

**ALASKA'S SOVEREIGNTY IN PERIL:
THE NATIONAL OCEAN POLICY'S
GOAL TO FEDERALIZE ALASKA**

OVERSIGHT FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON FISHERIES, WILDLIFE,
OCEANS AND INSULAR AFFAIRS

OF THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

Tuesday, April 3, 2012, in Anchorage, Alaska

Serial No. 112-105

Printed for the use of the Committee on Natural Resources



Available via the World Wide Web: <http://www.fdsys.gov>

or

Committee address: <http://naturalresources.house.gov>

U.S. GOVERNMENT PRINTING OFFICE

73-693 PDF

WASHINGTON : 2013

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON NATURAL RESOURCES

DOC HASTINGS, WA, *Chairman*
EDWARD J. MARKEY, MA, *Ranking Democrat Member*

Don Young, AK	Dale E. Kildee, MI
John J. Duncan, Jr., TN	Peter A. DeFazio, OR
Louie Gohmert, TX	Eni F.H. Faleomavaega, AS
Rob Bishop, UT	Frank Pallone, Jr., NJ
Doug Lamborn, CO	Grace F. Napolitano, CA
Robert J. Wittman, VA	Rush D. Holt, NJ
Paul C. Broun, GA	Raúl M. Grijalva, AZ
John Fleming, LA	Madeleine Z. Bordallo, GU
Mike Coffman, CO	Jim Costa, CA
Tom McClintock, CA	Dan Boren, OK
Glenn Thompson, PA	Gregorio Kilili Camacho Sablan, CNMI
Jeff Denham, CA	Martin Heinrich, NM
Dan Benishek, MI	Ben Ray Lujan, NM
David Rivera, FL	Betty Sutton, OH
Jeff Duncan, SC	Niki Tsongas, MA
Scott R. Tipton, CO	Pedro R. Pierluisi, PR
Paul A. Gosar, AZ	John Garamendi, CA
Raúl R. Labrador, ID	Colleen W. Hanabusa, HI
Kristi L. Noem, SD	Paul Tonko, NY
Steve Southerland II, FL	<i>Vacancy</i>
Bill Flores, TX	
Andy Harris, MD	
Jeffrey M. Landry, LA	
Jon Runyan, NJ	
Bill Johnson, OH	
Mark Amodei, NV	

Todd Young, *Chief of Staff*
Lisa Pittman, *Chief Counsel*
Jeffrey Duncan, *Democrat Staff Director*
David Watkins, *Democrat Chief Counsel*

SUBCOMMITTEE ON FISHERIES, WILDLIFE, OCEANS
AND INSULAR AFFAIRS

JOHN FLEMING, LA, *Chairman*
GREGORIO KILILI CAMACHO SABLAN, CNMI, *Ranking Democrat Member*

Don Young, AK	Eni F.H. Faleomavaega, AS
Robert J. Wittman, VA	Frank Pallone, Jr., NJ
Jeff Duncan, SC	Madeleine Z. Bordallo, GU
Steve Southerland, II, FL	Pedro R. Pierluisi, PR
Bill Flores, TX	Colleen W. Hanabusa, HI
Andy Harris, MD	<i>Vacancy</i>
Jeffrey M. Landry, LA	Edward J. Markey, MA, <i>ex officio</i>
Jon Runyan, NJ	
Doc Hastings, WA, <i>ex officio</i>	

CONTENTS

	Page
Hearing held on Tuesday, April 3, 2012	1
Statement of Members:	
Murkowski, Hon. Lisa, a U.S. Senator from the State of Alaska	4
Prepared statement of	5
Young, Hon. Don, the Representative in Congress for the State of Alaska	1
Prepared statement of	3
Statement of Witnesses:	
Farrell, Dr. John W., Executive Director, U.S. Arctic Research Commission	42
Prepared statement of	44
Joule, Hon. Reggie, Member, Alaska House of Representatives	12
Prepared statement of	13
Madsen, Stephanie, Executive Director, At-sea Processors Association, on behalf of the United Fishermen of Alaska	22
Prepared statement of	24
Moriarty, Kara, Executive Director, Alaska Oil and Gas Association	33
Prepared statement of	35
Parady, Fred, Executive Director, Alaska Miners Association	37
Prepared statement of	38
Rogers, Rick, Executive Director, Resource Development Council for Alaska	17
Prepared statement of	19
Sturgeon, John, Director, Alaska Forest Association	40
Prepared statement of	41
Vincent-Lang, Douglas S., Acting Director, Division of Wildlife Conservation, Alaska Department of Fish and Game	7
Prepared statement of	9
Additional materials supplied:	
Alaska Federation of Natives, Letter submitted for the record	51

**OVERSIGHT FIELD HEARING TITLED
“ALASKA’S SOVEREIGNTY IN PERIL: THE
NATIONAL OCEAN POLICY’S GOAL TO
FEDERALIZE ALASKA.”**

Tuesday, April 3, 2012

U.S. House of Representatives

Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs

Committee on Natural Resources

Anchorage, Alaska

The Subcommittee met, pursuant to call, at 10:09 a.m., in the Assembly Chambers of the Z.J. Loussac Library-Main Branch, 3600 Denali Street, Anchorage, Alaska, Hon. Don Young presiding.

Present: Representative Young.

Also Present: Senator Lisa Murkowski.

Mr. YOUNG. The Subcommittee will come to order. Good morning. Today the Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs will conduct an oversight hearing entitled Alaska’s Sovereignty in Peril: The National Ocean Policy’s Goal to Federalize Alaska.

Before I begin, I’d ask that Senator Murkowski be allowed to join the Subcommittee on the dais and participate in the hearing. Hearing no objection, so ordered.

**STATEMENT OF THE HON. DON YOUNG, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF ALASKA**

Mr. YOUNG. I’d like to welcome our witnesses here today. You know, in four separate Congresses, legislation was introduced to create a National Ocean Policy. Most recently, the legislation is known as BOB, Big Ocean Bill. Congress is not active in this bill due to serious concerns about the scope of the legislation. Now, without statutory authorization, the Administration has decided to create a new vague regulatory bureaucracy through an Executive Order.

The Executive Order creates a new National Ocean Policy and a complicated bureaucratic scheme, which includes: a 27-member National Ocean Council; an 18-member Governance Coordinating Committee; 10 National Policies; 9 Regional Planning Bodies—each involving as many as 27 Federal agencies as well as states and tribes; 9 National Priority Objectives; 9 Strategic Action Plans; 7 National Goals for Coastal Marine Spatial Planning; and 12 Guiding Principles for Coastal Marine Spatial Planning. Are you confused yet?

I’ve been confused ever since they introduced this. I hope you have a diagram. Think of what I said: 27 members, 18 members, 10 National Policies, 9 Regional Planning Bodies, 27 Federal agencies, 9 National Priority Objectives, 9 Strategic Action Plans. That

means you've got too much in the pot when you're creating this soup.

The Coastal Marine Spatial Planning Initiative is the most troubling. This initiative requires the establishment of nine Regional Planning Bodies, each made up of as many as 27 Federal agencies, which each will create Marine and Coastal Zone Planning. All Federal agencies will be required to follow these plans when making decisions on permits or when authorizing activities. These plans will reach far inland and affect all forms of resource development and add a new layer of decision-makers. This will create even more uncertainty for businesses that we want to invest in Alaska.

This goes not only in the ocean; it goes far inland. Despite the Administration's claims that it will be the most transparent ever, this Federal environmental overlay is being developed and implemented with no direct stakeholder involved. Nowhere in the United States will the effect of a National Ocean Policy be felt, as I said before, to as great an extent as in Alaska. The reach of this ocean policy will stretch throughout the entire State and affect almost all activity required by Federal permit.

As we will hear from our witnesses today, the State's economic viability is a direct result of our ability to use our natural resources. Any new Federal initiative that affects our ability to use these natural resources will cost us jobs and take away our statehood.

The Administration claims that this whole National Ocean Policy is nothing more than an attempt to coordinate Federal agencies and make better permitting decisions. Forgive me if I'm a little suspicious when the government through the Executive Order decides to create a new bureaucracy that will help us plan where activities can and cannot take place in our waters and inlets.

This effort for zoning authority in the State of Alaska using criteria and new policy goals will not be helpful. In fact, this effort will take place whether the State of Alaska wants it to and makes me even more suspicious of the Federal Government.

Alaska has the most productive fisheries in the U.S. and possibly the world. The North Pacific Fishery Management Council has allowed the fishermen themselves to be part of the process to participate in the government interpretation of the science used to create the management plan.

Almost 6 percent of the seafood produced in U.S. waters comes from Alaska, but now the Federal Government is proposing a new overlay that will second-guess the North Pacific Council system and will require them to use new criteria—criteria that are not included in the Magnuson-Stevens Act. We have well-managed oil and gas industries and mining industry. We manage our wildlife to allow ourselves a subsistence harvest and for sport hunting in a manner that allows for an incredible number and diversity of animals.

We do not need the Federal Government coming in and telling us that we now have to change our management and regulatory system to work within a zoning plan based on new criteria and developed by bureaucrats behind closed doors in Washington, D.C.

The National Ocean Policy is a bad idea. It will create more uncertainty for businesses and will limit job growth. It will also

compound potential litigation by groups that oppose human activities. What makes matters worse, the Administration refuses to tell Congress how much money will be diverted from other uses to fund the new policy.

The Federal budget is already tight. Taking money from existing research and management to fund some poorly designed national initiative that will hinder economic growth of Alaska is just wrong. This is not the first oversight hearing that's being held on the National Ocean Policy, and it will not be the last.

I want everybody to understand. We will continue this policy of hearing why this has been put forth by Executive Order. I look forward to hearing the witnesses today and hearing about the National Ocean Policy and how it will affect our activities.

[The prepared statement of Mr. Young follows:]

**Statement of The Honorable Don Young,
a Representative in Congress from the State of Alaska**

In four separate Congresses, legislation was introduced to create a national ocean policy. Most recently the legislation was known as BOB—the Big Ocean Bill. Congress has not acted on these bills due to serious concerns about the scope of the legislation.

Now, without statutory authorization, this Administration has decided to create a new, vague, regulatory bureaucracy through an Executive Order.

The Executive Order creates a new National Ocean Policy and a complicated bureaucratic scheme which includes: a 27-member National Ocean Council; an 18-member Governance Coordinating Committee; 10 National Policies; 9 Regional Planning Bodies—each involving as many as 27 Federal agencies as well as states and tribes; 9 National Priority Objectives; 9 Strategic Action Plans; 7 National Goals for Coastal Marine Spatial Planning; and 12 Guiding Principles for Coastal Marine Spatial Planning. Are you confused yet?

The “Coastal and Marine Spatial Planning” initiative is the most troubling. This initiative requires the establishment of 9 Regional Planning Bodies—each made up of as many as 27 Federal agencies—which will each create marine and coastal zoning plans. All Federal agencies will be required to follow these plans when making decisions on permits or when authorizing activities. These plans will reach far inland and add a new layer of decision-makers. This will create even more uncertainty for businesses that want to invest in Alaska.

And despite the Administration's claims that it will be the most transparent ever, this new federal environmental overlay is being developed and implemented with no direct stakeholder involvement.

Nowhere in the United States will the effects of the National Ocean Policy be felt to the extent that it will in Alaska. The reach of this “ocean” policy will stretch throughout the entire state and affect almost any activity that requires a federal permit. As we will hear from our witnesses today, the State's economic vitality is a direct result of our ability to use our natural resources. Any new federal initiative that affects our ability to use these natural resources will cost jobs.

The Administration claims that this whole National Ocean policy is nothing more than an attempt to coordinate federal agencies and make better permitting decisions. Forgive me if I am a little suspicious when the Federal government—through an Executive Order—decides to create a new bureaucracy that will “help” us plan where activities can or cannot take place in our waters and inland. This effort to “zone” a majority of the State of Alaska using new criteria and new policy goals will not be helpful. The fact that this effort will take place whether the State of Alaska wants it to or not makes me even more suspicious.

Alaska has the most productive fisheries in the U.S. and possibly the world. The North Pacific Fishery Management Council has allowed the fishermen themselves to be a part of the process—to participate in the development and interpretation of the science used to create the management plans. Almost 60% of the seafood produced in U.S. waters comes from Alaska. But now the federal government is proposing a new overlay that will second guess the North Pacific Council system and will require that they meet some new criteria—criteria that are NOT included in the Magnuson-Stevens Act.

Our forests are productive despite the federal government and environmental litigants' efforts to stop that industry. We have a well-managed oil and gas industry

and mining industry. And we manage our wildlife to allow for subsistence harvest and for sport hunting in a manner that has allowed for an incredible number and diversity of animals. We do not need the Federal government coming in and telling us that we now have to change our management and regulatory systems to work within a new zoning plan based on new criteria developed by bureaucrats behind closed doors in Washington, D.C.

This National Ocean Policy is a bad idea. It will create more uncertainty for businesses and will limit job growth. It will also compound the potential for litigation by groups that oppose human activities. To make matters worse, the Administration refuses to tell Congress how much money it will be diverting from other uses to fund this new Policy. The Federal budget is already tight. Taking money from existing research and management missions to fund some poorly-designed national initiative that will hinder economic growth in Alaska is just wrong.

This is not the first oversight hearing we have held on the National Ocean Policy and this will not be the last.

I look forward to hearing from today's witnesses and hearing how the National Ocean Policy will affect their activities.

Mr. YOUNG. With that, I recognize Senator Murkowski and hear any statement. By the way, I do believe this is the first time we've ever had a Senator from Alaska and a Congressman from Alaska sitting on the same panel and having the House hold the Chair. I do thank you, Senator, for being here.

Senator Lisa.

**STATEMENT OF THE HON. LISA MURKOWSKI,
A U.S. SENATOR FROM THE STATE OF ALASKA**

Senator MURKOWSKI. Thank you. Thank you, Congressman Young, not only for doing this oversight hearing in Anchorage today on the National Ocean Policy, but for allowing me to join you in this effort. I do recognize that it is somewhat unusual and I am actually happy that we're able to do this.

I appreciate the opportunity to be here to dive into some of the anticipated effects of the nine National Ocean Policy initiatives, including the Coastal Marine Spatial Planning. I share the concerns that you have outlined. When you outlined the number of entities that are involved, it kind of reminded me of the partridge in a pear tree. We might be able to sing that one together.

I do believe that the concerns that have been expressed by a number of industries, state and local governments, I think we recognize this is yet another attempt by the executive branch to tell us how we can and how we cannot use our oceans and our coast. In the FY12 budget request from the President, I worked to ensure that the Coastal Marine Spatial Planning funding request was zeroed out. I'm glad the President got the message and did not request CMSP funding. But I do worry that the Administration will continue to work and to move forward with all aspects of the National Ocean Policy.

Back in January the National Ocean Council released a draft National Ocean Policy Implementation Plan identifying an exhaustive list of milestones, many for 2012/2014 completion. I think some of these milestones are pretty ambitious.

For example, within the Ecosystem Base Management Policy, which I think there are 20 milestones, one of them is to develop national guidelines and best practices for ecosystem-based management implementation based on engagement of the nonFederal part-

ners and stakeholders. Another is to establish a process for adaptive resource management.

I commend the resource management bodies here in the Alaska region, like the North Pacific Fishery Management Council for proactively developing and integrating ecosystem-oriented management approaches into their decision-making process. However, I do not support national guidelines that dictate standards for ocean management. These one size fits all standards rarely work for Alaska.

National Ocean Policy milestones would require tremendous coordination and as you point out, Mr. Chairman, they would be very costly. And you have to ask yourself: To what end? We need more science and baseline information in order to effectively incorporate ecosystem-based management and decision-making, but arbitrary milestones in the draft National Ocean Policy Implementation Plan will drain resources from foundational science and core Federal programs.

The National Ocean Policy will be expensive and we recognize that. As you point out, there's no dedicated funds for agencies to follow through with commitments that are identified in the draft Implementation Plan. In Washington, we've been hearing from agencies that the Administration's National Ocean Policy initiatives will be absorbed by existing programs, but the agencies have not provided us with any indication of what work will need to be set aside as a tradeoff. We simply can't make that expansion without offsetting it somewhere else.

Now, just one final comment on CMSP for a second. The President's budget calls for expanding the Regional Ocean Partnership Grants by half a million dollars. Regional Ocean Partnerships have been formed in regions of the country where they feel that there is a need for some coordination above and beyond what existing management bodies can provide on their own.

Regional Ocean Partnerships were a way for those regions to continue to move forward with that type of work without imposing CMSP and the associated Regional Planning Bodies on everyone. I was disappointed to learn that this year the Regional Ocean Partnership competitive grants support activities that contribute to achieving the priorities identified by Regional Ocean Partnerships while also advancing National Ocean Policy priorities, including national CMSP framework. I think this program is clearly being used to advance the Administration's CMSP initiative despite the fact that Congress has zeroed out CMSP funding.

These are just a couple of the concerns that I have, in addition to what you have, Congressman. I look forward to the testimony that we will hear and an opportunity for ongoing discussion about this proposed national policy.

[The prepared statement of Senator Murkowski follows:]

**Statement of The Honorable Lisa Murkowski,
a U.S. Senator from the State of Alaska**

I would like to thank my good friend, Congressman Young, for calling this oversight field hearing on the National Ocean Policy and allowing me to join you on the panel. I appreciate the opportunity to be here in Alaska to dive into some of the anticipated affects of the nine National Ocean Policy initiatives, including Coastal and Marine Spatial Planning (or CMSP). You know as a member of the Senate Ap-

propriations CJS Subcommittee, I worked to defund FY 2012 spending for CMSP, and I was pleased to see that the President's budget request left that budget line item at zero for FY 2013. Congressman Young, despite the message Congress sent in pulling funds for CMSP, I see many indications that the administration continues to move forward will all aspects of NOP.

In January, The National Ocean Council released a draft National Ocean Policy (NOP) implementation plan identifying an exhaustive list of milestones, many for 2012–2014 completion. Some of these milestones are pretty ambitious. For example, within the Ecosystem-based Management policy objective, there are 20 milestones. One of them is to develop national guidelines and best practices for EBM implementation based on engagement of non-Federal partners and stakeholders. Another is to establish a process for adaptive resource management.

I support ecosystem-oriented decision making, and commend resource management bodies in the Alaska region like the North Pacific Fishery Management Council for proactively developing and integrating ecosystem-oriented management approaches into their decision making process. However, I do not support the concept of issuing national guidelines dictating standards for EBM, these one-size-fits all standards rarely work for Alaska

These two milestones alone, both targeted for 2013, would require tremendous coordination and would be very costly. And I have to ask to what end? We need more science and baseline information in order to effectively incorporate ecosystem based management in decision making—ironically, arbitrary milestones in the draft NOP implementation plan will drain resources from foundational science and core federal programs. EBM is just one of nine priority policy objectives, each with action items and milestones in the draft NOP implementation plan.

NOP will be expensive, and there are no dedicated funds for agencies to follow through with commitments identified in the draft implementation plan. In budget hearings in Washington, we've been hearing from agencies that the administration's NOP initiatives will be absorbed by existing programs, yet agencies have not provided us any indication of what work will need to be set aside as a tradeoff.

