Chugach
ALASKA CORPORATION

September 9, 2025

House Natural Resources Committee, Subcommittee on Indian and Insular Affairs
1324 Longworth House Office Building
Washington, D.C. 20515

Re: TESTIMONY IN SUPPORT OF CHUGACH ALASKA LAND EXCHANGE AND OIL SPILL RECOVERY ACT (H.R. 3903)
From: SHERI BURETTA, CHAIRMAN OF THE BOARD, CHUGACH ALASKA CORPORATION

Members of the House Subcommittee on Indian and Insular Affairs (IIA):

Thank you for the opportunity to submit this testimony in strong support of the Chugach Alaska Land Exchange and Oil Spill Recovery Act (H.R. 3903), and its companion bill in the Senate (S.2016). My name is Sheri Buretta, and I serve as Chairman of the Board for Chugach Alaska Corporation (Chugach), one of the 12 regional Alaska Native Corporations established under the Alaska Native Claims Settlement Act (ANCSA) of 1971. For more than two decades, I have worked on behalf of our shareholders and descendants to pursue legislation that would restore land promised—but never delivered—to our people.

I want to begin by sincerely thanking Alaska's congressional delegation—Representative Nick Begich, Senator Lisa Murkowski, and Senator Dan Sullivan—for their unwavering leadership in reintroducing this critical legislation. Their commitment to resolving these long-standing land conflicts through bipartisan action reflects not only a deep understanding of our history, but a meaningful step toward justice. This legislation would provide 65,000 acres of culturally significant and economically viable land to the Chugach people, while making federal surface ownership and conservation easements whole, ensuring a balanced and responsible outcome for both Alaska Native communities and the public.

Restoring the Promise of ANCSA

The legislation addresses a painful history: lands once stewarded by our ancestors were taken by foreign powers, then sold to the U.S. government. ANCSA was signed into law over 50 years ago with the intent of settling aboriginal land claims and creating a pathway for economic self-determination for Alaska Native peoples. In exchange for extinguishing aboriginal title, Alaska Native Corporations were promised a selection of lands with cultural and economic value—lands that would serve as the foundation for development and long-term prosperity.

Yet for Chugach, that promise remains unfulfilled. Of the approximately 10 million acres of federal land in the Chugach Region we received merely 378,000 acres of land plus the subsurface under Village Corporation lands. Thus we accepted a fraction of our traditional lands under the promise that they would be accessible and usable as a foundation for self-determination and economic development. Much of the land conveyed to us under ANCSA was inaccessible, already encumbered by surrounding federal lands, or lacked development potential. In short, the lands granted were not aligned with the law's intent—and we've been working to fix that ever since.

This bill represents a meaningful and long-overdue step toward that goal. It would authorize a fair and balanced exchange: approximately 65,000 acres of unified, full-title lands would be conveyed to Chugach—lands that are culturally significant, economically viable, and accessible. In return, Chugach would transfer more than 230,000 acres of subsurface estate to the federal government, aligning surface and subsurface ownership and resolving decades of conflict and management dysfunction.

A Legacy of Disruption After EVOS

The need for this legislation is directly tied to the federal government's response to the 1989 Exxon Valdez Oil Spill (EVOS). In the aftermath of that environmental disaster, the federal government—through the EVOS Trustee Council—spent over a hundred million dollars from the legal settlement to purchase surface lands from Village Corporations in the Chugach region for conservation purposes.

However, Chugach retained the subsurface estate in every acre of land acquired from our Village Corporations using EVOS money. This created a split-estate ownership model between the federal government and Chugach Natives that has been a constant source of conflict and confusion ever since. It also effectively barred, or significantly delayed, Chugach from accessing or managing its subsurface resources, undermining our economic future and violating the spirit of ANCSA, which designated Regional Corporations as holders of the subsurface, the "dominant estate."

Let me put it plainly: imagine someone buys the front door to your home, but not the rest of the house—and then tells you how you're allowed to use it. That's the situation Chugach has been forced to live with for decades. We still hold the legal right to access our subsurface estate, but the surface is now federally owned and managed for conservation. The result is an unworkable, often hostile framework that limits our ability to responsibly develop resources and manage our lands for the benefit of our shareholders.

