

SJR

7

Senate Special Committee on Oil and Gas

Legislation Checklist

Bill number: SJR 7

Sponsor: STURGOULEWSKI

Date referred to committee:

Further referrals:

Prior committee report:

Resumes

Back up from sponsor:

Fiscal note(s):

Agency:

Requested:

Received:

Agency:

Requested:

Received:

Position paper(s):

Agency:

Requested:

Received:

Agency:

Requested:

Received:

Sectional Analysis:

Scheduled: 2/12

Heard:

Reported out:

Items for committee packet:

To Testify:

Other Contacts:

Debbie Miller, Fbks.

see page 2

5-0180B  
Bannister/  
Bradley  
2/12/87

Original sponsors: Sturgulewski, Fischer,  
Abood, et al.

1 IN THE SENATE

BY THE SENATE SPECIAL COMMITTEE  
ON OIL AND GAS

2 CS FOR SENATE JOINT RESOLUTION NO. 7 (Oil & Gas)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to oil and gas exploration,  
6 development, and production within the  
7 Arctic National Wildlife Refuge, Alaska.

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

9 WHEREAS the United States Congress has reserved the right to permit  
10 further oil and gas exploration, development, and production within the  
11 coastal plain of the Arctic National Wildlife Refuge, Alaska; and

12 WHEREAS the oil industry, the state, and the U.S. Department of -the  
13 Interior consider the coastal plain to have the highest potential for  
14 discovery of very large oil and gas accumulations on the continent of North  
15 America; and

16 WHEREAS a decision to permit oil and gas exploration, development, and  
17 production on the coastal plain of the refuge would increase the value and  
18 facilitate the development of highly promising state-owned tideland and  
19 federally-owned outer-continental-shelf land offshore of the refuge; and

20 WHEREAS the facilities that are developed to transport petroleum  
21 resources discovered on the coastal plain of the refuge to the Trans-Alaska  
22 Pipeline System may allow marginal discoveries located between the refuge  
23 and the pipeline to be developed and produced, and may prolong the economic  
24 life of the pipeline; and

25 WHEREAS oil and gas exploration and development of the coastal plain  
26 of the refuge and adjacent land could result in major discoveries that  
27 would reduce our nation's future needs for imported oil, help balance the  
28 nation's trade deficit, and significantly increase the nation's security;  
29 and

1 WHEREAS the oil and gas industry and related Alaska employment have  
2 been severely affected by reduced oil and gas activity, and the reduction  
3 in industry investment and employment has broad implications for the Alaska  
4 work force and the entire state economy; and

5 WHEREAS the development of coastal plain oil and gas resources can and  
6 should be conducted by the corporations and workers of the state, who have  
7 the expertise to bring the resources to market; and

8 WHEREAS 8,000,000 of the 19,000,000 acres of the refuge have already  
9 been set aside as wilderness; and

10 WHEREAS the 1,500,000-acre coastal plain of the refuge comprises only  
11 eight percent of the refuge, and the development of the oil and gas re-  
12 serves in the refuge's coastal plain would affect an even smaller percent-  
13 age of the refuge; and

14 WHEREAS the oil industry has shown at Prudhoe Bay, as well as at other  
15 locations along the Arctic coastal plain, that it can safely conduct oil  
16 and gas activity without adversely affecting the environment or wildlife  
17 populations;

18 BE IT RESOLVED by the Alaska State Legislature that the Congress of  
19 the United States is urged to open the coastal plain of the Arctic National  
20 Wildlife Refuge, Alaska, to oil and gas exploration, development, and  
21 production; and be it

22 FURTHER RESOLVED that that activity be conducted in a manner that  
23 protects the environment and utilizes the state's work force to the maximum  
24 extent possible.

25 COPIES of this resolution shall be sent to the Honorable Donald Hodel,  
26 Secretary of the Department of the Interior; to the Honorable J. Bennett  
27 Johnston, Chairman of the Senate Committee on Energy and Natural Resources;  
28 to the Honorable Morris K. Udall, Chairman of the House Committee on  
29 Interior and Insular Affairs; and to the Honorable Ted Stevens and the

1 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.  
2 Representative, members of the Alaska delegation in Congress.  
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Original sponsors: Sturgulewski, Fischer,  
Abood, et al.