I'd like to return to CMSP for a minute. The President's Budget calls for expanding the Regional Ocean Partnership grants by \$0.5 million. Regional Ocean Partnerships have formed in regions of the country where they feel there's a need for some coordination above and beyond what existing management bodies can provide on their own. Regional Ocean Partnerships were a way for those regions to continue to move forward with that type of work without imposing CMSP and the associated Regional Planning Bodies on everyone right now. I was disappointed to learn that this year, Regional Ocean Partnership competitive grants support activities that contribute to achieving the priorities identified by Regional Ocean Partnerships while also advancing NOP priorities including the national CMSP Framework. This is an unacceptable end run around Congress to implement CMPS. This program is clearly being used to advance the administration's CMSP initiative. Eligibility standards for ROPs under the grant program require only that applicants be a government, institution of higher learning, or non-profit or for-profit organization that may receive and expend federal funds. Yet, the administration's definition of CMSP includes identifying areas most suitable for various types or classes of activities.

There is no guarantee Regional Ocean Partnerships are the appropriate body to be making recommendations or dictating what can and cannot happen in waters off Alaska or along the Alaska coastline, and they certainly would not have the authority.

Congressman Young, these are just a few of my concerns about NOP, and I look forward to learning more through the testimony we receive today about Alaskan's concerns over NOP and CMSP, and how the organizations represented here today think the NOP priority initiatives will affect them.

Mr. YOUNG. Thank you, Senator.

Mr. YOUNG. Without objection, I'm going to submit for the record a letter from Governor Parnell and a synopsis of this bill dated July 2nd, 2011, an additional letter from Governor Parnell on October 3rd, 2011, and we have other correspondence from the State and how they think this is a bad idea.

[The documents submitted for the record have been retained in the Committee's official files.]

Mr. YOUNG. I mentioned the confusion. This is the map we're looking at right here, ladies and gentlemen. I know you may not

be able to see it, but this is how confusing this thing is. This is by Executive Order 13547, and it goes on, nine priorities, objectives, 27 members here, 10 national policies and I can go on down the line. This is an example of what they're proposing.

There will be nothing ever achieved in this state when we lose our statehood. That sounds kind of alarming, but the utilization of our resources—this will be and has been the State of Alaska. We became a state for our socioeconomic well-being by utilization of our resources. As a state, this takes that right away.

With that, we call up our first panel. Mr. Doug Vincent-Lang, Acting Director of Division of Wildlife Conservation, Alaska Department of Fish and Game. We have The Honorable Reggie Joule, a Member of the House of Representatives, Mr. Rick Rogers, Executive Director, Resource Development Council for Alaska, and I believe Ms. Madsen, National Committee Chair, United Fishermen of Alaska.

I think you all know this. I'm pretty lenient as far as time goes, but you're actually supposed to take five minutes. When the panel is finished, we'll ask questions.

Mr. Lang, you're first.

**STATEMENT OF DOUG VINCENT-LANG, ACTING DIRECTOR,
DIVISION OF WILDLIFE CONSERVATION, ALASKA DEPARTMENT OF FISH AND GAME**

Mr. VINCENT-LANG. Good morning Representative Young, Senator Murkowski. Thanks for coming to Alaska to hear all the testimony on Ocean Policy. My name for the record is Doug Vincent-Lang. I'm testifying on behalf of the State of Alaska.

Let me begin by stating that Alaska has a strong interest in assuring the continued health and productivity of its marine and coastal resources. We rely on these areas for commercial fisheries, subsistence uses, recreation, transportation, shipping, and a multitude of other uses. Marine and coastal resources are vital to our economy, supporting a vibrant fishing industry that produces almost \$6 billion in economic activity in our State Annually, accounts for approximately 60 percent of the nation's seafood production, and is our largest private sector employer.

Coastal and marine areas also provide abundant development opportunities, such as offshore oil and gas, renewable energy, shipping and tourism. With over 44,000 miles of shoreline, more mileage than the other eight proposed planning areas combined—and an expansive EEZ, Alaska's interest in the ocean and coastal resources cannot be overstated.

The implementation of the President's National Ocean Policy institutes a new Federal framework to govern our marine and coastal activities. Upon inspection, it Federalizes decision process regarding marine and coastal activities and embeds authority into regional governance boards dominated by Federal agencies and Federal decision processes.

Alaska's marine and coastal resources and their uses are already tightly regulated by a vast and diverse array of Federal, state and local authorities. This existing oversight has a proven track record and is fully capable of ensuring the long-term health and viability of our marine and coastal resources. We do not believe additional

Federal regulatory oversight is needed and we oppose creation of additional Federal bureaucracy and regulation and view it as an unnecessary threat to our sovereignty.

We also do not support the use of this process for zoning or alternatively for regulated marine use planning purposes. Instead, we support achieving efficiency by relying on the effective proven resources processes and authorities that are already in place. Any establishment of further authority should be through direct congressional action.

Congress has a keen awareness of the current multi-jurisdictional structure and respect for the traditional role of states in managing our marine and coastal resources. Jurisdiction and management decisions for marine waters and submerged lands and responsibility for marine and coastal activities and ecosystems is divided between the states and the Federal Government.

Alaska's jurisdiction includes wetlands, uplands, tidal and submerged lands and extends out three nautical miles to the territorial limit. Within these areas, Alaska manages and leases lands and, with Federal and local agencies, permits and restricts activities that could impact the environment. Alaska and the Federal Government each have respective sovereign responsibilities and authorities to maintain healthy, resilient and sustainable marine and coastal resources.

Any adopted program must recognize and respect Alaska's jurisdiction and sovereign authorities. Coastal states must be recognized as equal partners with sovereign jurisdictions and authorities and not relegated to stakeholder status in any planning effort. Any new policies affecting coastal areas must be developed and implemented from the ground up, not from the top down as currently proposed.

The best policies are those that are local, not made by bureaucrats over 3,000 miles away. We believe state-driven efforts are best suited to addressing these stakes in Alaska, not new Federal programs. Alaska's experience and record demonstrates that a strong state model can be very effective when implemented responsibly and therefore national policies must recognize the need for state-based decision-making.

Our record of sustainable management of Alaska's marine and coastal resources has led to national and international recognition of Alaska as a leader in these fields. A prime example is fisheries management, which is shared between the Alaska Board of Fisheries and the North Pacific Fishery Management Council.

Rather than develop an implementation of new regulatory programs, a better focus would be in investment Arctic research, monitoring and infrastructure. In short, we need more resources, not more rules to ensure conservation of our coastal and marine resources. It is unfortunate that the new planning effort is draining agency resources at a time when core agency functions are struggling for funding due to declining Federal budgets.

We prefer to see the Federal Government use its resources on the many needs in the Arctic and to focus on the much needed and research and monitoring rather than expending resources on an unnecessary and duplicative planning effort.

Finally, to ensure an effective outcome, it is critically important that any planning effort have clearly defined, expected outcomes, an appropriate timeline, and provides both the states and users of marine and coastal resources with the primary authority to develop ocean and coastal policies. Despite numerous requests by the State to provide such specifics, they have yet to be provided.

The health and management of our marine and coastal resources is simply too critical to engage in a process that does not provide meaningful dialogue opportunities to address stated concerns.

In closing, this policy is simply not ready for implementation. Until requested details are provided, especially with respect to governments and regulated use, the State cannot support this effort as currently described. We urge Congress to directly involve itself in this process and for the National Ocean Council to delay implementation of this policy to allow more meaningful dialogue to address State and other affected users concerns.

I thank you for the opportunity to present these remarks on behalf of Governor Parnell and the State.

Mr. YOUNG. Thank you, Mr. Lang.

[The prepared statement of Mr. Vincent-Lang follows:]

**Statement of Douglas S. Vincent-Lang, Acting Director,
Division of Wildlife Conservation, Alaska Department of Fish and Game**

Good morning Mr. Chair, members of the committee. My name is Doug Vincent-Lang. I am the Acting Director of the Division of Wildlife Conservation of the Alaska Department of Fish and Game. Today I am testifying on behalf of the State of Alaska.

Let me begin by stating that Alaska has a strong interest in assuring the continued health and productivity of its marine and coastal resources. We rely on these areas for commercial and sport fisheries, subsistence uses, recreation, transportation, shipping, and a multitude of other uses. Marine and coastal resources are vital to our economy, supporting a vibrant fishing industry that produces almost six billion dollars in economic activity in our state annually, accounts for approximately 60 percent of the nation's seafood production, and is our largest private sector employer. Coastal and marine areas also provide abundant development opportunities, such as; offshore oil and gas, renewable energy, shipping, and tourism. The Alaska Outer Continental Shelf (OCS) is a large area, roughly the size of Texas and California combined, and is largely untapped as a natural resource. This area holds an estimated 27 billion barrels of oil and 132 trillion cubic feet of natural gas, and is a key to our nation's energy security. With 44,500 miles of shoreline—more mileage than the other eight proposed planning areas combined—and an expansive Exclusive Economic Zone, Alaska's interest in managing ocean and coastal resources cannot be overstated.

The implementation of the President's National Ocean Policy appears to be focused on developing a new federal regulatory framework to govern marine and coastal activities. Upon inspection, it appears to federalize decision processes regarding marine and coastal activities and to embed authority into regional governance boards dominated by federal agencies and federal decision processes. What is most troubling is that this governance overlays state lands and waters and directly threatens our sovereign authorities.

Alaska's marine and coastal resources and their uses are already tightly regulated by a vast and diverse array of federal, state, and local authorities. This existing oversight has a proven track record and is fully capable of ensuring the long-term health and viability our marine and coastal resources. We do not believe additional federal regulatory oversight is needed and we oppose creation of additional federal bureaucracy and regulation and view this as an unnecessary threat to our sovereignty. We also do not support use of this process for zoning or regulated marine use planning purposes. Instead, we support achieving efficiency by relying on the effective proven processes and authorities that are already in place.

The State is not aware of a single law granting the President authority to amend or supplement existing statutes with a new National Ocean Council to be guided by the conservation principles of Executive Order 13537 while controlling the deci-

sions of federal agencies and seeking to limit resource development to certain designated ocean or coastal zones. On its face, the Executive Order does not cite any federal statute as a source of such authority. If the Executive Order is based on existing authority the legal cite(s) should be provided. Otherwise, the authority to proceed should be through Congressional action. We urge that before imposing any new regulations, policies or strategies the federal executive branch seek express and clear authority for such changes through the passage of a bill by Congress. Congress has a keen awareness of the current multi-jurisdictional structure and respect for the traditional role of states in managing their marine and coastal resources.

Congress has already "occupied the field" of management of the nation's coastal and ocean resources with the many laws now in place. In so doing Congress has already decided what laws and requirements apply to coastal and ocean development and what policies and criteria federal agencies should use to decide whether to grant a permit for a particular project. Overlaying the President's national ocean policy on top of the existing statutory and regulatory framework creates uncertainty and conflict, both of which are problematic if the goal is to encourage economic development, jobs, and certainty in permitting.

Section 5(b) of the Executive Order says that "executive departments', agencies' or office's decisions and actions affecting the oceans and coasts. . . will be guided by the stewardship principles and national priority objectives set forth in the Final Recommendations". As such, the Executive Order mandates that agencies follow the President's policies and objectives when making decisions. This mandatory language is followed by language in the Executive Order that says "to the extent consistent with applicable law" but what does that mean? This raises the question as to whether a permitting agency deciding whether to grant a permit needs to follow the policy of the regional ocean plan or the direction of Congress in the Outer Continental Shelf Lands Act which sets out a policy with Congressional direction to promote development and to work with States and local communities in making permitting and leasing decisions on a case by case basis. Specifically, how would a permitting agency with that Congressional statutory framework fit that framework with the President's Executive Order which says the policy federal agencies should be following are the stewardship principles designed to protect oceans and bolster conservation, (Section 1 of Executive Order) and to follow the guidance of the National Ocean Council (Section 1 of the Executive Order) not Congress, or States or local communities or stakeholders.

If the Executive Order did not mandate federal agencies to follow the direction and policy, if it said federal agencies "may" apply the policies and principles of the Executive Order if the action they are contemplating is not already covered by an act of Congress, and if the Executive Order said federal agencies must continue to give deference to, and cooperate and coordinate with states, local communities, and stakeholders as set out in current laws and regulations, then the Executive Order avoids conflict and uncertainty in federal decision-making. But it does not say that. It uses mandatory language and while it contains some catch all language "consistent with applicable law", the language is not enough to save the Executive Order from becoming authoritative and stipulative.

Given this, how would any member of the public or industry supportive of a permit or development know if the federal agency made its decision based on the policy and requirements in statute or those set out in the Executive Order, or how much weight it gave to specific factors in its decision making process? If an entity does not know which factors were relied on and to what degree, then federal agencies can just follow the principles of the Executive Order and give lip service to the actual laws and regulations that are on the books now. And states and companies looking to invest and create jobs are going to be concerned at a minimum that it is uncertain what factors will be brought to bear on their project.

The federal government should also be required to follow the procedures of the Administrative Procedure Act which require federal agencies to follow rules and provide an opportunity for the public to comment, the Regulatory Flexibility Act which requires an estimate of the impacts on businesses from federal agency action, and the National Environmental Policy Act, which requires studies and analysis of any major federal action, which a new national ocean policy certainly qualifies for. (Since a timber sale for 10 acres qualifies.) All these protections should apply to this federal action in this Executive Order because it imposes a new national ocean policy which is significant action.

Jurisdiction and management decisions for marine waters and submerged lands and responsibility for marine and coastal activities and ecosystems is divided between the states and the federal government. Alaska's jurisdiction includes uplands, wetlands, tide and submerged lands and extends out three nautical miles to the territorial limit. Within these areas, Alaska manages and leases lands, and with fed-

eral and local agencies, permits or restricts activities on them that could impact the environment. Alaska shares a common responsibility with the federal government to maintain healthy, resilient, and sustainable marine and coastal resources. Any adopted program must recognize and respect Alaska's jurisdiction and sovereign authorities.

State government is in a good position to evaluate how proposed national marine and coastal policies will work, or not work, in different ecosystems and communities around the state. With a state as large and diverse as Alaska, it will be critically important to capture the experience and knowledge of the state in developing and implementing marine and coastal policies. We encourage that these policies be developed from the ground up, and not top down as is currently proposed. Durable, reliable, and implementable national policies require an understanding of local issues and a public process sufficient to ensure local support.

There are already numerous successful partnerships in Alaska among federal, state, and local governments, tribes, organizations, and concerned citizens. National policies should recognize and build upon these existing partnerships and avoid supplanting them with management or direction coming from outside the state. The best decisions are those that are local, not made by bureaucrats 3,000 miles away. We believe state driven efforts like those of the Northern Waters Task Force are best suited to addressing the issues facing Alaska, not new federal programs.

Alaska's experience and record demonstrates that a strong state model can be very effective when implemented responsibly and, therefore, national policies must recognize the need for state-based decision-making. Our record of sustainable management of Alaska's marine and coastal resources has led to national and international recognition of Alaska as a leader in these fields. A prime example is fisheries management which is shared between the Alaska Board of Fisheries and the North Pacific Fisheries Management Council. The management of fisheries by these bodies is perhaps the best in the world. In Alaska, significant progress has been made to strengthen and enhance marine research, coastal and marine observing, and habitat protection.

Rather than development and implementation of new regulatory programs, a better focus would be investment in Arctic research, monitoring, and infrastructure. In short, we need more resources, not more rules, to ensure conservation of our coastal and marine resources. This effort is draining agency resources at a time when core agency functions are struggling for funding due to declining federal budgets. We would prefer to see the federal government focus its resources on the many needs in the Arctic and to focus on much needed fisheries research rather than expending resources on an unnecessary and duplicative planning effort.

Needed infrastructure include aids to navigation, new polar-class icebreakers, ports in the Bering Sea and the Arctic Ocean, and forward basing for the U.S. Coast Guard (USCG) and Air National Guard aircraft. We also encourage the development of safe, secure, and reliable shipping regimes envisioned by the U.S. Arctic Policy.

A national commitment to provide adequate and sustained funding for Arctic research and infrastructure is also needed. Alaska would benefit greatly from access to high resolution mapping and imagery. For example, much of Alaska's coastline lacks complete navigational and bathymetric data. Resources are also needed to increase our knowledge of ocean acidification and the effects of climate change on the marine environment and fish stocks, for stock assessments, and improved observing and monitoring of oceans conditions. We endorse the Sustained Arctic Observing Network and urge full U.S. participation.

We also strongly recommend allocation of resources for enforcement and monitoring, especially full funding for the USCG to fulfill its responsibilities in international boundary enforcement and emerging responsibilities in the Arctic. The USCG's "High Latitudes" study and recommendations need to be released by the administration and key infrastructure recommendations presented to Congress for funding. Alaska is unique among states in that we share maritime boundaries with multiple foreign nations and manage fish stocks and marine mammals that migrate across international boundaries.

From an international perspective, implementation of marine and coastal policy must recognize that different legal regimes, with their associated freedoms, rights and duties, apply in different maritime zones of foreign countries. Due to our shared boundaries with Canada and Russia in the Arctic this is a very important issue. For example, activities in the adjacent Canadian Beaufort Sea currently operate under the jurisdiction of the Arctic Waters Pollution Prevention Act. While we do not have a specific proposal to endorse at this time, we encourage discussion of an Arctic high-seas fisheries agreement.

Rather than direct implementation of the provisions of an international treaty through executive order, we urge the Senate to ratify the United Nations Conven-

tion on the Law of the Sea. Once ratified, this treaty will allow the U.S. to claim jurisdiction over the offshore continental shelf beyond the 200-mile limit. As a result, U.S. boundaries could grow into areas that may hold large deposits of oil, natural gas, and other resources. Russia, Canada, Denmark, and Norway already have claims to Arctic territory and the U.S. needs a seat at the table to protect its interests.

Finally, to ensure an effective outcome, it is important that any planning effort have clearly defined expected outcomes, an appropriate timeline, and provides both the states and the users of marine and coastal resources with primary authority to develop ocean and coastal policies. Despite numerous requests by the state to provide such specifics, they have yet to be provided. The health and management of our marine and coastal resources is simply too critical to engage in a process that does not provide clear policy direction and a meaningful avenue for both state and public input and support. Also, the process, including all decision processes, must be locally driven and not vested in federal bureaucrats in Washington DC. Coastal states must be recognized as equal partners with sovereign jurisdictions and authorities, not relegated to stakeholder status in marine and coastal policy development and implementation.

In closing, while well-intentioned, this policy is simply not ready for implementation. Until requested details are provided, especially with respect to governance and regulated use, the State cannot support this effort as currently proposed. We urge the National Ocean Council to delay implementation of this policy and to have more meaningful dialogue to address state and other affected users concerns.

Thank you for the opportunity to speak with you today.

Mr. YOUNG. Mr. Reggie Joule.

**STATEMENT OF HON. REGGIE JOULE, MEMBER,
ALASKA HOUSE OF REPRESENTATIVES**

Mr. JOULE. Thank you, Congressman Young, Senator Murkowski.

For the record my name is Reggie Joule. I represent House District 40. I have represented this district for the last 16 years. My district stretches from the Canadian border on the northern and eastern coast down to Shishmaref. Within that district lies Prudhoe Bay, ANWR, the Red Dog Mine and countless unfounded other mineral and oil and gas resources.

The coastline of my district sits squarely on the Beaufort and Chukchi Sea, an area which for thousands of years has supported and provided for the Inupiat people and their food sources. It is this same area that holds potentially vast amounts of oil and gas.

Today everything seems to be happening at an accelerated rate. Ten years ago we were talking about the likelihood of drilling. This summer that's going to happen. There are new possibilities that are being discussed with northern shipping, mineral extraction, offshore commercial fishing and tourism.