This legislation would fix that. It would give the federal government full ownership and management control over the conservation lands it already oversees, and give Chugach a separate, unified, non-split-estate parcel of land in the Chugach region—land we can manage holistically and responsibly.

A Balanced, Forward-Looking Exchange

What we are asking for today is not a handout. It is a solution rooted in fairness, parity, and respect. It is the fulfillment of a promise made half a century ago: that Alaska Native Corporations like Chugach would be able to use our lands as a foundation for economic growth and cultural preservation.

Every parcel included in this proposed exchange has been selected with care. Some are adjacent to our Nuuciq Youth and Elder Spirit Camp, a site of deep historical and cultural importance where we bring together generations to teach traditional knowledge and values. Others present clear opportunities for economic development—whether through tourism, transportation corridors, forestry, or mineral exploration.

This is not just a matter of economic necessity. It is a matter of cultural survival. For Alaska Native peoples, land is not a commodity—it is our identity, our history, and our future. We have always said: our lands are not for sale. Not to oil companies. Not to courts. Not to governments. But we *are* willing to make an equitable exchange that restores our ability to steward and benefit from our lands as ANCSA intended.

A Call to Act—Now

Chugach stands ready to work with Congress, federal agencies, and all stakeholders to see this legislation passed and implemented. We are committed to transparency, collaboration, and lasting partnership. But we are also resolute: our people have waited too long.

Our Elders should not have to die waiting for justice. And our children should not inherit the burden of broken systems that were never designed with us in mind.

H.R. 3903 offers a pragmatic solution to a decades-old problem. They restore trust. They correct administrative and legal dysfunction. And they unlock real, tangible opportunities for economic growth, conservation, and cultural healing.

For more detailed historical and background information, please refer to Appendix A on the following pages.

We urge this Committee to advance the Chugach Alaska Land Exchange Oil Spill Recovery Act without delay. Let's not pass this burden to the next generation. Let's be the generation that finishes what ANCSA started.

Thank you for your time, your service, and your consideration.

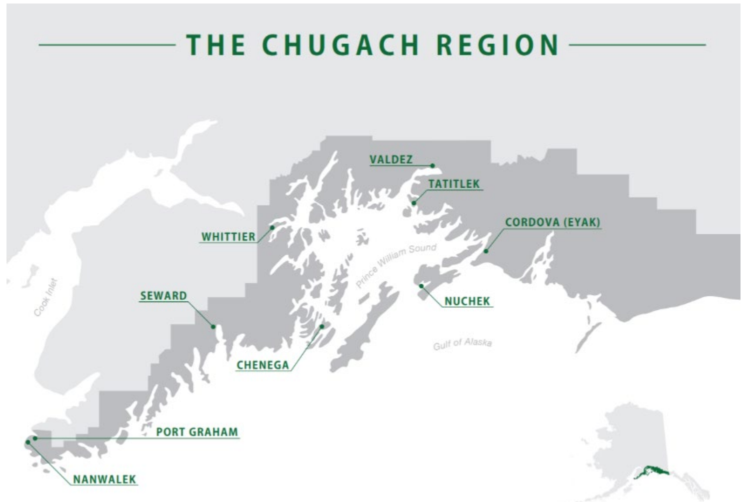
Respectfully yours,

Sheri Buretta

Sheri Buretta
Chairman of the Board

Appendix A

ANCSA & Chugach Natives



ANCSA was passed into law in December 1971. Under the language of the Act, Chugach is entitled to 928,000 acres, including 550,000 acres of subsurface and 378,000 acres of full-fee estate in lands to be selected by Chugach from within the Chugach region in settlement of its aboriginal land claims.

However, most usable and economically viable lands in the Chugach region, approximately 70%, were unavailable for selection due to the existence of the Chugach National Forest and State of Alaska land holdings and interests. As a result of these withdrawals in its region, Chugach's land selections under ANCSA were primarily limited to "mountain tops and glaciers," impossible locations for potential development to meet the goals and promises of ANCSA – economic self-sufficiency and self-determination for the Alaska Native people.

