

**HOUSE AND SENATE  
JOINT JOURNAL SUPPLEMENT**

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**January 22, 2002**

**Tuesday**

**No. 9**

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**Address by**

**The Honorable Ted Stevens**

**United States Senator**

**Before a Joint Session**

**of the**

**Second Session of the**

**Twenty-Second Alaska State Legislature**

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**January 22, 2002**

**Juneau, Alaska**



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**Senator Ted Stevens'  
Address to the  
Alaska State Legislature**

**Juneau, Alaska  
January 22, 2002**

Thank you for allowing me to visit with you earlier this year. During our February recess, Senator Dan Inouye and I will travel to Afghanistan, Israel, and other areas related to the war against terrorism. I wanted to meet with you before then.

My staff and I were evacuated from the Hart building on September 11th when a third plane was reported heading for the Capitol. A few days later, Senator Inouye and I surveyed the devastation at ground zero in a New York National Guard helicopter and toured the site with Mayor Guiliani and Governor Pataki. It is impossible to describe the unspeakable horror that we saw.

History proves Americans are a resilient people. These attacks united us and we appreciate all the more the blessings the good lord has bestowed on America. With renewed respect for the men and women who sacrificed for freedom, who put their lives on the line, we have deeper appreciation and gratitude for those who serve in military uniform and also as police officers and firefighters.

With a more profound understanding of what is important in our lives, more Americans now donate to charity than at any time in our history; and more give of their time and talents whether it's helping a child learn to read or working at Bean's cafe.

Congress, embracing that spirit, approved \$40 billion for states and local government to recover from and prepare for disasters. Alaska may receive some of those funds. I am working with the Bush administration and the governor to identify our needs and priorities.

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Also pending is a bipartisan bioterrorism measure introduced by Senators Ted Kennedy and Bill Frist, the Senate's only doctor who has been our medical advisor on everything from anthrax exposure to smallpox vaccines.

Another element of our planning is the National Missile Defense System to help protect us from terrorists operating in rogue nations. The President's meeting with Russian President Putin and his new policy on the ABM Treaty offer reason for hope.

The President's decision to go beyond the ABM treaty--to support the defense against missile attacks against our nation--rather than pursue the outworn doctrine of mutual assured destruction establishes a new timetable for National Missile Defense.

The X-band radar at Shemya and the deployment of 100 defensive missiles at Fort Greeley will be delayed until the integration of this defensive system is tested. The Hawaiian X-band radar, previously scheduled for use with the Navy system which has been canceled, will be used along with a few test defense missiles fired from Fort Greeley or Kodiak.

Full scale deployment will not occur until the research and development phase has validated the system as a whole.

When I served in World War II, there were few families, if any, around our bases. When we deployed then, those left behind were in communities, living with families and friends they had known for years. Today our military is a family community on each base, and many are deployed overseas for long periods. Mothers and fathers on military bases right here in Alaska are doing their duty as both military personnel and parents. But many are alone with small children while their partner in life is deployed somewhere in the world.

These men and women make sacrifices every day to defend our freedom-whether here at home or overseas. Those here do double duty-performing their own job and filling in for others deployed abroad. They need, now more than ever, our friendship and understanding.

It is my hope that all Alaskans will remember them daily by extending a helping hand to ease their burden. Those families need help as do organizations such as the Armed Services YMCA which assist them.

Our days in Washington, already complicated because of the Anthrax attack against Congress and the closure of many of our offices, will resume an intense pace as we return. When the Hart building was closed in Mid-October, my staff and I worked out of temporary offices in at least four buildings without access to our desks, our files or our computers. And, the increased role of those of us involved in defense oversight has increased our workload tremendously. So has the fact that our mail has been delayed or non-existent since mid-October. If you have written to me, but have not received an answer, it is probably still quarantined and is being sanitized before it is delivered.

The damage and aftermath of the terrorist attacks changed congressional priorities and modified our commitment to maintain a balanced budget. We are now not only supporting our troops deployed abroad, but also re-establishing the wartime homeland defense. Such changes require a new look at lines of authority and defined missions of many federal agencies.