With this in mind, in 2010 the Alaska Legislature formed the Northern Waters Task Force and that's what I'm here to talk about today, those recommendations. This task force was made up of State legislators, leaders from Alaska communities and representatives of the State and Federal agencies. We held meetings in Juneau, Anchorage, Barrow, Wainwright, Kotzebue, Nome, Wales, Bethel and Unalaska. We had experts from the universities and military, nongovernmental organizations, the oil and gas industry and dozens of State and Federal agencies.

Additionally, and for me when we went to some of these communities, most of them, we heard from people who live in those communities. The message that they gave was pretty uniform and

ended up being one of our top priorities that came out of the Northern Waters Task Force, and that was that communications was going to be a key in all of this and that local communities need to be included in the discussions, in the planning, the timing, and the decision-making of all of these things that are happening because if something goes awry, it is they who will pay the price.

We focused on issues of Arctic governance, oil and gas development, marine transportation, Arctic infrastructure, Arctic fisheries and Arctic research. I've already highlighted one of our top recommendations and that was communications.

One of the other recommendations that we came up with was the establishment of an Arctic Policy Commission. Now, we put together a resolution which passed the House of Representatives and is currently sitting in the Senate Finance Committee. This Commission, this Arctic Policy Commission, would be made up of stakeholders from across Alaska, from the Legislature to the Administration, the Federal Government, oil and gas industry, tribes, municipalities, corporations and a broad array of Alaskans.

A couple other recommendations that we made that are already in play, the Law of the Sea Treaty. We passed that resolution a year ago. The Senate just passed—and the House just passed the resolution for ice breakers and forward base landing for the United States Coast Guard. So you will have those in front of you. One you do; one is coming.

We need to pay attention to international agreements, shipping, fisheries, oil and gas and other transboundary issues. There's the search and rescue agreement that's already been made.

But in closing, Mr. Chairman, one of the things I think that we need to do as a recommendation from the Northern Waters Task Force is the Arctic Council. In 2013 Canada will take the chair. Two years after that the United States will take the chair of the Arctic Council. We have an opportunity, I believe, for North America to make a great impact with the Arctic Council.

There's much to look forward to. There's many challenges. We have one time to do this right, with the right research, with the right kinds of communications with the people that we serve, we can put our best foot forward. You have the rest of my written testimony in hand. Thank you for the opportunity to come here and we have forwarded the full report to both of your offices. Thank you.

Mr. YOUNG. Thank you, Mr. Joule.

[The prepared statement of Mr. Joule follows:]

**Statement of The Honorable Reggie Joule, State Representative,
Alaska State Legislature, Chair of the Alaska Northern Waters Task Force**
**SUMMARY OF THE MAIN FINDINGS OF THE ALASKA NORTHERN
WATERS TASK FORCE**

The United States is an Arctic Nation because of Alaska. Diminishing sea ice and the intensifying worldwide race for natural resources has rapidly increased international interest in the Arctic. Arctic Nations are anticipating the development of northern shipping routes, mineral extraction, oil and gas exploration, commercial fisheries, and tourism. For Alaska, the economic benefits over the long term could be substantial. But how will we confront the challenges and opportunities awaiting us in the Arctic while also providing for sustainable communities and protecting the environment?

In 2010, the Alaska State Legislature established the Alaska Northern Waters Task Force (ANWTF) to identify opportunities to increase the state's engagement with these issues. The task force is comprised of state legislators, leaders from Alaskan communities, and representatives of key state and federal agencies. The task force held twelve hearings in Juneau, Anchorage, Barrow, Wainwright, Kotzebue, Nome, Wales, Bethel, and Unalaska. Over 65 experts from universities, U.S. military, non-governmental organizations, and dozens of state and federal agencies testified. Additionally, the task force heard public testimony from local communities and residents. On both the state and federal level, the task force has identified numerous urgent needs. The following are its top three recommendations:

1. State-wide public testimony gathered by the task force made it clear that the state and federal governments must provide Alaskans with meaningful opportunities to participate in Arctic policy and Outer Continental Shelf development decisions. Many local government officials, tribal government representatives, and individuals expressed a need for timelier, more frank, and more thorough information from state and federal authorities regarding policies and activities off Alaska's coasts. The task force believes that consistent, structured communication and consultation—particularly with those Alaskans likely to be most impacted by evolving conditions—is the best way to build consensus, advance responsible policies, and stimulate broadly beneficial economic development.
2. The state of Alaska has only just begun to grapple with the challenges and opportunities developing in the far north. It is imperative the state be strategically involved and in a leadership role in the development of policies affecting the state, its communities, and citizens. It is therefore among the task force's highest priorities to press for the creation of a commission to develop a comprehensive state strategy for the Arctic. As the Arctic changes, the decisions Alaska faces will continue to evolve and grow in complexity. An Alaskan Arctic Commission will enable Alaska to more effectively respond to unfolding developments and will jumpstart Alaska's preparations to ensure that the interests of the state and its people are protected. The commission will also provide a means for communities and residents to remain engaged and be heard. To further this recommendation, the legislative task force members submitted House Concurrent Resolution 23 (HCR 23) to the legislature for consideration. HCR 23 creates a 17 member commission whose purpose is to develop an Alaskan Arctic Policy. HCR 23 has passed the House of Representatives and is now in the Senate for consideration. I am hopeful that it will pass the legislature this session.
3. The NWTF supports the Alaska State Legislature and the state of Alaska continuing to encourage the United States Senate to ratify the United Nations Convention on the Law of the Sea (UNCLOS). Joining the more than 165 other nations that have ratified UNCLOS will enable the U.S. to peacefully legitimize its claims to resources in areas of the Continental Shelf that extend beyond the 200-mile Exclusive Economic Zone. To quote President George W. Bush, who, like President Barack Obama, supports U.S. ratification of the convention, "It will give the United States a seat at the table when the rights that are vital to our interests are debated and interpreted."

The following pages include additional priorities, among the many findings of the task force, in areas including Arctic governance, oil and gas development, marine transportation, infrastructure, fisheries, and research. The in-depth recommendations of the task force can be found at www.anwtf.com.

Arctic Governance:

Changes in the Arctic make it necessary to evaluate the adequacy of existing Arctic governance structures and to consider adjusting these systems or creating new ones to better suit developing needs. At the international level, Arctic nations must strengthen their relations and enhance regulatory frameworks and policy mechanisms to address pressing issues. We in Alaska must ensure that our Arctic residents and the State of Alaska have a strong voice in these matters.

1. The NWTF supports the development of a comprehensive U.S. Arctic policy that is adequately funded to carry out its mission. This policy should ensure that national interests are balanced with Alaska state interests, so that commitments to safeguard the environment and the wellbeing of the region's communities and cultures accompany all strategies for economic development.
2. The NWTF recommends that the State of Alaska and the United States participate in the adoption of international agreements for shipping, fisheries,

- oil and gas development, and other transboundary issues. It is in our interest to ensure all parties develop resources in the region safely and responsibly.
3. The NWTF recommends the State of Alaska and the Alaska State Legislature support greater international cooperation through the Arctic Council. Having recognized that the Arctic Council is the world's predominant inter-governmental forum for Arctic governance, the NWTF recommends greater state engagement with the council and encourages its member countries to support expanding its mandate as an institution for forging multilateral agreements among Arctic nations. In May 2011, the Arctic Council formalized a search and rescue agreement detailing plans for Arctic emergency response. The Arctic Council also created a task force on oil spill preparedness and response. The task force is co-chaired by Russia and the United States, and is meeting for the third time in Anchorage on March 20–22, 2012. More agreements of this nature need to be finalized before development increases. Should the Council's mandate expand further into economic development issues in the Arctic, the Alaska Arctic Policy Commission's usefulness will only increase. Additionally, Canada will chair the Arctic Council in 2013 and the United States will assume the chairmanship in 2015. The two countries should partner closely during their respective chairmanships to further mutual goals. The United States and Alaska should begin working together now with Canada to begin the collaborative process. The Arctic Policy Commission's deliberations and recommendations will be vital in assuring that Alaska makes the most of any partnership.

Arctic Oil and Gas Development:

A warming Arctic provides new opportunities and challenges for oil and gas development. A 2008 U.S. Geological survey estimates that 13 percent of the earth's undiscovered oil reserves and 30 percent of the undiscovered gas reserves are in the Arctic.

1. The NWTF recommends that the State of Alaska and the United States develop a framework for the identification, acquisition and sharing of data and other information to support leasing, permitting, and other agency decisions.
2. The NWTF recommends that the State of Alaska and the United States support continued improvement in the ability of industry and the government to prevent, contain, control, clean-up and remediate spills in the Arctic. These measures should include contingency plans and response capabilities for all vessels operating in Arctic waters.
3. The NWTF recommends that the University of Alaska establish an oil spill research center. The University of Alaska has requested funding of approx. \$2 million to establish an oil spill research center but it is not currently in this year's budget.

Arctic Marine Transportation:

Maritime powers have been searching for a shorter route from the Atlantic to Asian waters for centuries. The warming Arctic raises the feasibility of two such routes: the Northern Sea Route, north of Russia, and the Northwest Passage, north of Canada and Alaska. Shipping traffic—already increasing—is expected to surge in the decades ahead. We must take steps to establish secure and environmentally sound marine transportation in the region as soon as possible.

1. The NWTF recommends that the United States, with the participation of the state of Alaska, work with the international community to finalize the Polar Code for ships operating in Arctic waters and examine whether to establish an offshore vessel routing scheme for circumpolar marine traffic, including through the Aleutians.
2. The NWTF supports increasing short- and long-range navigational aids in the North American Arctic and extending Automatic Identification System (AIS) vessel tracking across the North Slope waters to Tuktoyaktuk, in the Northwest Territories.
3. The NWTF endorses completing the Aleutian Islands Risk Assessment and recommends that the state of Alaska support and participate in the United States Coast Guard Port Access Route Study.

Arctic Fisheries:

As sea ice diminishes and some commercial fish species move into northern waters, interest in Arctic fisheries has increased. However, currently there is not nearly enough information available to make sustainable management of commercial fisheries possible there, and in 2009 the North Pacific Fishery Management Council approved a moratorium on commercial fishing in Alaskan waters north of the Bering Straits. The NWTF believes the state of Alaska and the U.S. government

should continue in its precautionary policy, but the moratorium should not cause Alaska to postpone research into viable Arctic commercial fisheries.

1. The NWTF recommends greatly increasing fisheries-related research and monitoring in the region.
2. The NWTF encourages the state of Alaska and the U.S. government to continue actively negotiating fisheries-related transboundary accords with other nations.
3. The NWTF recommends that the state of Alaska and federal authorities prepare strategies to maximize the degree to which local communities and resident Alaskans will benefit from the development of commercial fisheries in Arctic waters.

Arctic Infrastructure:

Immediate investment in Arctic infrastructure is a foremost priority for Alaska and the entire United States. Increased human activity related to shipping, oil and gas development, commercial fishing, and tourism will require, at a minimum, new ports and safe harbors, equipment and facilities for oil spill response, additional Polar Class icebreakers for the U.S. fleet, and improved charting and mapping.

1. The NWTF recommends the Alaska State Legislature and the state of Alaska continue to urge the federal government to forward base the United States Coast Guard in the Arctic and to fund the construction of additional ice breakers and ice-capable vessels for the U.S. fleet. To further this effort, the legislative members of the task force submitted House Joint Resolution 34 (HJR 34) for consideration. This resolution urges the U.S. Congress to fund all the facilities and vessels necessary for the U.S. Coast Guard to fulfill its Arctic missions, including funding more icebreakers and forward basing the Coast Guard to the Arctic. HJR 34 has passed both the House of Representatives and the Senate.
2. The task force recommends the state of Alaska and the federal government continue efforts to develop deep-water ports and additional safe harbors in northern waters as soon as possible. The State of Alaska and the U.S. Army Corps of Engineers is currently undergoing a ports study. The task force strongly urges that these efforts be fast tracked and that the development and construction of at least one Arctic port be undertaken in the next several years.
3. The NWTF supports increased funding to expedite the National Ocean and Atmospheric Administration's (NOAA) Hydrographic Arctic mapping. The task force particularly supports updated mapping of coastal navigation routes and entrance routes to coastal villages.

Arctic Research:

Worldwide climate change is having an outsized impact on the Arctic, where temperatures are rising twice as quickly as those in more southern latitudes. Profound transformations are underway in the Arctic's complex ecosystems. These changes are expected to trigger unprecedented degrees of human activity in the region. As a consequence, transformation in the far north will accelerate all the more, not just environmentally, but also on socioeconomic levels. Under these circumstances, the need for wide-ranging scientific research and monitoring in the Arctic has never been more pressing. We must continue to gather essential baseline information about the environment and its dynamics in order to become better able to discern shifting conditions. In turn, we will grow more proficient at grasping the implications of changes there, and we will improve our ability to prepare for and mitigate impacts. The NWTF recommends:

1. The NWTF recommends that the state of Alaska and the federal government identify priorities for Arctic research. By ranking priorities funding can be targeted more effectively and research can be better coordinated. Major knowledge gaps will be closed far more quickly.
2. The NWTF recommends improving the exchange of research information and integration of data management. Faster and more extensive integration of data collected by state and federal agencies, academics, and industry would yield enormous benefits for all stakeholders.
3. The NWTF recommends increased long-term monitoring of the Arctic, including routine surveys of key chemical, physical, and biological parameters of the Beaufort and Chukchi Seas. In order to better understand, quantify, and predict the effects of on-going changes in both marine and terrestrial Arctic ecosystems, Alaska must increase our long-term monitoring of a wide range of environmental characteristics. Funding for Arctic Ocean monitoring is

under consideration in the Alaska State Legislature but is not currently in any budget.

There are many issues facing the Arctic. Many need attention and action now. Working together we can develop the Arctic in a manner that benefits the state while maintaining healthy sustainable communities. The Arctic conversation is really just beginning but the dialogue must continue and engage all stakeholders. The forum for the dialogue isn't as important as the opportunity for consistent, meaningful dialogue and input. Thank you for your time and consideration on this matter.

Mr. YOUNG. Mr. Rogers.

**STATEMENT OF RICK ROGERS, EXECUTIVE DIRECTOR,
RESOURCE DEVELOPMENT COUNCIL FOR ALASKA**

Mr. ROGERS. Thank you, Congressman Young, Senator Murkowski for traveling back home to hear our views on this important national issue. I really appreciate it.

For the record, my name is Rick Rogers. I'm the Executive Director of the Resource Development Council for Alaska. RDC is a Statewide membership-funded nonprofit trade association and we represent the combined interests of forestry, fishing, tourism, mining, and oil and gas industries in Alaska. Our membership is truly a broad cross-section of Alaska businesses, including the aforementioned industries as well as local communities, all twelve Alaska Native Regional Corporations, organized labor, utilities and support businesses, all of whom recognize the important role resource development plays in our economy. For the record I have submitted a copy of our most recent annual report to better reflect who I represent today.

The National Ocean Policy will have a disproportionate impact on Alaska's resources and industries and our economy as a whole. It is appropriate that the Subcommittee chose to hold a field hearing here in Alaska. At approximately 34,000 miles—and I think that's—the State found an additional 10,000 miles—anyway, we have a lot of coastline here in Alaska and we have more coastline than the rest of the country combined. So this policy has a disproportionate impact on Alaska.

The National Ocean Policy adds uncertainty and anxiety to an already cumbersome and complex regime of state and Federal permitting and oversight. Increased bureaucracy could hamper the already slow processes with no added benefit to the environment. In our view, the Coastal Marine Spatial Planning/Regional Planning Body structure is an unauthorized new regulatory program that suggests a Federal level "top down" approach to the management of resources with minimal local input.

The ecosystem-based management goal requires a vast amount of scientific data to be fully implemented. The lack of sufficient information is often the basis for third-party legal claims by environmental nongovernmental organizations, eNGO's, to block development projects and their corresponding jobs. Natural resource managers need to use the best available data to move forward and make the best decisions with information available. We're concerned that ecosystem-based management runs the risk of paralysis by analysis.

The National Ocean Policy's stated goal of reaching to onshore activities adds to the uncertainty and anxiety for upland uses and

resource development. Section 404 of the Clean Water Act and the ubiquitous nature of wetlands means upland activities are already highly regulated in Alaska. Ever increasing and stringent clean air standards are already burdensome offshore and inland. A plethora of petitions to list additional species under the Endangered Species Act on and offshore add burden to landowners and resource industries.

The hardrock mines in Alaska require over 60 state and Federal authorizations to proceed with development. The National Ocean Policy adds yet another hurdle to overcome and may serve to provide an additional platform for third-party eNGO's to litigate against projects that appear to lack the informational requirements or expectations for the National Ocean Policy.

RDC is concerned that Coastal and Marine Spatial Planning may lead to far-reaching use restrictions on marine waters that will override social and economic needs of Alaskans. Broad swaths of submerged lands could be restricted in exclusionary zones for a nebulous national agenda of ecosystem-based management.

Even if restricted zones were more modest in size and scope, use restrictions in strategic marine corridors necessary for resource transport and shipping could be devastating to our marine-dependent industries.

One of the key justifications for Coastal and Marine Spatial Planning is to resolve conflict among diverse resource interests, yet RDC members representing mining, tourism, forestry, oil and gas and fisheries interests are firmly aligned. These industries are all concerned that the National Ocean Policy will create far more difficulties than it will resolve.

RDC is concerned that funds used in implementing National Ocean Policy will come at the expense of congressionally mandated activities. RDC's member companies require mandatory permits and often Federal leases to operate and declining Federal resources should not be expended on National Ocean Policy at the expense of these congressionally mandated obligations.

RDC members also require the best scientific data to address the impacts of their activities and funding diverted to National Ocean Policy could come at the expense of these needed scientific efforts. We urge Congress to maintain an integral role in these broad efforts to change the way ocean and coastal resources are managed and the power of appropriations should be considered in restraining the premature implementation of the National Ocean Policy.

Congressional oversight is needed to ensure implementation of the National Ocean Policy does not constrain the ability of Federal agencies to fulfill their congressional mandates to adjudicate needed Federal permits and leases.

RDC is concerned with the process being used to roll out this far-reaching policy. We have repeatedly requested meaningful stakeholder engagement without the suspected bias toward conservation and blocking of responsible resource access and development. These concerns are underscored by the fact that the Regional Planning Bodies charged with developing zoning plans will be comprised solely of government officials.

Detailed economic analysis of the impacts of the policy should be completed and available for full public and congressional review be-

fore policy implementation. The Handbook for Coastal and Marine Spatial Planning must be subject to public input, review and comment before implementation.

We have urged the National Ocean Council to utilize pilot projects in geographic areas where National Ocean Policy and Coastal Marine Spatial Planning has broad acceptance, before large swaths of ocean and marine areas, such as Alaska, have the policy imposed upon them.

In this time of tenuous economic recovery and high unemployment, Congress and the Administration should be untangling the complex web of statutes and regulations that are strangling our productive resource sectors of our economy. The National Ocean Policy does the exact opposite by adding complexity and jurisdictional ambiguity. Congress, the states, and the private sector should have a more meaningful role in the development and implementation of such far-reaching policies for state and Federal waters and upland resources.

I really appreciate the opportunity to comment. For the record I do have some additional backup that adds to your emphasis on our Constitution and the importance of our resources and our economy.

Thank you for the opportunity.

Mr. YOUNG. Thank you, Mr. Rogers.