Unwilling to settle for land selections on which it could not build a future, in 1975, Chugach sued the federal government to secure a fair and just land settlement. In 1981, ten years after the passage of ANCSA, an agreement had still not been reached regarding Chugach land selections.

This prompted Congress to direct a study of lands in the Chugach region under Section 1430 of the Alaska National Interest Lands Conservation Act of 1980, Subsection A, Public Law 96-487, which resulted in the parties (U.S. Forest Service, U.S. Department of Interior, the State of Alaska, and Chugach) finally, in 1982, coming to an agreement on Chugach land selections. The agreement is set out in the 1982 Chugach Natives, Inc. Settlement Agreement.

In the years following its hard-fought land settlement, Chugach primarily focused on developing resources related to fish processing and timber harvesting as the best way to achieve economic self-sufficiency. Unfortunately, the combination of a downturn in these sectors and the economic devastation following the 1989 Exxon Valdez oil spill led Chugach to file for Chapter 11 bankruptcy in 1991. Had it not been for the SBA 8(a) program, Chugach would have likely lost everything, including its land. The 8(a) program is often referred to as the missing link of ANSCA and it allowed Chugach to invest in government contracting and pay off the bankruptcy by the year 2000.

Chugach & TAPS

In 1969, before ANCSA passed, the discovery of significant oil resources at Prudhoe Bay on Alaska's North Slope led engineers to determine that the best route to move oil from Prudhoe Bay to market would be a pipeline that stretched 800 miles to Valdez, where a natural deep-water port was located. A terminal would be built in Valdez to receive, process, and load the oil onto tankers bound for market.

Major producers, including BP, Exxon, and Atlantic Richfield (now Conoco-Phillips), would share ownership of the pipeline, called the Trans-Alaska Pipeline System (TAPS). However, to build the pipeline, several Alaska Native groups who had occupied the land along the proposed route were protesting their land rights and would have to abandon their protest to build the pipeline.

Chugach was one of the Alaska Native groups in protest. The terminal was slated to be built on traditional Chugach land. After a series of meetings and under immense pressure from the State and Federal governments, including a letter from President Nixon. Lawyers hired by the producers pressured Chugach to give up their claim to these lands, and release Valdez as a Native Village, in return for $1 and the promise of contracts and jobs for all Alaska Natives. This was the catalyst for Section 29 of the Alaska Native Utilization Agreement (ANUA), requiring 20% hiring of Alaska Natives on the TAPS.

In a statement submitted by the then President of Chugach Native Association George Olson, he said, "I want to emphasize and re-emphasize that the Native people do not wish in any way to impede the progress of the State. But it must be recognized that the contest is between the Native people of Alaska and the federal government. We seek compensation for the lands that have been taken from us."

In 1970, Alyeska Pipeline Service Company (Alyeska), owned by the oil producers, was formed as the entity to design, build, maintain, and operate TAPS. While Chugach secured a few contracts with Alyeska, other contractors, including ANCs with no land rights in the region, secured more significant contracts. Minimal contracts were available for Chugach and its subsidiaries, and the promise of jobs and contracts was unfulfilled until after the 1989 Exxon Valdez Oil Spill.

Valdez is in the heart of the Chugach region, and today we have two contracts with TAPS operator Alyeska: One providing administrative and technical services through our subsidiary Chugach Alaska Services, LLC, and another providing oil spill response in a partnership with our village corporations, Tatitlek and Chenega, called (TCC). Both contracts are instrumental in meeting Alaska Native hire provisions required by Section 29 of the TAPS agreement. With recent long-term contract renewals for both organizations, major strides have been made in exchange for Chugach giving up land rights to the Valdez terminal property.

The Exxon Valdez Oil Spill & Chugach

In 1989, the largest oil spill in U.S. history to that date occurred when the Exxon Valdez tanker ran aground on Bligh Reef in Prince William Sound (PWS), 30 miles from the Valdez Terminal. Eleven million gallons (~250,000 barrels) of crude oil were released into the waters of PWS, just five miles from my ancestor's village of Tatitlek. This event would forever change the face of petroleum transportation on navigable waters in the United States.

