

Stevens urges Senate panel not to cut state's oil share

WASHINGTON — Congress should live up to the compact it made with Alaska at the time of Statehood and not reduce the state's share of revenues generated by Arctic National Wildlife Refuge oil and gas production, Sen. Ted Stevens told a Senate subcommittee recently.

Stevens registered his opposition in comments submitted to the Subcommittee on Public Lands. The subcommittee held a hearing earlier this month on S735, which would decrease Alaska's share of ANWR revenues from 90 percent to 50 percent.

Under the legislation, the additional revenues which would go to the federal government would be used to buy more park and refuge land in the Lower 48.

"S735's basic goal — acquisition of important recreational, scenic and habitat lands by the federal government — is sound. It would achieve its

goal, however, by denying Alaska one of the fundamental benefits conferred by the Statehood Act without offering the state appropriate compensation, Stevens wrote in his statement.

Stevens informed the subcommittee members that the 90 percent formula was established for Alaska before Statehood. The Mineral Leasing Act of 1920 entitles other states to 50 percent of those revenues in direct payments. Of the remainder, 40 percent is placed in the Reclamation Fund, which is dedicated to projects in the 17 western public land states.

Congress provided Alaska with a greater share of the revenues because the state does not have access to the Reclamation Fund. In addition, Congress recognized that an overwhelming percentage of Alaska is owned by the federal government and does not contribute to the state's economic development, Stevens said.