This requires re-allocation of federal resources, the primary emphasis of which for some time will be military support and homeland defense. A new base closure commission will probably be established soon. That, also, will increase our workload substantially. I am optimistic that the critical missions of our bases in Alaska will ensure their role into this 21st century.

In the period ahead, a strong bipartisan working relationship among all of us elected by Alaskans is imperative. Today, I want to discuss with you some of the priorities my staff and I believe should be included as we develop and implement our Alaska agenda.

With the leadership of President Bush, the most sweeping educational reform measure since the 1965 Elementary and Secondary Education Act was enacted. This bill includes important provisions for Alaska.

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In addition to helping schools with special needs, its funding formula provides significant federal support to meet our goal that no Alaska child be left behind.

In our rural areas, there are entire school districts, not just schools, where not one student can pass the high school graduation exam. To address this issue, I included a number of provisions to improve the performance of Native and non-Native students alike. I increased funding by 60 percent this year for Native education to \$24 million. This is in addition to the funds Alaska receives through the national formula programs which total another \$30 million.

Congress made five-year funding commitments to Alaska's Character Development Initiative, parenting programs, early childhood development, and the Mitch Rose urban-rural student exchange program. The legislation requires testing of all students from grades 3 through 8 with incentives for improved performance and additional resources for those schools which do not meet targets.

In anticipation of these new, higher standards, we included funds in the 2002 education budget to help Alaska students pass the tests. These include a summer reading program, distance learning, and science education among others.

This year Congress will reauthorize the Individuals with Disabilities Act, which originally contemplated federal funding to meet 40 percent of the cost of educating kids with disabilities including those with FAS/FAE. So far, the federal government has only provided 10 percent of that cost. We want to close that gap this year.

I've been told that as many as a quarter of the students in Anchorage suffer from some sort of disability, while in rural school districts plagued with more fetal alcohol syndrome and effect, that number is even higher. We are continuing our partnership with the state to provide federal funds for ongoing fetal alcohol prevention and treatment programs. And I will work on amendments to provide special help for children and their families suffering from learning disabilities, especially those not yet in school.

While 44 percent of Alaska high schoolers go on to college, only 11 percent of Alaska students graduate with a four year degree. In some rural communities, not a single student attends college, and many do not want to. Focus on vocational training statewide is imperative if we are to have a work force ready for 21st Century challenges.

I will introduce legislation this spring to close the gap in our vocational training programs and make the existing federal program work more effectively for Alaska. I welcome your partnership in this effort. And my staff and I will work with the Alaska Human Resources Council on a statewide vocational education plan.

This year, in partnership with President Bush, Senator Ted Kennedy and I want to launch educational reform for young children, from Head Start on. Though we disagree passionately about issues ranging from ANWR to gun control, as dads, Ted and I understand the importance of early education. When the planes hit the World Trade Center, Laura Bush was preparing to testify before Congress for the first time on this important new initiative. This was rescheduled for later this month, and my staff and I are working with her office on this issue.

Children who attend Head Start or pre-school programs are more successful in school than kids who do not. They are more likely to graduate from high school, more likely to go to college, have lower divorce rates, earn higher incomes and are less likely to be incarcerated. Parents are the first teachers. We continued funding this year for parenting programs in Alaska as well as training for child care and Head Start Workers known as the Alaska Seed Program.

According to the Rand Corporation, for every dollar invested in early education, federal, state and local governments will save \$4 to \$7 in services we never have to provide, jails we will never have to build, and lives we never have to re-build. I hope you and I, together with Governor Knowles, will help develop a national model that works for Alaska.

Two-thirds of Alaska women, 16 and over, are in the workforce. We've been told that the majority of crime committed by teenagers and

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teen sex occurs during the hours of 3 to 7 while parents are at work and kids are alone. This year our Appropriations Committee put major emphasis on improving after-school programs for kids, funding programs across the state from the YWCA to Boys and Girls Clubs. We also funded a series of adult mentoring programs in Alaska. Research shows that one caring adult can mean the difference whether a child succeeds or not.

