

**Testimony of Harry Brower, Jr.
Mayor, North Slope Borough, Alaska
November 7, 2019**

**Before the
Committee on Energy and Natural Resources
United States Senate**

**Hearing on Issues and Legislation Related to Energy Development on
Federal Land**

Chairwoman Murkowski, Senator Manchin, and Members of the
Committee:

Thank you for inviting me to speak to you about federal legislation that
would establish offshore oil and gas revenue sharing for Alaska and our
coastal communities.

My name is Harry Brower, Jr. I live in Utqiagvik, Alaska (formerly Barrow,
Alaska) and I serve as the Mayor of the North Slope Borough, the largest
municipality in the United States by size.

The North Slope Borough covers an area the size of Wyoming, stretching
more than 600 miles from the U.S.-Canada border in the east to the western
border of Alaska, across the Beaufort and Chukchi Seas. The Borough is
home to eight Inupiaq villages, the Prudhoe Bay oil field, the National
Petroleum Reserve-Alaska, and the Arctic National Wildlife Refuge.

The majority of Borough residents are Inupiat. We depend on marine
mammals—such as bowhead and beluga whales, seals, and walrus—to
sustain our physical health and our cultural and spiritual well-being. The
importance of this subsistence way of life to our coastal communities goes
beyond the need for food. Our unique Inupiaq culture, our traditions, and
our links to our ancestors and history are tied to our subsistence lifestyle, to
our custom of sharing with others, and to celebrating our connection to the
land and the ocean. If oil and gas resources are someday developed in the
Arctic Ocean adjacent to Alaska, those resources will come from our back
yard—from a place that has sustained our people for thousands of years.

It is appropriate that this Committee should consider oil and gas revenue sharing for Alaska's coastal communities today. In Alaska, November 7th is Eben Hopson Day.

Eben Hopson was a leader among the Iñupiat people of Alaska in the 1960s, at a time when the Iñupiat people were joining with Alaska Natives from around the state to fight for our Native land claims.

Over the last 150 years, the North Slope of Alaska—land inhabited by the Iñupiat people for thousands of years—has been parceled out to serve the interests of government, industry, and conservation.

The United States bought the territory of Alaska from the Russians in 1867.

In 1923, the United States set aside 23 million acres of the North Slope—an area the size of Maine—as the Naval Petroleum Reserve No. 4. Today, that area is called the National Petroleum Reserve-Alaska, or NPR-A, and industry and conservation groups continually fight to advance competing interests in the Petroleum Reserve.

In 1960, the Department of the Interior set aside the Arctic National Wildlife Range, which, in 1980, became the 19 million acre Arctic National Wildlife Refuge, or ANWR. ANWR covers an area roughly the size of South Carolina. Whatever you may think about current proposals to develop oil and gas resources in ANWR, that area has long been claimed by the United States and outside groups for conservation without the consent of the Kaktovikmiut—the Native people who are from that place.

Alaska became a state in 1959, and the Federal Government granted the new state an entitlement to 102 million acres of land. In 1968, oil was discovered at Prudhoe Bay, and the State selected the land at Prudhoe Bay over the objections of the Native people who had inhabited that place.

In 1971, Congress passed the Alaska Native Claims Settlement Act. This Act allowed Alaska Natives to select and take Western title to 44 million acres of land around the state. However, on the North Slope, the State had already selected Prudhoe Bay and the Federal Government had already set aside the NPR-A and ANWR, even though these places had for thousands of years been home to the Iñupiat people of the North Slope.

Because the Federal and State governments had already claimed Iñupiat land and resources, Eben Hopson worked with other Iñupiat leaders to create the North Slope Borough, a home-rule municipality that gave our people the ability to tax oil and gas infrastructure and thereby benefit from the resources being developed in our back yard.

Tax revenues collected by the Borough have for almost 50 years enabled the Borough to provide basic services to the eight villages on the North Slope. Oil and gas tax revenues support health clinics, schools, our tribal college (the only tribal college in Alaska), water and sewer infrastructure, search-and-rescue services, and other essential services in all of our villages.

In a speech he gave in 1976, Eben Hopson talked about the discovery by the Federal Government of natural gas near Utqiagvik, formerly Barrow.

The Federal Government had created the Naval Petroleum Reserve in 1923 and, within the Reserve, the Navy established a small research facility near Point Barrow. Exploratory drilling led to the discovery of natural gas in 1949, and a gas field was developed near the community. Natural gas was used to heat federal buildings like the hospital, the BIA school, and the Naval Arctic Research Laboratory. But the Navy did not allow the community of Barrow to use the gas to heat their homes.

In his speech, Eben spoke about the “long, frustrating, 12-year struggle to get permission to hook our homes in Barrow to gas mains that crisscrossed Barrow through our back yards.” Although it sounds incredible today, the Navy refused to let the residents of the Native village use the natural gas that came from our own back yard to heat our homes. It took an act of Congress, in 1963, to allow the Native people of Barrow to buy their own natural gas back from the Federal Government.

The Arctic Ocean is a place where we have hunted for whales and walrus and seals for thousands of years. If, someday, oil and gas resources are developed in the Arctic Ocean, that offshore resource—just like onshore oil and gas resources—will come from our back yard. The development of that resource will have an impact on our communities. It is only fair that some of the revenue from that development should be reinvested in the long-term survival of our communities.

Congress has already authorized resource revenue sharing throughout the United States. The Mineral Leasing Act provides for revenue sharing from onshore mineral development. The Gulf of Mexico Energy Security Act provides for revenue sharing from offshore oil and gas development.

Whatever each of you as individual Members of Congress may think about oil and gas development, it would be unconscionable to oppose legislation that would extend offshore oil and gas revenue sharing to Alaska and provide a fair share of revenue from the development of Arctic resources to impacted coastal communities.

I support S. 2418 as a model that provides a share of revenues to Alaska and to coastal political subdivisions located within 200 miles of resource development. In the past, similar legislation has established an 80/20 revenue split between the State and coastal political subdivisions, and I urge the Committee to continue to support that approach.

I urge the Members of this Committee to act on this legislation. This legislation establishes fair and equitable revenue sharing for states and coastal communities impacted by development. Its passage is long overdue.

I want to thank Senator Murkowski for her leadership on this issue. Senator Murkowski has worked tirelessly with leaders from the North Slope and other regions of Alaska to develop federal legislation that invests in the preservation and wellbeing of our communities well into the future.

Quyanaqpak for the opportunity to speak to you today.