in any event if the proposed

³ Another cost to the federal government could be for the acquisition of U.S. tankers whose loans are guaranteed under Title XI. A U.S. Maritime Administration working paper put the one-time net government cost at \$593.8 million. But this figure is based on the worst-case projection that all of the tanker tonnage is displaced permanently. This is unlikely, so the actual government cost would be less.

West-to-East oil pipeline were built. In any case, such losses would be surpassed by the savings in transportation, the new commercial opportunities of the export trade, and the long-run benefits of a freer and more efficient market.

ALASKA GAS TRANSPORTATION OPTIONS

Through the middle 1970s, the development of Alaska's hydrocarbon resources focused primarily on the state's enormous oil reserves. For nearly thirty years, a small amount of natural gas has been produced in the southern portion of the state for export to Japan in the form of LNG; but the huge gas reserves of the Alaskan North Slope remain untapped. The opening of the TAPS, which transports North Slope oil to the port of Valdez, gives the gas reserves associated with that oil a new importance. The gas has been reinjected into the formation from which it was drawn, but reinjection provides at best a temporary solution. After a time, this practice results in a reduction in oil field pressure, and an accompanying reduction in the amount of oil that would ultimately be recovered. Moreover, since up to one-third of the gas is consumed in the process of reinjection, the technique carries a high energy penalty. Still, absent a means of transporting the gas, the only other option was to burn it off, or "flare" it--as industry experts call the practice.

The Alaskan Natural Gas Transportation Act of 1976 also contains export limitations. Section 12 states that "the President must make and publish an express finding that such exports will not diminish the total quantity or quality, nor increase the total price of energy available to the United States."

The situation with respect to natural gas is somewhat similar to the oil case. The Prudhoe Bay field contains the largest discovered gas reserves on the North American continent; it represents 10 percent of proved reserves and more than a year's supply for U.S. consumers.⁴ Several companies studied ways to move the natural gas to markets. Proposals were filed with the Federal Power Commission (now the Federal Energy Regulatory Commission), beginning in 1974. Of the various proposals, the one finally selected, the Alaska Natural Gas Transportation system (ANGTS) would move gas by pipeline from the North Slope to the Midwest through Canada. However, ultimately the very high cost of the pipeline, now estimated to be in excess of \$40 billion, has made the proposal impractical. With higher wellhead prices for natural gas, and with a limited deregulation approaching in 1985, a great deal of gas has been developed in the lower 48 states. The various provisions of the Act can do nothing to make Alaskan gas competitive in price with gas from the lower 48.

⁴ The appraisal of undiscovered probable ANS reserves is of the order of a 10-year supply.

One of the proposals submitted to the Federal Power Commission (FPC) was by the El Paso Alaska Company to transport natural gas from Prudhoe Bay through approximately 800 miles of 42" pipeline, to a gas liquefaction plant and terminal located on Prince William Sound at Point Gravina, Alaska. There the gas would be converted to LNG and shipped via cryogenic tankers to Point Conception near Santa Barbara, California. However, the LNG could be shipped just as easily to Japan, Korea, Taiwan, and other users in the Pacific Ocean basin--but more cheaply from the Kenai peninsula than from Point Gravina. The amount would be on the order of 2.8 billion cubic feet per day or approximately 1.0 tcf per year, worth approximately \$6 billion per year.

The Alaska Gas Transportation System (ANGTS) faces problems with financing, cost overruns, and doubts over the marketability of the relatively expensive Alaskan gas in the lower 48 states, which are awash with far less expensive conventional gas. As a result, Alaskans have begun to reexamine the alternatives available to them to determine if some other approach to the problem of marketing their oil and gas might be more sensible. The principal options currently under consideration include:

- * To continue to pursue financing for the ANGTS project, in hopes that the use of innovative rate structuring and the decline of interest expense might make Alaskan gas more competitive at some future date.
- * To select an alternative means of transporting North Slope gas in hopes that it will prove less expensive, again making the gas more competitive in the lower 48 states.
- * To determine whether Alaskan producers should abandon the notion of marketing the gas in the lower 48 and instead focus on the export market.
- * To examine ways of using the gas within the state to establish some sort of manufacturing base.

Determining the best solution for the North Slope gas is doubly difficult because the oil and gas market, both in the U.S. and internationally, is undergoing a period of rapid and dramatic change. As the patterns of this change become clearer, it is evident that the traditional view of the gas market is no longer valid. The policymakers currently examining Alaska's options must thoroughly understand the evolution that is taking place, as it will affect fundamentally the economics of those options.

THE CHANGING NATURAL GAS MARKET

"Shortage" into Surplus

It is easy to forget that, as recently as five years ago, the conventional wisdom held that the United States would soon

run out of natural gas. Throughout the first half of the 1970s, interruptions in natural gas deliveries on the interstate market increased, and gas reserves committed to that market diminished. By the winter of 1976-77, the situation had reached crisis proportions, as regions of the Northeast and Midwest faced massive gas shortages that threatened economic chaos. Policymakers were quick to point to these shortages as evidence that the exhaustion of America's natural gas reserves was imminent. This view was embraced with particular enthusiasm by officials of the past Administration, many of whom were convinced that all of the world's resources were on the verge of exhaustion.

Against this background, Alaska's enormous North Slope gas reserves were very tempting to policymakers who believed the United States faced the prospect of running out of oil and gas. The high cost of utilizing these reserves seemed of little consequence.

As early as 1979, however, evidence began to appear that the dire assessment of gas reserves, widely taken as axiomatic, was grossly overstated. The first sign was the appearance of a so-called gas bubble--a large volume of gas that "found" its way into the market. According to the prevailing view of reserves, it should not have appeared. Analysts tried to explain it as merely a temporary "market anomaly" that would soon be absorbed, leaving the U.S. once again with the shortage. The bubble, however, did not disappear; the shortage did. In fact, in 1981, for the first time in more than a decade, the U.S. added more new natural gas to its reserve base than it used. In 1982, instead of a shortage, there was a surplus of natural gas estimated at fully 15 percent. The surplus is currently so great that gas companies, which once could not serve all of their existing customers, are now seeking new ones. But more important, the unexpected availability of natural gas has taken place at prices far below those needed to make North Slope gas economic. Should natural gas prices be decontrolled this year, even greater volumes of gas priced below an economic level for Alaskan production under current circumstances are expected to find their way into the market.

Growing Competition

Competition from natural gas produced in the lower 48 states is not the only factor limiting the marketability of Alaskan gas in the United States. The import of large volumes of natural gas from Canada and Mexico will also provide stiff competition. Both Mexico and Canada are experiencing great economic pressure to move their gas into the U.S. market. Until recently, both countries had priced gas at levels that limited its attractiveness to U.S. consumers. But these pricing policies--which seemed strangely similar--were simply the product of the seller's market for energy existing in the middle to late 1970s. With the crumbling of OPEC, the steady decline of world oil prices, and energy conservation, both Canada and Mexico have had to rethink their

policies. As a result, both nations are now willing to make price concessions. Canadian gas, for instance, sells in the United States at only 65 percent of its authorized price. Despite this reduction, the volume taken is down from just a few years ago.

For Mexico, whose gas reserves far outstrip those of either the United States or Canada, increased sales of both oil and natural gas are critically important. The country's financial collapse was only a warning signal. The need to feed and find employment for its burgeoning population makes it imperative for Mexico to expand sales of its oil and gas. The United States is its most logical market, and so competition from Mexico seems likely to be an even greater barrier to the marketing of Alaskan gas in the lower 48 states than competition from domestic or Canadian gas producers.

Competition from conventional sources of natural gas, whether domestic or foreign, is not the only factor affecting the marketability of Alaskan gas to lower 48 consumers. Of equal importance will be competition from other fuels, and especially from residual fuel oil, or "resid" as it is commonly termed. Since the largest share of natural gas is consumed in the industrial boiler market, industrial consumers effectively determine the price at which gas is sold. Part of their ability to influence gas prices stems from the fact that most industrial boilers were modified to accommodate a variety of fuels during the 1970s, when natural gas supplies were subject to the federal regulators. Many of these boilers can burn either natural gas or resid. As a result, the latter's price effectively caps the price at which natural gas can be sold. At present, resid sells for roughly the equivalent of gas priced at between \$4 and \$4.50 per thousand cubic feet (mcf). But residual fuel oil prices are expected to decline further in the future because of oversupply.

Given the intense competition, and the probable future price trends in the natural gas market of the lower 48 states, it seems unlikely that North Slope natural gas will be competitive. Therefore, the current price structure must be modified, or an alternative market sought, if Alaska's hydrocarbon resource is to be utilized and further developed.

Reshaping the ANGTS Project

One of the reasons Alaskan gas will be so expensive in the first few years after Alaska Natural Gas Transportation System (ANGTS) comes into service is that loans made for its construction must be repaid. If the repayment schedule can be renegotiated to stretch the payments over a longer period, the selling price of the gas might be reduced. The effectiveness of this approach will hinge on two major factors.

The first is the interest rate. Since most plans to restructure the pipeline's financing call for the payment of interest,

the interest rate and capital repayment schedule (even if deferred) will have to be such that the final price of Alaska gas is competitive.

The second factor, of course, is the prevailing price the lower 48 gas market. Just what this might be in the future is hard to say, but one thing is certain: if Alaskan gas expects to compete, its current projected cost of \$10 per mcf (in 1982 dollars, equivalent to \$60 oil) must be reduced. Recent attempts to market deep gas at a similar price have failed. In fact, several pipeline companies recently informed a group of deep gas producers that the lines would pay no more than \$5 to \$6 per mcf for deep gas. This seems to be compelling evidence that Alaskan gas will have to sell in the \$5 range if it is to compete with alternative sources of gas.

POSSIBLE ALTERNATE ROUTES

One possible solution to the North Slope gas dilemma would be an alternate means of transportation. Everything from huge atomic submarines to a variety of pipeline routes has been suggested, but the best alternative to the ANGTS appears to be the so-called All-Alaska Pipeline, proposed several years ago by the El Paso Company, which would be built parallel to the existing oil pipeline. At the time the proposal was first put forward, estimates of its cost included funds to build a California LNG terminal and purchase eleven LNG tankers. Adjusted to current dollars, the original cost estimates for the All-America route compare favorably with the \$23 billion estimate for the Alaskan segment of the ANGTS pipeline.

A simple inflation escalation of the original estimates for the All-America route, however, does not give an accurate probable cost figure for the project. There are numerous LNG tankers available on the present world market. Some have been sold just for their scrap value. Others have been converted for bulk commodities such as grain. So the current low cost of LNG tankers should be built into revised cost estimates. This factor alone would imply that the All-Alaska route should be supported, if financing for ANGTS fails to materialize. But the All-Alaska route has another, possibly more important, advantage over ANGTS: it does not restrict Alaskan gas to the domestic market, and thereby opens the prospect of Alaskan gas exports.

A committee appointed by the Governor of Alaska in January 1983 has recommended the construction of such a 820-mile pipeline to carry natural gas from Prudhoe Bay to the coast, where it would be liquefied and shipped to Japan. The scheme is a viable alternative to ANGTS.

The committee proposes that the 36-inch line follow the route of the Trans-Alaskan oil pipeline as far as Fairbanks,

where it would continue west to the Kenai Peninsula.⁵ Cost of the line is estimated at \$14.6 billion (as-spent dollars). The liquids would be removed at a \$2.5 billion conditioning plant on the coast. The liquefaction plant would cost an estimated \$8.3 billion. Total costs would be \$25.4 billion in current dollars, \$14.3 billion in 1982 dollars--a far cry from the \$43 billion total anticipated for ANGTS.

The committee suggests that the project be built in three phases, with revenue from the first phase providing the cash flow for financing the rest of the project. The line's initial capacity, beginning in 1988, would be 950 million CF/day of gas, permitting export of 4.8 million tons/year of LNG. In the second phase, starting in 1990, the line would carry 1.75 billion CF/day of gas, and LNG production would be 8.9 million tons. In the third phase, set for 1992, the levels would be 2.8 BCF/day of gas and 14.5 million tons of LNG. Natural gas liquids production is projected to exceed 110,000 bbl/day by 1992.