1 IN THE SENATE  
2 CS FOR SENATE JOINT RESOLUTION NO. 7 (Oil & Gas)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 FIFTEENTH LEGISLATURE - FIRST SESSION  
5 Relating to oil and gas exploration,  
6 development, and production within the  
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9 WHEREAS the United States Congress has reserved the right to permit  
10 further oil and gas exploration, development, and production within the  
11 coastal plain of the Arctic National Wildlife Refuge, Alaska; and  
12 WHEREAS the oil industry, the state, and the U.S. Department of the  
13 Interior consider the coastal plain to have the highest potential for  
14 discovery of very large oil and gas accumulations on the continent of North  
15 America; and  
16 WHEREAS a decision to permit oil and gas exploration, development, and  
17 production on the coastal plain of the refuge would increase the value and  
18 facilitate the development of highly promising state-owned tideland and  
19 federally-owned outer-continental-shelf land offshore of the refuge; and  
20 WHEREAS the facilities that are developed to transport petroleum  
21 resources discovered on the coastal plain of the refuge to the Trans-Alaska  
22 Pipeline System may allow marginal discoveries located between the refuge  
23 and the pipeline to be developed and produced, and may prolong the economic  
24 life of the pipeline; and  
25 WHEREAS oil and gas exploration and development of the coastal plain  
26 of the refuge and adjacent land could result in major discoveries that  
27 would reduce our nation's future needs for imported oil, help balance the  
28 nation's trade deficit, and significantly increase the nation's security;  
29 and

1       WHEREAS the oil and gas industry and related Alaska employment have  
2 been severely affected by reduced oil and gas activity, and the reduction  
3 in industry investment and employment has broad implications for the Alaska  
4 work force and the entire state economy; and

5       WHEREAS the development of coastal plain oil and gas resources can and  
6 should be conducted/ by the corporations and workers of the state, who have  
7 the expertise to bring the resources to market; and

8       WHEREAS 8,000,000 of the 19,000,000 acres of the refuge have already  
9 been set aside as wilderness; and

10       WHEREAS the 1,500,000-acre coastal plain of the refuge comprises only  
11 eight percent of the refuge, and the development of the oil and gas re-  
12 serves in the refuge's coastal plain would affect an even smaller percent-  
13 age of the refuge; and

14       WHEREAS the oil industry has shown at Prudhoe Bay, as well as at other  
15 locations along the Arctic coastal plain, that it can safely conduct oil  
16 and gas activity without adversely affecting the environment or wildlife  
17 populations;

18       BE IT RESOLVED by the Alaska State Legislature that the Congress of  
19 the United States is urged to open the coastal plain of the Arctic National  
20 Wildlife Refuge, Alaska, to oil and gas exploration, development, and  
21 production; and be it

22       FURTHER RESOLVED that that activity be conducted in a manner that  
23 protects the environment and utilizes the state's work force to the maximum  
24 extent possible.

25       COPIES of this resolution shall be sent to the Honorable Donald Hodel,  
26 Secretary of the Department of the Interior; to the Honorable J. Bennett  
27 Johnston, Chairman of the Senate Committee on Energy and Natural Resources;  
28 to the Honorable Morris K. Udall, Chairman of the House Committee on  
29 Interior and Insular Affairs; and to the Honorable Ted Stevens and the

- 1 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
- 2 Representative, members of the Alaska delegation in Congress.

Introduced: 1/28/87  
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

HOUSE JOINT RESOLUTION NO. 9

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the Arctic National Wildlife

6

Refuge, Alaska.

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

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WHEREAS the United States Congress has reserved the right to permit  
9 further exploration for, and development of, oil and gas within the coastal  
10 plain of the Arctic National Wildlife Refuge, Alaska; and

11

WHEREAS the U.S. Department of the Interior, the state, and the oil  
12 industry consider the coastal plain to have the highest potential for  
13 discovery of very large oil and gas accumulations on the continent of North  
14 America; and

15

WHEREAS a decision to permit oil and gas exploration, development, and  
16 production on the coastal plain would facilitate the development of highly  
17 promising state and federal tideland and submerged land; and

18

WHEREAS the facilities that are developed to transport oil and gas  
19 from the coastal plain to the Trans-Alaska Pipeline System (TAPS) may allow  
20 the development of marginal fields between the refuge and TAPS, extending  
21 the economic life of the pipeline and reducing tariffs that are expected to  
22 balloon in approximately 20 years; and

23

WHEREAS development of oil and gas in the refuge should and will be  
24 subject to strict environmental safeguards, including those protecting  
25 water, land, air, and important wildlife habitat that supports the subsis-  
26 tence resources used by Natives of the state and of the Yukon Territory in  
27 Canada; and

28

WHEREAS the permanent protection of large areas in the state's arctic  
29 region is assured by park, reserve, and refuge designations encompassing