[The prepared statement of Mr. Rogers follows:]

**Statement of Rick Rogers, Executive Director,
Resource Development Council for Alaska**

Good morning Members of the Subcommittee. My name is Rick Rogers, Executive Director of the Resource Development Council for Alaska (RDC). RDC is a statewide membership-funded non-profit trade association representing the combined interest of the Forestry, Fishing, Tourism, Mining, and Oil and Gas industries in Alaska. Our membership is truly a broad cross section of Alaska businesses, including the aforementioned industries as well as local communities, all twelve Alaska Native Regional Corporations, organized labor, utilities and support businesses that recognize the important role resource development plays in our economy. I have submitted a copy of our most recent annual report for the record.

The National Ocean Policy will have a disproportionate impact on Alaska's resource dependent industries and our economy as a whole. It is appropriate the Subcommittee chose to hold a field hearing here in Alaska. At approximately 34,000 miles, Alaska has more coastline than that of all other states in our nation combined.

The National Ocean Policy adds uncertainty and anxiety to an already cumbersome and complex regime of state and federal permitting and oversight. Increased bureaucracy could hamper the already slow processes with no added benefit to the environment. In our view the Coastal Marine Spatial Planning/Regional Planning Body structure is an unauthorized new regulatory program that suggests a federal level "top down" approach to management resources with minimal local input.

The ecosystem-based management goal requires a vast amount of scientific data to be fully implemented. The lack of sufficient information is often the basis for third party legal claims by Environmental Non-government Organizations (eNGOs) to block development projects and their corresponding jobs. Natural resource managers need to use best available data to move forward and make the best decisions with information available. Ecosystem Based Management runs the risk of "paralysis-by-analysis."

The National Ocean Policy's stated goal of reaching to onshore activities adds to the uncertainty and anxiety for upland land use and resource development. Section 404 of Clean Water Act and ubiquitous nature of wetlands means upland activities are already highly regulated in Alaska. Ever increasing and stringent clean air standards are already burdensome offshore and inland. A plethora of petitions to list additional species under the Endangered Species Act on and offshore add burden to landowners and resource industries. The hardrock mines in Alaska require over 60 State and Federal authorizations to proceed with development. The National

Ocean Policy adds yet another hurdle to overcome, and may serve to provide an additional platform for third party eNGOs to litigate against projects that appear to lack the informational requirements or expectations for the National Ocean Policy.

RDC is concerned that Coastal and Marine Spatial Planning may lead to far reaching use restrictions on marine waters that will over-ride the social and economic needs of Alaskans. Broad swaths of submerged lands could be restricted in exclusionary zones for a nebulous national agenda of "ecosystem-based-management". Even if restricted zones were more modest in size and scope, use restrictions in strategic marine corridors necessary for resource transport and shipping could be devastating to our marine-dependent industries.

One of the key justifications for Coastal and Marine Spatial Planning is to resolve conflict among diverse resource interests, yet RDC members representing Mining, Tourism, Forestry, Oil and Gas, and Fisheries interests are firmly aligned. These industries are all concerned that NOP will create far more difficulties than it will resolve.

RDC is concerned that funds used to implement National Ocean Policy will come at the expense of congressionally-mandated activities. RDC's member companies require mandatory permits and often federal leases to operate, and declining federal resources should not be expended on National Ocean Policy at the expense of these congressionally mandated obligations. RDC members also require the best scientific data to address the impacts of their activities and funding diverted to National Ocean Policy could come at the expense of needed scientific efforts.

We urge Congress to maintain an integral role in these broad efforts to change the way ocean and coastal resources are managed, and the power of appropriation should be considered in restraining the premature implementation of the National Ocean Policy. Congressional oversight is needed to ensure implementation of the National Ocean Policy does not constrain the ability of federal agencies to fulfill their congressional mandates to adjudicate needed federal permits and leases.

RDC is concerned with the process being used to roll out this far-reaching policy. RDC has repeatedly requested meaningful stakeholder engagement without the suspected bias toward conservation and blocking responsible resource access and development. These concerns are underscored by the fact that Regional Planning Bodies charged with developing zoning plans will be comprised solely of government officials.

Detailed economic analysis of impacts of the policy should be completed and available for full public and Congressional review before policy implementation. The Handbook for Coastal and Marine Spatial Planning must be subject to public input, review, and comment before implementation.

We have urged the National Ocean Council to utilize pilot projects in geographic areas where NOP and CMSP has broad acceptance, before large swaths of ocean and marine areas, such as Alaska, have this policy imposed upon them.

In this time of tenuous economic recovery and high unemployment, Congress and the administration should be untangling the complex web of statutes and regulations that are strangling our productive resource sectors of our economy. The National Ocean Policy does the opposite by adding complexity and jurisdictional ambiguity. Congress, the states, and the private sector should have a more meaningful role in development and implementation of such far-reaching policies for state and federal waters and upland resources.

Thank you for the opportunity to comment on this far-reaching initiative. We thank the members of this Subcommittee for watching out for the best interests of Alaskans and all Americans.

Additional Background to Augment RDC verbal testimony.

Natural resources are vital to the economic survival of Alaska and its residents. In part, Alaska was granted statehood due to our vast natural resources; the federal government expected Alaska to utilize its bounty of natural resources to build and sustain its economy. Alaska's constitution includes a unique provision, Title 8, the preamble of which states "It is the policy of the State to encourage the settlement of its land and the development of its resources by making them available for maximum use consistent with the public interest." To fulfill the vision of Alaska's Constitution, we must have access to our resources, and avoid uncertainty and unnecessary regulations that offer no added benefit to the environment.

The National Ocean Policy will have a disproportionate impact on Alaska's resource-dependent industries and our economy as a whole. It is appropriate the Subcommittee chose to hold a field hearing here in Alaska. At approximately 34,000 miles, Alaska has more coastline than that of all other states in our nation combined.

RDC members know that Alaska's economy is based on responsible resource development conducted in accordance with existing local, state, and federal environmental protections and laws. Alaskans must continue to have access to our valuable and traditional resources. The responsible development of these resources creates jobs in communities throughout Alaska, many of which have few other jobs available. Many of these communities will disappear if overly burdensome regulations are added to existing and new projects.

Alaska fisheries provide over half of the commercial seafood harvested in U.S., and these sustainably managed fisheries are a model for the world. Oil and Gas reserves in the Beaufort/Chukchi Seas alone could result in 26 billion barrels of oil and 32 trillion cubic feet of natural gas over next 50 years, yielding 54,700 new jobs, \$145 billion in payroll, and \$193 billion in government revenue. All Alaska industries, forestry, tourism, oil and gas, fisheries and mining, are highly dependent on ocean access and marine transportation.

For the record, RDC submits four publication summaries highlighting the economic significance of oil and gas, mineral, tourism and fisheries resources. Unfortunately we do not have a similar report of our timber industry, except to report that it is a mere shadow of its former self, having precipitously declined due to what RDC views as failed federal public land policy constraining timber supply. The decline of the timber industry in Alaska highlights our need to be ever vigilant regarding the unintended consequences of policy initiatives such as the National Ocean Policy and Coastal and Marine Spatial Planning.

The policy raises significant concerns from the fisheries community regarding the future role of the stakeholder driven Regional Fishery Management Councils. The North Pacific Fishery Management Council is a model for sustainable and adaptive management of this renewable resource. The old adage, "if it isn't broke, don't fix it" should apply and it needs to be abundantly clear that the decision authority of the stakeholder driven Regional Fisheries Management Councils is not compromised by a new National Ocean Policy structure. The Regional Fishery Management Councils are working well and should not be coopted by a new regional planning and management structure.

RDC is concerned that Coastal and Marine Spatial Planning may impose disproportionate restrictions on the ability of Alaskans to have a balanced and robust resource based economy. Consider that 58.6% of uplands in Alaska are federally managed lands, 65% of which are in restrictive conservation system units such as parks, Wilderness Areas, refuges and wild and scenic rivers. For the record, we have submitted an RDC publication entitled "Who Owns Alaska" which highlights the dominance of federal management of uplands in Alaska with priorities that are often in direct conflict with the economic interest of Alaskans.

RDC shares the concerns expressed by Alaska Governor Sean Parnell and the six other Governors in the Outer Continental Shelf Governors Coalition in their letter to President Obama dated March 13, 2012. In that correspondence, the Governors raise concerns of unintended consequences for all types of energy development. RDC notes that the same unintended consequences are likely to also affect fisheries, forestry, mineral development and tourism activities.

RDC has weighed in on this important policy initiative several times. We have asked that the National Ocean Council improve coordination of existing protection measures, such as the Clean Water Act, the National Environmental Policy Act, and the Magnuson-Stevens Fishery Conservation Act instead of adding another layer of bureaucracy. In reference to the other Strategic Action Plan objectives not addressed in RDC verbal testimony, included are copies of two detailed letters RDC wrote to the NOC in 2011, and our most recent written input on March 28, just last week.

Attachments submitted for the record include:

2011 Annual Report of the Resource Development Council for Alaska. Available online at <http://akrdc.org/membership/annualreport/annualreport2011.pdf>

Economic Report Overview, Potential National-Level Benefits of Oil and Gas Development in the Beaufort and Chukchi Sea, University of Alaska Institute of Economic Research and Northern Economics. Available online at <http://www.northerneconomics.com/pdfs/ShellOCS/National%20Effects%202-page%20brochure%20FINAL.pdf>

The Economic Benefits of Alaska's Mining Industry, Alaska Miners Association, January 2012. <http://www.alaskaminers.org/mcd11sum.pdf>

The Seafood Industry in Alaska's Economy, Prepared by Northern Economics for the Marine Conservation Alliance, available online at http://www.marineconservationalliance.org/wp-content/uploads/2011/02/SIAE_Feb2011a.pdf

Alaska Visitor Statistics Program VI, Summer 2011, Executive Summary, Prepared by The McDowell Group for Alaska Department of Commerce, Community and Economic Development. Available online at <http://www.commerce.state.ak.us/ded/dev/toubus/pub/2011AVSP-ExecSummary-StandAlone.pdf>

Who Owns Alaska, A Special Issue of Resource Review, A periodic publication of the Resource Development Council for Alaska. Available online at <http://akrdc.org/newsletters/2009/whoownsalaska.pdf>

RDC written comments to the National Ocean Council dated April 29, 2011, July 1, 2011 and March 28, 2012.

Mr. YOUNG. Ms. Madsen.

**STATEMENT OF STEPHANIE MADSEN, NATIONAL COMMITTEE
CHAIR, UNITED FISHERMAN OF ALASKA**

Ms. MADSEN. Thank you, Mr. Chairman and members of the Subcommittee for taking time to hear our State's concerns about the Administration's National Ocean Policy. I'm Stephanie Madsen, the Executive Director of the At-sea Processors Association, a trade association representing fishing companies that participate in Federally managed ground fisheries in waters off Alaska.

Today I am testifying on behalf of the United Fishermen of Alaska, an umbrella organization composed of 37 Alaska commercial fishing organizations, whose members account for more than half of the seafood landed annually in the United States.

Alaska's commercial fishing industry has participated at every step of the public process as the Administration has rolled out its NOP, which includes the ocean zoning concept. To date, virtually none of the concerns that we've articulated have been addressed.

My testimony will focus on three key areas of the NOP initiative. One, the threat to NOAA's Fisheries' core science programs from the diversion of funds to an unauthorized initiative; 2, the usurpation of the role of expert fishery managers to manage fishery resources by a new Federal bureaucracy comprised; and 3, the possible proliferation of unnecessary and unwise regulations under the NOP process and the resulting threat posed to Alaska's largest private sector private, the commercial fishing industry.

Alaska's commercial fishing industry appreciates the efforts of Chairman Hastings, Subcommittee Chair Fleming, Mr. Young and other members of the Natural Resources Committee, as well as our Senator Murkowski, in continuing to press the Administration to disclose how much money is actually being spent on various Federal agencies on NOP implementation. The linchpin of successful fisheries management in Alaska is good science. We are already worried about possible impacts on fisheries science and management programs given the grim budget picture.

The NOP initiative, which is diverting untold sums from NOAA and other agencies, further reduces the resources available for NOAA Fisheries. Using a precautionary approach to fisheries management, as scientific uncertainty from lack of research goes up, the allowable harvest level is reduced, which means fewer fishing and fish processing jobs and less income for those still working. We cannot afford to continue to divert funding from NOAA Fisheries' core science programs to support a grandiose NOP initiative.

Much of what is contained in the NOP initiative was contemplated in bills introduced in the 108th through the 111th Con-

gresses. Congress repeatedly refused to enact this legislation. Now, without congressional authorization or dedicated appropriations, the Administration states that NOP/CMSF funding will come from repurposing existing resources. We do not favor repurposing core NOAA Fisheries' programs to establish Federally dominated Regional Planning Bodies that could supplant the regional fishery management councils. It is a hollow argument advanced by the Administration that repurposing funds creates efficiencies when, at least for fisheries management, it creates confusing, overlapping, jurisdictional lines and duplicates existing processes.

Until Congress acts to authorize NOP/CMSF activities and provides the necessary funding amounts, we urge Congress at a minimum to prohibit the expenditure of Federal funds to establish Regional Planning Bodies or to develop any plans established within the scope of the E.O.

Since its inception, the NOP initiative has called for establishing eight Regional Planning Bodies composed of primarily Federal officials with some provision for state, local and tribal interests. The Administration opposes including members of the public on RPBs to avoid triggering the Federal Advisory Committee Act. These RPBs are tasked with developing CMS plans for sustainable use and long-term production of the ocean, our coasts, and the Great Lakes.

With regard to fisheries, the Commerce Department is obligated to integrate fishery management regulations so that they're consistent with elements of any Federally developed CMSF plan. All members of the North Pacific Council, our regional council, are required by law to be knowledgeable and experienced in the fisheries under council jurisdiction. The Federal fishery management process in Alaska has been an unqualified success. What would an RPB with no fisheries expertise have over the Fishery Management Council?

The commercial fishing industry has asked repeatedly in public comments and meetings with Administration officials for assurances that CMS plans will not affect fishing activities. Those calls have gone unheeded.

I think my written testimony is complete in there, but five minutes goes fast. I guess, Congressman Young and Senator Murkowski, under a plain reading of the NOP, provisions of the CMS plans can affect fishing activities. By Executive Order the Secretary of Commerce is required to promulgate regulations to good effect in set provisions.

If the Administration wants to convince the commercial fishing industry that it does not intend to supersede the Regional Fishery Management Councils' authority, it should explicitly exempt fishing-related provisions from CMS plans.

That concludes my testimony, Mr. Chairman. Thank you again for the opportunity to testify. I'd be happy to answer any questions. Mr. YOUNG. Thank you, Ms. Madsen.

[The prepared statement of Ms. Madsen follows:]

**Statement of Stephanie Madsen, At-sea Processors Association,
on Behalf of the United Fishermen of Alaska**

Thank you, Mr. Chairman, and Members of the Subcommittee for taking the time to travel to Alaska to hear our State's concerns about the Administration's National Ocean Policy (NOP).

I am Stephanie Madsen, the executive director of the At-sea Processors Association (APA), a trade association representing fishing companies that participate in federally managed groundfish fisheries in waters off Alaska. Today, I am testifying on behalf of the United Fishermen of Alaska (UFA), an umbrella organization composed of 37 Alaska commercial fishing organizations whose members account for more than half the seafood landed annually in the United States.

Alaska's commercial fishing industry has participated at every step of the public process as the Administration has rolled out its NOP, which includes the ocean zoning concept of Coastal and Marine Spatial Planning (CMSP). To date, virtually none of concerns that we have articulated have been addressed. The Administration appears intent on pursuing a pre-determined course of action without regard for the views of the public, and just as troubling, represents a course of action that lacks legislative authority and expends federal funds intended for other purposes.

My testimony will focus on three key areas of the NOP initiative: 1) the threat to NOAA Fisheries' core science programs from the diversion of funds to an unauthorized NOP/CMSP initiative; 2) the usurpation of the role of expert fishery managers to manage fishery resources by a new federal bureaucracy comprised of individuals without relevant expertise, and 3) the possible proliferation of unnecessary and unwise regulations under the NOP/CMSP process and the resulting threat posed to Alaska's largest private sector employer—the commercial fishing industry.

Budgetary and Fiscal Impacts of the NOP/CMSP Initiative

Alaska's commercial fishing industry appreciates the efforts of Chairman Hastings, Subcommittee Chairman Fleming, Mr. Young, and other Members of the Natural Resources Committee, in continuing to press the Administration to disclose how much money is being spent by various federal agencies on NOP implementation. The linchpin of successful fisheries management in Alaska is good science. We are already worried about possible impacts on Congressionally-authorized federal fisheries science and management programs given the grim budget picture. The NOP initiative, which is diverting untold sums from NOAA and other agencies, further reduces the resources available for NOAA Fisheries' science and management programs. Using a precautionary approach to fisheries management, as scientific uncertainty from lack of research goes up, the allowable harvest level is reduced, which means fewer fishing and fish processing jobs and less income for those still working. We cannot afford to continue to divert funding from NOAA Fisheries' core science programs to support a grandiose NOP initiative.

From the issuance of the NOP Executive Order 13547 and the Final Recommendations of the Ocean Policy Task Force in July 2010 to the Draft National Ocean Policy Implementation Plan published in January 2012, the NOP initiative has consistently called for a costly new expansion of federal ocean-related programs. The draft NOP implementation plan issued in January, for example, proposes 53 federal government actions and nearly 300 milestones. And, of course, the NOP/CMSP program establishes a new federal bureaucracy by creating a National Ocean Council, a Governance Coordinating Committee, eight new Regional Planning Bodies each consisting of two dozen federal officials, and myriad other committees and consultative bodies.

Much of what is contained in the NOP initiative was contemplated in bills introduced in the 108th through the 111th Congresses. Congress repeatedly refused to enact this legislation. Now, without Congressional authorization or dedicated appropriations, the Administration states that NOP/CMSP funding will come from "repurposing" existing resources. We do not favor "repurposing" core NOAA Fisheries science and management programs to establish federally dominated Regional Planning Bodies that could supplant the stakeholder driven regional fishery management councils. It is a hollow argument advanced by the Administration that repurposing funds creates efficiencies when, at least for fisheries management, it creates confusing, overlapping jurisdictional lines and duplicates existing processes.

Until Congress acts to authorize NOP/CMSP activities and provides the necessary funding amounts, we urge Congress at a minimum to prohibit the expenditure of federal funds to establish Regional Planning Bodies or to develop any plans identified within the scope of E.O. 13547.

NOP/CMSP Seeks to Usurp the Role of Regional Fishery Management Councils

Since its inception, the NOP initiative has called for establishing eight Regional Planning Bodies (RPBs) to be composed primarily of federal officials with some provision for state or local government representatives, and tribal interests. The Administration opposes including members of the public on RPBs to avoid triggering transparency requirements under the Federal Advisory Committee Act (FACA). RPBs are tasked with developing “National Ocean Council-certified regional CMS Plans for the sustainable use and long-term protection of the ocean, our coasts, and the Great Lakes.” Provisions of such plans are to be implemented by regulation. Moreover, all federal agencies are required under the NOP program to “endeavor, to the maximum extent possible, to integrate their actions with those of other partners to a CMS Plan.” With regard to fisheries, the Commerce Department is obligated to “integrate” fishery management regulations so that they are consistent with elements of any federally developed CMS Plan.

Federal fisheries off Alaska are managed currently under the authority of the Magnuson-Stevens Act, or MSA. The North Pacific Fishery Management Council is one of eight regional councils established under the MSA, and it is charged with developing management measures for fisheries occurring from 3 to 200 miles off the coast of Alaska. The North Pacific Council is composed of 11 voting members, which includes one federal official, three state officials, and seven private citizens nominated by Governors and appointed by the Secretary of Commerce. All Council members are required by law to be knowledgeable of, and experienced in, the fisheries under Council jurisdiction. The Councils involve affected users directly in the decision making process. The federal fishery management process in Alaska has been an unqualified success. All federally managed fish stocks in the Alaska region are harvested at sustainable levels, and a comprehensive set of regulations is in place to minimize fishing impacts on the environment. The management process is noted for its transparency and for the opportunities afforded to all stakeholders to have their views given due consideration.