ALASKAN NATURAL GAS AND THE EXPORT MARKET

A worldwide trend toward greater use of natural gas has been well established. The most logical export markets for Alaskan gas are the nations of the Pacific Rim, especially Japan. The Japanese already import small amounts of LNG from Alaska. Significantly, Japan is moving aggressively to make use of LNG, and recently contracted with Indonesia for major purchases of the fuel. As a result of this policy, Japan has the necessary LNG terminals in place, and already owns LNG tankers. Hence a pipeline, processing facilities, and liquefaction plant would be the only U.S. infrastructure necessary to market LNG to Japan. Japan might even be willing to help finance the project. However, the decision would have to be made quickly; otherwise Japan might find supplies elsewhere.

A number of economic advantages, beyond the obvious revenues, would be associated with the export of Alaskan gas to Japan. First, such trade would go a long way toward reducing the current U.S./Japan trade imbalance. Secondly, it would reduce Japan's dependence on fuel imported from the politically unstable Persian Gulf, and thereby greatly enhance the world's energy security. Most important, by directly reducing the world's oil consumption, Alaskan gas exports could also help to keep world oil prices down.

It would seem, therefore, that exporting Alaskan gas to foreign markets would be advantageous--for Alaska and for the world in general. These advantages would not materialize if the

⁵ This location would incur less environmental risk than Point Gravina (which would have cut through the Chugach range). It would also shorten the travel time to Japan.

gas were marketed only within the U.S. Alaskan gas sold in the lower 48 would not displace foreign oil; domestic usage would have no effect on the U.S. balance of payments; and building a pipeline to transport gas domestically would be a far more expensive proposition than building a pipeline to transport gas for foreign markets. Exporting Alaskan gas would therefore appear to be the optimum solution to the North Slope gas dilemma, from a national standpoint.

DEVELOPING AN ALASKAN EXPORT STRATEGY

Gas exports could provide the catalyst for establishing a stable industrial base in the 49th state. Throughout its history, Alaska's economy has been characterized by sharp cycles. The primary reason for the erratic behavior of the Alaskan economy has been its dependence on the extraction and export of raw materials. Whether the Klondike Gold Rush or the Prudhoe Bay oil find, Alaskan resources went to the lower 48 for finishing, along with potential jobs and revenues from further processing.

In many respects, the removal of raw materials for processing has been unavoidable. Alaska's total population numbers less than half a million, and roughly half of its residents live in small communities scattered across a vast expanse of wilderness. Construction costs can often range as much as 50 percent above those in more temperate climates. Nonetheless, modern technology could make local processing of some portion of the state's hydrocarbon resources a realistic possibility. If processing operations proved to be economic, an industrial base to supply continuing employment, and economic stability would finally materialize. But the shape of such a processing industry must be tailored to the state's limitations and advantages. Although Alaska's climate and small population are obvious limitations, its remoteness from America's industrial heartland is a drawback only if the U.S. domestic market is the export goal. If Korea, China, Japan, and the rest of the Pacific Rim became the principal market, Alaska's position would actually be advantageous. Furthermore, by using gas exports as a means of underwriting the cost of a pipeline to bring natural gas down from the North Slope, the other products produced from the fuel could more than offset the competitive disadvantage caused by the state's higher construction costs.

Urea and ammonia rank high on the list of products that might lend themselves to in-state fabrication for the export market. These commodities are the basic components of the fertilizers needed so desperately in the People's Republic of China. Whereas any attempt to market fertilizers produced in Alaska in the lower 48 would be doomed to failure because of the enormous cost of transporting the products to market, shipment to the Far East would entail a relatively easy haul. Moreover, the commodities could be moved in bulk, further reducing their cost. Most important of all, they could be produced in automated plants using highly skilled, well-paid workers. In sum, the production

of fertilizer components would seem ideally suited to the state's unique characteristics.

LNG is also well suited to Alaska. Like fertilizer production, modern LNG facilities are highly automated and employ a small number of skilled workers. Moreover, a pool of experienced LNG workers already exists in the state because of the LNG facility in operation on the Kenai peninsula.

CONCLUSION

The legislative restrictions on Alaskan oil exports had their origin in the fear of an oil cutoff by overseas producers. It is now clear that oil, as a fungible substance, cannot be embargoed from the United States. Any supply shortfall must be shared by all consumers through the world oil market, which will raise the world price of oil. Now that its price has been freed in the U.S., oil will be imported at the higher price in case of a supply shortfall, but Alaskan oil also will be sold at the same higher price.

Blocking the export of Alaskan oil imposes great costs, ultimately borne by the U.S. taxpayer. Shipping Alaskan oil to the East Coast leads to great economic waste, as would the construction of a special pipeline to the lower 48 states.

The optimum solution for North Slope gas appears to be its export as LNG, using a pipeline paralleling TAPS. The construction of such a system would also encourage the use and manufacture in Alaska of urea and ammonia fertilizer (for export to the Far East). The sensible option for Congress would be to remove restrictions, so that Alaskan oil and gas can be freely exported. This makes sense economically and from a foreign policy perspective as well. U.S.-Japan relations would be enhanced considerably by increased American energy sales to the Japanese.

The possibility of exports of additional oil, bringing a higher return for producers, will act as a powerful incentive for Alaskan oil producers to develop more production. By putting more oil and gas on the world market, such exports would reduce the need for OPEC oil and apply downward pressure on the world oil price--to the benefit of industrialized countries and oil-importing developing nations alike.

S. Fred Singer
Senior Fellow

Milton Copulos
Policy Analyst

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STATE OF ALASKA



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HOUSE SPECIAL COMMITTEE ON OIL AND GAS

May 2, 1985

The Anchorage Times
P.O. Box 40
Anchorage, AK 99510-0040

Dear Editor,

I believe all Alaskans are pleased with how smoothly the legislature has conducted its business this session.

Unfortunately, Rep. Terry Martin has felt compelled to conduct a political campaign reminiscent of the antagonistic and unproductive activities of the last legislature. This is a form of reminiscence that we can all do without.

Rep. Martin claims that the House Special Committee on Oil and Gas has not passed a resolution regarding the foreign export of Alaskan crude oil because the House Majority is opposed to such a measure. The truth of the situation, though, is that the committee has been working hard to repair the damage that Mr. Martin has done to this cause.

Terry Martin traveled to Washington, D.C. this March to lobby for the lifting of the oil export ban. This lobbying effort consisted of sending materials to 100 state legislators across the nation that was so seriously flawed with incorrect and misleading information that the House Minority Leader announced he would have to get back to these legislators with correct information at a later date.

The misinformation so liberally disseminated by Mr. Martin stated that lifting the export ban would result in a windfall to the State of Alaska, and a severe loss of jobs to the maritime industry.

Ironically, these are the same claims made by lobbyists who have spent millions of dollars to keep the ban in place, and these are the claims that the Governor and the Alaskan congressional delegation have been fighting against for years.

Rep. Martin's misinformation served as the basis for a report that was printed and distributed by the National Conference of State Legislators. The result of this report was that a resolution requesting that the export ban be lifted was defeated by the NCSL a few weeks later.

Terry Martin's unimpressive performance in Washington, D.C. has been followed by his disinterest in the administration's efforts to export Cook Inlet crude oil to Japan, and by a hearing in the House Special Committee on Oil and Gas on his export ban resolution.

Unsurprisingly, this resolution contains language that is both inaccurate and inflammatory. Although this resolution was scheduled for a second committee hearing yesterday, Rep. Martin apparently did not feel that this issue was of great enough consequence for him to attend the meeting.

A corrected and more reasonable version of this resolution has therefore been drafted by the House Special Committee on Oil and Gas, and this resolution will be heard on May 6. The resolution will go directly from this committee to the House floor where, I have been assured, Rep. Martin will back the House Majority in supporting this measure.

Sincerely,

Rep. Mike Davis, Chairman
House Special Committee on Oil and Gas

605 Wilcox Ave.
Fairbanks, AK 99701
May 6, 1985

Dear Mike,

I have just pounded out the final draft of my oil export paper, and would like to thank you for all your assistance. Included in the material Johnathon Sperber gave me was a comprehensive list of legislation affecting oil exports which was particularly helpful.

I enjoyed myself a great deal in Juneau. Observing the Legislature in person is considerably more exciting than watching "Capital '85." As an added benefit, I came away with a clearer understanding of the need for local hire laws.

I hope to expand my knowledge of Alaskan issues when I am home this summer. I am presently trying to arrange a summer job or internship at the Washington D.C. office of the Governor.

Thanks again for your attention when I was in Juneau.

Sincerely,

A handwritten signature in dark ink, appearing to read "Catherine Reardon", written in a cursive style.

Catherine Reardon

BILL SHEFFIELD
GOVERNOR



State of Alaska
OFFICE OF THE GOVERNOR
WASHINGTON, D.C.

March 7, 1985

SENT: *for [unclear]*
VIA *Displaywriter*
ATTN: *Main Bishop*
DATE: *3/7/85*
RECEIVED
BY: *Chu*
DATE: *3/7/85*

PERSONAL & CONFIDENTIAL

MEMORANDUM

TO: THE HONORABLE BILL SHEFFIELD, Governor
THE HONORABLE NORMAN GORSUCH, Attorney General
THE HONORABLE RICHARD KNAPP, Commissioner, DOTPF
THE HONORABLE LOREN LOUNSBURY, Commissioner, DCED
THE HONORABLE ESTHER WUNNICKE, Commissioner, DNR
JOHN SHIVELY, Chief of Staff
LENNIE BOSTON, Special Assistant
BEN HARDING, Special Assistant

FROM: *JK* JOHN W. KATZ, Director of State/Federal Relations
and Special Counsel to the Governor

SUBJECT: EXPORT OF ALASKA OIL

This memorandum will outline a strategy for obtaining federal approval of oil exports from Cook Inlet and the North Slope, respectively.

Cook Inlet

The two accompanying memoranda detail the federal and State requirements which must be satisfied as necessary prerequisites to the export of Cook Inlet oil. The memorandum concerning State law and regulation concludes that Cook Inlet oil could be made available for export by October 1985, assuming expeditious action by State officials. The memorandum on federal law describes a stringent set of federal requirements but concludes that these requirements can be waived or satisfied in appropriate circumstances. In my opinion, the essential determinants of federal decision-making are as much political/substantive, as they are legal. Thus, assuming that a persuasive case can be made on the administrative record, it would appear that the Secretary of Commerce possesses the requisite authority to grant an export license.

With these considerations in mind, we have contacted officials in the White House, Office of Management and Budget, and in the Departments of Commerce, State, Energy,

and Interior. In addition, we have been in touch with certain union and maritime leaders.

These contacts have led us to conclude that there is a clear federal predisposition in high policy circles favoring the export of Cook Inlet oil. While attitudes seem to be changing at the middle management level of the Commerce Department, there is still concern about authorizing Cook Inlet exports. This concern is premised at least partially on perceptual considerations related to the export of any American crude oil. There is no reason at this time to believe that maritime interests would launch a major campaign against a decision by the Reagan Administration to permit Cook Inlet exports. However, this posture could change if such interests perceive Cook Inlet exports as the proverbial "camel's nose under the tent" with respect to the export of North Slope crude oil. Japanese business persons with whom we have spoken seem interested in purchasing Cook Inlet oil.

Congressional reaction to a Cook Inlet export proposal is difficult to determine at this point. The statutes governing the export of this oil provide no direct role for Congress. However, strong Congressional opposition could significantly influence the administrative approval required to permit exports. Congressional reaction will likely be affected by the position of maritime interests and the Northville (cross-Panama) oil pipeline coalition. The operators of the Northville pipeline have already contacted Senator D'Amato's office to express vehement opposition to the export of Cook Inlet oil. After we explained the effect of the Cook Inlet proposal on the Northville pipeline (none), Senator D'Amato's staff indicated that he saw no reason to get involved at this time. Further monitoring of Congress by this office will be necessary as the State continues to consider the export question.

In these circumstances, we believe that there are no insurmountable impediments to the pursuit of federal approval for Cook Inlet exports. Therefore, we suggest that appropriate State officials immediately initiate the process described in the accompanying memorandum prepared by the Department of Natural Resources. If such a decision is made, this office should contact the State Department so that necessary national government to government contacts can be initiated. At a minimum, this type of communication would facilitate the solicitation process required by State law. In addition, such contacts could lead to the

identification of specific purchasers on the Pacific Rim. With the exception just mentioned, it would seem that further federal contacts would not be fruitful pending progress toward the identification of an actual purchaser.*

When a purchaser has been identified, and the Commissioner of Natural Resources has made the necessary findings under State law, we will be in a better position to pursue federal approval. With a specific proposal in hand, we can then make the necessary requests and seek third party support for our position. Because the amount of State royalty oil available in Cook Inlet is relatively small (approximately 6000 barrels per day), we suggest that initiation of the State royalty oil process be accompanied by discussions with Tesoro Petroleum Company to ascertain whether oil from private sources could also be obtained.