1 over 35,000,000 acres of federal land in the region; and

2 WHEREAS the biological and recreational resources of the refuge are  
3 very valuable, and the protection of these resources with adequate develop-  
4 ment safeguards is in the interest of the nation and the state; and

5 WHEREAS the land trades proposed by the U.S. Department of the  
6 Interior with private corporations would reduce or eliminate the state's  
7 existing entitlement to oil and gas revenue from the refuge; and

8 WHEREAS the state is a vast and under-served state with basic educa-  
9 tion, capital improvement, and public service needs, and a reduction in  
10 state revenue is a serious matter for the state's residents; and

11 WHEREAS the U.S. Congress could consider reducing the state's existing  
12 entitlement to oil and gas revenue within the refuge, even though the  
13 reduction might violate solemn agreements between the federal government  
14 and the state, discriminate against the state as compared to other states,  
15 and reverse decades-long policies of the federal government regarding the  
16 management of public domain lands within the states; and

17 WHEREAS development of coastal plain oil and gas resources can and  
18 should be conducted by the corporations and workers of the state, who have  
19 the expertise to bring the resources to market; and

20 WHEREAS the oil and gas industry and employment of the state have been  
21 severely affected by reduced oil and gas activity in recent years, and the  
22 reduction has broad implications for the entire state economy;

23 BE IT RESOLVED that the Alaska State Legislature adopts the following  
24 consensus points regarding management of the coastal plain of the Arctic  
25 National Wildlife Refuge, Alaska:

26 (1) the U.S. Congress should promptly open the coastal plain of  
27 the Arctic National Wildlife Refuge, Alaska, to oil and gas exploration,  
28 production, and transportation under conditions that are in the interest of  
29 the nation and the state, reserving the leasing of land in the core caribou

1 calving grounds until a later time;

2 (2) the U.S. Department of the Interior should desist from  
3 discussing land trades that would eliminate the state's revenue share from  
4 oil and gas activity in the refuge and that could reduce the ownership  
5 influence of the state and federal governments on oil and gas leasing in  
6 the refuge;

7 (3) unless the state concurs, the U.S. Congress should not allow  
8 measures or actions that reduce the state's entitlement to oil and gas  
9 revenue from the refuge;

10 (4) the U.S. Congress should require the protection of the  
11 environmental and subsistence resources of the refuge, including wildlife  
12 habitat, air, and water, in the event of oil and gas development on the  
13 coastal plain of the refuge; and

14 (5) the U.S. Congress, in recognition of the state's economic  
15 situation and the need for long-term economic development in the state,  
16 should require that the exploration and development activity in the refuge  
17 be conducted by the work forces of the state; and be it

18 FURTHER RESOLVED that the state's delegation in Congress and the  
19 Governor of the state should support opening the coastal plain of the  
20 Arctic National Wildlife Refuge, Alaska, to oil and gas exploration, pro-  
21 duction, and transportation under conditions that would advance the inter-  
22 ests of the people of the state, and work with the U.S. Department of the  
23 Interior to forestall proposed refuge land trades that would be inimical to  
24 the interests of the state.

25 COPIES of this resolution shall be sent to the Honorable Ronald  
26 Reagan, President of the United States; to the Honorable Donald Hodel,  
27 Secretary of the Department of the Interior; to the Honorable Steve Cowper,  
28 Governor of Alaska; to the Honorable Ted Stevens and the Honorable Frank  
29 Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative,

- 1 members of the Alaska delegation in Congress; and to each of the other
- 2 members of the U.S. Congress.

Introduced: 1/22/87  
Referred: Resources and  
Finance

BY MARTIN, BARNES, COLLINS,  
FRANK, FURNACE, HANLEY,  
HUDSON, MENARD, PEARCE,  
PETTYJOHN, RIEGER, SHULTZ,  
TAYLOR, ZAWACKI AND MILLER

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 7

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 Relating to oil and gas exploration,  
6 development, and production within the  
7 Arctic National Wildlife Refuge, Alaska.