The commercial fishing industry has asked repeatedly in public comments and meetings with Administration officials for assurances that CMS Plans will not affect fishing activities. Those calls have gone unheeded. We are left to conclude from a plain reading of the documents giving force to the NOP that the Secretary of Commerce will be obligated to promulgate new rules, or amend existing rules, to ensure implementation of any provisions of CMS Plans that might relate to fishery closures, mitigation measures, or catch limits.

The Proliferation of New Regulations Under the NOP Threatens Commercial Fishing and Fish Processing Jobs—Alaska’s Largest Private Employment Sector

Regional plans developed by RPBs that are populated by dozens of federal officials and certified by the Cabinet-level National Ocean Council will be broad in scope and receive substantially less public input than management measures developed through the MSA regional fishery management council process. The various NOP/CMSP documents issued by the Administration contain contradictory statements that this program anticipates no new regulations and that all federal agencies are obligated to issue or amend regulations to be as consistent as possible with regional CMS Plans. Given that the NOP is given force through Presidential decree, we fully expect federal agencies to follow specific guidance to conform to provisions of regional plans.

Fisheries regulations are designed most often to address complex resource management problems. Almost all management rules have allocation impacts on fishery participants and even with the benefit of detailed analysis cannot always avoid unintended consequences. In short, even in a fisheries management system populated with highly qualified resource management scientists and managers with decades of experience and benefiting from expert analysis and the knowledge derived from stakeholders’ input at every meaningful stage of the regulatory process, it is still difficult to minimize economic harm and avoid unintended environmental consequences.

It is not difficult to envision a provision in a CMS Plan that calls for a sizable area closure to fishing, or network of closed areas. The purpose could be to create marine reserves or to set aside areas for another commercial activity. How informed will an RPB be—especially one composed primarily of federal agency officials without fisheries experience—about the effects of displacing fishing activity? Will there be an analysis of the economic consequences of losing access to valuable fishing grounds? Will there be a sophisticated analysis of the effects on habitat, bycatch, etc. if fishing activity is redirected? Given the projected scope of CMS Plans and the

lack of fisheries experience of those voting on CMS Plan provisions, it is highly unlikely that conservation benefits will be realized but highly likely that jobs and income will be lost. Where is the public policy rationale for creating jurisdictional confusion where none exists, duplicating federal regulatory processes, and, most importantly, distancing stakeholders from federal decisions that affect their livelihoods?

On this topic, the Administration argues that the NOP does not confer new authority upon federal agencies but simply operates within existing statutory requirements. We agree. However, existing law, most notably for our purposes Section 304 of the MSA, confers authority upon the Secretary of Commerce to promulgate fishery management rules when the regional fishery management councils do not act. Under E.O. 13547, the Secretary is obligated to issue, or amend, regulations to the maximum extent possible to give effect to National Ocean Council-certified CMS Plans. In fact, many NOP advocates are environmental organizations that favor dismantling the regional fishery management council system. Their intent is for the NOP processes to override the regional fishery councils and hand over decision making to federal agencies.

Under a plain reading of the NOP, provisions of CMS Plans can affect fishing activities, and by Executive Order, the Secretary of Commerce is required to promulgate regulations to give effect to such provisions. If the Administration wants to convince the commercial fishing industry that it does not intend to supersede the regional fishery management councils' authority, it should explicitly exempt fishing-related provisions from CMS Plans.

That concludes my testimony, Mr. Chairman. Thank you, again, for the opportunity to testify. I am glad to answer any questions.

Mr. YOUNG. According to my rules, I always look to other members of the panel to ask questions first and I'll ask questions last. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman, and thank you to the members of the panel. I appreciate the perspective.

As I look out, we've got representation from all sectors of the industries that are making things happen in the State. It's more than a little bit disconcerting to hear that the unifying theme is that there is no communication.

Ms. Madsen, to hear you state that UFA has been involved every step of the way and yet you feel that there has been no response to your input, no response to your participation in this process and yet recognizing the industry that UFA is involved with, that's more than a little bit disconcerting.

Representative Joule, you have indicated that within the Northern Waters Task Force report that one of the prime considerations or recommendations from that was the need for communication. I think this is where we're all coming from with this oceans policy, this Executive Order, this dictate from on high in Washington, D.C., coming at and being essentially forced upon a state like Alaska without that two-way communication going back and forth.

I guess the first question I would ask would be directed to you, Representative Joule, and that is whether or not you believe that the principles, the considerations that have been outlined in the Northern Waters Task Force report can be coordinated with the proposal of the National Ocean Policy Implementation Plan or whether or not you think the efforts that are under way with the task force will be, I guess, compromised under a proposal such as being considered.

Mr. JOULE. I don't know if I'm going to get right to your question, Senator Murkowski.

When we put this recommendation forward to establish an Arctic Policy Commission, this was with the recognition that other countries around the circumpolar north had put together their policy

plans for their countries and for their provinces in the case of Canada. The United States and Alaska have not done so.

Former President Bush initiated a directive before exiting his presidency. That policy is there, but what we haven't seen, Senator, is any plan of implementation of that policy and we feel that this is an opportunity for our state with our stakeholders with an eye on the future to put our policy together prior to the Arctic Council grabbing the chair and Canada and then again the United States years later.

We did that independent of the National Oceans Council or the Coastal Marine Spatial Planning. I guess we want to have the ability with Alaskans, together with this state administration and somebody from the Federal Government, to sit with us and begin that process.

Senator MURKOWSKI. But to this point in time, from what I'm hearing from all of you, that level of communication, that sit-down, that's not happening.

Mr. Vincent-Lang, let me ask you. From the State's perspective, you have been very clear in stating the State of Alaska's concern and opposition. I think the comment that we need more resources directed, not necessarily more rules, some set out quite aptly. But it's my understanding from what you have outlined that in fact there has been no coordination. There has been no effort to attempt to work together, state to Federal, that it has instead been a directive to the State that this is in fact what it will be.

The question that I would have you focus on is: Given what you have received from the Federal level, is there any effort to work with the existing authorities in the state based on what you have received to date from this Executive Order?

Mr. VINCENT-LANG. Senator, through the Chair, the State really feels like we've been a stakeholder in this process, not being treated as a sovereign entity in this entire process. We've really been relegated to providing written comments on a variety of different documents rather than being treated as an equal partner in the development, for instance, of the nine strategic plans.

So we constantly are forced into the position of, just like anybody else, providing comments rather than being treated as a sovereign entity with sovereign roles and responsibilities and authorities in this process. We've asked some pretty fundamental questions regarding this National Ocean Policy. We've asked them in several letters. I think Mr. Young put them into the record here. We still don't feel we've gotten adequate answers or adequate—or that the issues we've raised have been addressed throughout that entire process. So as such, we don't feel that we've been treated as an equal entity.

We do appreciate that the National Ocean Council is considering making the decision process consensus based in Alaska, but they also acknowledge that failure of reaching a consensus will result in minority reports and, of course, the State is a minority member of that body, and then subsequently the decision will be made 3500 miles away in D.C. by the National Ocean Council.

So, again, we're very troubled with that, that we're not being treated as an equal in this process and will ultimately potentially be treated as a minority as this moves forward.

Senator MURKOWSKI. Of course, Mr. Chairman, that's what we're all concerned about here is the diminishment of the State's role most certainly.

One final question and I'll direct this to you, Mr. Rogers. We recognize that within the oil and gas sector it's not easy; it's not cheap to do business here in the State of Alaska. It's not cheap or easy to do it here in this country. But let me ask what happens to the added cost when you inject a level of uncertainty as this National Oceans Policy Initiative, the CMSP, would put in play?

When you add that level of uncertainty to an already uncertain industry, trying to figure out what's going on with taxes, what is happening with national and international pricing, give me your 30,000-foot view of the potential impact of a policy like this on an industry that we're so heavily reliant on here in the State of Alaska.

Mr. ROGERS. Thanks for the question, Senator.

Through the Chair, the debate here in Alaska, as you well know in Juneau this year, is on the competitiveness of our oil and gas industry and how we're competing for capital on a global scale. I think, to your question, the added uncertainty and the added burden that any of these policies put on that industry or other resource industries in Alaska just adds to reducing the competitive nature of Alaska with respect to other jurisdictions.

For example, last year a delegation of elected leaders and business leaders went on a tour to Norway to look at how Norway does business in oil and gas. Unfortunately I was not fortunate to be among them, but I did learn when they came back and reported. One thing that really struck me is I'm told that in Norway from start to finish it takes them about six months to permit off-shore, very complex oil and gas exploration and development activities.

Here in Alaska, as you know, we had Federal leases on the OCS in 2008 and the leaseholders have yet to drill a single exploration well. Now, we're seeing progress and thanks in much part to your help we're getting closer and we're encouraged, but adding more burden to that already difficult and complex structure is not going to make Alaska more competitive. It's going to reduce the level of resource development in our state.

As many economists have already studied, both from ISER and other organizations, oil and gas and resource development is a key underpinning to our economy. So all of Alaska will suffer if we add more burdens and then make our state less competitive.

Senator MURKOWSKI. Thank you.

Mr. Chairman, I thank you for the opportunity to be part of this field hearing this morning. I appreciate what the witnesses have provided. I'm not going to be able to stay for the second panel. I know, I'm going to have to let you carry the burden here. I've got another scheduling item that I must attend to. But I thank you for this.

I think this is extraordinarily important that we hear from not only the State, the Legislature, the industries that are the underpinning of our state's economy and fully understand how the impact of this wrong-handed proposal coming out of the Administration could negatively impact our success here in the economy.

So I appreciate your focus on this.

Mr. YOUNG. Thank you, Senator, for joining us. It was a pleasure to have you for a short period of time. If nothing at all, I'll see you this afternoon on the Park Service issue.

Senator MURKOWSKI. Thank you.

Mr. YOUNG. Thank you, Senator. You're excused.

This is to the panel. Have any of you been, other than, say, commenting, have any of you been asked to appear or sit down and discuss this and who's heading this thing up? Does anybody know?

Ms. MADSEN. Congressman Young, we have had conversations and they have traveled to Alaska. They have met with the seafood industry.

Mr. YOUNG. Who are "they"?

Ms. MADSEN. CEQ.

Mr. YOUNG. CEQ. But they're not even—you know, we had them before the Committee. They will not tell us who's the driving force other than the President behind this and where they're getting their money. That's why, Madam Senator, I hope you're aware on your committee you cut their funds off, squeezed their you know what until they start explaining where they're taking the money from.

I know with NOAA, Ms. Madsen, I believe they're not going to have, for instance, a stock assessment every year like they should. They're going to now try to go to every two or three years. How does that affect the industry and the science which is so important?

Ms. MADSEN. Well, you've hit the nail on the head. I think that I just heard this week that fortunately, thanks to Senator Murkowski and having the Secretary in front of you, I think they found a million dollars for our stock assessment this year. But that's one year. The continuing diversion of funds, I think we've got a Band-Aid this year.

But as I mentioned, if there's any uncertainty in the science, then we're going to get lower quotas, and that affects all of us. Again, I appreciate your vigilance in making sure that they come to the table and explain to you how they're getting these funds and using them.

Mr. YOUNG. Reggie, you did it right. You got the stakeholders involved. From what I hear from all of you and what our testimony back in D.C. is, they have not communicated with the State other than say: Give comment. They haven't had any stakeholders at the table. They're coming out with these grandiose ideas and then say, what do you feel about it? Yet they don't listen to you, if I understand it. They've never listened to anything you've suggested; is that correct.

Mr. JOULE. Mr. Chairman, when we were back in Washington, D.C. recently—when I say "we," I'm talking about Speaker Chenault, Representative Fairclough, Representative Saddler, myself—we were back there for the purpose of trying to drum up support for the passage of the ANWR legislation.

Mr. YOUNG. We did that in the House. The Senate is a little neglectful.

Mr. JOULE. Yes, you did, once again, for the twelfth time.

We did meet with some of the folks from the National Oceans Council. Those of us from Alaska that went back there together met with them and the issues that came up were pretty clear. One,

we raised the same issue. Congress is not supportive of this effort. Where are you getting your funds? What's going to be the buy-in? How does this all work?

Those answers, I think, were fairly vague other than to say it's going to come from across agencies. But I think that the group that I was with were very pointed in their discussions with them that, like what's being said here, conveyed the concerns with what was going on with the National Oceans Council and in particular the Coastal Marine Spatial planning.

Mr. YOUNG. Again, my understanding, this is not only this area. When we bring outside agencies in, we became a state with 103 million acres of land. We had the Native Land Claim Settlement Act with 44 million acres of land.

If they implement this policy, Mr. Lang, do you believe under this policy that we will lose control over our state land?

Mr. VINCENT-LANG. Mr. Chairman, I believe there's a potential for that, yes, because I think that the decision-making processes are basically being governed by potential Federal bureaucracies that are going to numerically dominate these regional planning boards. In the event their consensus is not reached at the local level or the regional level, that decision process will be sent back to Washington, D.C. by CEQ to make decisions.

So I think there's a real potential that especially as this planning effort potentially goes into state waters and upland into areas of territorial into navigable waterways, it has a real potential to affect the state authority to govern its activities within its jurisdictions.

Mr. YOUNG. Again, for the audience, CEQ was created by Congress. I don't know what we were thinking, but it's under the President. It really hands the President, this group right here, control over the State of Alaska regardless of the President. I want everybody to know this is not partisan. This is in fact being proposed by this President, but it gives the next President the same jurisdiction over the utilization of our lands and to me that's quite disturbing.

I would like to see this—if this thing was to go forth, and I was serious with Senator Murkowski, a letter should be sent into the appropriators to try to eliminate the dollars. If we have to duplicate from every agency that's under this provision that we stand on this issue until we find out what they're trying to achieve.

I feel sort of like the father that's the father of a beautiful baby boy and has great potential—and my staff is worried about where this is going. But he ends up in jail. We created the 200-mile limit. You know, up until that time the State had 12 miles of our waters and the rest was international waters. Think about that, international waters.

We created this for an economic zone. Now we have an economic zone and we lost nine miles of our water and we kept three miles. Now they're taking three miles away from us and adding it to the Federal waters under this program, which takes away the right of the State. I'm thinking, what a mistake in the way this has happened. "They" being the Federal Government and the Congress that supported them and funded them, maybe we ought to go back to the drawing board and just defund the whole operation.

Mr. Rogers, we all know the answer to this, but how many permits do you think we have to go through now for any resources in Alaska? Do you have a count of how many permits? Let's say for mining.

Mr. ROGERS. Yeah, Congressman Young, it's between 60 and 70, for example, for large hardrock mining projects in Alaska, like Fort Knox or some of those. That's a combination of state and Federal authorizations and permits. So it's not a simple process. It's very complex; it's very thorough.

I guess our point is we don't need to add additional complexity and layers onto that already. We should be trying to simplify it or at least streamline it and make it more efficient.

Mr. YOUNG. You just added something. I like that term. There's nothing in this that says there will be less regulations. We have to have 55 permits and after you get those permits, these people might say, no; is that correct?

Mr. ROGERS. It may be correct. Congressman, it's very difficult to truly conceptualize how this would play out. But on the one hand you read the policy, they talk about not adding any additional regulations and yet they talk about convening groups to do legal analysis to figure out what regulations may be necessary or what new statutes. So it seems kind of duplicitous in what they're trying to achieve.

Mr. YOUNG. They had a hearing up here, I believe, last December. When was that hearing? Were any of you involved in that hearing? You were? Who was the panel? I mean, not you guys. Who was up here.

Mr. VINCENT-LANG. I think the Alaska one was held by a lady from the Department of the Interior, like an Under Secretary. I can't remember her name.

Mr. YOUNG. None of the rest of you participated.

Ms. Madsen, I will tell you if I was a suspicious person, with NOAA and the Endangered Species Act, this proposal for ocean zoning, I would say, is another attempt at the fishing industry. I believe that's really behind this whole thing. They want to raise their fish commercially in big farms. This has been NOAA's dream the whole time and get away from the wild-caught fish, which is the key to our society in Alaska. That's our biggest strength. You might want to comment on that. I really think this is where this is headed.

Ms. MADSEN. Congressman, you have also pointed out another issue that we have constantly had a battle with different administrations on farming and open ocean farming. That's something that Alaska won't tolerate. So you're exactly right. As you well know, I think our concern is that the North Pacific has been, thanks to your help, the premiere council.

We have taken steps to protect not only the areas of importance, we're concerned that that's going to be undermined by a Regional Planning Body that has no expertise that will totally undermine that open, transparent stakeholder process that we've all become dependent on and it's an important process. That's our main concern.

Mr. YOUNG. Thank you.

Mr. Lang, I'm sure you're aware of the Executive Order. Many people—I have yet to figure out who are these many people—say, all we're doing is implementing the findings of the U.S. Commission on Ocean Policy. But the Commission recommended the ocean planning process be done through a voluntary process and a stakeholder involvement.

Do you—there's been no stakeholder involvement. It hasn't been voluntary. This is an Executive Order. That was the Commission's recommendation not to do that, yet here we have the Administration just doing the opposite. I go back to, other than yourself, has anybody else been involved in this?

Reggie, you've been involved in that committee. Did they talk to your committee at all?

Mr. JOULE. We had invited State Department persons that's senior adviser to the Arctic Council, but I don't think any of them from the National Oceans Council made any of our task force meetings.

MR. LANG: Mr. Chairman, I think I can probably give an example to exemplify the process that's been used here and what the State concerns are.

One of the nine strategic plans is an Arctic strategic plan. Really the only reason the United States is an Arctic nation is because of the State of Alaska. It would be very critical in my eyes if you're going to have an Arctic policy be developed that the State would be at the table, part of that writing team, preparing that document rather than just being asked to comment on that document as it comes out for a series of public release opportunities and, again, being treated as a stakeholder and providing comments into it.

Again, we weren't provided that opportunity to sit down and be part of that writing team and actually develop that Arctic policy that's going to greatly affect our state. Again, our view of this thing is it's largely been a Federal effort throughout all those different nine strategic plans where we have an opportunity to provide comments just like anybody else in this process, rather than being treated as an equal in that process as it goes forward and those documents are developed.

You're right, those documents have significant policy issues associated with them and they have significant milestones placed into them. We're starting to see these things end up in Federal documents. For instance, we just recently reviewed a document that the Bureau of Oceans put out that said future NEPA opportunities will be somewhat sideboarded by the policies that are developed by the Regional Planning Boards.

So, for instance, the range of alternatives could be sideboarded into the future as the Regional Planning Boards make decisions and a variety of other recommendations regarding the marine environment.

Mr. YOUNG. I'm singing to the choir here. Our job is to try to use your testimony to really try to show that there hasn't been the involvement there should be. This is—you know, this is the mark and the group of policy and philosophy of the individuals now that work for the Federal Government, that they know what's best for every state. I've always said, we're not supposed to be the United States of the Federal Government. We should be the United States of America.

For stakeholders not to be involved in something that directly affects not only their livelihoods, but their lives in total, is dead wrong. This is not the government that I know and dearly love. This is a government that's gone far beyond. Like I said, we're supposed to be—I got a big kick, and I will pick on this President.

