



United States Senate Committee on

Energy & Natural Resources



Senator Lisa Murkowski, Alaska, *Chairman*

Opening Statement
Hearing on the Interior Department's FY 2016 Budget Request
Chairman Lisa Murkowski
February 24, 2015

Good morning, everyone. The hearing will come to order.

We are here to review the President's budget request for the Department of the Interior for Fiscal Year 2016.

I'm going to spend a little bit of my time here this morning in opening comments to talk about the many ways in which this administration and its actions are negatively impacting my state. Secretary Jewell, you and I have had many opportunities to visit one-on-one, as well as your trip to Alaska which I appreciate you making last week – and I don't want to make this personal – but the decisions from Interior have lacked balance, and instead of recognizing the many opportunities Alaska has with regards to resource production, you have enabled an unprecedented attack on our ability to bring these resources to market.

The President has withdrawn over 22 million more acres of Alaska from energy production in recent weeks alone. That has occurred on top of many other restrictions and regulations being imposed on us. It has occurred despite the tremendous energy opportunity and potential in those areas, despite our "no more" clause, despite the pressing need to refill our pipeline, and despite strong opposition from most Alaskans.

The map that I have today is one that my colleagues are going to become familiar with because I'm going to be pointing it out quite frequently. The colors on the map represent those areas that are withdrawn from any development opportunity whatsoever. Some are in fact proposed critical habitat areas and so they are not fully withdrawn at this point in time. But we have the ANWR new wilderness proposal, the presidential withdrawal off shore, the NPR-A withdrawal onshore, the North Aleutian basin off shore, then the critical habitat, the wilderness that is already in place, the National Parks areas, as well as the federal lands.

I just remind my colleagues, this is one-fifth the size of the United States of America. And so when you take off all of these areas for any development at all, how do your states operate? What do you do? I have expressed my frustration privately and in public, and I'll continue to express my frustration and try to achieve some positive results for the people of Alaska and really for the good of the country. As an energy producing state, this is what we do. We share these resources with the rest of the country.

I want to be very clear today that it's not just me that is banging the table. I don't think I'm overreacting. I'm speaking clearly and articulating the concerns of most Alaskans. We had the opportunity last week to be in the northwestern community of Kotzebue – the Secretary joined us. The entire Alaska delegation, the Governor, the Lieutenant Governor, the leadership of the House

and of the Senate, numerous native leaders were all there, and it was very clear that there is no daylight amongst the elected leaders in terms of how they're viewing the decisions coming out of the administration. So I just want to make very clear that I oppose this administration's decision on ANWR. I oppose its decision off shore. I oppose its costly restrictions and endless delays in the NPR-A. I oppose what it's doing to our placer miners, to our timber industry, and to many other resource producers who are ready to provide good jobs to hard working Alaskans.

The state of Alaska was actively ignored. The North Slope Borough, the community of Kaktovik, Alaska Native Corporations, and many Alaskans – all of whom asked for an oil and gas alternative in Interior's ANWR plan by claiming it requires an act of Congress, even though an act of wilderness requires the very same.

The actions of this administration seem destined to shut down our trans-Alaska pipeline, weaken our economy, forcing our state to make steep budget cuts, and really, violating the promises that were made to us at statehood and since then.

I had hoped that Interior's budget would not make the situation worse, but it fails to clear even that low bar.

This request violates the Budget Control Act, ignoring the statutory caps and proposing new spending as if we had already lifted sequestration – but that amounts to wishful thinking, not responsible governance.

It would impose billions of dollars' worth of new fees and higher taxes on oil, gas, coal, and mineral production – regardless of the consequences – and would eliminate offshore revenue sharing, which many of us believe should expand.

The Department did not identify realistic offsets for its spending requests – such as the National Parks Centennial – and has proposed no serious reforms for the Land and Water Conservation Fund.

Personally, I was stunned to see Interior's request increase by almost \$1 billion, on a net basis, with no funding dedicated to cleaning up abandoned legacy wells drilled by the federal government. They walked away from it. They walked away from the mess and the responsibility. And we've been trying for decades to get that cleaned up.

Beyond energy, there is King Cove, still totally unresolved. Yesterday marked 14 months since this road was rejected – yet, again, we see nothing in this request to help those whose lives are in needless danger.

I see a request for about \$40 million for adaptation projects for tribal communities. But by my calculation, that's about 12 times less funding than was requested for international adaptation projects in just this year alone. So what I can't figure out is why the needs of Americans are coming second.

Interior's decisions are hurting Alaskans. You're depriving us of jobs, revenue, security, and prosperity. But Alaskans aren't alone in this. And I want my colleagues to understand that I think what we're seeing in Alaska is a warning for those in the west. And the fact is, almost every other western state already has a legitimate complaint – or series of complaints – against Interior.

In Wyoming and Idaho, it is sage grouse. In Utah and Colorado, it is Interior's refusal to facilitate oil shale development. In Arizona, it is the permitting of new copper mines. Across our States, except in Alaska where there is no production on federal lands, it is the significant decline in APDs and oil wells drilled on federal lands.

This Administration is actively impeding many of the best economic opportunities in the West. It is depriving thousands who live in our States of the ability to find a good job, earn a good wage, and live a good life.

As Chairman of this Committee – and the Appropriations Subcommittee with control over Interior's budget – I do want to work with you, Secretary Jewell, and others in this Administration. My complaint is that you hear from us, but you do not actually hear us.

In looking at this request, I do not see a substantive effort to work with Congress. Instead, I see a willful disregard for enacted law. That has to change. The challenge really is to find common ground, working together. But what we have seen is very, very discouraging.

I'll now turn to Ranking Member Cantwell.

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