North Slope Exports

The situation involving the export of crude oil from the North Slope is more complicated and, in our judgment, requires a different approach.

The Export Administration Act was not reauthorized by Congress last year. Pending in a conference committee was legislation which would have extended the statutory prohibition on North Slope exports for an additional five years, with an interim study of the problem to be conducted by the Office of Management and Budget. Final action on the reauthorization was delayed because of House-Senate disagreement over unrelated provisions. This Congress has already begun an effort to pass the reauthorizing legislation agreed upon last year, with the controversial aspects under consideration in separate legislation. The export ban and study is currently included in the "non-controversial" bill.

The President, by executive order, has extended the provisions of the Export Administration Act until Congress passes a reauthorization measure. Even if this administrative continuation of the ban on North Slope exports had not occurred, the stringent requirements of the

* The Reagan Administration is currently considering the question of Canadian energy exports to the United States. Prompted by a number of factors, including Governor Sheffield's recent visit to Washington, D.C. and the efforts of this office, the Cook Inlet issue is now being considered in light of these deliberations. We will monitor these discussions closely to ascertain whether additional State advocacy is necessary prior to the identification of possible purchasers of Cook Inlet oil.

Trans-Alaska Pipeline Authorization Act and other federal laws are tantamount to an absolute prohibition on North Slope exports. Further, on the basis of our discussions with officials of the Reagan Administration, we believe that it is highly unlikely that the Administration would or could approve North Slope exports given the current political and legal environment.

Renewing efforts that began in the 98th Congress, we have had extensive discussions with officials of the Reagan Administration, maritime leaders, and some members of Congress. On the basis of these discussions, we believe that the Reagan Administration is ideologically committed to the export of oil from the North Slope. However, Administration officials seem unwilling to engage in active lobbying and advocacy on Capitol Hill at this time. The reasons for this reluctance appear more political than substantive. While active monitoring of Congress by the Administration continues, there is a feeling that a battle on oil exports cannot be won in the current environment. As evidence of this conclusion, these officials and others point to a strong opposing coalition of maritime interests, consumer groups, and farmers; to apparent lack of interest or opposition by major components of the oil industry; and to strong and extensive Congressional opposition. With respect to the latter situation, the House of Representatives appears overwhelmingly opposed to North Slope exports, while the Senate is less ardent but still generally opposed.

In these circumstances, we believe that there is no quick and easy solution. The attitude of the White House is critical. Active White House advocacy seems necessary to galvanize the disparate efforts of executive agencies and to stimulate Congressional reconsideration of its current posture. Even with such strong advocacy, the objective of amending federal law will be difficult to achieve in the 99th Congress. Therefore, Alaskans should view the ultimate solution in a relatively long-term context and should be prepared to initiate a continuing, low profile level of activity.

In determining the components of such a program, I believe that the State's experience with the Alaska lands (d)2 issue and similar efforts should be carefully examined. On the basis of this experience, and an examination of the existing debate over oil exports, I think that the expenditure of large sums of money for lobbying and other purposes is unnecessary and could actually be counter-productive. Thus, a high profile, well financed effort creates a convenient target for persons who allege that the State is simply trying to overwhelm the opposition with its large financial resources.

In the alternative, it seems to me that any advocacy program initiated by the State should include the elements listed below. Some of these elements already exist. This office has been working with the Congressional delegation and others over the last two years to achieve a change in the longstanding federal approach to North Slope oil exports. Delegation cooperation will continue to be an important element of a successful effort.

The major components of a long term approach can be summarized as follows:

- o Lobbying - Lobbying is an essential but cannot be the sole component of a successful effort to amend existing law. To be of maximum effectiveness, this form of advocacy in Congress and the executive agencies must occur within a context partially created by other measures.

It is my understanding that some persons have advocated that future lobbying be accomplished through the hiring of additional personnel with a concomitant significant increase in cost. I recommend against such an approach. First, there is no evidence that existing resources are not sufficient to achieve the desired result. In addition to the capacity of this office, we currently have on retainer the prestigious and highly capable law firm of Van Ness, Feldman, Sutcliffe, Curtis, and Levenberg. This firm is well known for its expertise in advocacy on natural resource issues. Second, past experience shows that a highly visible program which is somewhat divorced from the State's usual advocacy efforts can actually be counter-productive.

- o Coalition Building - Last year, the State participated in a loose coalition of individuals and organizations interested in removing the ban on oil exports. This coalition should be rejuvenated and strengthened under State leadership. Such an effort would involve the identification and participation of a gamut of groups, ranging from certain oil companies to consumer organizations. Experience gained during the Alaska lands debate shows that an effective coalition, such as the environmentalist sponsored "Americans for Alaska," can be a very important adjunct to a lobbying effort.
- o Media - Experience in similar circumstances indicates that the expenditure of public monies for paid advertising is usually counter-productive. In the alternative, I would recommend a program which involves communication with editorial boards in targeted states around the country. This effort could be accomplished

at little cost by utilizing the services of knowledgeable Alaskans who are traveling to the "lower 48" for other reasons -- for example, to give speeches or to participate in conventions. Editorial board work ultimately assisted the Alaska Lands effort and was utilized to some advantage over the last two years on the oil export issue. Previous efforts resulted in favorable editorials appearing in The New York Times, The Boston Globe, and The New York Daily News, among other papers, shortly before final Senate action on the Export Administration Act.

- o Negotiation - There is evidence to suggest that the opponents of oil exports might be willing to consider modification of the current ban if certain quid pro quos are forthcoming. Last year, the State modified its initial export proposal by requiring the transshipment of crude oil on Jones Act tankers and by limiting the total volume to between 100,000 and 200,000 barrels per day. Unfortunately, these modifications were not sufficient to assuage the opponents of oil exports.

While the State is probably not prepared to make further concessions with respect to the items just mentioned, other quid pro quos may exist and should be explored. This effort would involve discussions with maritime leaders and others who have traditionally opposed oil exports to ascertain what items might be included in a total package. In the past, such discussions have focused on civilian manning of certain military transport vessels, enactment of cargo preference legislation, and guaranteed backhauls. Contacts made by this office and others indicate that further discussion could be fruitful. However, it must be recognized at the outset that the State, on its own, will not be in a position to provide some of the quid pro quos which may be desired.

The development of a solution which is politically palatable to some of the opposing groups appears essential. These groups can exert great influence in the Congress and Administration. It seems clear that the Administration would be more interested in actively advocating a modification of the current ban if some of the major maritime interests can concur in a total package. As indicated previously, active Administration support appears to be the linchpin of a successful effort. Further, many Congressmen who are concerned about maritime issues would also be more likely to support the State's proposal.

Page 7

Please let me know if you have any questions or comments regarding the suggestions made in this memorandum. In the interim, we will continue the advocacy efforts which were initiated at the beginning of this Congress.

Attachments

bcc: The Honorable Ted Stevens, U.S. Senate
The Honorable Frank Murkowski, U.S. Senate
The Honorable Don Young, U.S. House of Reps.
Jim Clark
Bill Timmons
Bill Van Ness

BILL SHEFFIELD
GOVERNOR



State of Alaska
OFFICE OF THE GOVERNOR
WASHINGTON, D.C.

February 25, 1985

MEMORANDUM

TO: THE HONORABLE BILL SHEFFIELD, Governor
THE HONORABLE LOREN LOUNSBURY, Commissioner, DCED
THE HONORABLE ESTHER WUNNICKE, Commissioner, DNR

FROM: *MW* MARK WITTECH, Associate Director

THROUGH: *guk* JOHN W. KATZ, Director of State/Federal Relations
and Special Counsel to the Governor

SUBJECT: FEDERAL RESTRICTIONS ON THE EXPORT OF COOK INLET
OIL

At Kay Brown's request, we have investigated existing federal restrictions on the export of Cook Inlet crude oil. Cook Inlet oil is subject only to the restrictions applicable to all domestic crude oil, not to the stiffer requirements that apply to North Slope oil. Because the federal laws concerning the export of oil transported through TAPS, over federal rights-of-way, or produced from the OCS or NPRA are different, this analysis should not be construed to apply to oil produced outside Cook Inlet. If any of the Cook Inlet oil is transported over federal rights-of-way, an additional level of statutory and regulatory restrictions would apply. This fact needs to be checked in Alaska.

The authority for the restrictions on crude oil exports is contained in the Energy Policy and Conservation Act of 1975 (42 USC 6212), which requires the President to promulgate rules governing the export of crude oil. Specifically, the President is required to publish rules prohibiting the export of crude oil, except for exemptions that the President determines to be consistent with the national interest and the purposes of the Energy Policy and Conservation Act (i.e., to conserve and increase domestic supplies of fossil fuels).

At this time, the restrictions contained in the petroleum export regulations (15 CFR 377.6(d)) impose strict barriers on all domestic oil exports including those from Cook Inlet. Specifically, the regulations require that crude oil may only be exported if the export will directly result in the equivalent or greater quantity and quality importation of crude oil or petroleum products, will have a beneficial effect on consumer prices, and cannot be reasonably processed in the United States.

A series of detailed filing requirements are contained in the following section of the regulations, at 15 CFR 377.6(e). These include various affidavits that the requirements set out in 377.6(d) have been met, an explanation of the intended end-use, and a statement setting out the reasons that the President "should be asked to make and publish an express finding that the proposed export will not diminish the total quantity or quality of petroleum available to the United States, and that such an export is in the national interest and is in accordance with the Export Administration Act of 1979."

The regulations governing oil exports could be waived by the Director of Export Administration for the International Trade Administration of the Department of Commerce. Such a waiver would be discretionary under the general guidelines of the Administrative Procedures Act. The requirements of the Energy Policy and Conservation Act must still be met, but these are very broad: to protect the national interest and enhance the production and conservation of domestic fossil fuels. The exercise of waiver authority must be supported by a reasonable evidentiary basis contained in the administrative record, and cannot be compelled because it is discretionary.

We have discussed the possibility of a waiver with officials at the Department of Commerce. They informed us that such an action would have to be discussed and approved by the appropriate Cabinet officials and the President, and will be based in part on their present review of the legal and political barriers to exporting both Cook Inlet and North Slope oil. The Reagan Administration is especially concerned with how Congress would react to a decision to allow the export of a small amount of Cook Inlet oil. The maritime industry is likely to strongly oppose any oil exports as a diversion from the existing domestic Jones Act trade and a "foot-in-the-door" on the more important issue of North Slope oil exports. Ultimately, the decision to permit the export of Cook Inlet oil will be made on a political basis, and will be considered within the context of the discussion of North Slope oil exports. If a waiver is granted, it will likely be for a one-year period, with renewal possible.

Page 3

A copy of the relevant statute and regulations is attached for your information. We have discussed our analysis with the Attorney General's Office. Please let us know if you have any questions.

Attachments

cc: Lennie Boston
Kay Brown
Jack Roderick
Robert Maynard
Steve Porter
Kevin Coyner
Greg Chapados
Dan Kish

NOTE: A copy of Kay Brown's memorandum on State procedures governing State royalty oil disposals is also attached for your information.

MEMORANDUM

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS

TO: Governor Bill Sheffield

State of Alaska

DATE: February 19, 1985

Thru: Esther C. Wunnicke, Commissioner

FILE NO:

TELEPHONE NO: 276-2653

FROM: Kay Brown, Director

SUBJECT: Proposed Export Sale of
Cook Inlet Royalty Oil

At your request, this memorandum briefly summarizes the major steps necessary to make a short-term, negotiated sale of Cook Inlet Royalty Oil for export to a foreign country. This memo addresses requirements of state law only; your Washington, D.C. office is researching the requirements of federal law.