The day he says to the press, well, if the Supreme Court rules against health care, that's the wrong thing to do because Congress passed the legislation. Here we have, you know—the Congress has chosen not to touch this ocean policy, big brother BOB thing, and yet they're going and making an Executive Order affecting stakeholders. We're sensitive in Alaska. Probably nobody cares in Montana or Iowa or Kansas City or something like that. But Alaska is a coastal Arctic nation and to have this happen is, I think, inappropriate.

I hope the state and government and legislative body takes a positive position and thumbs their nose at the Federal Government if they continue to do this and we're not, you know, have the courage to stop funding. That's the key, to stop funding.

I want to thank this panel. We could go on with questions. You will probably get some questions from me submitted to you and I'd like to have them back. You're dismissed.

We have now the second panel: Ms. Kara Moriarty, Executive Director of the Alaska Oil and Gas Association; Fred Parady, Executive Directive of the Alaska Miners Association; John Sturgeon, Director of Alaska Forest Association; Dr. John Farrell, Executive Director of the U.S. Arctic Research Commission.

Please sit down. I think you all know the regulations, rules and those things.

Ms. Moriarty, you're up.

**STATEMENT OF KARA MORIARTY, EXECUTIVE DIRECTOR,
ALASKA OIL AND GAS ASSOCIATION**

Ms. MORIARTY. Good morning, Congressman. For the record, my name is Kara Moriarty and I am the Executive Director of the Alaska Oil and Gas Association, commonly referred to as AOGA. We are the business trade association for the oil and gas industry here and our membership does represent the breadth and scope of the industry. We represent both onshore and off-shore companies here in Alaska. So, welcome home. We appreciate you having the field hearing here today and for the opportunity to testify.

Before I discuss some of our specific concerns with the National Ocean Policy proposal, I first want to remind you, Congressman, and others that AOGA would agree that a more streamlined permitting and regulatory process is needed in the Federal Government, but we believe that this should and could be accomplished through improving existing statutory and regulatory regimes which already encompass National Ocean Policy concerns, including the Outer Continental Shelf Lands Act, the National Environmental Policy Act, or NEPA, the Clean Air and Water Acts, the Endangered Species Act, and the Marine Mammal Protection Action, just to name a few.

There is no need to reinvent the wheel or add additional layers to an already complex and lengthy project approval process. We

have submitted testimony in more detail about the National Ocean Policy, but I'd like to emphasize some of our main concerns today.

First, the draft plan contains very little information on how Coastal and Marine Spatial Planning will be implemented even though marine spatial planning is the crux of the issue for National Ocean Policy. The public, including AOGA, has been asking from the very beginning for details since this policy was rolled out two years ago and we have yet to receive them.

According to language contained in the draft plan, details will be included in the Handbook for Regional Coastal and Marine Spatial Planning. However, to date, this handbook has not been released, nor is there any real indication as to exactly what details the handbook will contain. This lack of detail creates huge uncertainties for the industry I represent. At a minimum, public comment on the information to be contained in the handbook should be collected and incorporated into the final Implementation Plan before Coastal and Marine Spatial Planning moves forward.

Second, no information—and the first panel talked about this—but no information on Regional Planning Bodies has been provided beyond basic information on membership, which right now is to include only Federal, state and tribal representatives. Stakeholders such as my industry will have no direct representation.

Third, we are concerned that the National Ocean Policy could reach far inland beyond oceans and coasts based on vague language included in the draft plan and saying that inland areas could be included, but there is no defining or clarifying language.

Fourth, we are concerned that spatial planning will add to rather than streamline statutory and regulatory processes for oil and gas exploration and development in Alaska, as you have said, Congressman. The Administration has said the policy will not change existing Federal authorities and responsibilities; however, the draft plan includes contradictory language that Senator Murkowski already outlined.

Fifth, we are justifiably concerned that the National Ocean Policy and Coastal Marine Spatial Planning will result in exclusionary zoning of Alaska's oceans and coasts.

Sixth, we are concerned about how the implementation will be funded. You've already mentioned that, especially given scarce resources across all Federal agencies. We do not believe National Ocean Policy should be given a priority or have funds diverted from already existing programs.

Last, we are concerned that the policy will be used as a tool for litigation. This is a real concern given the extreme attention already on Alaska oil and gas projects and one that should be acknowledged before pursuing implementation much further.

The importance of oil and gas development in Alaska's OCS cannot be overstated. Implementation of a National Ocean Policy should not hinder efforts to develop the resources contained in Alaska's OCS.

Thank you for the opportunity to testify, and we look forward to the questions at the end of the panel.

Mr. YOUNG. Thank you, Ms. Moriarty.

[The prepared statement of Ms. Moriarty follows:]

**Statement of Kara Moriarty, Executive Director,
Alaska Oil and Gas Association**

My name is Kara Moriarty and I am the Executive Director of the Alaska Oil and Gas Association. AOGA is a business trade association whose membership represents the breadth and scope of the oil and gas industry in Alaska, from new explorers, small independents and legacy development and production companies, to companies involved in the transportation, refining and marketing of oil and gas in the state, from Cook Inlet to the North Slope, onshore and offshore, including companies with both federal and state interests. We appreciate you holding a field hearing in the state and the opportunity to testify today.

First of all, AOGA agrees that more streamlined permitting and regulatory processes are needed, but believe that this should be accomplished through existing statutory and regulatory regimes which already encompass National Ocean Policy concerns, including the Outer Continental Shelf Lands Act, the National Environmental Policy Act, the Clean Air and Water Acts, the Endangered Species Act, and the Marine Mammal Protection Act. There is no need to reinvent the wheel or add additional layers to an already complex and lengthy project approval process. Instead, focus should be on streamlining these existing processes to reduce the delays and uncertainties synonymous with permitting oil and gas activities in Alaska.

My testimony this morning will now focus on the three primary areas of concern AOGA has with implementation of the National Ocean Policy as currently envisioned by the National Ocean Council. First, the lack of detail surrounding Coastal and Marine Spatial Planning and the policies and procedures of the Regional Planning Bodies charged with creation and implementation of the regional CMS plans. Second, the additional layer of bureaucracy the National Ocean Policy in general, and Coastal and Marine Spatial Planning in particular, could add to an already established and complex statutory and regulatory regime. And finally, concerns about how the National Ocean Policy will be implemented throughout the federal agencies in a time of fiscal restraint and scarce federal resources.

The Draft National Ocean Policy Implementation Plan contains very little information on how Coastal and Marine Spatial Planning will be implemented even though it is the crux of the National Ocean Policy. The public, including AOGA, has continued to express concern about the lack of detail about CMSP since the policy was rolled out in 2010, yet the National Ocean Council has once again failed to address these concerns. According to language contained in the Draft Implementation Plan, details will be included in the Handbook for Regional Coastal and Marine Spatial Planning. However, to date, the Handbook has not been released nor is there any real indication as to exactly what details the Handbook will contain. Importantly, there is no assurance that public comment on the Handbook will be collected. This lack of detail creates huge uncertainties regarding how CMSP will impact the oil and gas industry. We would like to provide meaningful, substantive input, but this is impossible without comprehensive information. At a minimum, public comment on the information to be contained in the Handbook should be collected and incorporated into the final implementation plan before CMSP moves forward.

Similarly, no information on Regional Planning Bodies has been provided beyond basic information on membership to include only federal, state and tribal representatives. Under the Draft Implementation Plan, stakeholders will have no direct representation on the planning bodies, despite the fact that the planning bodies are charged with creation and implementation of regional CMS plans encompassing all ocean and coastal uses. If CMS plans are to be effective and useful tools for ocean and coastal management, we believe membership should be expanded to include representatives from stakeholder groups, including the oil and gas industry. Without such involvement, the potential is real for prohibitions against activities such as oil and gas without the involvement of the most impacted parties.

At this point, the Draft Plan does not even include information on how stakeholders would be engaged in the CMS planning process by the regional planning bodies. Apparently, this information will be included in the Coastal and Marine Spatial Planning Handbook, but again, it is not clear whether public comment will be collected. Furthermore, there is some indication that the Handbook will contain "guidance" for regional planning bodies only, rather than mandatory procedures, which would result in even more uncertainty and potential delay or prohibitions against oil and gas activities. At the very minimum, the final implementation plan should specify the processes and procedures for stakeholder and public engagement with the planning bodies on CMSP issues.

In addition, no information has been provided on how disputes among members of the regional planning bodies will be handled. Who is the final arbiter on applicable law and policy with regard to a particular project? It is easy to see how this

could also delay or prohibit oil and gas projects in Alaska due to numerous interested parties and potentially overlapping jurisdiction and authority.

In this same vein, we are concerned that the National Ocean Policy could reach far inland beyond the oceans and coasts. Once again, vague language is included in the Draft Implementation Plan stating that the geographic scope of Coastal and Marine Spatial Planning could include “inland” areas but no defining or clarifying language. Such a policy could have huge impacts on the oil and gas industry in Alaska as the North Slope still contains significant oil and gas resources.

Our next point concerns the potential for CMSP to add to rather than streamline statutory and regulatory processes for oil and gas exploration and development in Alaska. According to statements by the National Ocean Council and other senior level officials in the Administration, National Ocean Policy will not change existing federal authorities and responsibilities. However, the Draft Plan includes contradictory language. For example, one of the milestones identified in the Draft Plan is for the Legal Working Group to complete review of Ecosystem Based Management-relevant statutes and regulations to identify “potential legislative changes that would fill gaps and support full implementation of EBM.” This type of contradictory language only creates confusion and needs to be removed from the final implementation plan.

Additionally, messaging by the National Ocean Council and the Administration must clarify that the National Ocean Policy will fit within existing statutory and regulatory regimes. To reiterate my earlier testimony, there is no need for a National Ocean Policy that would reinvent the wheel or add new layers to the complex and lengthy project approval process for Alaska oil and gas projects. Rather, focus should be on streamlining existing processes to reduce the delays and uncertainties.

As I have mentioned during my testimony, we are justifiably concerned that National Ocean Policy and CMSP will result in exclusionary zoning of Alaska’s oceans and coasts. Though the National Ocean Council and others have made statements that this will not be the case, our fear is already being realized in environmental planning documents. For example, in the Draft Programmatic Environmental Impact Statement for the 2012–2017 Outer Continental Shelf Oil and Gas Leasing Program, the U.S. Department of Interior stated that Coastal and Marine Spatial Planning “has emerged as a new paradigm and planning strategy for coordinating all marine and coastal activities and facility constructions within the context of a national zoning plan. Clearly, zoning of Alaska’s oceans and coasts, in advance of specific project proposals, coupled with a lack of stakeholder involvement in the CMSP process, could severely and adversely impact economic and resource development projects in Alaska, including oil and gas activities.

Finally, AOGA is concerned about how implementation of the National Ocean Policy will be funded, especially given scarce resources across all federal agencies. Implementation of the National Ocean Policy should not be given priority over existing regulatory and permitting programs necessary for approval and oversight of resource and economic development projects in Alaska, including oil and gas activities, or funds diverted away from these programs.

Given the lack of detail described above and prevalent throughout the National Ocean Policy Implementation documents, AOGA is concerned that the Policy, particularly CMSP, will be used as a tool for litigation. This is a real concern given the attention on Alaska oil and gas projects and one that should be acknowledged before pursuing implementation much further or so broadly. AOGA does not believe that the National Ocean Policy should be implemented without detailed information on the important aspects of implementation I have described. At a minimum, AOGA believes implementation should not occur until there has been adequate opportunity to provide input on these issues.

The importance of oil and gas development on Alaska’s Outer Continental Shelf, to Alaska and the nation, cannot be overstated. Developing these resources is essential to any effort to reduce our dependence on foreign sources of oil and should not be unjustifiably impeded by unclear project regulation and development procedures. Alaska’s OCS is estimated to hold 27 billion barrels of oil and 132 trillion cubic feet of natural gas, the development of which would translate into an annual average of 54,000 new jobs over 50 years, \$145 billion in payroll throughout the U.S. and \$193 billion in revenues to state, local and federal governments. These resources are also vital to stemming the decline of oil flowing through the Trans-Alaska Pipeline System, identified by the U.S. Department of Homeland Security as critical national infrastructure, which is currently operating at one-third capacity and will face continued operational challenges without additional supply. Implementation of the National Ocean Policy should not hinder efforts to develop the resources contained in Alaska’s OCS.

Thank you again for the opportunity to testify today and I am happy to answer any questions you may have about AOGA's views on the National Ocean Policy and the impacts it may have on the oil and gas industry in the state.

Mr. YOUNG. Mr. Fred Parady.

**STATEMENT OF FRED PARADY, EXECUTIVE DIRECTOR,
ALASKA MINERS ASSOCIATION**

Mr. PARADY. Good morning. My name is Fred Parady. I serve as the Executive Director of the Alaska Miners Association. The Alaska Miners Association is a nonprofit membership organization established in 1939 to represent the mining industry in Alaska. It is composed of more than 1,400 individual prospectors, geologists, engineers, vendors, suction dredge miners, small family mines, junior mining companies and major mining companies. Our members look for and produce gold, silver, platinum, diamonds, lead, zinc, copper, coal, limestone, sand, gravel, crushed rock, armor rock and other materials all across Alaska.

Turning to the proposed National Ocean Policy. It will have a substantial and negative impact on Alaska's resource-dependent industries and Alaska's economy. The existing regulatory regime is already overly complex, a blend of state and Federal permitting and oversight that's anything but a streamlined, sensible process. The National Ocean Policy simply adds by stealth a layer of increased bureaucracy that will virtually stop processes that already crawl with no concomitant benefit to the economy.

It is our strong view that the Coastal Marine Spatial Planning and Regional Planning Body structure is an unauthorized regulatory program with no basis in statute and is an end run by the executive branch around Congress. Lack of sufficient information itself is a primary basis for third-party legal claims by environmental groups seeking to block development projects. These new requirements of the National Ocean Policy will generate yet another round of endless study and halt common-sense decisions in their tracks.

Our state's natural resource managers need to use the data available to them and make decisions with the detailed information that's already in the public records. Clearly permitting uncertainty is increased by the National Ocean Policy's stated intention to reach the onshore activities that may have impacts on marine waters. The National Ocean Policy is simply another obstacle and will provide an additional platform for third-party environmental groups to litigate against projects that fail to meet the vague and overly broad informational requirements of the proposed policy.

AMA is further concerned that Coastal Marine Spatial Planning will lead to far-reaching use restrictions on marine waters that will override the social and economic needs of Alaskans.

No one present at the signing of the original wetlands legislation anticipated that it would be anything more than a mechanism to ensure that ducks had sufficient wetlands for breeding. Yet look at the ways in which the regulatory interpretation has broadened from that date, particularly through the expansion of the definition of what constitutes a wetland and then contemplate the use of phrases—I lost track of my thought here—the use of the phraseolo-

gies that are in the National Ocean Policy. No net loss of wetlands should have a parallel Alaskan goal of no net loss of access to our resources.

One specific example where the National Ocean Policy would slow projects is in regards to recovery of gold resources off the shores of Nome, which the State recently successfully leased. Such activity would be slowed, if not stopped, by the proposed policy.

Please note that a justification for the CMSP is supposedly to resolve conflict among diverse resource interests, yet every resource interest that's presented testimony today stands firmly aligned in opposing this overreaching effort.

In closing, AMA strongly urges Congress to maintain a laser focus on the broad efforts to change the way ocean and coastal resources are managed. Congressional oversight is needed to prevent premature implementation of this policy and keep Federal agencies at home fulfilling their core job of processing Federal permits and leases.

There has not been meaningful stakeholder engagement. In fact, to most Alaskans, today's hearing is going to be their first comprehensive look at this Federal rulemaking by stealth.

Finally, during this very weak economic recovery with weak job creation, the Administration should be looking to reduce regulations, not to create another lair of job-killing regulation. The National Ocean Policy is the wrong idea at the wrong time. It adds complexity and jurisdictional ambiguity to what is already a very difficult permitting environment.

Thank you for the opportunity to comment on this far-reaching, poorly conceptualized and inadequately prepared initiative.

Mr. YOUNG. Thank you, Mr. Parady.

[The prepared statement of Mr. Parady follows:]

Statement of Fred Parady, Executive Director, Alaska Miners Association

Good morning members of the committee. My name is Fred Parady, Executive Director of the Alaska Miners Association (AMA). The Alaska Miners Association is a non-profit membership organization established in 1939 to represent the mining industry in Alaska. The AMA is a 501 C-6 International non-profit composed of more than 1400 individual prospectors, geologists and engineers, vendors, suction dredge miners, small family mines, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, diamonds, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, and other materials. Our members live and work throughout Alaska, Canada, Russia, Mongolia, and the lower 49 states. We have submitted the required documents for the record.

The proposed National Ocean Policy will have a significantly disproportionate impact on Alaska's resource dependent industries and our economy as a whole, for the simple and straightforward reason that at approximately 34,000 miles, Alaska has more coastline than all of the lower 48 states combined.

The existing regulatory regime is already cumbersome and complex, a blend of State and Federal permitting and oversight that reflects tangled history but is not a streamlined, sensible process. The National Ocean Policy simply adds a layer of increased bureaucracy that will further slow already slow processes with no concomitant benefit to the environment. It is our strong view that the Coastal Marine Spatial Planning/Regional Planning Body structure is an unauthorized new regulatory program.

The ecosystem-based management goal as specified will undoubtedly require vast quantities of scientific data. Given that the purported lack of sufficient information itself is often the basis for third party legal claims by Environmental Non-government Organization (eNGOs) to block development projects, this new requirement will generate another endless round of study and halt common sense decisions in

their tracks. Natural resource managers need to use best available data to move forward and make the best decisions with information available.

Clearly, uncertainty is heightened by the National Ocean Policy's stated policy of reaching to onshore activities that may have impacts on marine waters. Section 404 of clean water act and the ubiquitous nature of wetlands means upland activities already are highly regulated in Alaska. A plethora of petitions to list additional species under ESA onshore and off are adding substantial burdens to landowners and resource industries, without resulting in any recognizable progress for the underlying species. But one example is that hardrock mines in Alaska require over 60 State and Federal authorizations to proceed with development. The National Ocean Policy adds yet another another hurdle to overcome, and will serve to provide an additional platform for third party eNGOs to litigate against projects that fail to meet the informational requirements or expectations for the National Ocean Policy.

AMA is further concerned that Coastal and Marine Spatial Planning will likely lead to far reaching use restrictions on marine waters that will over-ride the social and economic needs of Alaskans. No one present at the signing of the original wetlands legislation anticipated that it would be anything more than a mechanism to insure ducks had sufficient wetlands for breeding. Yet look at the ways in which regulatory interpretation has broadened from that date. Broad swaths of submerged lands could be restricted in exclusionary zones for a nebulous national agenda of "ecosystem based management". One specific Alaska example regards the recovery of gold resources off the shores of Nome, which the State recently successfully leased. Such activity would be slowed if not stopped. Even if restricted zones were more modest in size and scope, use restrictions in strategic marine corridors necessary for resource transport and shipping could be devastating to our marine dependent industries.

One note worth making is that a justification for Coastal and Marine Spatial Planning is to resolve conflict among diverse resource interests, yet AMA and other resource associations are firmly aligned in opposing this overreaching effort. We are all concerned that NOP will create far more difficulties for these industries than it will resolve.

In closing, AMA strongly urges Congress to maintain an integral and substantial oversight role in these broad efforts to change the way ocean and coastal resources are managed. The power of appropriation could and should be used to restrain the premature implementation of the National Ocean Policy. Congressional oversight is needed to ensure implementation of the National Ocean Policy does not prevent Federal Agencies from fulfilling their core congressional mandates to adjudicate needed federal permits and leases.