Alaska still has the highest alcohol consumption rate in the nation. This year I provided another \$15 million to the Alaska Federation of Natives to continue developing a comprehensive, statewide sobriety program. We also funded a series of treatment centers around the state for teenagers, veterans, and others and we will try to continue that effort for next year, also.

Sadly, Alaska still leads the nation in domestic violence and child abuse. Over the past few years, I have funded regional rape trauma centers and centers for children who are victims of child abuse. But more needs to be done to prevent this abuse from happening. Congress agreed to my request to provide seed money to develop a statewide plan to combat family violence which leaves lasting scars on children and their families.

The Rasmuson Foundation has agreed to convene a statewide summit to develop the plan. I hope you will join us to pursue these goals.

Alaska has one of the highest rates of incarceration in the country. When prisoners are released, they have no safety net to help them make the transition to productive lives. Many end up on the street to renew a life of crime to survive.

There are many homeless families in our state who have no place to go when a parent suddenly loses a job, becomes ill or seeks to escape domestic violence. We need to develop transitional housing to give people a hand. I have reviewed a series of proposals. None appears to be cost effective. My office has discussed the concept with the Alaska Housing Finance Corporation. Its expertise together with federal seed money could help attract non-profit support. When I return to Washington, I intend to talk to the Fannie Mae Foundation about this concept.

Alaska has made remarkable progress in improving the health of Alaskans;

--Five states, including Alaska, have had a 20 percent increase in overall health status.

--Public health care in Alaska has increased from 48 percent below the national average to 17 percent above the national average.

--We have had the greatest improvement in reducing infant mortality in the country. With the rate cut in half, our infant mortality rate is now below the national average. It was the highest.

--Alaska has had the greatest improvement in the nation in reducing infectious diseases, including AIDS, TB, and Hepatitis, with our rate declining from 600 cases to 100 statewide.

We can and will do better.

The Telehealth effort we began four years ago will be completed next year. Every city, town and village in the state should soon be connected to state-of-the-art medical facilities and medical advice including leading doctors at Harvard, the Mayo Clinic and elsewhere.

In some villages over 90 percent of our children suffer from anemia, a preventable condition that can lead to severe learning disabilities. This year I began an effort to determine the best treatment for the disease.

The second leading cause of death nationwide and in Alaska are disorders relating to obesity including heart disease and diabetes. In addition to funding daily physical education in our schools through the Carol M. White Physical Education for Progress Act, I provided seed money to develop a statewide initiative to treat obesity. It's a preventable disorder.

If obesity is the second leading cause of death, some of you may be wondering what's number one: in a word, tobacco. We have one of

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the highest rates of tobacco use in the country, both smokeless and standard variety. I hope all Alaskans will make a commitment to reduce tobacco use, particularly among young people. The Alaska Lung Association told us it will step up to the plate if we help with funding. In the long run, doing so will reduce costs both to the state and federal government from medicare and medicaid and our employee insurance programs.

The largest challenge our nation faces in the aftermath of September 11th is to restore our economic vitality. My staff and I are exploring job creation mechanisms from job counseling and federal support for entrepreneurs to tourism promotion.

Travel USA is one of those concepts. Representatives of the cruise ship industry have asked that we consider waiving the Jones Act to permit cruise ship travel from one American port to another. The Washington and Hawaiian state delegations support this effort and the cruise ship industry would reposition ships now operating at less than capacity in Europe if we can accomplish this goal.

Fishing is the largest private sector employer in our state. A fisheries disaster has occurred almost every year since 1994. At my request, Congress provided well over \$100 million in disaster funds over that period.

As pointed out in Wesley Loy's January 13th article in the Daily News, fish farms now threaten the collapse of the salmon industry. Cheap, consistent, year-round imports of farm-raised salmon make our seasonal wild product less attractive to major buyers. And Now, foreign countries are also farming halibut and other species. Unless we take bold action it may be too late to turn the tide.

Shortly after the Senate reconvenes, it will turn to consideration of the Farm Bill. I have initiated a new pilot program for salmon insurance modeled after the successful crop insurance program. I am working also on amendments that will require the labeling of both imported and farm raised fish.