1. Identify a buyer. This could be done through a public solicitation which invites proposals. Alternatively, interested parties could be identified through diplomatic channels or other means.
2. Negotiate a proposed contract; resolve price and security arrangements.
3. Draft required findings:
 - a. The sale will serve the best interests of the state (AS 38.05.035(e));
 - b. Competitive bidding is waived (AS 38.05.035(a) and (c));
 - c. The sale offers maximum benefits to state citizens (AS 38.05.183(e));
 - d. The oil is surplus to in-state needs (AS 38.05.183(d));
 - e. Other.
4. Publish notice of intent to make findings (AS 38.05.945); make preliminary findings and draft contract available to public; accept public comment for 30 days.
5. Make final findings. Wait 21 days (AS 38.05.035).
6. Sign the contract.
7. Nominate oil for in-kind taking from the producers.
8. Deliver oil to purchaser 6 months later.

Governor Bill Sheffield
Page 2
February 19, 1985

Timing

Steps 1-3 would take a minimum of 30 days.

Steps 4-7 would take a minimum of 60 days.

We could deliver oil to a purchaser by December 1, 1985, assuming the following:

- ° The requirements of federal law do not extend the timeline further;
- ° We start immediately on Steps 1-3;
- ° A public solicitation is not used to identify the buyer;
- ° The project is assigned priority status; and
- ° Everything goes smoothly.

The Cook Inlet oil is available for in-kind to begin October 1, 1985. By April 1, we must give notice to return the oil to in-value.

cc: Lennie Boston
Ben Harding
Mark Wittow
Steve Porter
Commissioner Lounsbury

1578K

Rep. Martin's misinformation served as the basis for a report that was printed and distributed by the National Conference of State Legislators. The result of this report was that a resolution requesting that the export ban be lifted was defeated by the NCSL a few weeks later.

Terry Martin's unimpressive performance in Washington, D.C. has been followed by his disinterest in the administration's efforts to export Cook Inlet crude oil to Japan, and by a hearing in the House Special Committee on Oil and Gas on his export ban resolution.

Unsurprisingly, this resolution contains language that is both inaccurate and inflammatory. Although this resolution was scheduled for a second committee hearing yesterday, Rep. Martin apparently did not feel that this issue was of great enough consequence for him to attend the meeting.

A corrected and more reasonable version of this resolution has therefore been drafted by the House Special Committee on Oil and Gas, and this resolution will be heard on May 6. The resolution will go directly from this committee to the House floor where, I have been assured, Rep. Martin will back the House Majority in supporting this measure.

Sincerely,

Rep. Mike Davis, Chairman
House Special Committee on Oil and Gas

Moen
4/25/85 ✓

Original sponsors: Martin and Marrou

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IN THE HOUSE

BY THE HOUSE SPECIAL COMMITTEE
ON OIL AND GAS

CS FOR HOUSE JOINT RESOLUTION NO. 15 (Oil and Gas)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - FIRST SESSION

Relating to the foreign export of
Alaskan crude oil.

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

WHEREAS Congress is now considering legislation that includes provisions concerning the foreign export of Alaskan crude oil; and

WHEREAS there are proposals before Congress to change existing federal law that effectively prohibit the foreign export of Alaskan crude oil; and

WHEREAS the export of Alaskan crude oil would improve the national security of the United States by strengthening the defensive capabilities of our Pacific Rim allies; and

WHEREAS the export of Alaskan crude oil would encourage increased domestic oil exploration and development; and

WHEREAS Japan, Korea, and Taiwan have each expressed interest in obtaining Alaskan crude oil to diversify their energy sources; and

WHEREAS the export of Alaskan crude oil would decrease the federal trade deficit with these nations; and

WHEREAS exporting Alaskan crude oil to these nations would mitigate panic buying in the spot markets, thus moderating the cost of petroleum products for all consumers; and

WHEREAS it is far more costly to ship oil from Alaska through the Panama Canal and to the Gulf Coast than to ship directly to the Pacific Rim; and

WHEREAS the additional cost of shipping Alaska's oil to the Gulf Coast and Eastern states imposes an unnecessary burden on the consumers of those states; and

1 WHEREAS under the International Energy Agreement, the United States is
2 required to export crude oil to participating nations in the event of a
3 worldwide disruption of oil supplies;

4 BE IT RESOLVED that the Alaska State Legislature respectfully requests
5 the United States Congress to enact laws providing for the export of all
6 Alaskan crude oil; and be it

7 FURTHER RESOLVED that the Alaska congressional delegation is urged to
8 continue using its best efforts to obtain passage of legislation permitting
9 the foreign export of Alaskan crude oil.

10 COPIES of this resolution shall be sent to the Honorable Ronald
11 Reagan, President of the United States; the Honorable George Bush, Vice-
12 President of the United States and President of the U.S. Senate; the Honor-
13 able Thomas P. O'Neill, Jr., Speaker of the U.S. House of Representatives;
14 the Honorable Robert Dole, Majority Leader of the U.S. Senate; and to the
15 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and
16 the Honorable Don Young, U.S. Representative, members of the Alaska delega-
17 tion in Congress; the National Conference of State Legislatures; and the
18 Council of State Governments.
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FEDERAL ELECTION COMMISSION

DATE 02/11/85

COMMITTEE INDEX OF CANDIDATES SUPPORTED/OPPOSED - (D) 1981-82

PAGE 14

COMMITTEE CANDIDATE SUPPORTED/OPPOSED OFFICE STATE DST PTY CONTRIBU- EXPENDITURES ON INDEP. EXPEND. ID#
TIONS TO BEHALF OF AGAINST

SEAFARERS POLITICAL ACTIVITY DONATION (SPAD)

CONNECTED ORGANIZATION: SEAFARERS INT'L UNION OF NORTH AMERICA

NON-PARTY QUALIFIED
MONTHLY FILER

C00004325

YOUNG, DONALD E
YOUNG, ROBERT A
ZABLOCKI, CLEMENT J
ZEFERETTI, LEO C

TOTAL

SUBTOTAL-CONTRIBUTIONS TO 1982 724
SUBTOTAL-CONTRIBUTIONS TO 1982 125
SUBTOTAL-CONTRIBUTIONS TO 1982 0

LAST ITEMIZED CONTRIBUTION TO 1982
AND ITEMIZED EXPENDITURE ON BEHALF OF 1982
AND ITEMIZED INDEP. EXPENDITURE 1982
LAST REPORTING PERIOD COVERED



0 0 H6AK00045
0 0 H6M002103
0 0 H6W104022
0 0 H6NY15050
0 0

03FEC/264/1800

FEDERAL ELECTION COMMISSION

DATE 02/11/85

COMMITTEE INDEX OF CANDIDATES SUPPORTED/OPPOSED - (D) 1983-84

PAGE 16

 COMMITTEE CANDIDATE SUPPORTED/OPPOSED OFFICE STATE DST PTY CONTRIBU- EXPENDITURES ON INDEP. EXPEND. ID#
 TIONS TO BEHALF OF AGAINST

SEAFARERS POLITICAL ACTIVITY DONATION (SPAD)

CONNECTED ORGANIZATION: SEAFARERS INT'L UNION OF NORTH AMERICA

NON-PARTY QUALIFIED
MONTHLY FILER

C00004325

WIRTH, TIMOTHY ENDICOTT
 WISE, ROBERT E JR
 WOLPE, HOWARD E
 WORTLEY, GEORGE C
 WRIGHT, JIM
 WYDEN, RONALD L
 YATES, SIDNEY R
 YATRON, GUS
 YOUNG, C W BILL CONGRESSMAN
 YOUNG, DONALD E
 YOUNG, ROBERT A
 YOUNG, WENDELL W III
 ZEFERETTI, LEO C

CA 03 DEM 1,000
 NV 03 DEM 2,000
 NJ 03 DEM 5,000
 NY 27 REP 3,500
 TN 12 DEM 10,000
 VA 03 DEM 3,500
 IL 03 DEM 500
 PA 06 DEM 1,500
 FL 08 REP 1,000
 AK 00 REP 6,000
 MD 03 DEM 2,000
 PA 04 DEM 0
 NY 14 DEM 509

TOTAL

1,274,222

SUBTOTAL-CONTRIBUTIONS TO DEMOCRATIC CANDIDATES 1,120,802
 SUBTOTAL-CONTRIBUTIONS TO REPUBLICAN CANDIDATES 153,420
 SUBTOTAL-CONTRIBUTIONS TO OTHER CANDIDATES 0

*LAST ITEMIZED CONTRIBUTION TO CANDIDATE ENTERED -
 *NO ITEMIZED EXPENDITURE ON BEHALF OF ENTERED
 *NO ITEMIZED INDEP. EXPENDITURE AGAINST ENTERED
 *LAST REPORTING PERIOD COVERED

PRE-GENERAL 1984

YEAR-END 1984

85FEC/360/4543



FEDERAL ELECTION COMMISSION

DATE 02/11/85

COMMITTEE INDEX OF CANDIDATES SUPPORTED/OPPOSED - (D) 1983-84

PAGE 1

COMMITTEE CANDIDATE SUPPORTED/OPPOSED OFFICE STATE DST PTY CONTRIBU- EXPENDITURES ON INDEP. EXPEND. ID#
TIONS TO BEHALF OF AGAINST

MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND
CONNECTED ORGANIZATION: MASTERS MATES & PILOTS; INT'L

NON-PARTY QUALIFIED
QUARTERLY FILER

C00073056

HOLLINGS, ERNEST F
BAUCUS, MAX
BIDEN, JOSEPH
BINGAMAN, JEFF
BRADLEY, BILL
COCHRAN, THAD
D'AMOURS, NORMAN E
DIXON, ALAN J
DOGGETT, LLOYD ALTON
EVANS, DANIEL JACKSON
EXON, J JAMES
GORE, ALBERT JR
GORTON, SLADE
GRAMM, WILLIAM PHILIP
HARKIN, THOMAS
HATFIELD, MARK ODOM
HEFLIN, HOWELL THOMAS
HUDDLESTON, WALTER DARLINGTON
HUNT, JAMES B JR
INOUE, DANIEL K
JOHNSTON, JOHN BENNETT
LAUTENBERG, FRANK R
LEVIN, CARL
LONG, RUSSELL B
LOWRY, MICHAEL E
MCGOVERN, GEORGE
MELCHER, JOHN
OBERSTAR, JAMES L
ROCKEFELLER, JAY
STEVENS, TED
TOWER, JOHN GOODWIN
TSONGAS, PAUL E.
WARNER, JOHN W
ACKERMAN, GARY L
ADDABEO, JOSEPH P
ALBOSTIA, DONALD JOSEPH
ALEXANDER, WILLIAM V JR
ANDERSON, GLENN M
APPLEGATE, E DOUGLAS

PRESIDENT
SENATE
NY DEM 5,000
DE DEM 6,000
NM DEM 3,500
NM DEM 1,000
NM DEM 3,000
NM DEM 1,000
NM DEM 1,000
NM DEM 1,000
NM DEM 2,000
NM REP 2,500
NM DEM 7,000
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NM DEM 5,500
NM DEM 2,500
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NM DEM 2,500
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NM REP 5,000
NM REP 2,000
NM DEM 2,500
NM REP 3,000
NY 07 DEM 1,500
NY 06 DEM 6,000
MI 10 DEM 500
AR 01 DEM 1,000
CA 32 DEM 1,000
OH 18 DEM 1,000

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0 0 S4WA00029
0 0 S8NL00026
0 0 S4TN00039
0 0 S0WA00019
0 0 S6TX00040
0 0 S4LA00020
0 0 S8OR00017
0 0 S8AL00050
0 0 S8KY00019
0 0 S4NC00022
0 0 S4HI00011
0 0 S4LA00016
0 0 S2NJ00080
0 0 S8MI00158
0 0 S6LA00029
0 0 S4WA00037
0 0 S0SI00021
0 0 S6MT00071
0 0 S4MN00015
0 0 S4WV00027
0 0 S2AK00010
0 0 S2TX00023
0 0 S8MA00086
0 0 S8VA00107
0 0 H4NY07011
0 0 H6NY07024
0 0 H6MI10045
0 0 H6AK01023
0 0 H6CA32025
0 0 H6OH18066

House leaders sending wrong message to D.C.

4/85

To the editor:

Even though we in the House of Representatives are divided into two groups, the majority and the minority caucuses, and even though we're divided into three political parties, Republican, Democrat and Libertarian, there are certain items and issues where we unite as one, for the good of the state. There is one issue in particular that I thought we had all agreed to fight: the ban on exports of Alaska North Slope crude oil.