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

9 WHEREAS the Arctic National Wildlife Refuge, Alaska, includes more  
10 than 19,000,000 acres of land, which amounts to approximately five percent  
11 of the size of the entire state; and

12 WHEREAS the coastal plain of the Arctic National Wildlife Refuge,  
13 Alaska, covers approximately eight percent of the refuge and is considered  
14 to have high potential for the discovery of large quantities of oil and  
15 gas; and

16 WHEREAS the U.S. Congress has reserved the right to decide if the  
17 coastal plain will be opened to further oil and gas exploration, develop-  
18 ment, and production; and

19 WHEREAS the petroleum industry has consistently demonstrated its  
20 ability to operate under conditions similar to those found on the coastal  
21 plain in a safe and responsible manner without significant adverse environ-  
22 mental effects; and

23 WHEREAS the United States must develop domestic petroleum resources if  
24 the United States is to prevent itself from becoming overwhelmingly depen-  
25 dent on foreign petroleum sources in the 21st century; and

26 WHEREAS the value and development potential of state-owned tideland  
27 and federally-owned outer continental shelf land offshore of the coastal  
28 plain would be enhanced by a decision by the U.S. Congress to open the  
29 coastal plain to further oil and gas exploration, development, and

1 production; and

2 WHEREAS the facilities that would be developed to transport petroleum  
3 resources discovered on the coastal plain to the Trans-Alaska Pipeline  
4 System might allow marginal discoveries located between the refuge and  
5 Prudhoe Bay to be developed; and

6 WHEREAS the energy security of the nation depends on the development  
7 of domestic oil and gas resources to replace depleted United States re-  
8 serves; and

9 WHEREAS the nation will derive revenue, including portions of bonuses,  
10 royalties, and rents, from oil and gas development of the coastal plain;  
11 and

12 WHEREAS opening the coastal plain to further oil and gas exploration,  
13 development, and production will generate increased employment and business  
14 opportunities for all citizens of the state and the nation;

15 BE IT RESOLVED by the Alaska State Legislature that the Congress of  
16 the United States is urged to open the coastal plain of the Arctic National  
17 Wildlife Refuge, Alaska, to environmentally responsible oil and gas explo-  
18 ration, development, and production.

19 COPIES of this resolution shall be sent to the Honorable George Bush,  
20 Vice-President of the United States and President of the U.S. Senate; the  
21 Honorable Donald P. Hodel, Secretary of the Department of the Interior; the  
22 Honorable Jim Wright, Speaker of the U.S. House of Representatives; the  
23 Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and  
24 the Honorable Don Young, U.S. Representative, members of the Alaska delega-  
25 tion in Congress; and to the presiding officer of each legislative house of  
26 the other states in the United States.

# STATE OF ALASKA 1987 LEGISLATIVE SESSION

## FISCAL NOTE

**REQUEST:** \_\_\_\_\_

Bill Version : CSSJR 7 (Oil & Gas)  
 Publish Date : \_\_\_\_\_

Revision Date: \_\_\_\_\_  
 Title: Relating to oil & gas exploration,  
development, etc.  
 Sponsor Sturqulewski, Fischer, Abood, et al  
 Requestor: \_\_\_\_\_

Agency Affected: Dept. of Natural Resources  
 BRU: Oil and Gas  
 Components: Oil and Gas

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       |       |       |       |       |       |
| TRAVEL            |       |       |       |       |       |       |
| CONTRACTUAL       |       |       |       |       |       |       |
| SUPPLIES          |       |       |       |       |       |       |
| EQUIPMENT         |       |       |       |       |       |       |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   | -0-   | -0-   | -0-   | -0-   | -0-   | -0-   |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

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|---------|--|--|--|--|--|--|
| REVENUE |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

**FUNDING: (Thousands of Dollars)**

|               |  |  |  |  |  |  |
|---------------|--|--|--|--|--|--|
| GENERAL FUND  |  |  |  |  |  |  |
| FEDERAL FUNDS |  |  |  |  |  |  |
| OTHER         |  |  |  |  |  |  |
| TOTAL         |  |  |  |  |  |  |

**POSITIONS:**

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|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

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

Prepared by: Sharon L. Barton  
 Division: Management

Phone: 465-2406  
 Date: 02-12-87

Approved by Commissioner: Wm D. Gammel, Deputy  
 Agency: Department of Natural Resources

Date: 2/2/87

**Distribution (by preparer):**

Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)  
 Senate Secretary

# SENATE COMMITTEE REPORT

## FIRST COMMITTEE OF REFERRAL

Date of Unvied 2/10/87 - DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: RESOURCES

\*\*FISCAL NOTE(S) ATTACHED \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

1/20/87  
Mr. President:

DATE TURNED INTO OFFICE \_\_\_\_\_

OIL AND GAS

Committee considered SJR 7

relating to oil and gas exploration, development, and production  
within the Arctic Natinal Wildlife Refuge, Alaska,

and recommended:

☒ replace with

CS

SJR 7 (O+G)

☒ same title  
☐ new title

☐ attached amendment(s) and

☒ do pass

☐ do not pass

☐ no recommendation

☐ individual recommendations

☐ further referral to \_\_\_\_\_

☐ letter of intent adopted and attached

\*\* Committee ☐ attached or ☐ adopted fiscal note(s)  
☐ zero ☐ fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Paul Grub  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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\_\_\_\_\_

☐ Committee Backup Attached

Chairman signature and recommendation

Littie Johnson (do pass)

5-0180B  
Bannister/  
Bradley  
2/12/87

Original sponsors: Sturgulewski, Fischer,  
Abood, et al.