Crude oil from the spill soiled waters and washed up on the shoreline of PWS, encompassing 1,300 miles. Populations of fish, marine mammals, sea birds, and shellfish are still recovering due to a lack of preparation and inadequate cleanup operations. These impacts were felt especially by the PWS communities in the Chugach Region. Traditional ways of life including hunting, fishing, and subsisting on the water, were devastated.

Communities were inundated, not only with crude oil, but with outside workers who quickly moved in and took over with reporters, environmental groups, contractors, spill response workers, and equipment. While some Chugach shareholders were able to obtain jobs or benefit from the cleanup response, all our shareholders were negatively impacted as the devastating effects of the spill on subsistence hunting and fishing were suffered over many years and linger to this day. Subsequently, a long-drawn-out settlement of claims against Exxon further eroded our relationships and trust with respect to oil producers and shippers in PWS.

Due to the spill, the Exxon Valdez Oil Spill (EVOS) Settlement Trust was established from a $900 million dollar settlement with EXXON and the State and Federal government. The Trustee Council consisted of 3 State and three Federal trustees who bought land for habitat protection in the spill-affected area. Several ANSCA village corporations needed an opportunity for economic recovery from the damage caused by the spill and sold 249,000 acres of their lands (surface estate in the Chugach Region) to the EVOS Trustee Council.

The Trustee Council assigned (donated) the lands to various federal and state agencies, to be held for conservation. However, pursuant to ANCSA, Chugach held the subsurface rights to all those EVOS-acquired lands. For Chugach, it now meant working with federal/state agencies, instead of Native Village Corporations in our Region, to pursue development of Chugach's subsurface rights to these lands.

An additional negative impact of the EVOS settlement was the effect on public sentiment related to lands in PWS. Many environmental groups, conservation organizations, federal agencies, individuals, and other special interest groups rallied behind an anti-development agenda for resources in PWS. While Chugach may have struggled in the past with development of its lands due to the difficulty of physical access to its lands, Chugach now also had to face a major conservation force that opposed any development on Chugach lands – lands that were specifically intended via the Settlement Act to provide for economic development for the Chugach Native people.

With Chugach holding the dominant subsurface estate beneath the EVOS Trustee Council land purchases, a direct conflict exists between Chugach's responsibility to its Native shareholders for economic development and self-sufficiency of ANCSA land, and the EVOS agenda of conservation.

Village Corporations

For years, Chugach focused on government contracting to pay off the bankruptcy and provide benefits to its Alaska Native shareholders as mandated by ANSCA, so land development projects were not pursued due to the challenges noted above. As a result, our villages lacked opportunities for economic development and jobs related to land projects in our Region.

In the aftermath of the Exxon Valdez oil spill, with the EVOS settlement trust (funded largely by fines/fees on Exxon) looking to buy surface rights, our villages sold their surface estate interests as their only option for economic gain. While the cash infusion proved helpful for some villages, this one-time benefit resulted in a loss of their land rights, and removed most of what was already a small amount of private sector land in the Region. For Chugach, it meant a much more difficult road to any kind of economic benefit from the development and use of these lands.

Wilderness Study Area & Roadless Rule

Chugach owns or has valid selection rights to over 625,000 acres of surface, subsurface, and oil and gas rights within the boundaries of the Chugach National Forest (CNF), a little more than 1% of CNF acreage, resulting in Chugach being the largest private landowner within CNF boundaries. CNF contains 5.5 million acres of land, 98.9% of which is inventoried as "Roadless." Most of Chugach's economically viable lands are adjacent to or surrounded by the national forest lands, resulting in no practical means of access to Chugach's inholdings except across federal lands.

When applied to Roadless areas within the CNF, the potential for the Forest Service's existing Roadless rule to frustrate or impair Chugach's valid statutory and common law rights of access to its land is clear.

