



Senate Majority News

Laura Achee, Senate Majority Press Secretary
State Capitol, Room 413
Juneau, AK 99801

For Broadcast Actualities: (800) 478-6540
Web Site: <http://www.akrepublicans.org>
Phone: (907) 465-3803

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Contact: Sen. John Torgerson, 465-2828

Legislature Preserves Alaska's Economic Future Passes Legislation Prohibiting Over-the-Top Route

(JUNEAU) – The Alaska House made a strong move forward today to ensure that Alaskans will get the maximum benefit from bringing the state's natural gas to market when it passed a bill removing the "over-the-top" route from consideration.

"While supporters of the over-the-top route claim it could bring more money to the state's treasury, it won't directly benefit the state's residents and that is our concern" said Sen. John Torgerson (R-Kasilof), sponsor of the legislation. "Building a pipeline that runs through Alaska would allow in-state gas distribution for residential and commercial use. It would also open the door to manufacturing value-added natural gas products, such as fertilizer. This would create thousands more jobs and additional revenues for our state over the next 50 years."

Senate Bill 164, sponsored by Torgerson, would prohibit leases under the Right-of-Way Leasing Act on the State of Alaska's submerged lands in the Beaufort Sea. This bill was drafted to conform with Alaska's Constitution, which says that state resources should be developed in a way that makes them available for the maximum use consistent with the public interest and for the maximum benefit of Alaskans.

The bill lists the benefits of building a pipeline through Alaska, including:

- Ensuring that state residents and businesses will have access to enough natural gas to meet reasonably foreseeable instate demands
- Providing job opportunities during the construction and operation and maintenance phases of an in-state pipeline, and through support services for the pipeline
- Adding significant long-term property value to the tax base of state and local governments

"Every person that came and testified before the Senate Resources Committee said the same thing – the over-the-top route would be the hardest pipeline to permit and build of the three options being considered," said Torgerson, Chair of the Senate Resources Committee. "Construction along this route would also require an amendment of the Alaska Gas Transportation Act that was passed by the President of the United States and Congress in 1977."

"Every member of the Senate, Republicans and Democrats, has signed on to co-sponsor this bill, and the fact that we are all of the same mind highlights the importance of this issue to Alaska's future," said Torgerson.

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Excerpts from Rep. Hugh Fate's comments on the floor of the House in support of SB 164 are available on the Majority Actuality Line, 800-478-6540.