AMA notes that there has not been meaningful stakeholder engagement. Detailed economic analysis of impacts of the policy should be completed and available for full public and Congressional review before policy implantation. The Handbook for Regional Coastal Marine Spatial Planning must be subject to public input, review, and comment before implementation.

At best, we believe the National Oceans Council should utilize pilot projects in geographic areas where NOP and CMSP has some acceptance, before broad swaths of ocean and marine areas, such as Alaska, have this policy imposed upon them.

Finally, during this very tenuous economic recovery with accompanying high unemployment, Congress and the administration should be untangling the complex web of complex statutes and regulations that are strangling our productive resource sector of our economy and killing job creation. National Ocean Policy does exactly the opposite—it adds complexity and jurisdictional ambiguity. Congress, the States and the private sector should have a more meaningful role in development and implementation of such far-reaching policies for State and Federal waters and upland resources.

Thank you for the opportunity to comment on this far-reaching initiative.

Mr. YOUNG. Mr. Sturgeon, Is there any forestry left in Alaska, by the way?

Mr. STURGEON. Pardon?

Mr. YOUNG. Is there any forestry left in the State of Alaska?

Mr. STURGEON. We're definitely the last of the Mohicans, but there's a few of us left. We're trying to stay alive.

Mr. YOUNG. One of the disappointments in my career has been the fact that at one time there were 15,000 high-paying jobs in the State of Alaska and I think we may have maybe 80.

Mr. STURGEON. That may be a little bit of an exaggeration, but not many of us left.

**STATEMENT OF JOHN STURGEON, DIRECTOR,
ALASKA FOREST ASSOCIATION**

Mr. STURGEON. Good morning, Representative Young. I'd like to thank you for the opportunity to provide comments on the National Ocean Policy's program. I'm here today representing the Alaska Forest Association. The Alaska Forest Association has represented Alaska's forest products industry since 1955.

Alaska has operated our forestry businesses in a responsible manner for many years. I was a member of the task force that developed Alaska's original Forest Practice Act. That Act was designed to ensure that both water quality and fish habitat were maintained at or above State standards during and after road construction and logging operations. The Forest Practice Act has worked very well for Alaska.

We have maintained excellent water quality and our fisheries have been maintained in many areas and even improved. For example, the Harris River watershed in Southeast Alaska was heavily logged between 1985 and 1995 by Forest Service contractors in conformance with state and Federal rules and management practices.

We are happy to report to you that salmon returns in these two heavily logged watersheds have doubled since logging operations commenced many years ago. That area of our state has been developed and the developed areas are already managed responsibly.

Our state's streams, rivers and coasts do not need restoration. Expanding existing Federal regulations and permitting functions is not necessary in Alaska, and a through cost-benefit analysis should be performed prior to making any decision to expand any of the existing Federal programs.

The state and Federal agencies have already developed methods of coordinating their various permitting and regulatory programs. An expansive Federal program to coordinate permitting and regulatory issues is not needed. For example, we ended our Coastal Zone Program last year and we have experienced no environmental impacts. Instead, we have eliminated the cost of that program and have reassigned most of the former Coastal Zone Program staff to more meaningful work. It would seem that this new program flies in the face of the general mood of the country for less government rather than more.

Climate change issues seem to dominate much of the draft Implementation Plan for the National Ocean Policy. While there is still considerable debate about the climate issue, we would like to note that Alaska's coastal streams are not sensitive as those in the Lower 48. Studies have shown that some warming would actually be beneficial.

What is needed in Alaska is a more business-friendly regulatory climate. Endless regulatory creep makes it very difficult to maintain profitable businesses and the jobs those businesses support, particularly in small communities where most timber operations take place. If the Federal Government truly wants to help in Alaska, the draft National Ocean Policy Implementation Plan

should be revised to concentrate on eliminating redundant or unnecessary programs, regulations and permitting functions.

The number of regulations small logging companies already have to deal with is truly mind boggling. Unlike large companies, small businesses cannot afford to hire an environmental manager just to assure they're in compliance with the many, many environmental regulations that they have to face today. We urge you not to add yet one more layer of unnecessary environmental regulations on top of what we already have to deal with.

Once again, thank you very much for the opportunity to testify today and we appreciate your attention to this important issue.

Mr. YOUNG. Thank you, Mr. Sturgeon.

[The prepared statement of Mr. Sturgeon follows:]

Statement of John Sturgeon, Director, Alaska Forest Association

Thank you for the opportunity to testify on the potential impacts of the new National Ocean Policy.

My name is John Sturgeon and I am a Director for the Alaska Forest Association. The AFA is the statewide association representing companies engaged in forest practices including support companies. We have 115 members and represent timber companies, loggers, trucking and towing companies, suppliers, and other members who have a stake in the future of a vital and hopefully healthy timber economy in Alaska.

We have several concerns with President Obama's ocean zoning executive order. The lands in Alaska are mostly undeveloped and the lands that have been and are being developed are managed responsibly and in conformance with State and federal regulations. There is no need for "restoration" of the lands in our State; we have abundant wetlands, excellent air and water quality, we have increased our fisheries and our wildlife is doing well. This new Policy will likely result in new regulatory burdens without significant environmental improvements for our State.

The National Oceans Policy purports to be a framework for coordinating the efforts of many federal agencies, but the draft Implementation Plan appears to encourage significant changes in federal regulations and programs. For instance, the "ecosystem-based management" concept in the implementation Plan seems to assume there is some critical need to address climate change issues and sequester carbon. Yet the plan seems to mostly ignore the costs impacts of taking dramatic action on this hypothetical crisis. The draft Plan indicates that implementation will require grants, new funding for National Ocean Policy priorities and directs that new management practices be developed; but there seems to be no mention of any cost-benefit analysis for these expenditures. Additionally, the draft Plan promotes the expansion of the Coastal Zone Management Act, but that Act is not currently utilized in Alaska.

The draft Plan discusses improved efficiency of permitting, but it would be a more helpful plan if it were more clearly aimed at reducing the permitting requirements and eliminating redundant permitting and regulatory processes. The draft Plan indicates there will be a "special-planning" effort, but we don't need additional land planning help in Alaska. Instead, we need to foster a more friendly business climate so we can continue to develop our resources in a responsible manner. The loss of thousands of timber industry jobs in Southeast Alaska is a good example of federal planning gone awry. In the Southeast region of our State, the federal government has monopoly power over the timber resources, but excessive environmental zeal in the national forest planning process has resulted in the loss of 90% of our timber supply from federal lands. Since the State and private lands in the region are very limited, we have lost about 85% of our industry employment due to the loss of access to federal timber resources.

The summary in the draft Plan states that this planning "will be done without creating new bureaucracy and without negative economic impacts", but that doesn't seem likely. This new Policy appears to be headed toward more costly, restrictive rules and regulations.

Congress has already decided what laws and requirements apply to coastal and ocean development and what policies and criteria federal agencies should use to decide whether to grant a permit for a particular project. Overlaying the President's ocean zoning policy and plan on top of the existing statutory and regulatory frame-

work creates uncertainty and conflict. Both of which are problematic if you are trying to encourage economic development, jobs, and certainty in permitting.

Section 5(b) of the Executive Order says that “executive departments’, agencies’ or office’s decisions and actions affecting the oceans and coasts. . . will be guided by the stewardship principles and national priority objectives set forth in the Final Recommendations”. So the Executive Order says agencies must follow the President’s policies and objectives when making decisions. This mandatory language is followed by language in the Executive Order that says “to the extent consistent with applicable law” but what does that mean?

Does that mean that a permitting agency deciding whether to grant a permit follows the direction of Congress in the Outer Continental Shelf Lands Act which sets out a policy with Congressional direction to promote development and to work with States and local communities in making permitting and leasing decisions on a case by case basis? How does a permitting agency with that Congressional statutory framework fit that framework with the President’s EO which says the policy federal agencies should be following are the stewardship principles designed to protect oceans and bolster conservation, (Section 1 of EO) and to follow the guidance of the National Ocean Council (Section 1 of the EO) not Congress, or States or local communities or stakeholders.

If the EO did not mandate federal agencies to follow the direction and policy, if it said federal agencies “may” apply the policies and principles of the EO if the action they are contemplating is not already covered by an act of Congress **and** if the EO said federal agencies must continue to give deference to, and cooperate and coordinate with states, local communities, and stakeholders as set out in current laws and regulations then the EO would avoid conflict and uncertainty in federal decision-making. But it does not say that. It uses mandatory language and while it contains some catch all language “consistent with applicable law” the language is not enough to save the EO from becoming a problem.

How would any member of the public or industry supportive of a permit or development know if the federal agency made its decision based on the policy and requirements in statute or those set out in the EO, or how much weight it gave to specific factors in its decision making process? If you do not know which factors were relied on and to what degree, then federal agencies can just follow the principles of the EO and give lip service to the actual laws and regulations that are on the books now. And companies looking to invest and create jobs are going to be concerned at a minimum that it is uncertain what factors will be brought to bear on their project.

This EO is trying to act in an area Congress has already acted in and given direction to federal agencies. If the President wants to create a new framework for federal action in the ocean and coastal areas he should follow the proper procedure and introduce a bill that sets a national policy on oceans like H.R. 21 was introduced in the 110th Congress and allow the issues to be openly debated.

The federal government should also be required to follow the procedures of the Administrative Procedure Act which require federal agencies to follow rules and provide an opportunity for the public to comment, the Regulatory Flexibility Act which requires an estimate of the impacts on businesses from federal agency action, and the National Environmental Policy Act, which requires studies and analysis of any major federal action, which a new national ocean policy certainly qualifies for. (Since a timber sale for 10 acres qualifies) All these protections should apply to this federal action in this EO because imposing a new national ocean policy is very significant.

Mr. YOUNG. Dr. Farrell.

**STATEMENT OF JOHN W. FARRELL, EXECUTIVE DIRECTOR,
U.S. ARCTIC RESEARCH COMMISSION**

Mr. FARRELL. Good morning, Chairman Young. Thank you for inviting me to speak to you today. Fran Ulmer, the Chair of the Arctic Research Commission, sends her greetings and regrets that she could not be here to testify today. She’s attending her son’s wedding.

My name is John Farrell and I am the Executive Director of the Commission. My principal duty is to develop and help implement a National Arctic Research Policy and to recommend goals and ob-

jectives for Arctic scientific research in service to the nation. I've submitted my full statement, which I ask to be made part of the hearing record.

I last testified before this Subcommittee in favor of your bill. That was H.R. 2864 to amend the Hydrographic Services Improvement Act. The Commissioners have asked me to pass along their congratulations to you on the passage of the Arctic Marine Shipping Assessment, an Act that you sponsored and worked on with the Commission.

My message today to you is simply this: The five Arctic-related actions in the National Ocean Policy will improve safe operations in the Arctic for both the public and private sectors and will boost our economic growth and enhance security. These five actions will create a unifying framework that will do the following: Improve coordination and integration for those who operate in the Arctic, reduce conflicts and delays that hinder economic development, increase operating efficiencies and reduce uncertainty in the marketplace while at the same time ensuring that our oceans will remain productive for future generations.

These actions were selected with considerable input from Alaska stakeholders and from others with Arctic experience, and we will continue to refine these actions based on further public comment and input. The first action is to advance marine mapping and charting as you've previously called for.

Charts are central to our understanding of the region and are essential to ensuring, in the words of Lieutenant Governor Mead Treadwell and Commissioner Dan Sullivan, a quote, a safe, secure and reliable Arctic marine transportation system. That's the first action.

The second is to enhance communications systems in the Arctic. Improved early warning and emergency response systems will speed our ability to assess and respond to emerging events and therefore minimize downtime. An example is implementing the automatic identification system, the AIS.

The third action will be to augment our basic oceanographic observations in the Chukchi and Beaufort Seas. A greater understanding of how the ecosystem is changing will serve as a guide for resource managers and provide subsistence-based communities with information they need to adapt to variable conditions.

Fourth, we aim to improve preparation and response management to emergencies that might arise from resource development and marine transportation. While greater international cooperation has already begun, there's room for more coordination, planning and training.

Finally, the fifth action from the Arctic Strategic Action Plan is to better observe and forecast Arctic sea ice, a topic whose importance and significance is well known to the people in this room. Improving sea ice maps, analyses and forecasts will support homeland and national security, safe ship operation and navigation and resource development.

These five actions I've discussed are part of a comprehensive National Ocean Policy that has been called for by two bipartisan commissions for over a decade.

In closing, the Policy's emphasis is on more efficient and effective uses of existing authorities and resources. The Policy is implemented under existing law and does not impose any new regulations or alter any existing Federal authorities, inland or otherwise. The Policy does not impose any restrictions on ocean activities or direct that any area be designated for specific use or be off-limits to specific activities.

The Commission supports the Federal Government's commitment to continue to engage state, local, tribal partners, industry, the public and other stakeholders in refining and implementing these five actions.

Thank you again for considering the Commission's views on this policy.

Mr. YOUNG. Thank you, Doctor. I thank the panel.

[The prepared statement of Mr. Farrell follows:]

**Statement of John Farrell, Executive Director,
U.S. Arctic Research Commission**

Good morning Chairman Young. Thank you for inviting me to speak on National Ocean Policy, and the relevance to Alaska.

My name is John Farrell, and I am the Executive Director of the U.S. Arctic Research Commission (USARC), a small, independent Federal agency, created by the Arctic Research and Policy Act (ARPA) of 1984. I testify today on behalf of Commission Chair Fran Ulmer and the other presidentially appointed Commissioners.

As the Executive Director of the Commission, my principal duty is to work with the Commissioners to develop and recommend an integrated national Arctic research policy and to put forward a biennial report identifying goals and objectives for Arctic research. In addition, I assist the Interagency Arctic Research and Policy Committee (IARPC), also created by ARPA, to establish a national Federal Arctic research program plan to implement the policy and to fulfill the research goals.

I'm here today to speak about the Arctic component of the draft Implementation Plan for National Ocean Policy. This policy was created by the National Ocean Council in response to President Obama's Executive Order 13547, titled "Stewardship of the Oceans, Our Coasts, and the Great Lakes," that was released on July 19, 2010.

The National Ocean Council asked me and Robert Winokur, the Deputy Oceanographer of the U.S. Navy, to help lead a team to draft the Arctic portion of this policy, and that's what I'll testify about today.

Please note that the actions I will discuss today are not final. I look forward to reviewing the comments recently submitted by the public on the draft plan, so that we can adjust the Arctic section to better reflect the needs and concerns identified by the public.

Draft Implementation Plan for National Ocean Policy

A draft Implementation Plan has been created for National Ocean Policy. This Plan lays out the initial steps required to achieve the vision and charge of the Policy, and addresses the most pressing marine challenges that face our nation. The Plan describes the specific actions within the scope of the National Ocean Council's charge that the Federal Government will undertake to deliver tangible results to the American people.

The Plan does not encompass all Federal actions relating to oceans. Instead, it focuses on nine priority objectives. For each, a suite of actions and their intended outcomes are described. For each action, key milestones are outlined, lead agencies or other responsible entities are identified, and timeframes are listed. This structure is designed to provide a clear layout of what will be accomplished, by whom, and when.

The purpose of the plan is to help unify Federal efforts within the scope of the National Ocean Policy around clearly articulated priorities and to identify a path to achieve them, to help meet the essential needs of Americans, and to ensure positive outcomes in addressing some of the most pressing challenges facing our ocean and the many Americans who rely on keeping our oceans healthy and productive.

The National Ocean Policy is structured around nine priority objectives, and one of these, "Changing Conditions in the Arctic," pertains directly to Alaska. The Arctic Ocean is identified as a priority region—the other priorities refer to issues rather

than regions—because rapidly diminishing sea ice is presenting opportunities and challenges with great implications for Alaska and the nation as a whole.

Scope and focus of testimony

Today, I will limit my testimony to the Arctic portion of the Implementation Plan, because I am familiar with it. I will not discuss other, broad themes in the Plan, such as ecosystem-based management, and coastal and marine spatial planning. They are beyond my area of expertise and the Commission has not developed a position on those elements of the Plan.

Robert Winokur and I led a team of experts, from a wide range of Federal Departments and Agencies, to draft this Plan objective titled, “Changing Conditions in the Arctic.” Our goal was to address environmental stewardship needs in the Arctic Ocean and adjacent coastal areas in the face of climate-induced and other environmental changes.

“Changing Conditions in the Arctic”

The United States has broad interests in the Arctic. These range from national security and territorial sovereignty to sustainable management of domestic energy and living resources, environmental protection, cultural heritage, and scientific research. These interests must be addressed within the context of change, environmentally, market-driven, and otherwise. The Nation, the State of Alaska, Tribal governments, and coastal communities are faced with critical decisions about how best to manage natural resources and sustainable human activities in this region. They must do so in cooperation with other countries that also have equities in the Arctic.

One of the most dramatic changes is the decrease in the areal extent and thickness of Arctic Ocean sea ice. Diminishment of the ice, and thawing permafrost leave large areas of coastal Alaska vulnerable to threats from rising sea level, stronger storms, and increased erosion. Marine and terrestrial ecosystems, regional weather patterns, and even the global climate system are affected by the retreat of sea ice. Ice-diminished transit routes in the Bering, Chukchi, and Beaufort Seas and other regions of the Arctic invite increased international resource development, commerce, and transportation, which will bring both new socioeconomic and environmental opportunities and stressors.

Such rapid changes underscore the need for improved and timelier information across diverse scales and disciplines to provide effective stewardship, to ensure that natural resource management and economic development in the region are environmentally sustainable, and to support effective early warning and emergency response systems. Improved science and technology are needed to help the scientific community forecast changes with greater certainty and provide guidance for local communities, resource managers, and commercial interests in this remote region.

Improvements in daily and weekly sea ice forecasts, for example, will benefit local community activities and safety, while also helping to provide a safe, secure, and reliable Arctic marine transportation system.

Improved hydrographic mapping and bathymetric charting for mariners and for other users of marine transportation systems are also needed. Such products will reduce the risks of maritime incidents and will facilitate more resilient ocean and coastal economies.

Another crucial resource will be a distributed biological observatory that will allow us to collect and share baseline ecosystem data, and better monitor, assess, and forecast environmental conditions under changing climate scenarios.

For the Arctic region, this draft Implementation Plan strives to balance economic growth, community resilience, and environmental stewardship. By working through interagency structures, and by placing an emphasis on improved coordination with the State of Alaska and other stakeholders with common equities, the draft Plan will ensure that initiatives to advance national priorities are informed by the latest developments in science and technology.

The transboundary effectiveness of all of these activities, including considering the needs of the indigenous people and communities of Alaska, can be enhanced through sustained cooperation with the State of Alaska and the Arctic Council.

Five actions in “Changing Conditions in the Arctic”

Action 1: Improve Arctic environmental response management.

The melting of sea ice and global market forces will encourage natural resource development in the Arctic. A commensurate rise in marine traffic will likely increase the potential for significant accidents and pollution incidents.

Alaska’s Lieutenant Governor Mead Treadwell recently pointed out the need to pay “close attention to communities, the coastal communities, people who depend on

subsistence resources, people who depend on whaling or sealing, or going after walrus to make sure that any oil spill response in the arctic works very closely with community members.”

Preparing and responding to emergencies related to resource development and marine transportation in the Arctic requires improved coordination, planning, and training; stronger interagency research; and enhanced State, Federal, and international cooperation and collaboration.