1 IN THE SENATE

BY THE SENATE SPECIAL COMMITTEE  
ON OIL AND GAS

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13 Interior consider the coastal plain to have the highest potential for  
14 discovery of very large oil and gas accumulations on the continent of North  
15 America; and

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17 production on the coastal plain of the refuge would increase the value and  
18 facilitate the development of highly promising state-owned tideland and  
19 federally-owned outer-continental-shelf land offshore of the refuge; and

20 WHEREAS the facilities that are developed to transport petroleum  
21 resources discovered on the coastal plain of the refuge to the Trans-Alaska  
22 Pipeline System may allow marginal discoveries located between the refuge  
23 and the pipeline to be developed and produced, and may prolong the economic  
24 life of the pipeline; and

25 WHEREAS oil and gas exploration and development of the coastal plain  
26 of the refuge and adjacent land could result in major discoveries that  
27 would reduce our nation's future needs for imported oil, help balance the  
28 nation's trade deficit, and significantly increase the nation's security;  
29 and

1 WHEREAS the oil and gas industry and related Alaska employment have  
2 been severely affected by reduced oil and gas activity, and the reduction  
3 in industry investment and employment has broad implications for the Alaska  
4 work force and the entire state economy; and

5 WHEREAS the development of coastal plain oil and gas resources can and  
6 should be conducted by the corporations and workers of the state, who have  
7 the expertise to bring the resources to market; and

8 WHEREAS 8,000,000 of the 19,000,000 acres of the refuge have already  
9 been set aside as wilderness; and

10 WHEREAS the 1,500,000-acre coastal plain of the refuge comprises only  
11 eight percent of the refuge, and the development of the oil and gas re-  
12 serves in the refuge's coastal plain would affect an even smaller percent-  
13 age of the refuge; and

14 WHEREAS the oil industry has shown at Prudhoe Bay, as well as at other  
15 locations along the Arctic coastal plain, that it can safely conduct oil  
16 and gas activity without adversely affecting the environment or wildlife  
17 populations;

18 BE IT RESOLVED by the Alaska State Legislature that the Congress of  
19 the United States is urged to open the coastal plain of the Arctic National  
20 Wildlife Refuge, Alaska, to oil and gas exploration, development, and  
21 production; and be it

22 FURTHER RESOLVED that that activity be conducted in a manner that  
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24 extent possible.

25 COPIES of this resolution shall be sent to the Honorable Donald Hodel,  
26 Secretary of the Department of the Interior; to the Honorable J. Bennett  
27 Johnston, Chairman of the Senate Committee on Energy and Natural Resources;  
28 to the Honorable Morris K. Udall, Chairman of the House Committee on  
29 Interior and Insular Affairs; and to the Honorable Ted Stevens and the

1 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.  
2 Representative, members of the Alaska delegation in Congress.  
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**STATE OF ALASKA 1987 LEGISLATIVE SESSION FEB 12 1987**  
**FISCAL NOTE**

**REQUEST:**

Revision Date: February 12, 1987  
Title: Arctic Nat'l Wildlife  
Refuge/oil and gas  
Sponsor: Sturqulewski  
Requestor: Fahrenkamp

Bill Version: \_\_\_\_\_  
Publish Date: \_\_\_\_\_

Agency Affected: Fish and Game  
BRU: \_\_\_\_\_

Components: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | 0     |       |       |       |       |       |
| TRAVEL            | 0     |       |       |       |       |       |
| CONTRACTUAL       | 0     |       |       |       |       |       |
| SUPPLIES          | 0     |       |       |       |       |       |
| EQUIPMENT         | 0     |       |       |       |       |       |
| LAND & STRUCTURES | 0     |       |       |       |       |       |
| GRANTS, CLAIMS    | 0     |       |       |       |       |       |
| MISCELLANEOUS     | 0     |       |       |       |       |       |
| TOTAL OPERATING   | 0     |       |       |       |       |       |

|         |   |  |  |  |  |  |
|---------|---|--|--|--|--|--|
| CAPITAL | 0 |  |  |  |  |  |
|---------|---|--|--|--|--|--|

|         |   |  |  |  |  |  |
|---------|---|--|--|--|--|--|
| REVENUE | 0 |  |  |  |  |  |
|---------|---|--|--|--|--|--|