Some members of the House have criticized the governor for not doing enough on the issue. Others have criticized our congressional delegation for not doing enough. But what has the Democrat-led House of Representatives done? Nothing.

I once believed that we in the House were united against the ban, but now I'm not so sure. Earlier this session I introduced a resolution putting this Legislature on record as being in favor of lifting the ban. I thought it was a good idea and members of the majority caucus told me that it was. I had hoped that for this one issue, politics and special interests would take a back seat for the good of the state and the nation. Unfortunately, what I believed and hoped has not materialized.

The chairman of the House Oil and Gas Committee, Rep. Mike Davis, a Democrat from Fairbanks, has held one hearing on the bill. I repeat *one* hearing. When I testified at that hearing, I told the committee that if they wanted to change the bill, that was fine; if they wanted to amend the bill, that was fine; if they wanted to put the committee's name on the bill, that was fine; I just want to get this body on record for having done something.

Recently, I met with a member of Congressman Don Young's staff. He also met

with members of the majority caucus. You might know that Rep. Young has taken an active role in the fight to lift the ban. I must admit that I was embarrassed for the Democratic-led majority when he told me that our congressional delegation might be put to task for pushing repeal of the ban when the Legislature hasn't even passed a simple resolution in favor of lifting the ban.

Early last week, the House passed a resolution requesting our congressional delegation to support legislation on the federal level. Legislation, I might add, that is totally unrelated to Alaska. Yet we refuse to support them in their efforts to allow the export of our natural resources and, more importantly, reassert the sovereignty of our state.

Having been a committee chairman myself, I believe the Oil and Gas Committee has had plenty of time to complete any work on this bill. The chairman knows enough about the issue to pass it on. I might add that when the opportunity arose for him to travel back east to Washington, D.C., to attend a meeting on the ban, he went.

Count me in the group in favor of lifting the ban. I believe this is a clear cut issue.

The Democrats who lead the majority caucus are either in favor of lifting the ban or they aren't.

The time for action on this bill is long past. As the group leading the House of Representatives I see the responsibility as the Democrats', and theirs alone, to guide this bill through the Legislature so the people of Alaska and the other 49 states know where we stand on this issue. Since it is well within the power of the Democrat-controlled majority to do so, anything less than passage of HJR 15 is tantamount to their proceeding hand-in-hand with the forces that seek to restrict the sovereignty of our great state.

If your readers are in favor of lifting the ban on the export of Alaska oil, I ask them to please send Public Opinion Messages to their elected leaders by calling the local Legislative Information Office.

Rep. Terry Martin
R, Anchorage

Peninsula Chair

Sheffield sees no help ending oil ban

By DAVID RAMSEUR
News-Miner Bureau

WASHINGTON—Alaska appears unlikely to get much help from the Reagan White House this year in its efforts to permit the sale of Alaska oil abroad, Gov. Bill Sheffield said Monday following a brief Sunday night conversation with the president.

"He smiled and shrugged his shoulders a little bit," Sheffield said of Reagan, but promised no assistance in lifting the federal ban on Alaska oil exports.

According to the governor, the president reminded him that he asked Congress to remove the ban last year but the effort was opposed by the U.S. maritime industry.

Despite Sheffield's plea for help this year, he said the president offered no assistance.

"I got no indication that they would" push to change the law this year, Sheffield said.

The governor said he spoke

with Reagan about Alaska oil exports Sunday night during the after-dinner coffee and drinks portion of a White House banquet for the nation's governors.

Sheffield and other state chief executives are here for a three-day conference of the National Governors' Association, which wraps up today.

Sheffield is scheduled to remain in Washington until Thursday for meetings with top federal officials.

Among those was a late Monday session with Interior Secretary Donald Hodel and six other governors on certain federal offshore oil revenues.

Alaska stands to collect up to \$1 billion of the funds but a Sheffield aide this morning reported little progress at the meeting.

At a Monday briefing for reporters, the governor expressed frustration over the oil export issue. Last year, he said, it seemed half the Reagan cabinet

supported lifting the ban on Alaska oil sales abroad but did little to push the issue.

"It was frustrating as hell— at best," the governor said.

And he said this year appears to be little different.

He reported telling the president the election is over and in his second term Reagan could take on the politically unpopular issue. But he said he got little response.

Sheffield said permitting the sale of Alaska oil to countries such as Japan could help offset the trade imbalance and lead to the export of other Alaska goods such as coal, minerals and natural gas.

On other issues, Sheffield said:

- Alaska will file suit against the federal government unless a settlement is reached over disposition of the so-called "8g" outer continental shelf oil revenues.

The governors of seven coastal

states including Sheffield met Monday with Hodel on the issue. But a Sheffield aide said they agreed only to meet again and present Hodel a new proposal by March 31.

- He plans to meet individually with Hodel to push for a 10-year delay on the proposed North Aleutian federal offshore oil sale. Former Interior Secretary William Clark postponed the sale until August of this year but Sheffield wants a longer delay to study its impact on Bristol Bay fisheries.

- He and other governors are upset with Reagan budget cuts which will curtail programs in their states.

"We're out there on the firing line and we have to go home and increase taxes or cut budgets or take up the slack where the federal government drops off," Sheffield said. "It's hard to do that if you don't have any input into what they cut."

Stevens says Big Oil would fight to keep ban

JUNEAU (AP)—A much-ballyhooed campaign to lift the ban prohibiting export of Alaska oil will likely face opposition from the oil industry, U.S. Sen. Ted Stevens said Monday.

Stevens—in a meeting with reporters after a joint speech to the Alaska Legislature—said low oil prices and a glutted world market should work to discourage any effort to lift the federal prohibition.

"I think we may find real opposition from producers to lifting the ban," he said.

U.S. Sen. Frank Murkowski, R-Alaska, and Republican Congressman Don Young both told state lawmakers recently they thought a push to get the ban lifted could gain steam over the next couple of years.

Stevens—who said Reagan Administration officials support lifting the ban—acknowledged the idea might gain some momentum in Congress this session, especially through committee work slated by Murkowski and Young.

"But even if we could get the ban lifted, it might not mean the export of any oil," Stevens said.

An overabundance of oil and steadily dropping prices means it

wouldn't be profitable for oil companies to ship oil to Pacific Rim countries or other world markets right now, Stevens said.

The federal ban was im-

plemented in 1973 when U.S. fuel prices skyrocketed during an export embargo imposed by oil-producing countries of the Middle East.

U.S. House votes to ban oil exports

By BETTY MILLS

ADN # 4/17/85

Daily News correspondent

WASHINGTON — The House Tuesday adopted legislation which extends for five years the virtual ban on exporting Alaska oil.

The provision is included in a reauthorization of the Export Administration Act which cleared the House by voice vote after a 45-minute debate. The Alaska oil issue was only mentioned once.

Under the bill, oil produced on the North Slope can be sold abroad only if the president determines it is in the national interest and would result in lower costs to consumers. Congress must approve any such transaction.

These restrictions will remain in place until September 30, 1990.

The bill now goes to the Senate, where approval is expected shortly.

The legislation also includes an amendment sponsored last year by Alaska Sen. Frank Murkowski which orders a nine-month White House study on Alaska oil policy. The review will focus on the impact of Alaska oil exports on national security, foreign policy, employment in the maritime industry, consumers, the trade deficit and overall energy development.

The president is to develop recommendations concerning the producing and distribution of North Slope oil and submit a report to Congress within nine months of enactment of the bill.

The Alaska delegation and Gov. Bill Sheffield have pressed for a removal of the tight restrictions on exporting Alaska oil — which costs the state hundreds of millions of dollars in lost revenues.

But maritime interests and members of the House from the Northeast and Midwest have combined to retain the virtual ban on exports.

Of the 1.2 million barrels produced each day at Prudhoe Bay, about half is shipped through the Panama Canal to the Gulf and East Coasts, at additional transportation costs.

In 1973, when Congress approved the Trans Alaska

Pipeline System, it required that the oil flowing through the 800-mile pipeline be used in the United States. Congress has voted repeatedly to retain the restrictions on Alaska oil exports.

But supporters of the nine-month study provision hope a comprehensive analysis of the issue by the administration will cause Congress to remove the restrictions.

In a statement inserted in

the Congressional Record, Rep. Don Young, R-Alaska, said the ban on exports "results in inefficiencies in transportation to East Coast refineries and increased chances of environmental damage from tanker traffic, the leading source of oil spills in the world. Additionally, the state of Alaska and the federal government have lost hundreds of millions of dollars in revenue."

Oil export ban repeal 'up in air'

Empire 2/2/85

By JOHN CARTER
Empire Washington Bureau
WASHINGTON — Chances of getting congressional approval for the export of Alaska oil are slim this year, Capitol Hill observers said today.

"It's all kind of up in the air," an aide for Sen. Frank Murkowski said.

These remarks were echoed in statements by Rep. Don Young to the finance committees of the Alaska State House and Senate on Monday. Young told the committees it would be two years at the earliest before the ban could be removed.

Murkowski spearheaded a drive last

Continued on Page 12

Oil export

Continued from Page 1
year to have the export ban lifted as part of the Export Administration Act reauthorization. He failed in amending the bill to lift the ban, and it was never approved by Congress anyway, so the entire battle will come up again this session.

Murkowski was successful in getting the Senate to agree to a nine-month study of the impact of exporting Alaska oil. This study was included in the export bill and will not begin until the bill is approved by Congress.

"It's up in the air because of the South Africa issue which is included in the export bill," the aide said.

Some members of Congress are hoping to use the Export Administration Act as a vehicle to punish South Africa for its apartheid policies. There are

efforts to separate South Africa provisions from the export bill, "but no one's really pushing to get the bill moving," the aide said.

Even if the export bill comes up for consideration again, getting Congress to agree to lift the export ban will be difficult.

"Attitudes have to change about exporting oil," the aide said.

The export act failed to pass the conference committee after differing versions were passed by both the House and Senate last year. The Senate version included Murkowski's study, but that issue was not the roadblock stopping the conference committee from reaching a compromise, Murkowski said.

"The bill contained trade restrictions on South Africa which the House objected to. The conferees held on this issue," Murkowski said.

If the bill passes this session, Mur-

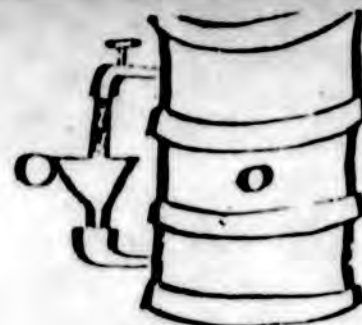
kowski's study will examine the ramifications of oil export.

"It would examine the impact on our allies in the Pacific, the impact on employment and on the maritime industry," Alaska's junior senator said.

"The report would look at the benefits to refiners and consumers. I think it will show that there could be significant reduction to the trade deficit if we sell our oil overseas," he said.

Current law prohibits the sale of North Slope oil to anyone except American refiners. The oil is shipped on American vessels and maritime industry officials fear lifting the ban would hurt their business.

A report prepared for Gov. Bill Sheffield by his Washington office last month noted "a major effort to modify the North Slope oil export restriction foundered in the face of maritime industry opposition."



By Zarko Karabatic

Bill Sheffield

Free Alaska's Oil

American energy consumers have a large stake in the existing federal restrictions on the export of Alaska crude oil. Because Congress must soon act on an extension of the ban, its rationale and costs deserve scrutiny. I share the considered opinion of most economists and of the federal Department of Energy that the United States would produce more oil at lower prices if the export restrictions were lifted.

The origins of the oil export ban lie in the December 1973 authorization for construction of the Trans-Alaska Pipeline System, a project that currently carries some 20 percent of U.S. oil production. Energy security concerns became paramount in the wake of the October 1973 OPEC embargo, and Congress chose to restrict the destination of oil shipped through the pipeline. At that time, when U.S. ability to obtain any imported oil was in question, the restrictions made political sense.

The energy supply picture for the United States has changed during the last 10 years, however. About half of Alaska's oil production of 1.6 million barrels a day is in excess of West Coast needs. As a result, this oil must move to the larger market of the Gulf of Mexico and the East Coast. Unfortunately, this journey is an expensive one, costing four times as much as the tanker run to California. This additional transportation cost means reduced federal tax revenues and reduced incentives for expanding Alaska oil production. Higher trade deficits and diminished national security also result from the ban on our allies.