In the event that responsible private parties fail or are unable to meet their statutory responsibilities for prevention, mitigation, and cleanup of marine pollution events in the Arctic, this action addresses development and implementation of response coordination, procedures, and decision support systems to protect communities and ecosystems from oil spills and other incidents associated with resource extraction (e.g., oil and gas) and Arctic marine transportation (e.g., commercial shipping and tourism).

Specifically, this action supports the development and implementation of response coordination and decision-support mechanisms to support agency responsibilities, such as NOAA’s Arctic Environmental Response Management Application (ERMA[®]), Alaska Joint Assessment Team, State–Federal Alaska Data Integration Working Group, and Alaska Regional Response Team (ARRT). A number of Federal departments and agencies are charged with ensuring that resource development projects and marine transportation comply with health, safety, and environmental protection standards. Implementation of this action will require close coordination with a number of existing entities, including the Arctic Interagency Policy Committee, the Interagency Working Group on Coordination of Domestic Energy Development and Permitting in Alaska, and internationally with the working groups and task forces of the Arctic Council.

Action 2: Observe and forecast Arctic sea ice.

Sea ice forecasting is one of the most urgent and timely ocean issues in the Arctic region. Continued rapid loss of sea ice will be a major driver of changes throughout the Arctic, creating opportunities and challenges. Polar regions, although physically remote from major population centers, have profound significance for the global climate. They act not only as regulators of global temperature, but also as barometers of change. The loss of sea ice affects marine access, regional weather, global climate, marine and terrestrial ecosystems, and coastal communities. For example, a better understanding of how loss of sea ice in the Bering Sea (the location of the largest commercial fishery in the United States) will influence the entire marine ecosystem is of critical importance.

All-season observations from spaceborne and airborne platforms, ships and ice camps, and instruments on and under Arctic sea ice provide short-term information on ice conditions for tactical users. Such observations also support research into understanding Arctic processes and environmental variability and in improving forecasts. This action will improve daily to weekly sea ice models and provide forecasts and new seasonal predictions in formats that are amenable to a wide variety of government agencies and regional users.

Action 3: Implement a distributed biological observatory.

Changes in location and timing of the seasonal ice edge can have profound effects on benthic and pelagic marine ecology and human activity. These changes affect the distribution and abundance of baleen whales, and the ability of ice-dependent marine mammals to reproduce and rear young on ice. Likewise, stranding of ice-dependent species on land reduces their likelihood of survival or reproductive rate, and may make the animals less available to subsistence hunters. The effects of these changes on Arctic ecosystems and Alaska Natives who depend on these species are poorly understood.

Continued observations are needed to form the basis of understanding the changing processes in the Arctic region. A distributed biological observatory is one distinct component of the integrated Arctic Observing Network. A distributed biological observatory will improve our understanding of how changes in climate and the Arctic ecosystem will affect subsistence cultures in the region. New collaborations and partnerships will increase our capacity to monitor and assess changing environmental conditions. In addition, all participating agencies will be better able to determine and mitigate the effects of their decisions on marine resources, resulting in improved conservation, protection, and management of Arctic coastal and ocean resources.

Action 4: Enhance communication systems in the Arctic.

Communications are essential to implementing the Arctic priorities in the National Ocean Policy. Early warning and emergency response systems would improve

our ability to assess the timing and nature of emerging events in the Arctic region, such as environmental disasters, and will improve responses to them.

The Federal Government will advance two aspects of communications: technical capabilities and outreach. On the technical side, the Federal Government will strengthen existing communication systems to allow vessels, aircraft, and other users to effectively communicate with each other and to receive information (e.g., real-time weather and sea ice forecasts) that will significantly decrease the risk of environmental damage and loss of life and property at sea. On the outreach side, special emphasis will be placed on communications with native communities. This is in addition to enhancing the technical capabilities in these areas. The enhancements described here will build upon and support the guidelines and responsibilities in the Arctic Search and Rescue Agreement, to which the United States is a signatory.

Action 5: Advance Arctic mapping and charting.

Lt. Gov. Treadwell, who is also the former Chairman of the U.S. Arctic Research Commission, has long been a proponent of additional and higher-resolution imagery, mapping and charting of Alaska's lands, both on and offshore. He and other Alaska State leaders, such as Cora Campbell, Commissioner of the Alaska Department of Fish and Game, and Doug Vincent Lang, Acting Director of the Division of Wildlife Conservation, have underscored the importance of such activities to Alaskans.

As I too stressed in my testimony before this Subcommittee on May 6, 2010, in the hearing on H.R. 2864 titled, "Charting the Unknown: America's Arctic Seafloor," that maps and charts are central to our understanding of the Arctic region, and are essential for effective stewardship of this rapidly evolving environment. Knowledge of Arctic marine ecosystems, marine transportation, Arctic sovereignty and governance, and climate change adaptation strategies that coastal communities must develop to sustain their cultures and traditions all fundamentally rely on maps to visualize and depict critical aspects of the operating environment.

While ocean and coastal mapping in general is part of the "Observations, Mapping, and Infrastructure" priority objective in the draft Plan, this action will support the unique needs for accurate hydrographic surveys and shoreline mapping essential to modernizing nautical charts of U.S. Arctic waters and the Alaskan coastline. The action will enhance maritime commerce and help coastal communities develop adaptation strategies and disaster preparedness plans. It will increase the effectiveness of decisions regarding permitting, future ecosystem studies, and environmental stewardship. Mapping also supports biological habitat characterizations for ecosystem stewardship and restoration, development of storm readiness adaptation strategies for coastal communities facing the impacts of climate change, and emergency preparedness and response tools such as Arctic ERMA®.

How was the draft Plan developed?

The plan was drafted with the involvement of stakeholders and sought significant input, at various stages of development, from national, regional, and local stakeholders and the general public.

Two public comments periods (from January through April, and from June through July) on a full-content outline of the plan were held in 2011. Another comment period, on the draft Plan, has just closed.

Public listening sessions were held in Barrow on June 9, 2011 and in Anchorage on June 10th. And to reach even further, a webinar, co-sponsored by the U.S. Arctic Research Commission and the National Ocean Council, and hosted by the Alaska Center for Climate Assessment & Policy, of the University of Alaska Fairbanks, was held on April 19, 2011, and included a Q&A session.

Furthermore, the Governance Coordinating Committee, composed of State, Tribal, and local government officials, such as Mark Robbins, from the Alaska Governor's Office, and the Ocean Research Advisory Panel, including the Anchorage-based Director of the Alaska Ocean Observing System, Molly McCammon, provided input for the Plan.

Comments and suggestions from these efforts, such as from the State of Alaska, from industry organizations, from non-governmental organizations and from individuals were duly considered and in many cases incorporated into what we drafted.

Fiscal Responsibility

In developing the Arctic component of the draft Plan, we were instructed by the National Ocean Council to consider three questions:

1. What activities can be accomplished with existing Federal and partner resources?
2. How can existing resources be re-purposed for greater efficiency and effectiveness?

3. Where do we need to include activities that with minimal additional resources may allow for additional truly transformative and far-reaching impacts?

These questions are addressed in the actions developed in the draft Implementation Plan, and are specifically detailed in the milestone section.

How will the Implementation Plan increase efficiencies?

The Plan identifies not only resource requirements, but also expected efficiencies to be gained in plan implementation among Federal agencies, and with State, tribal, and local government partners. Through increased communication, coordination, and integration across all levels of government, agencies will streamline processes and reduce duplicative efforts, while better leveraging limited resources.

How will the draft Plan be used?

Once final, each participating Federal agency will begin implementing the actions contained in the Implementation Plan. Federal agencies will coordinate and collaborate with State, Tribal, and local authorities, regional governance structures, academic institutions, nongovernmental organizations, recreational users, private enterprise, and other stakeholders. The Plan will be adaptive and allow for modifications. The Plan will be reviewed annually and modified, as needed, based on new information or changing conditions. Given the uniqueness of Alaska, regional coordination, planning and implementation of the Plan will be critical. Actions will need to be tailored to regional needs and priorities.

In summary, the U.S. Arctic Research Commission supports the draft Implementation Plan for National Ocean Policy and specifically the actions proposed in the national priority objective, "Changing Conditions in the Arctic." These actions are not yet final. But if properly supported, the Commission thinks these actions should significantly advance our knowledge and understanding of the Arctic Ocean, and these will be of great use to resource managers and policy makers responsible for the overall economy of the State of Alaska, the focus of this field hearing.

Thank you for considering the Commission's views on the National Ocean Policy.

Mr. YOUNG. Ms. Moriarty, if the Administration continues to tell us that the National Ocean Policy and Marine Spatial Planning is not zoning, isn't that exactly what the Department of the Interior called it in the draft five-year plan?

Ms. MORIARTY. Congressman Young, yes. In fact, in the draft programmatic Environmental Impact Statement for this next year's leasing program, they said—the Department of the Interior stated that Coastal and Marine Spatial Planning, quote, has emerged as a new paradigm and planning strategy for coordinating all marine and coastal activities and facility constructions within the context of a National Zoning Plan, unquote.

So to us that is a concern because clearly zoning of Alaska's oceans and coasts in advance of projects could severely impact resource development.

Mr. YOUNG. That was my interpretation. I'm glad you brought it up and clarified that.

Mr. Parady, if the reach of the Marine Spatial Planning Initiative goes to the head of each watershed in Alaska, that's another concern. This is not just about oceans. Is there anywhere in the state that your operation would not be affected?

Mr. PARADY. I believe it reaches to every mining operation in the state, including those that are in advanced stages of exploration, such as Donlin or Pebble or any of the advanced exploration projects that are currently ongoing in the state.

Mr. YOUNG. OK. Again, do you have any sense of what criteria a potential mining operation will face when they get all the state and Federal permits? I heard it was 55 permits.

What do you think this will add?

Mr. PARADY. Mr. Chairman, I think it will add, say, at least a year to a permitting timeline that already stretches through the five—the Pebble Project Limited Partnership, I think, has invested over \$120 million in their environmental studies and has yet to reach the permitting process, and I think it's duplicative. The number I have on the number of permits required is 68. So somewhere between your 55, Eric's 60 to 70 and my 68 is an enormous amount of environmental baseline data produced under NEPA and the Clean Water Act, et cetera.

Mr. YOUNG. Mr. Sturgeon, the draft National Ocean Policy Plan says that one of the national priorities and objectives is to address the major impacts of urban and sub-urban development on agriculture, including forestry and animals, on ocean, coastal and Great Lake waters. That sounds like your industry may be facing new restriction on forestry operations. I think in your testimony you already followed everything that's been required by you, right.

Mr. STURGEON. Representative Young, I certainly think so. What really concerns us about this when we talked earlier about the Coastal Zone Program when it first started, we thought it would be something that would protect waterfowl habitat and that kind of thing. But what happened very quickly is that they said anything that went inland, like salmon spawning, for example, and birds, migratory birds would go from the oceans to inland or anything that would transition in between would be part of the regulatory process. So this concerns us really a lot because we think this will affect our operations directly, so it's definitely something that's going to affect our industry.

Mr. YOUNG. Well, Mr. Sturgeon, again, I think the broad plan states that one of the action items is to protect 2 billion acres of land and to identify the high conservation priorities with at least 35 percent being forest lands of the highest value for maintaining water quality.

Do you have any idea where these high conservation priority lands will be identified and who will identify them?

Mr. STURGEON. Well, I don't know, but I can guess from past practices that if there's high-value timber there, it obviously will end up in the priorities. So I don't know where those are.

Mr. YOUNG. Again, do you think it will be—does anybody have any idea under this plan who will identify it.

Mr. STURGEON. No, we have no idea. It's one of the problems of the plan. It's really hard to evaluate it because it's vague in a lot of areas and the vagueness certainly concerns us right now.

Mr. YOUNG. Dr. Farrell, with all due respect, you said there wouldn't be any more regulations. They have already started implementing regulations. On what basis did you make that statement.

Mr. FARRELL. Well, just from my understanding and from what the Administration has been giving us.

Mr. YOUNG. You've got to respectfully question the Administration.

I want to ask all of you: We're sitting here banging this Executive Order. There's been a reason why the bills, more than four bills that have been introduced on ocean policy haven't even got the light of day regardless of who's in control. You notice we took over control just a few years ago or two years ago. Before that, why

didn't the Congress act? Do you think there can be a bill that would be beneficial, but still address some of the issues of the policies of the ocean?

I'm one that believes in protecting the ocean, but this thing is so large and broad and the regulations—and by the way, rarely do lawsuits occur against the permittee, the permit person that applies for it. It occurs on the action of the agencies and did they do it right. That's what happens. It's never about—against the mining industry, against the oil industry or against the forestry industry; it's done against the agencies.

With this many agencies it looks to me that this would be a great feeding ground for lawyers against the agency with the issue of the permit. Do you think we can write a bill—could there be a bill written that would solve the problems and concerns you have? Instead of just saying no, I'm always worried about—remember I said about the boy that ended up in jail. Sometimes it might be better if we wrote some legislation. Do you think as stakeholders you could be able to write something that would protect your interests and still get something done? Anybody, I don't care.

Mr. PARADY. I would only respond that I think clearly that's what's needed. Having a stakeholder engagement process in the concept of Federal rulemaking without having had the necessary legislative debate and creation of a balance of interest through statute is what's exactly missing here, is that chance for back and forth give and take so that we all get to put our views on the table and pound out some sort of reasonable compromise.

These regulations are created in a—it's almost like the old-time convention environment, the back-room environment where they hadn't seen sufficient light of day. They need a legislative debate.

Mr. YOUNG. Anybody else?

Ms. MORIARTY. I would only add that I agree with Mr. Parady that, first of all, the stakeholders, if you're going to have an effective policy to regulate something as broad as our oceans, ocean is different here Alaska and across the Nation. We as stakeholders have not been invited to participate.

I guess I would just go back to my original statement in my testimony that before we try and develop a brand new policy, why don't we try and improve the existing policies that we already have that protect several aspects of the oceans. We think that should be the first place to start. If there are gaps, then maybe there can be a piece of legislation to protect the oceans, but unless all the stakeholders are engaged and involved from the very beginning through all the details, I don't see how it would work.

Mr. YOUNG. Anybody else?

Dr. Farrell, U.S. Arctic Research, I'm going to make a suggestion. I'm one that believes we are an Arctic nation because we're in the Arctic. And I would like suggest respectfully that the Commission stay in the Arctic. Don't get below it. That's just a little bit of advice. Because we do have challenges in the Arctic. It is an unknown area.

But when I see the forest industry involved, the mining industry involved, the oil industry involved, the fishing industry involved, I get a little bit concerned when they haven't been at the table. Your table is relatively new, I mean, with all due respect. Climate

change is happening. We probably have a navigational lead or we have a lot of different issues up there, which we did not have before. But these other ones are a known quantity. That's why I'm really looking for a possibility—I've asked staff maybe to look at it—that will offset this proposal.

I really think this is just breeding a total standstill of any activities and not only in the ocean, I think this thing is so far-reaching. Again, I said that's why Congress hasn't acted because this will affect the farmers in Iowa, anything. They're not quite aware that this is a stealth attack. That's exactly what it is. I am very concerned. You.

You may ask why we had these hearings up here today. We're building a record. We're going to—we sent a letter yesterday. Dr. Hickston is sending a letter from the Chairman to cut the funding. We're going to have letters now to all the different agencies requesting more information on what's happening here and we'll go—we already have one to the CEQ. We're going to have more members get involved because we do think this is a great encroachment on our individual states, our coastal state and existing law. Existing law. I'm pretty proud of the Magnuson-Stevens Act. I'm pretty proud of what it's been named to do. We are a nation and this is a state that relies on resources.

A lot of our Congressmen don't understand that you can't recover in this nation the natural resources to manufacture it from. That is reality. You can't do it by buying all your clothes from China and our oil from overseas. You have to have a development of resources.

So we're establishing a record. I have no more questions for the Subcommittee. We will probably submit some questions to you down the line establishing this record about where we're going along this issue. If there's no other comments from anybody, I would like to adjourn this hearing at this time. It lasted exactly about two hours. Thank you very much. This meeting is adjourned.

[Whereupon, at 11:47 a.m., the Subcommittee was adjourned.]

[Additional material submitted for the record follows:]

[A letter submitted for the record by the Alaska Federation of Natives follows:]

Alaska Federation of Natives

April 6, 2012

The Honorable John Fleming, Chair
Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs
U.S. House of Representatives
416 Canon House Office Building
Washington, DC 20515

RE: Comments of Alaska Federation of Natives on 'Alaska's Sovereignty In Peril: The National Ocean Policy's Goal to Federalize Alaska'

Dear Chairman Fleming:

I am submitting the comments of the Alaska Federation on the oversight hearing on "Alaska's Sovereignty In Peril: The National Ocean Policy's Goal to Federalize Alaska" in form of a letter to the Subcommittee on Fisheries, Wildlife, Oceans and Insular Affairs that was held in Alaska recently.

By way of background, AFN is the largest Alaska Native organization in Alaska. Our membership includes 178 villages (both federally recognized tribes and village corporations), 13 regional for-profit Native corporations (established pursuant to the Alaska Native Claims Settlement Act), and 11 regional non-profit and tribal con-

sortia that contract and run federal and state programs that provide a broad range of human services to their member villages. AFN's over-arching mission is to enhance and promote the cultural, economic and political voice of Alaska Natives.

The United States Constitution provides that "Congress shall have Power...To regulate Commerce. . .with the Indian Tribes." With this in mind, we ask you to include Alaska Natives as you move forward in addressing "Alaska's Sovereignty In Peril: The National Ocean Policy's Goal to Federalize Alaska." The subcommittee must ensure that the voices and concerns of Alaska Natives, Alaska Native Tribes, Alaska Native Regional and village corporations and Alaska Native tribal consortia are considered when it addresses the nation's oceanic policies.

We urge the subcommittee to consider the following:

- Congress must continue to support the Alaska Natives' rights of exemption under the Marine Mammal Protection Act as the oceans off the coast of Alaska are a source of food security for our people.
- Funding Alaska Native in the management of marine mammal mammals including their full involvement in research activities regarding these resources.
- Recognition by the federal government that Title VIII of ANILCA IS Indian Legislation.
- Amending ANILCA to replace the current rural priority with a "rural plus Native" priority.
- Expanding tribal compacting and contracting of subsistence programs.
- Exempting the Regional Advisory Councils (RACs) from the Federal Advisory Committees Act (FACA).
- Ensuring Alaska Native communities are protected throughout implementation of Department of Interior Secretary Salazar's directives to the Federal Subsistence Board following his review of subsistence management, to include at least the following:
 - Adopting the "criterion-referenced" methodology (developed by the University of Alaska, Anchorage's Institute of Social and Economic Research or ISER) for making rural v. non-rural determinations.
 - Deferring to Regional Advisory Committees regarding the subsistence needs of the Alaska Natives including but not limited to rural/non-rural determinations as they are intimately familiar with local conditions in their regions.
 - Excluding Military bases from consideration—when military installations are in an area that otherwise would be considered rural, the fact that a military installation is present should not alter an area's rural status.

We ask that you add the comments of the Alaska Federation of Natives into the hearing record of the oversight hearing on "Alaska's Sovereignty In Peril: The National Ocean Policy's Goal to Federalize Alaska."

We thank you for your consideration of protecting the rights of the people of Alaska, and in particular, the rights of the Alaska Natives who have lived off the land and waters within the State of Alaska long before the arrival of Western Society.

Sincerely,

Nelson N. Angapak, Sr.
Senior Vice President

cc: The Honorable Gregorio Kilili Camacho Sablan The Honorable Don Young The Honorable Lisa Murkowski

