

**SENATE CS FOR CS FOR HOUSE CONCURRENT RESOLUTION NO. 3(JUD) am S**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-NINTH LEGISLATURE - FIRST SESSION**

**BY THE SENATE JUDICIARY COMMITTEE**

**Amended: 4/14/15**

**Offered: 4/2/15**

**Sponsor(s): HOUSE RULES COMMITTEE**

**A RESOLUTION**

1 **Urging the governor and the attorney general to pursue all legal and legislative options**  
2 **to open the coastal plain of the Arctic National Wildlife Refuge and areas of the Chukchi**  
3 **and Beaufort Seas to oil and gas exploration, development, and production; and urging**  
4 **the governor and the Legislative Budget and Audit Committee to work with the United**  
5 **States Congress to enact measures necessary to prevent President Barack Obama and**  
6 **federal agencies from implementing regulations that place landscape characteristic**  
7 **restrictions on the Arctic National Wildlife Refuge that are equivalent to the restrictions**  
8 **placed on land given a wilderness designation.**

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

10 **WHEREAS** the state is experiencing steep declines in revenue from oil and gas  
11 production taxes and royalties on the North Slope as a result of decreasing oil production and  
12 plummeting oil prices; and

13 **WHEREAS** 16 U.S.C. 3143 (sec. 1003 of the Alaska National Interest Lands  
14 Conservation Act) prohibits oil and gas production as well as leasing or other development

1 leading to production of oil and gas from the Arctic National Wildlife Refuge until the  
2 activity is authorized by an Act of Congress; and

3 **WHEREAS**, on April 3, 2015, the United States Department of the Interior, United  
4 States Fish and Wildlife Service, issued its Record of Decision on the Arctic National  
5 Wildlife Refuge Revised Comprehensive Conservation Plan, recommending that the United  
6 States Congress designate the coastal plain of the Arctic National Wildlife Refuge and other  
7 core areas of the refuge as wilderness, the highest level of protection, prohibiting oil and gas  
8 development in the refuge; and

9 **WHEREAS**, on April 3, 2015, the United States Department of the Interior, United  
10 States Fish and Wildlife Service, issued its Record of Decision on the Arctic National  
11 Wildlife Refuge Revised Comprehensive Conservation Plan, which provides for the continued  
12 prohibition of oil and gas leasing, drilling, and extraction of oil and gas for commercial  
13 purposes, including all associated above and below ground facilities.

14 **WHEREAS** President Barack Obama and the United States Fish and Wildlife Service  
15 express the intention not only to block oil and gas exploration and development on the coastal  
16 plain of the Arctic National Wildlife Refuge, but also to permanently block any future oil and  
17 gas exploration and development in that area by asking the United States Congress to  
18 designate the coastal plain as wilderness by an Act of Congress; and

19 **WHEREAS**, on January 27, 2015, President Barack Obama signed a presidential  
20 memorandum providing for the withdrawal from disposition by leasing for a time period  
21 without specific expiration of (1) the areas of the Outer Continental Shelf currently designated  
22 by the Bureau of Ocean Energy Management as leasing deferral areas within the Chukchi Sea  
23 Planning Area and the Beaufort Sea Planning Area in the five-year oil and gas leasing  
24 program for 2012-2017; and (2) the Hanna Shoal region of the Chukchi Sea Planning Area  
25 lying within the contours of the 40-meter isobath; and

26 **WHEREAS** the withdrawal from disposition by leasing prevents consideration of  
27 those areas for any future oil or gas leasing for purposes of exploration, development, or  
28 production; and

29 **WHEREAS** sec. 6(i) of the Alaska Statehood Act (P.L. 85-508) recognizes the critical  
30 importance of revenue from natural resource development to the economic viability of the  
31 state by including all mineral deposits in land conveyed to the state and requiring the state to

1 reserve its right in mineral deposits in all land received from the federal government; and

2 **WHEREAS** 30 U.S.C. 191 requires that 90 percent of the money received from sales,  
3 bonuses, and royalties, including interest charges collected under 30 U.S.C. 1701 et seq.  
4 (Federal Oil and Gas Royalty Management Act of 1982), be paid to the state for disposition  
5 by the legislature; and

6 **WHEREAS** the leasing of the coastal plain of the Arctic National Wildlife Refuge for  
7 oil and gas development would provide a source of funds for the costs of providing state  
8 services to the people of the state; and

9 **WHEREAS**, in 16 U.S.C. 3142 (sec. 1002 of the Alaska National Interest Lands  
10 Conservation Act), the United States Congress authorized non-drilling exploratory activity  
11 within the coastal plain of the Arctic National Wildlife Refuge; and

12 **WHEREAS** the oil industry, the state, and the United States Department of the  
13 Interior consider the coastal plain to have the highest potential for discovery of very large oil  
14 and gas accumulations on the continent of North America, estimated to be as much as  
15 10,000,000,000 barrels of recoverable oil; and