America's Pacific Rim allies, in close proximity to Alaska, would very much like to purchase this surplus oil to diversify their sources away from the Middle East, but are prohibited from doing so by federal law. The ban is particularly unfair because no other U.S. oil production is barred from export, and the United States currently ships overseas in excess of 700,000 barrels a day of domestically produced refined petroleum products.

Along with Alaska's congressional delegation, I have proposed that Congress relax the existing export ban on Alaska oil to allow 200,000 barrels a day to be shipped to Japan on U.S.-flag tankers. Most knowledgeable observers agree that the federal government and energy consumers in the United States would experience significant benefits from the adoption of this proposal:

- The federal Treasury would realize almost \$200 million per year in increased tax revenues as a result of the higher value of oil shipped to the Pacific Rim.
- The oil industry would have a greater incentive to develop currently marginal fields on Alaska's high-cost North Slope and to explore for additional oil and gas in northern Alaska.
- The pricing power of OPEC would be moderated by the entry of Alaskan oil into Asian markets.
- U.S. national security interests would be protected by diversifying the energy supply of key U.S. allies who currently must seek energy from OPEC and Russia.
- The existing trade deficit with Japan would be reduced while the United States

would gain a bargaining tool to use on other trade issues.

• Opportunities for financially troubled countries, such as Venezuela and Mexico, to sell oil to the United States would be expanded by providing possibilities for cost-efficient oil exchanges.

In light of these convincing arguments, why does the export ban remain in effect? The Alaska oil trade currently supports a substantial portion of the U.S. merchant marine fleet. Any action that reduces the amount of time Alaska oil must spend in U.S. tankers is therefore fiercely opposed by the owners and workers supported by these ships. To accommodate their concerns, the proposal I am making would sharply limit exports, and would require the use of U.S.-flag tankers manned by American seamen and maintained in American shipyards.

Those of us who live in Alaska strongly believe in the importance of a healthy merchant marine, given our heavy reliance on waterborne commerce. Nevertheless, the Alaska oil export ban is an expensive and ineffective means of achieving it. In a recent draft report, the U.S. Department of Energy said most of the problems likely to confront the U.S. tanker fleet in the future will occur whether or not export restrictions are eased. To forgo substantial federal tax revenues, national trade benefits, improved national security and increased oil production primarily to protect narrow merchant marine interests is not sound public policy.

The writer is governor of Alaska.

TO:
FROM:
DATE:

JACK GARN, UTAH, CHAIRMAN

JOHN TOWNE, TEXAS
JOHN H. P. PENN. SYLVANIA
WILLIAM L. ARMS, COLORADO
ALFONSE M. LAMATO, NEW YORK
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208 667 7074
172
United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, D.C. 20510

February 7, 1984

The Honorable Frank Murkowski
United States Senate
Washington, DC 20510

Dear Frank:

It was good of you and Ted to discuss with me your proposed amendment to Section 7(d) of the Export Administration Act (EAA), that would authorize the export of 200,000 barrels a day of oil produced in Alaska. You made some rather cogent arguments in support of the amendment, but I find myself unable to support it for several reasons.

As you know, the renewal of the Export Administration Act has been a very controversial item and S. 979, the bill unanimously reported by the Banking Committee, is the result of compromises that forged a consensus view. The bill constitutes an integrated package of amendments to the EAA and includes a six-year extension on the prohibition of Alaskan oil. I am concerned that adding a 200,000 barrel a day exemption would complicate the consensus on our package. I believe my concern is real in light of the fact that 10 members of our Committee are among the 45 cosponsors of S. 1159, a bill to make the current ban on Alaskan oil exports permanent.

With these factors in mind, I do not believe that your amendment could be included in our bill without a roll call vote. Even if the amendment were passed in the Senate, which is unlikely, it is not an item that we could win in conference. I say this because a majority of the House members has already cosponsored a companion bill to S. 1159 that extends controls on the export of Alaskan oil for six more years.

I also have very serious doubts about the substance of your amendment. Selling 200,000 barrels a day of Alaskan oil to the Japanese would reduce our bilateral trade deficit with Japan by \$2 billion, and thus assist in disguising the true nature of our trade problem with the Japanese. As the AFL-CIO has persuasively argued before our Committee, authorizing oil exports to Japan would enable the Japanese to continue to take our raw materials while sending us their higher value-added manufactured goods. What we need to straighten out our trade problem with the Japanese is (a) for them to open up their markets to our manufactured exports, and (b) for us to reduce our budget deficit to

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TO: The Honorable Frank Murkowski
February 7, 1984
Page 2 of 2

bring down interest rates and the bloated value of our dollar which is destroying our ability to compete internationally.

I appreciate very much the points you made to me on this issue, and regret that because of the above considerations I cannot support your amendment.

Sincerely,

William Proxmire
Ranking Minority Member

JIM CLARK
FEB 24 1984
HOBBS, MONAGLE,
EAST, OIL & BRADLEY
NEW ALASKA

Let Alaska's Oil Flow Naturally

By law — indeed, five laws — the United States prohibits exports of Alaskan oil. The nominal reason is national security. The controlling reason is protectionist politics. The ban should be repealed.

Alaska's Senators, Frank Murkowski and Ted Stevens, want to amend the Export Administration Act to authorize at least some sales abroad. To win votes, they've conceded too much to protectionism. Nonetheless, because the House has already voted to extend this senseless embargo, their amendment offers the only hope for reducing its harm.

Alaska currently pumps out 1.6 million barrels a day. The idea behind the ban was that it's more efficient — and serves the national interest — to direct that oil to West Coast refineries, a short run down the coast. In fact, those refineries have been able to use only half of it. The rest goes through the Panama Canal and a Panama pipeline to refineries on the Gulf of Mexico, or all the way around South America to the Virgin Islands. What a waste, and discouragement, to Alaska's oil development.

The cost of the long-distance transportation runs as high as \$5.25 a barrel. Shipment to the logical buyers in the Pacific basin — Japan, South Korea and Taiwan — would cost \$1 or less.

The benefit would be twofold. Gulf and Caribbean refineries could get their crude oil at lesser cost from Mexico, Venezuela and Nigeria. And Alaskan oil across the Pacific would become more

competitive, and thus stimulate more exploration.

What about national security? It is said that the Arab oil embargo and resulting escalation of oil prices proved the value of holding on to every drop of American oil. So why let others buy it?

The question turns the issue upside down. Exporting Alaska's oil would enhance national security, not hurt it. The countries that would buy this oil are important allies whose access to oil is vital to American security interests. They have no oil of their own. An assured supply is especially necessary for Japan. By reducing Japanese dependence on the Middle East and also stimulating more production in Alaska, two important interests would be served.

The Murkowski-Stevens amendment would permit exports of 200,000 barrels a day and let the President stop all exports if ever the oil is needed in the United States. That's a reasonable concession to get the amendment approved but of no realistic consequence. If cut off by the Persian Gulf, Japan is not likely to be cut off also by America.

What is objectionable is the Murkowski-Stevens requirement that all exports be shipped in American vessels and that the vessels be maintained and repaired in American shipyards. These concessions, to win over the maritime unions, would increase the cost of shifting transportation patterns and reduce their value. But the ban offends economics in larger ways and violates security. Even at that price, it's worth relaxing.

NY Times 2/23/84

UNCLASSIFIED
Department of State

INCOMING
TELEGRAM

PAGE 01 SEUL 01396 000736Z

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ACTION M-03

INFO OCT-08 COPY-01 ADS-08 EA-20 /004 V
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R 000721Z FEB 84
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TO SECSTATE WASHDC 2153

UNCLAS SEUL 01396

COMMITMENT TO THIS COUNTRY. THE VULNERABILITY
OF THE KOREAN ECONOMY AND ITS DEFENSE CAPABILITIES
TO ANOTHER MIDDLE EASTERN CRISIS WOULD BE REDUCED
ACCORDINGLY. I WISH YOU EVERY SUCCESS.

BEST REGARDS,

RICHARD L. WALKER
AMBASSADOR
WALKER

N PASS

STATE FOR CAP/K CLAMBERTSON

E.O. 12356: N/A
TAGS: ENRG, EPET, ETRD, OREP, NS
SUBJECT: AMBASSADOR'S REPLY TO LETTER FROM SENATOR
FRANK H. MURROWSKI

DEAR FRANK:

THANK YOU VERY MUCH FOR YOUR LETTER OF JANUARY 27.
YOUR VISIT WAS FAR TOO BRIEF. WE LOOK FORWARD TO
YOUR RETURN IN APRIL.

I HEARTILY AGREE WITH THE SENTIMENTS EXPRESSED
IN YOUR LETTER. WE UNDERSTAND THAT KOREA IS
THE DEVELOPING COUNTRY MOST DEPENDENT ON
IMPORTED OIL FROM THE MIDDLE EAST TO MEET ITS
ENERGY REQUIREMENTS. DURING 1983 THESE IMPORTS
AMOUNTED TO MORE THAN 139 MILLION BARRELS, OR
74 PERCENT OF KOREA'S TOTAL CRUDE OIL IMPORTS
OF 186 MILLION BARRELS.

FOR A LONG TIME KOREA HAS BEEN TRYING TO
DIVERSIFY ITS SOURCES OF IMPORTED CRUDE OIL
IN ORDER TO REDUCE DEPENDENCE ON THE MIDDLE EAST.
THE OIL SHOCKS OF THE 1970'S WERE EXTREMELY
DIFFICULT FOR EVEN THIS VERY PROSPEROUS ECONOMY
TO DIGEST. THE KOREANS HAVE BEEN TRYING, WITH
LIMITED SUCCESS, TO INCREASE OIL IMPORTS FROM
LATIN AMERICA AND INDONESIA. THEY HAVE BEEN
CONSIDERABLY MORE SUCCESSFUL IN REDUCING THEIR
DEPENDENCE ON IMPORTED CRUDE OIL BY BOOSTING
THEIR NUCLEAR PLANT CONSTRUCTION PROGRAM AND
SWITCHING FROM DIESEL TO COAL POWERED PLANTS
FOR GENERATING ELECTRICITY. NEEDLESS TO SAY,
HOWEVER, THESE PROJECTS ARE EXPENSIVE AND TAKE
TIME.

DESPITE THESE BOLD EFFORTS, KOREA, FOR A LONG
TIME TO COME, WILL NEED TO IMPORT LARGE
AMOUNTS OF OIL. THE KOREANS WOULD LIKE VERY
MUCH TO BUY EVEN A SMALL AMOUNT OF THEIR
REQUIREMENTS FROM ALASKA IN ORDER TO REDUCE
FURTHER THEIR DEPENDENCE ON THE MIDDLE EAST.
I AGREE THAT EVEN LIMITED KOREAN IMPORTS OF
ALASKAN OIL WOULD CONTRIBUTE IMPORTANTLY TO
REDUCING OUR TRADE DEFICIT WITH THIS COUNTRY
WHICH EXCEEDED DOLLS 1.2 BILLION IN 1983, A
RECORD HIGH. YOUR APPROACH TO THE ISSUE, TO
OBTAIN A LIMITED EXEMPTION TO THE CURRENT BAN
ON ALASKAN OIL EXPORTS, AND AUTHORIZATION
FOR UNLIMITED EXPORTS AS NEW PRODUCTION COMES
ON LINE, SEEMS TO ME TO BE QUITE SENSIBLE.

SELLING ALASKAN OIL TO KOREA OBVIOUSLY WOULD
ENHANCE THE SECURITY OF AN IMPORTANT ASIAN
ALLY AND WOULD BE CONSISTENT WITH OUR MILITARY

UNCLASSIFIED

BILL SHEFFIELD
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 1, 1985

Mr. David A. Stockman
Director
Office of Management and Budget
Old Executive Office Building
Room 252
Washington, D.C. 20503

Dear Mr. Stockman:

I am writing to ask for your assistance in amending existing federal restrictions on the export of Alaska North Slope crude oil. Recent estimates by the Federal Trade Commission of the additional Windfall Profits Tax revenues accruing to the federal government as a result of lifting the ban range from 200 million to one billion dollars per year. I believe that any measure offering revenues of such magnitude deserves serious scrutiny by the President and Congress.