**FUNDING: (Thousands of Dollars)**

|               |   |  |  |  |  |  |
|---------------|---|--|--|--|--|--|
| GENERAL FUND  | 0 |  |  |  |  |  |
| FEDERAL FUNDS | 0 |  |  |  |  |  |
| OTHER         | 0 |  |  |  |  |  |
| TOTAL         | 0 |  |  |  |  |  |

**POSITIONS:**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

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

Prepared by: Roland Shanks Phone: 465-4100  
Division: Commissioner's Office Date: 2/12/87

Approved by Commissioner: [Signature] Date: \_\_\_\_\_  
Agency: Fish and Game

**Distribution (by preparer):**

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

# STATE OF ALASKA 1987 LEGISLATIVE SESSION

## FISCAL NOTE

**REQUEST:** \_\_\_\_\_

Bill Version : CSSJR 7 (Oil & Gas)  
 Publish Date : \_\_\_\_\_

Revision Date: \_\_\_\_\_  
 Title: Relating to oil & gas exploration,  
development, etc.  
 Sponsor Sturgulewski, Fischer, Abood, et al  
 Requestor: \_\_\_\_\_

Agency Affected: Dept. of Natural Resources  
 BRU: Oil and Gas  
 Components: Oil and Gas

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       |       |       |       |       |       |
| TRAVEL            |       |       |       |       |       |       |
| CONTRACTUAL       |       |       |       |       |       |       |
| SUPPLIES          |       |       |       |       |       |       |
| EQUIPMENT         |       |       |       |       |       |       |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   | -0-   | -0-   | -0-   | -0-   | -0-   | -0-   |

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| CAPITAL |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

|         |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|
| REVENUE |  |  |  |  |  |  |
|---------|--|--|--|--|--|--|

**FUNDING: (Thousands of Dollars)**

|               |  |  |  |  |  |  |
|---------------|--|--|--|--|--|--|
| GENERAL FUND  |  |  |  |  |  |  |
| FEDERAL FUNDS |  |  |  |  |  |  |
| OTHER         |  |  |  |  |  |  |
| TOTAL         |  |  |  |  |  |  |

**POSITIONS:**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

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

Prepared by: Sharon L. Barton  
 Division: Management

Phone: 465-2406  
 Date: 02-12-87

Approved by Commissioner: Wm D. Gammal, Deputy  
 Agency: Department of Natural Resources

Date: 2/12/87

**Distribution (by preparer):**

Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)  
 Senate Secretary

1 IN THE SENATE

BY STURGULEWSKI, FISCHER, ABOOD  
UEHLING AND KELLY

2

SENATE JOINT RESOLUTION NO. 7

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to oil and gas exploration,

6

development, and production within the

7

Arctic National Wildlife Refuge, Alaska.

8

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

9

WHEREAS the United States Congress has reserved the right to permit further oil and gas exploration, development, and production within the coastal plain of the Arctic National Wildlife Refuge, Alaska; and

12

WHEREAS the oil industry, the state, and the U.S. Department of the Interior consider the coastal plain to have the highest potential for discovery of very large oil and gas accumulations on the continent of North America; and

16

WHEREAS a decision to permit oil and gas exploration, development, and production on the coastal plain of the refuge would increase the value and facilitate the development of highly promising state-owned tideland and federally-owned outer-continental-shelf land offshore of the refuge; and

20

WHEREAS the facilities that are developed to transport petroleum resources discovered on the coastal plain of the refuge to the Trans-Alaska Pipeline System may allow marginal discoveries located between the refuge and the pipeline to be developed and produced, and may prolong the economic life of the pipeline; and

25

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

1       WHEREAS 8,000,000 of the 19,000,000 acres of the refuge have already  
2 been set aside as wilderness; and

3       WHEREAS the 1,500,000-acre coastal plain of the refuge comprises only  
4 eight percent of the refuge, and the development of the oil and gas  
5 reserves in the refuge's coastal plain would affect an even smaller  
6 percentage of the refuge; and

7       WHEREAS the oil industry has shown at Prudhoe Bay, as well as at other  
8 locations along the Arctic coastal plain, that it can safely conduct oil  
9 and gas activity without adversely affecting the environment or wildlife  
10 populations;

11       BE IT RESOLVED by the Alaska State Legislature that the Congress of  
12 the United States is urged to open the coastal plain of the Arctic National  
13 Wildlife Refuge, Alaska, to environmentally responsible oil and gas explo-  
14 ration, development, and production.

