

# Why House Bill 69 is good for the Mat-Su and Alaska

*By Rep. Vic Kohring, October 2, 2003*

Nine years ago, you elected me to represent the Mat-Su with an aggressive program of government reduction, less taxes and resource development. I felt then, and am even more convinced, that our Founding Fathers gave us a Constitutional Republic with a limited government that we should strive to maintain.

Much of the 20th Century's economic and social meddling by government failed, so our mission as leaders must be to eliminate unconstitutional and wasteful spending. This has been my *highest* priority backed by a philosophy of individual freedom and economic conservatism.

The timing was right this spring to introduce legislation to boost Alaska's economy and contribute to the goal of freedom and prosperity. The new concept of capturing shallow natural gas caught my attention, because it would help achieve this goal.

Evergreen Resources, with existing exploratory wells, was held to unrealistically high standards. They ran into typical bureaucratic roadblocks with expensive and cumbersome regulations for nearly any drilling activity attempted. [House Bill 69](#) was sponsored by me and enthusiastically co-sponsored by *half* the entire Legislature including Valley representatives Green, Gatto, Masek and Stoltze. Its intent was to streamline the state's permitting process and trim redundant bureaucratic controls so business could proceed.

After consulting with people back home, the Mat-Su Borough, legislative colleagues and Evergreen, we removed a portion of the lowest layer of bureaucracy within municipalities. We also kept intact reasonable local regulatory control while protecting property rights. The result will be easier gas extraction. This philosophy falls within the realm of a limited government notion. Our intent should not be keeping bureaucrats employed; it should be protecting individual rights and promoting a strong private sector.

HB 69 passed the Legislature in April and the Governor signed it into law June 6<sup>th</sup>. Some misgivings have since come forward. Landowners have expressed concern about a lack of opportunity to voice objections and get questions answered. Was shallow gas extraction safe? Will noisy and unsightly equipment be used? Will water wells be polluted or depleted? Will land owners have a say in what happens to their property?

These are legitimate concerns. The good news is there's an answer for each. With few exceptions, shallow gas drilling is proven safe and non-polluting, using concrete-lined, steel casings. Producing wells typically have compressors placed below ground level with noise reduced to virtually nothing. All that remains on the surface is a building resembling a small tool shed. Wells are usually drilled far below water aquifers, making contamination or interfering with domestic water supplies very unlikely.

The Constitution guarantees property owners compensation from damages and protection from trespass by gas drillers, too. **No one** will disturb or ruin your property, and if anyone desires to even **walk** on your land, they first must obtain permission. A company holding a lease will also enter into a "surface use agreement" with the landowner. And last, people can still give ample input and voice objections to the Department of Natural Resources before drilling permits are issued, with the right to appeal. That remains unchanged.

If we allow free enterprise to flourish through less government as intended with HB 69, a number of beneficial consequences will likely ensue:

- The streamlined bureaucracy will produce efficiency, contributing to greater productivity within the petroleum industry. The economy will be bolstered and good paying jobs created.
- Greater numbers of youth, entering the workforce after graduation, will likely remain in Alaska as more jobs become available, and not be enticed to move Outside. And law enforcement will contend with less crime, drinking and drug activity associated with despair of not having a decent job and bright future.
- Business owners will experience an upsurge in activity and gain new customers spending money earned in the private sector. More dollars will be spent locally, flowing back and forth within the business community. Economists call this the "Multiplier Effect."

- Cheap, clean-burning gas will become plentiful to heat homes and businesses, generate electricity, and attract new industry.

This is the kind of Valley and Alaska I want to live in. Don't you?

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