Chugach has expressed on multiple occasions our concerns and issues with the Roadless Area Conservation Act. A letter submitted on August 8, 2003, by Rick Rogers, Chugach's then Vice President of Lands, Resources, and Tourism to the United States Forest Service (USFS) was in support of the Proposed Alaskan exemption of two national forests. The Proposed Alaskan exemption, if adopted, would exempt both the Tongass and Chugach national forest from the Roadless Rule ("the existing Roadless rule") promulgated during the Clinton Administration.

Mr. Rogers states in the letter, "The Process used to create the existing Roadless rule was deeply flawed, forged by politics rather than professional reasoning, and in direct conflict with several federal laws. A single, one-size-fits-all rule that affects Roadless areas across the entire National Forest System cannot possibly address conditions unique to each Roadless area within each forest." Ultimately, the exemption did not pass through the courts, resulting in potentially limited access to Chugach's 625,000 acres of economically viable land.

Chugach has certain rights of access to its lands through the Wilderness Study Area (WSA) and inventoried Roadless areas, due to provisions in ANCSA and ANILCA. However, the artificial encumbrances of the Roadless policy have led to more rigorous, time-consuming, and expensive scrutiny. In some instances, where an Environmental Assessment would have been required and adequate, a full Environmental Impact Statement will be required at much greater cost. Public perception and potential damage to the Corporation's reputation are at stake as well.

The State of Alaska claims title to the avulsed lands under the Equal Footing Doctrine. The USFS also has claimed title under their impression that when the Chugach National Forest was created in 1907, the waters and submerged lands were part of that inclusion. A Memorandum of Agreement was signed between the agencies in 1992 for joint management of those lands until a settlement was reached. If the State prevails, Chugach's coastline properties would be limited to where the mean high tide line was at the date of statehood. In some cases, this could leave Chugach's coastline properties buffered by a great distance of state land and water. Determining where the mean high tide line was in January of 1959 is a complex and expensive endeavor that will further delay Chugach's remaining conveyances.

Benefits to Federal Agencies

Many tracts of land that Chugach would give up under the exchange include those of interest to federal agencies. Below is a summary of issues we feel would be of interest to these agencies.

- Most Chugach landholdings on EVOS purchased surface lands have high mineral potential, including gold, silver, copper, zinc, manganese, and other metallic minerals, along with huge resources of granite, armor rock, gravel, and other industrial materials.
- On the surface lands that the agencies own pursuant to the EVOS purchases, they are charged with enforcing restrictive covenants in perpetuity to protect and restore resources affected by the oil spill. Those covenants include:
  1. No alteration of topography
  2. No alteration or modification of stream flows
  3. No operation of motorized vehicles
  4. No removal of vegetation
  5. No removal of timber (standing or dead and down)
  6. No construction of buildings or improved camping facilities. Clearly, the EVOS Trustee Council intended to protect these lands forever for the public and resources. However, the agencies,

without acquiring the dominant subsurface estate under those lands where they own the surface estate, cannot with any certainty maintain covenants it is charged with enforcing.

- On a portion of the conservation easements, there is a provision that allows for public access on protected lands. Any activities related to mineral/gravel extraction will be viewed as a detriment to the public. Therefore, it is in the public's best interest that the agencies acquire those subsurface lands underlying conservation easements as well as those lands underlying surface estate.
- According to the EVOS Trustee Council website, "By purchasing land throughout the spill region, the EVOS Trustee Council ensured that key habitats for injured species would not be further damaged by extensive development or logging, serious threats at the time of the spill. The Trustee Council felt that in an already spill-impacted environment, purchasing land could go a long way toward allowing the ecosystem to recover." Further, "The Trustee Council has dedicated nearly 60 percent of available settlement funds –over $400 million— for habitat acquisition and protection in the spill region." Nearly all of these acquisitions were of Native Lands.
- As written in the Chugach National Forest Land Management Plan Record of Decision dated May 31, 2002, on pages 8-9, Regional Forester Dennis E. Bschor states, "My overall goal is to manage the affected lands within Prince William Sound to maintain their wild character and provide unique dispersed recreation opportunities, and to provide for the continued recovery protection, and enhancement of wildlife, fish, and other injured resources." Further, "EVOS Trustee Council Acquired Lands Management Areas will provide outstanding opportunities for solitude, isolation and quiet when traveling cross-country." CLMP Revised Land and Resource Management Plan Social Systems Desired Condition pages 4-41.
- The subsurface is the dominant estate and the owner has the right to access and develop its interest. Disturbance of the surface estate that these agencies are responsible for protecting is inevitable (if the subsurface is developed) and fails the mission and purpose of the hundreds of millions of public funds spent to conserve them.
- An exchange with Chugach (subsurface owner) provides the public with a significant conservation benefit while providing Chugach with the meaningful economic benefits promised under ANSCA.
- Regarding the USFS, National Policy includes:
  - Consolidation of Lands,
  - Eliminate need for right-of-ways through National Forest system lands,
  - Protection of resources (i.e., Wilderness, endangered species, unique portions of the forest),
  - Clear direction to dispose of lands not suitable for the Forest Service,
  - Cannot acquire lands which have outstanding rights,
  - Must (should) support the CNF land and resource management plan, and
  - NEPA requires that outright purchase be considered as an alternative to exchange.