15       COPIES of this resolution shall be sent to the Honorable Donald Hodel,  
16 Secretary of the Department of the Interior; to the Honorable J. Bennett  
17 Johnston, Chairman of the Senate Committee on Energy and Natural Resources;  
18 to the Honorable Morris K. Udall, Chairman of the House Committee on  
19 Interior and Insular Affairs; and to the Honorable Ted Stevens and the  
20 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.  
21 Representative, members of the Alaska delegation in Congress.

Proposed amendment to SJR 7

Page 2, line 1, insert:

WHEREAS the oil and gas industry and related Alaskan employment have been severely affected by reduced oil and gas activity, and the reduction in industry investment and employment has broad implications for the Alaskan work force and the entire state economy; and

WHEREAS the development of coastal plain oil and gas resources can and should be conducted by the corporations and workers of the state, who have the expertise to bring the resource to market; and

Page 2, line 13, delete:  
environmentally responsible

Page 2, line 14, add:  
and that activity be conducted in a manner that protects our environment and utilizes the Alaskan workforce to the maximum extent possible.

Introduced: 1/28/87  
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

HOUSE JOINT RESOLUTION NO. 9

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

Relating to the Arctic National Wildlife

6

Refuge, Alaska.

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

8

WHEREAS the United States Congress has reserved the right to permit  
9 further exploration for, and development of, oil and gas within the coastal  
10 plain of the Arctic National Wildlife Refuge, Alaska; and

11

WHEREAS the U.S. Department of the Interior, the state, and the oil  
12 industry consider the coastal plain to have the highest potential for  
13 discovery of very large oil and gas accumulations on the continent of North  
14 America; and

15

WHEREAS a decision to permit oil and gas exploration, development, and  
16 production on the coastal plain would facilitate the development of highly  
17 promising state and federal tideland and submerged land; and

18

WHEREAS the facilities that are developed to transport oil and gas  
19 from the coastal plain to the Trans-Alaska Pipeline System (TAPS) may allow  
20 the development of marginal fields between the refuge and TAPS, extending  
21 the economic life of the pipeline and reducing tariffs that are expected to  
22 balloon in approximately 20 years; and

23

WHEREAS development of oil and gas in the refuge should and will be  
24 subject to strict environmental safeguards, including those protecting  
25 water, land, air, and important wildlife habitat that supports the subsis-  
26 tence resources used by Natives of the state and of the Yukon Territory in  
27 Canada; and

28

WHEREAS the permanent protection of large areas in the state's arctic  
29 region is assured by park, reserve, and refuge designations encompassing

1 over 35,000,000 acres of federal land in the region; and

2 WHEREAS the biological and recreational resources of the refuge are  
3 very valuable, and the protection of these resources with adequate develop-  
4 ment safeguards is in the interest of the nation and the state; and

5 WHEREAS the land trades proposed by the U.S. Department of the  
6 Interior with private corporations would reduce or eliminate the state's  
7 existing entitlement to oil and gas revenue from the refuge; and

8 WHEREAS the state is a vast and under-served state with basic educa-  
9 tion, capital improvement, and public service needs, and a reduction in  
10 state revenue is a serious matter for the state's residents; and

11 WHEREAS the U.S. Congress could consider reducing the state's existing  
12 entitlement to oil and gas revenue within the refuge, even though the  
13 reduction might violate solemn agreements between the federal government  
14 and the state, discriminate against the state as compared to other states,  
15 and reverse decades-long policies of the federal government regarding the  
16 management of public domain lands within the states; and

17 WHEREAS development of coastal plain oil and gas resources can and  
18 should be conducted by the corporations and workers of the state, who have  
19 the expertise to bring the resources to market; and

20 WHEREAS the oil and gas industry and employment of the state have been  
21 severely affected by reduced oil and gas activity in recent years, and the  
22 reduction has broad implications for the entire state economy;

23 BE IT RESOLVED that the Alaska State Legislature adopts the following  
24 consensus points regarding management of the coastal plain of the Arctic  
25 National Wildlife Refuge, Alaska:

26 (1) the U.S. Congress should promptly open the coastal plain of  
27 the Arctic National Wildlife Refuge, Alaska, to oil and gas exploration,  
28 production, and transportation under conditions that are in the interest of  
29 the nation and the state, reserving the leasing of land in the core caribou

1 calving grounds until a later time;