The enhancement in federal tax revenues from the export of Alaska oil results from reduced transportation costs. Half of North Slope production -- 800,000 barrels a day -- must undergo an expensive and inefficient journey to the U.S. Gulf and East Coasts, due to the surplus of supply on the West Coast. Reducing the transportation costs increases the wellhead value of the oil, on which taxes are based. This increase in value would also provide the oil industry with a greater incentive to develop currently marginal fields on the high-cost North Slope and to explore for additional oil and gas in northern Alaska.

Eliminating or easing Alaska oil export restrictions would also have other important national and international benefits. The existing trade deficit with Japan would be reduced while the United States would gain a bargaining tool to use on other trade issues. Opportunities for financially troubled countries, such as Venezuela and Mexico, to sell oil to the United States would be expanded by displacing Alaska oil from the Gulf and East Coasts. Finally, national security interests would be enhanced by diversifying the energy supply of key United States allies away from OPEC.

Mr. David A. Stockman

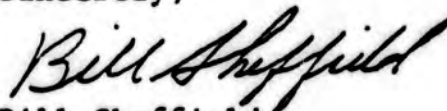
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February 1, 1985

For the reasons stated above, groups as diverse as The Heritage Foundation, The Boston Globe, and The New York Times have endorsed the easing of restrictions on Alaska oil exports. However, the Administration has not conveyed a position on the issue to Congress. Your leadership in this matter is essential to ensuring that it receives proper consideration. In this regard, we have been advised by several members of Congress that the views of the Administration would be very important in their reexamination of the Export Administration Act provisions relating to Alaska oil.

I would like to meet with you to further discuss these issues in late February when I am in D.C. In the interim, please let me know if you have any questions. Thank you for your consideration of our views.

Sincerely,



Bill Sheffield
Governor

cc: The Honorable Ted Stevens, U.S. Senate
The Honorable Frank Murkowski, U.S. Senate
The Honorable Don Young, U.S. House of Representatives
Lee Verstandig, Assistant to the President

ATTACHMENT B

Spending Records of the Seafarers Political Activity Donation and
the Masters, Mates and Pilots Political Contribution Fund:
1977-78 and 1979-80

Source: The PAC Directory. 1982 Edition. PAC Researchers:
Burke, Virginia.

NON-PARTY (Continued)

SCHLITZ GOOD GOVERNMENT COMMITTEE (continued)

Office	Party	State	District	Contributions		
				77-78	79-80	
Sensenbrenner, F.	H	REP	WI	9	\$500	\$1,500

SCM PAC New York NY C00128025

SUMMARY INFORMATION:				1977-78	1979-80	1977-78				1979-80	77-78				79-80	
Gross Receipts:				—	\$5,186	Gross Disbursements:				—	\$5,000	% of Total Contributions & Independent				
Total Contributions:				—	\$5,000	Total Independent Expenditures:				—	0	Expenditures to Gross Disbursements:				— 100.0%
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount				
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80			
Democrats	—	—	—	—	—	Republicans	—	7	—	\$5,000	Other	—	—			
President	—	—	—	—	—	Senate	—	2	—	\$2,000	House	—	5			
Incumbents	—	1	—	\$500	—	Challengers	—	4	—	\$3,000	Open Seat	—	2			
Winners - Gen. Elec.	—	4	—	\$3,500	—	All Losers/Others	—	3	—	\$1,500						
RANGE OF	\$1-499	—	—	—	—	\$1000-4999	—	3	—	\$3,000						
	\$500-999	—	4	—	\$2,000	\$5000 & UP	—	—	—	—						

SCOTT PAPER COMPANY PAC (SCOTTPAC)

Philadelphia PA C00097220

SUMMARY INFORMATION:				1977-78	1979-80	1977-78				1979-80	77-78				79-80	
Gross Receipts:				\$5,300	\$24,363	Gross Disbursements:				\$4,300	\$20,750	% of Total Contributions & Independent				
Total Contributions:				\$2,800	\$21,000	Total Independent Expenditures:				0	0	Expenditures to Gross Disbursements:				65.1% 100.0%
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount				
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80			
Democrats	1	9	\$500	\$2,700	Republicans	7	42	\$2,300	\$18,300	Other	—	—	—			
President	—	—	—	—	Senate	3	14	\$1,500	\$9,450	House	5	37	\$1,300			
Incumbents	1	29	\$500	\$9,100	Challengers	5	17	\$1,700	\$9,400	Open Seat	2	5	\$600			
Winners - Gen. Elec.	5	41	\$1,500	\$17,300	All Losers/Others	3	10	\$1,300	\$3,700							
RANGE OF	\$1-499	5	32	\$1,300	\$7,750	\$1000-4999	—	4	—	\$4,800						
	\$500-999	3	15	\$1,500	\$8,450	\$5000 & UP	—	—	—	—						

Office	Party	State	District	Contributions	
				77-78	79-80
Symms, Steve	S	REP	ID		\$1,800

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD-

Brooklyn NY C00004325

SUMMARY INFORMATION:				1977-78	1979-80	1977-78				1979-80	77-78				79-80	
Gross Receipts:				\$577,570	\$1,030,216	Gross Disbursements:				\$579,209	\$884,255	% of Total Contributions & Independent				
Total Contributions:				\$396,052	\$685,248	Total Independent Expenditures:				\$4,000	0	Expenditures to Gross Disbursements:				69.0% 77.4%
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount				
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80			
Democrats	246	292	\$374,502	\$619,898	Republicans	20	49	\$21,550	\$64,850	Other	—	1	—			
President	—	2	—	\$15,000	Senate	28	59	\$139,352	\$243,480	House	238	281	\$256,700			
Incumbents	190	255	\$249,000	\$520,928	Challengers	37	54	\$73,950	\$93,730	Open Seat	39	33	\$73,102			
Winners - Gen. Elec.	186	232	\$237,400	\$390,728	All Losers/Others	80	110	\$158,652	\$294,520							

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

OF CONTRIBUTIONS Number of Candidates Amount
TO ALL CANDIDATES: 77-78 79-80 77-78 79-80

RANGE OF \$1-499 8 9 \$1,850 \$1,650 \$1000-4999 114 203 \$186,952 \$318,884
\$500-999 121 83 \$61,750 \$40,280 \$5000 & UP 23 47 \$145,500 \$324,434

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		
					77-78	79-80					77-78	79-80					77-78	79-80	
Carter, Jimmy	P	DEM			\$10,000		Melcher, John	S	DEM	MT		\$5,000	Corcoran, Brian John	H	DEM	WA	2	\$2,500	
Kennedy, Edward M.	P	DEM			\$5,000		Metzenbaum, Howard	S	DEM	OH	\$5,000		Corcoran, Dan	H	DEM	CA	37	\$1,500	
Anderson, Wendell R.	S	DEM	MN		\$10,000		Miller, Andrew P.*	S	DEM	VA	\$6,000	\$-720	Corman, James C.	H	DEM	CA	21	\$500	\$3,000
Barnett, Don	S	DEM	SD		\$7,000		Miller, Zell	S	DEM	GA		\$7,500	Daschle, Thomas	H	DEM	SD	1	\$4,500	\$3,000
Baucus, Max S.	S	DEM	MT		\$5,000	\$1,500	Moynihan, Daniel	S	DEM	NY		\$5,000	Dellums, Ronald V	H	DEM	CA	8		\$2,150
Bayh, Birch E., Jr.	S	DEM	IN		\$1,500	\$10,000	Nelson, Gaylord A.	S	DEM	WI		\$9,500	Denton, Lane	H	DEM	TX	11	\$3,000	
Biden, Joseph R., Jr.	S	DEM	DE		\$4,000	\$1,000	Packwood, Bob	S	REP	OR		\$6,000	Dicks, Norman D.	H	DEM	WA	6	\$2,000	\$2,750
Bradley, Bill	S	DEM	NJ		\$5,000	\$3,000	Pell, Claiborne	S	DEM	RI	\$2,000		Dingell, John D.	H	DEM	MI	16	\$1,500	\$1,000
Christie, Joe	S	DEM	TX		\$5,000		Pettigrew, Richard A.	S	DEM	FL		\$5,000	Dixon, Julian C.	H	DEM	CA	28	\$500	\$1,500
Church, Frank	S	DEM	ID		\$10,000		Randolph, Jennings	S	DEM	WV	\$7,000		Donnelly, Brian J	H	DEM	MA	11	\$500	\$3,500
Cranston, Alan	S	DEM	CA		\$6,500		Ravenel, Charles D.	S	DEM	SC	\$7,000	\$1,000	Dorgan, Byron L.	H	DEM	MT	At Large		\$2,000
Culver, John C.	S	DEM	IA		\$4,000		Roy, William R.	S	DEM	KS	\$3,000		Dyson, Royden P.	H	DEM	MD	1		\$2,000
D'Amato, Alfonse M.	S	REP	NY		\$1,500		Sarbanes, Paul S.	S	DEM	MID	\$3,000		Eckhardt, Robert	H	DEM	TX	8	\$1,500	\$3,000
Dixon, Alan J.	S	DEM	IL		\$3,000		Sasser, James Ralph	S	DEM	TN	\$2,500		Eilberg, Joshua	H	DEM	PA	4	\$3,000	
Dodd, Christopher J.	S	DEM	CT		\$10,000		Schulz, William R.	S	DEM	AZ		\$5,000	Fazio, Vic	H	DEM	CA	4	\$1,000	\$1,500
Durkin, John Anthony	S	DEM	NH		\$10,000		Stevens, Ted	S	REP	AK	\$7,500		Ferraro, Geraldine A	H	DEM	NY	9	\$1,500	\$5,934
Eagleton, Thomas F.	S	DEM	MO		\$7,500		Stewart, Donald	S	DEM	AL	\$5,000	\$14,000	Fithian, Floyd J.	H	DEM	IN	2	\$3,500	\$3,000
Edmondson, Ed	S	DEM	OK	\$5,000			Talmadge, Herman	S	DEM	GA		\$3,000	Flippo, Ronnie Gene	H	DEM	AL	5	\$500	\$1,500
Flaherty, Pete	S	DEM	PA		\$5,000		Addabbo, Joseph P	H	DEM	NY	7	\$2,050	Florio, James J	H	DEM	NJ	1	\$1,500	\$5,500
Flowers, Walter	S	DEM	AL	\$4,852			Albosta, Donald	H	DEM	MI	10	\$4,000	Foley, Thomas S.	H	DEM	WA	5	\$500	\$3,000
Ford, Wendell H.	S	DEM	KY		\$5,000		Allegrucci, Don	H	DEM	KS	5	\$1,500	Ford, Harold E.	H	DEM	TN	8		\$2,000
Glenn, John	S	DEM	OH		\$5,000		Ambro, Jerome A.	H	DEM	NY	3	\$1,000	Ford, William David	H	DEM	MI	15	\$1,100	\$1,500
Gojack, Mary L.	S	DEM	NV		\$2,500		Anderson, Glenn M.	H	DEM	CA	32	\$1,500	Frost, Martin	H	DEM	TX	24	\$3,800	\$1,300
Gravel, Mike	S	DEM	AK		\$5,000		Ashley, Thomas L.	H	DEM	OH	9	\$500	Gammage, Robert A	H	DEM	TX	22	\$3,500	\$500
Gunter, Bill	S	DEM	FL		\$5,000		Aucoin, Les	H	DEM	OR	1	\$4,000	Gaydos, Joseph M.	H	DEM	PA	20	\$1,000	\$5,500
Hart, Gary W.	S	DEM	CO		\$5,000		Bailey, Donald Allen	H	DEM	PA	21	\$1,000	Gray, William H III	H	DEM	PA	2	\$500	\$1,500
Haskell, Floyd K.	S	DEM	CO	\$10,000			Baldus, Alvin	H	DEM	WI	3		Green, Mark J	H	DEM	NY	18		\$5,000
Hathaway, William D.	S	DEM	ME	\$5,000			Barnes, Michael Darr	H	DEM	MID	8	\$1,000	Guarini, Frank J.	H	DEM	NJ	14	\$500	\$2,000
Heflin, Howell Thomas	S	DEM	AL	\$5,000			Barragan, Polly Baca	H	DEM	CO	4		Hall, Tony P.	H	DEM	OH	3		\$2,000
Hollings, Ernest F.	S	DEM	SC		\$9,000		Bauman, Robert	H	REP	MID	1	\$1,000	Hannaford, Mark W	H	DEM	CA	34	\$1,850	
Holtzman, Elizabeth	S	DEM	NY		\$9,500		Baumann, Archie	H	DEM	MN	6		Hertel, Dennis M	H	DEM	MI	14		\$2,000
Huddleston, Walter D.	S	DEM	KY	\$1,500			Baumann, James L.	H	DEM	OH	12	\$1,500	Hindes, Gary E.	H	DEM	DE	At Large	\$1,500	\$-500
Inouye, Daniel K.	S	DEM	HI		\$4,000		Biaggi, Mario	H	DEM	NY	10	\$2,000	Hollenbeck, Harold C	H	REP	NJ	9		\$2,500
Javits, Jacob K.	S	REP	NY		\$5,000		Bugs, Lindy (Mrs.)	H	DEM	LA	2	\$2,000	Howard, James J.	H	DEM	NJ	3	\$1,500	\$5,500
Johnston, J. Bennett.	S	DEM	LA		\$6,000		Bolling, Richard	H	DEM	MO	5	\$500	Huckaby, Thomas	H	DEM	LA	5	\$1,500	\$500
Krueger, Robert	S	DEM	TX		\$5,000		Bonior, David E	H	DEM	MI	12	\$1,000	Johnson, Harold T.	H	DEM	CA	1	\$500	\$2,500
Levin, Carl	S	DEM	MI	\$10,000	\$250		Burlison, Bill D.	H	DEM	MO	10		Kogovsek, Ray	H	DEM	CO	3		\$4,500
Long, Russell B.	S	DEM	LA		\$5,000		Burstein, Karen S.	H	DEM	NY	5	\$7,500	Lantos, Thomas P.	H	DEM	CA	11		\$2,000
Magnuson, Warren G.	S	DEM	WA		\$10,000		Burton, John	H	DEM	CA	5	\$2,000	Leach, Claude 'Buddy'	H	DEM	LA	4		\$1,500
Martin-Trigona.	S	DEM	IL		\$5,000		Carney, Charles	H	DEM	OH	19	\$1,500	Lederer, Raymond F	H	DEM	PA	3	\$1,000	\$1,625
Mathias, Charles	S	REP	MD		\$7,000		Clark, Arthur Joseph	H	DEM	MA	4		Leland, George	H	DEM	TX	18		\$1,500
McGovern, George	S	DEM	SD		\$10,000		Clay, William L.	H	DEM	MO	1	\$2,000	Lieberman, Joseph	H	DEM	CT	3		\$2,500