16 **WHEREAS** the "1002 study area" is part of the coastal plain located within the North  
17 Slope Borough, and many of the residents of the North Slope Borough, who are  
18 predominantly Inupiat, are supportive of development in the "1002 study area"; and

19 **WHEREAS** the state recognizes and respects the right of Native landowners in and  
20 adjacent to the Arctic National Wildlife Refuge 1002 study area, including the rights of the  
21 Arctic Slope Regional Corporation and the Kaktovik Inupiat Corporation to develop their land  
22 and resources entitlements under the Alaska Native Claims Settlement Act and other  
23 agreements; and

24 **WHEREAS** oil and gas exploration and development of the coastal plain of the  
25 refuge, of adjacent land, and in the Chukchi and Beaufort Seas could result in major  
26 discoveries that would reduce our nation's dependency on oil produced by hostile foreign  
27 nations, help balance the nation's trade deficit, and significantly increase the nation's security;  
28 and

29 **WHEREAS** the state's and the nation's future energy independence would be  
30 enhanced with additional natural gas production from the North Slope of Alaska, including  
31 what are expected to be significant gas reserves in the Arctic National Wildlife Refuge and

1 the Chukchi and Beaufort Seas, and the development of those reserves would enhance the  
2 economic viability of the proposed Alaska liquefied gas project; and

3 **WHEREAS** domestic demand for energy continues to rise, and a reliable and secure  
4 source of domestic oil and gas ensures ongoing economic security for the state and the nation;  
5 and

6 **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and  
7 Milne Point has resulted in thousands of jobs throughout the United States, and projected job  
8 creation as a result of oil and gas development on the coastal plain and in the Chukchi and  
9 Beaufort Seas will have a positive effect in all 50 states; and

10 **WHEREAS** the Trans Alaska Pipeline System, a national asset that would cost  
11 billions of dollars to replace, would have its useful operating life extended for a substantial  
12 period if the additional reserves of recoverable oil from the coastal plain and Chukchi and  
13 Beaufort Seas were produced; and

14 **WHEREAS** the Trans Alaska Pipeline System is currently being extended to leases at  
15 Point Thomson, an area bordering the Arctic National Wildlife Refuge, and oil produced in  
16 the Arctic National Wildlife Refuge would require only the additional construction of a  
17 pipeline to Point Thomson to deliver oil to market; and

18 **WHEREAS** opening the coastal plain of the Arctic National Wildlife Refuge and  
19 allowing leasing and exploration in the Chukchi and Beaufort Seas would permit sufficient  
20 time for planning environmental safeguards, development, and national security review; and

21 **WHEREAS** the 1,500,000-acre coastal plain of the refuge makes up less than eight  
22 percent of the 19,000,000-acre refuge, and development of the oil and gas reserves in the  
23 refuge's coastal plain would affect a limited area as defined by the United States Congress;  
24 and

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

27 **WHEREAS** the oil industry has shown at Prudhoe Bay, as well as at other locations  
28 along the Arctic coastal plain, that it is capable of conducting oil and gas activity without  
29 adversely affecting the environment or wildlife populations; and

30 **WHEREAS** the oil and gas industry has developed directional drilling technology that  
31 will allow horizontal drilling in a responsible manner by minimizing the development

1 footprint within the Arctic National Wildlife Refuge, and that directional drilling technology  
2 is capable of drilling from outside of the boundaries of the 1002 study area; and

3 **WHEREAS** the oil industry is using innovative technology and environmental  
4 practices in new field developments, and those techniques are directly applicable to operating  
5 on the coastal plain and in the Chukchi and Beaufort Seas and would enhance environmental  
6 protection beyond traditionally high standards; and

7 **WHEREAS** the state recognizes that the economic prosperity of the state and nation  
8 is dependent on available, reliable, and affordable energy;

9 **BE IT RESOLVED** that the Alaska State Legislature urges the governor to work with  
10 the United States Congress to pass legislation to open the coastal plain of the Arctic National  
11 Wildlife Refuge and the Chukchi and Beaufort Seas to oil and gas exploration, development,  
12 and production; and be it

13 **FURTHER RESOLVED** that the Alaska State Legislature urges the governor and the  
14 Legislative Budget and Audit Committee to work with the United States Congress to enact  
15 measures necessary to prevent President Barack Obama, the United States Fish and Wildlife  
16 Service, the Department of the Interior, and other federal agencies from implementing  
17 regulations that place landscape characteristic restrictions on the Arctic National Wildlife  
18 Refuge that are equivalent to the restrictions placed on land given a wilderness designation;  
19 and be it

20 **FURTHER RESOLVED** that the Alaska State Legislature urges the governor and the  
21 attorney general to take all legal action necessary to prevent President Barack Obama, the  
22 United States Fish and Wildlife Service, the United States Department of the Interior, and  
23 other federal agencies from unlawfully blocking oil and gas leasing, exploration, and  
24 development on the coastal plain of the Arctic National Wildlife Refuge and in the Chukchi  
25 and Beaufort Seas.