2 (2) the U.S. Department of the Interior should <sup>ad Congress consider The State of</sup> desist <sup>Alaska +</sup> from <sup>the state's</sup> discussing land trades that would eliminate the state's revenue share <sup>best interests</sup> from <sup>in the</sup> oil and gas activity in the refuge and that could reduce the ownership <sup>land</sup> influence of the state and federal governments on oil and gas leasing in <sup>exclusively</sup> the refuge; <sup>proposed</sup>

3 (3) unless the state concurs, the U.S. Congress should not allow <sup>land</sup> measures or actions that reduce the state's entitlement to oil and gas <sup>exclusively</sup> revenue from the refuge; <sup>proposed</sup>

4 (4) the U.S. Congress should require the protection of the <sup>land</sup> environmental and subsistence resources of the refuge, including wildlife <sup>exclusively</sup> habitat, air, and water, in the event of oil and gas development on the <sup>proposed</sup> coastal plain of the refuge; and

5 (5) the U.S. Congress, in recognition of the state's economic <sup>land</sup> situation and the need for long-term economic development in the state, <sup>exclusively</sup> should require that the exploration and development activity in the refuge <sup>proposed</sup> be conducted by the work forces of the state; and be it

6 FURTHER RESOLVED that the state's delegation in Congress and the <sup>land</sup> Governor of the state should support opening the coastal plain of the <sup>exclusively</sup> Arctic National Wildlife Refuge, Alaska, to oil and gas exploration, pro- <sup>proposed</sup> duction, and transportation under conditions that would advance the inter- <sup>land</sup> ests of the people of the state, and work with the U.S. Department of the <sup>exclusively</sup> Interior to forestall proposed refuge land trades that would be inimical to <sup>proposed</sup> the interests of the state.

7 COPIES of this resolution shall be sent to the Honorable Ronald <sup>land</sup> Reagan, President of the United States; to the Honorable Donald Hodel, <sup>exclusively</sup> Secretary of the Department of the Interior; to the Honorable Steve Cowper, <sup>proposed</sup> Governor of Alaska; to the Honorable Ted Stevens and the Honorable Frank <sup>land</sup> Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, <sup>exclusively</sup>

- 1 members of the Alaska delegation in Congress; and to each of the other
- 2 members of the U.S. Congress.

# Alaska State Legislature

FEB 10 1987

PRESIDENT  
907-465-3755

JAN FAIKS  
POST OFFICE BOX V  
JUNEAU, ALASKA 99811

## Senate

February 7, 1987

### MEMORANDUM

TO: Senator Bettye Fahrenkamp  
Chairman, Special Committee on Oil and Gas

FROM: Senator Jan Faiks *Jan Faiks*  
President of the Senate

SUBJECT: ANWR Resolutions

In talking with the oil industry during the last few days I have found that they feel it is important for the Legislature to pass a resolution in full support of oil and gas exploration and development in the Coastal Plain as soon as possible. Their impression based on discussions with the Department of the Interior and the Fish and Wildlife Service is that a resolution passed within the next 30 days will have a significant impact, even though it will not be included in the public comments on the 1002(h) report.

It is also extremely important that the House and Senate pass identical resolutions to show the unity of the Alaska Legislature on this issue. Hopefully your meetings with the sponsors of the House and Senate resolutions will iron out the differences between SJR 7, HJR 7 and HJR 9.

If I can be of any assistance in this effort please let me know.

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

# Alaska State Legislature



PRESIDENT  
907-465-3755

JAN FAIKS  
POST OFFICE BOX V  
JUNEAU, ALASKA 99811

## Senate

January 31, 1987

### MEMORANDUM

TO: Senator Bettye Fahrenkamp, Chairman  
Senate Special Committee on Oil and Gas

FROM: Senator Jan Faiks  
President of the Senate *Jan Faiks*

SUBJECT: Senate Joint Resolution 7  
Relating to oil and gas exploration, develop-  
ment, and production within the Arctic  
National Wildlife Refuge

SJR 7 was referred to the Special Committee on Oil and Gas on January 26th. Since then, Governor Cowper has joined with the resolution's many sponsors and expressed the importance of Alaska's combined effort to open up ANWR for development of the coastal plain's oil and gas potential.

Because of the issue's importance, I am certain you will agree that the Senate's efforts reflect its timeliness and urgency. As a result, I would greatly appreciate your committee's consideration of SJR 7 prior to Friday, February 6th so that the resolution can be calendared to come before the full Senate as soon as is possible.

Thank you.

cc: Senator Arliss Sturgulewski

OUT OF SESSION

6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-274-6611