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate.

NON-PARTY (Continued)

SEAFARERS POLITICAL ACTIVITY DONATION -SPAD- (continued)

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		
					77-78	79-80					77-78	79-80					77-78	79-80	
Lloyd, Jim	H	DEM	CA	35	\$1,000	\$2,000	O'Reilly, Kathleen F	H	DEM	MI	2	\$2,500	Solarz, Stephen J	H	DEM	NY	13	\$1,000	\$4,994
Long, Clarence D	H	DEM	MD	2	\$500	\$1,500	Oberstar, James L	H	DEM	MN	8	\$500	Sprick, Dale Robert	H	DEM	MI	5		\$2,000
Long, Gillis W	H	DEM	LA	8	\$3,000	\$1,500	Olsen, Kirsten	H	DEM	CA	12	\$5,000	Stofferahn, Kenneth D	H	DEM	SD	2		\$1,500
Luken, Thomas A	H	DEM	OH	2	\$1,000	\$2,000	Ottinger, Richard L	H	DEM	NY	24	\$500	Swift, Allan Byron	H	DEM	WA	2	\$1,000	\$1,700
Matsui, Robert T	H	DEM	CA	3	\$1,500	\$1,000	Patterson, Jerry M	H	DEM	CA	38	\$1,500	Thompson, Frank, Jr	H	DEM	NJ	4	\$2,000	\$5,000
Mavroules, Nicholas	H	DEM	MA	6	\$2,000	\$4,500	Peck, Carey	H	DEM	CA	27	\$2,250	Touhy, Richard	H	DEM	LA	1	\$3,500	
McFall, John J	H	DEM	CA	14	\$2,000		Pepper, Claude	H	DEM	FL	14	\$5,000	Tucker, James Guy, Jr	H	DEM	AR	2	\$2,500	
Meeds, Lie, d*	H	DEM	WA	2	\$1,550		Randolph, John F	H	DEM	NY	1	\$2,000	Udall, Morris K	H	DEM	AZ	2		\$4,500
Mikulski, Barbara Ann	H	DEM	MD	3	\$500	\$1,625	Ravenel, Charles D	H	DEM	SC	1	\$2,500	Watlington, Janet B	H	DEM	VI	At Large	\$7,000	\$500
Miller, George	H	DEM	CA	7		\$1,500	Reibman, Jeanette F	H	DEM	PA	15	\$1,500	Weaver, James	H	DEM	OR	4	\$2,000	\$1,500
Moakley, John Joseph	H	DEM	MA	9	\$1,500	\$1,000	Richardson, William B	H	DEM	NM	1	\$3,000	Wenstrom, Gene	H	DEM	MN	7	\$800	\$2,750
Mollohan, Robert	H	DEM	WV	1	\$500	\$2,500	Robinson, David L	H	DEM	IL	20	\$2,000	Wilson, Charles H	H	DEM	CA	31	\$3,000	\$1,500
Murphy, John M	H	DEM	NY	17	\$8,000	\$7,000	Roe, Robert A	H	DEM	NJ	8	\$2,500	Wolff, Lester L	H	DEM	NY	6		\$1,500
Murphy, Morgan F	H	DEM	IL	2	\$2,000		Rooney, Fred B	H	DEM	PA	15	\$1,500	Wolpe, Howard	H	DEM	MI	3	\$1,500	\$11,000
Musto, Raphael	H	DEM	PA	11		\$3,000	Rostenkowski, Don	H	DEM	IL	8	\$1,250	Wright, Jim	H	DEM	TX	12	\$1,000	\$2,500
Myers, Michael	H	DEM	PA	1	\$1,200	\$3,000	Schumer, Charles	H	DEM	NY	16	\$7,500	Yatron, Gus	H	DEM	PA	6		\$1,500
Nix, Robert N. C.	H	DEM	PA	2	\$1,500		Shelby, Richard C	H	DEM	AL	7	\$1,000	Young, Don	H	REP	AK	At Large	\$3,000	\$1,750
Nolan, Richard	H	DEM	MN	6	\$3,000	\$1,000	Slack, John M	H	DEM	WV	3	\$1,500	Zeteretti, Leo C*	H	DEM	NY	15	\$5,000	\$7,000
O'Neill, Thomas	H	DEM	MA	8	\$500	\$5,000													

SEA-LAND GOOD GOVERNMENT FUND SEA-LAND INDUSTRIES INC

SUMMARY INFORMATION:				1977-78		1979-80		Winston-Salem		NC		C00100495		77-78		79-80	
Gross Receipts:				\$1,650		\$17,330		\$200		\$16,275		% of Total Contributions & Independent Expenditures to Gross Disbursements:		100.0%		87.7%	
Total Contributions:				\$200		\$14,275		0		0							
Total Independent Expenditures:																	
OF CONTRIBUTIONS				Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates	
TO ALL CANDIDATES:				77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats				2	23	\$200	\$8,800	Republicans		12	\$5,475	Other					
President								Senate		6	\$5,200	House		2	29	\$200	\$9,075
Incumbents				2	32	\$200	\$12,875	Challengers		2	\$1,200	Open Seat		1			\$200
Winners - Gen. Elec.				2	26	\$200	\$9,925	All Losers - Others		9	\$4,350						
RANGE OF				\$1-499	2	26	\$200	\$5,400		6	\$7,000						
				\$500-999		3		\$1,875									

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
					77-78	79-80					77-78	79-80
Magnuson, Warren G	S	DEM	WA		\$1,500	Murphy, John M	H	DEM	NY	17	\$100	\$1,500

SEARLE PAC Skokie IL C00111484

SUMMARY INFORMATION:				1977-78		1979-80		1977-78		1979-80		77-78		79-80	
Gross Receipts:						\$27,745				\$27,250		% of Total Contributions & Independent Expenditures to Gross Disbursements:		77.4%	
Total Contributions:						\$21,100				0					
Total Independent Expenditures:															
OF CONTRIBUTIONS				Number of Candidates		Amount		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:				77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats					14		\$6,500	Republicans		30	\$14,600	Other			
President								Senate		12	\$7,250	House		32	\$13,850

*See Section IV for independent expenditures made by this PAC during 1979-80 in support of or against the candidate.

Democrat	19	\$2,720	Republican	1	\$5,500	Other	
President			Senate	11	\$4,900	House	22
Incumbents	30	\$9,000	Challengers	3	\$700	Open Seat	\$5,400
Winners - Gen. Elec.	26	\$7,500	All Losers Others	7	\$2,200		
RANGE OF	\$1-499	31	\$1000-4999	1	\$1,000		
	\$500-999	1	\$5000 & UP				

MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND

Washington DC C00073056

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	77-78		79-80
Gross Receipts:		\$113,448	\$300,357	Gross Disbursements:		\$50,079	\$167,256		
Total Contributions:		\$21,550	\$113,950	Total Independent Expenditures:		0	% of Total Contributions & Independent Expenditures to Gross Disbursements:		38.4% 68.1%
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	14	96	\$19,050	\$104,450	Republicans	1	10	\$2,500	\$9,500
President	—	1	—	\$1,000	Senate	3	19	\$5,000	\$42,000
Incumbents	11	96	\$16,050	\$107,300	Challengers	3	3	\$4,500	\$2,650
Winners - Gen. Elec.	12	72	\$18,600	\$65,450	All Losers Others	3	34	\$2,950	\$48,500
RANGE OF	\$1-499	—	2	—	\$400	\$1000-4999	14	32	\$21,050
	\$500-999	1	66	\$500	\$33,550	\$5000 & UP	—	6	\$31,500

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions	
					77-78	79-80					77-78	79-80					77-78	79-80
Bayh, Birch E., Jr.	S	DEM	IN		\$4,500		Gravel, Mike	S	DEM	AK		\$5,000	Packwood, Bob	S	REP	OR		\$2,500
Church, Frank	S	DEM	ID		\$5,000		Inouye, Daniel K.	S	DEM	HI		\$2,000	Stewart, Donald	S	DEM	AL		\$3,000
Cranston, Alan	S	DEM	CA		\$2,500		Magnuson, Warren G	S	DEM	WA		\$5,000	Burton, John	H	DEM	CA	5	\$1,000
Durkin, John Anthony	S	DEM	NH		\$2,000		Mathias, Charles	S	REP	MD		\$2,500	Burton, Phillip	H	DEM	CA	6	\$1,000

NON-PARTY (Continued)**MASTERS, MATES AND PILOTS POLITICAL CONTRIBUTION FUND (continued)**

DETAILED INFORMATION:	Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		Office	Party	State	District	Contributions		
					77-78	79-80					77-78	79-80					77-78	79-80	
Ferraro, Geraldine A	H	DEM	NY	9	\$2,000		Murphy, John M.	H	DEM	NY	17	\$3,000	\$6,500	Wolpe, Howard	H	DEM	MI	3	\$5,000
Lowry, Michael E.	H	DEM	WA	7	\$4,000		Nolan, Richard	H	DEM	MN	6	\$2,000		Young, Don	H	REP	AK	At Large	\$2,500
																		\$500	

MASTERS MATES & PILOTS PENSIONERS' ACTION FUND

New York NY C00012013

SUMMARY INFORMATION:		1977-78	1979-80	1977-78		1979-80	77-78		79-80
Gross Receipts:		\$21,584	\$253,394	Gross Disbursements:		\$167,394	\$79,248		
Total Contributions:		\$3,970	\$10,250	Total Independent Expenditures:		0	0		
OF CONTRIBUTIONS		Number of Candidates		Amount		Number of Candidates		Amount	
TO ALL CANDIDATES:		77-78	79-80	77-78	79-80	77-78	79-80	77-78	79-80
Democrats	3	2	\$3,970	\$10,250	Republicans				
President	—	1	—	\$10,000	Senate				
Incumbents	2	2	\$2,485	\$10,250	Challengers	1	1	\$485	
Winners - Gen. Elec.	2	—	\$2,485	—	All Losers Others	1	1	\$485	\$10,250