Chugach Land Projects & Exploration

Chugach has a responsibility to shareholders to explore opportunities to monetize our ANCSA assets to foster economic and in-region benefits. This responsibility has led us to pursue several opportunities on our lands that are in the exploration or preliminary development stages:

- Chugach is developing a commercial hard rock quarry in Port Gravina, where the corporation owns the subsurface estate. The EVOS Trustee Council acquired the surface rights to this land and transferred title to the U.S. Forest Service with non-development covenants, including donating a conservation easement to the State of Alaska. The project is in the Fidalgo-Gravina Inventoried Roadless Area. Recent development progress includes quarry site development – equipping the work area with staging pads, laydown area and road from the dock location to the quarry site. The quarry will supply public infrastructure development, enhancement, and repair projects within the region and throughout Alaska with high-quality armor stone, rip-rap, and other construction materials for harbors, transportation infrastructure, shoreline erosion control, streambed mitigation, and other projects. This is a multigenerational facility.

- Chugach has conducted, and will continue exploration of, base metal and precious metal resources on volcanogenic massive sulfide deposits on EVOS Trustee acquired lands in Port Fidalgo. Previous exploration activities have strongly indicated the presence of gold, silver, copper, lead, and zinc.
- In 2016, Chugach informed the National Park Service of its intent to begin an exploration program on lands acquired by the EVOS Trustee Council and transferred to the NPS in the Kenai Fjords National Park and Kenai Maritime National Wildlife Refuge. Chugach's subsurface on these tracts are highly prospective for gold and silver, with several successful historical mines located on or adjacent to Chugach's subsurface.
- Chugach also owns subsurface rights on other high development potential lands acquired by the EVOS Trustees, including lands in the Western Prince William Sound in the Chugach National Forest's Wilderness Study Area (near Eshamy Bay and Chenega Island).

Summary

The goal, promises, and spirit of ANCSA for the Chugach Native People are not being met because of the conflict of ownership of surface land rights purchased for conservation and the subsurface dominant estate owned by Chugach. Chugach's interest in evaluating and discussing a fair land exchange is justified by the history presented.

Chugach previously tried to discuss with the USFS the resolution of these land claim issues. In a letter from the then USFS Forest Supervisor Joe Meade, on June 27, 2003, Mr. Meade stated clearly that the USFS was not interested in pursuing any further discussion with Chugach related to land exchanges and that they did not feel such was in the best interest of the public. Federal and state agencies, for many of the purposes stated above, have taken the position that no development will take place on these lands. However, this ignores the position of the Chugach Native People and is a denial of the intent set forth by ANCSA. In addition, conservation efforts and federal designations of park lands, forest lands, wilderness study areas and Roadless rules have created a significant devaluation of Chugach lands. The fact remains that our lands have lost significant value because of the actions of federal and state regulatory agencies beyond our control.

There are great benefits to the agencies resulting from the land exchange contained in the legislation, a win for all parties. We are asking for the ability under the Chugach Alaska Land Exchange Oil Spill Recovery Act of 2024 to achieve a fair and equitable land exchange for Chugach and our people.