And we will try to develop a plan to allow our wild salmon to be labeled organic to give it a share of the growing, lucrative, health food market.

Consumer education is an important part of the solution. Long term structural changes may be necessary for the industry to survive. Chignik fishermen are forming a fishermen's cooperative this year. This is the kind of creative thinking that will be required to solve our problems.

Developing, processing and marketing our own brands of healthy, microwaveable fish is another option that has been proposed.

I have been asked by our salmon fishermen to author a federally financed marketing plan to promote wild salmon. I will offer an amendment to add seafood to the agricultural marketing service, but that will solve only part of the problem.

There are probably other, better solutions; Wesley Loy outlined many of them in the Daily News article I mentioned. Simply hoping the problem will go away is not one of them. According to industry leaders with whom I met last month, as many as half of Alaska's salmon fishermen have already lost money faced bankruptcy or lost everything. Some Native fishermen who depend on fish for their food go hungry.

We must take a fresh and creative look at the problem. This spring I would like to convene a salmon summit to fully consider the issues involved, gain a better understanding of the science and economics involved, and receive testimony from industry and community leaders to develop a plan to address this continuing problem.

Despite this bleak picture, I do have some good news to report. Our efforts to fund lucrative dive fisheries are beginning to bear fruit. And Congress agreed to the amendment Don and I proposed developed by crab fishermen to decapitalize that industry.

As the Community Development Quota Program marks its 10th anniversary, it has created thousands of jobs in rural communities,

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generated \$100 million in revenue a year for them, and increased Alaskan ownership in the Bering Sea fleet to an unprecedented level.

Congress agreed to our request to extend the American Fisheries Act which will lend stability to the pollock fleet and allow them to make the investments necessary to expand. The Act has been successful beyond our wildest dreams. Our all-American fleet is the largest volume fishery in the country. It has spawned dozens of new products and brought Alaska seafood to the American dinner table like never before.

By mandating full utilization of the fish, it also operates more efficiently. For every pound of bottomfish harvested, utilization increased by a quarter pound. That translates into 100 million more pounds of edible seafood protein, adding \$100 million to our economy.

The Stellar sea lion controversy is beginning to be more manageable. The unprecedented research effort Congress funded at my request, I believe, will prove commercial fishing is not the basic cause of the decline.

Other perils are developing. Harbor seal and otter populations are declining and species like killer whales that prey on other marine mammals are growing at an alarming rate. It will take hard work to ensure that the harbor seals and sea otters don't become the Stellar sea lions of tomorrow.

We face other battles on the legislative front over the next two years. The Magnuson-Stevens Act, The Marine Mammal Protection Act, and the Endangered Species Act must be reauthorized.

Don and I should be in a good position to move these legislative efforts forward.

Alaska is the most prolific flying state--there are more than 1,100 runways or air strips to land a plane in our state. Alaska has the highest pilot death rate in the nation. 1 out of every 11 will die in a crash. We've taken decisive action to make flying in our state safer.

Until last year dozens of remote Alaskan airports had no runway lights. We developed a plan in cooperation with the state. No longer will a pregnant woman in labor have to worry that a medivac won't be able to fly her to a hospital because it cannot land in the village after dark. This year with the help of Wally Burnett, a young Alaskan on my staff who oversees the National Transportation Budget, we included \$10 million to install runway lights. The Denali Commission will help coordinate additional power supply where necessary. By the end of next year, every village in the state should have a runway with lights.

I was also distressed that many communities lacked basic weather forecasting equipment. Pilots and mariners cannot get real time weather reports. At my request, funding was provided for the National Weather Service to begin installing weather equipment in every village in the state. It will take us several years and substantial coordination between the weather service and the FAA to complete that effort.

Funding was also included to continue our voluntary pilot initiative with the National Transportation Safety Board and the new Five-Star Medallion program. Unlike other government programs which have failed to improve air safety, the Medallion Program was developed by carriers for carriers. It focuses on training and sound management principles instead of government fiat. Funded by the Medallion Foundation under the auspices of the Alaska Air Carriers Association, the program consists of a five-step safety program to establish a higher standard of safety for those air carriers that wish to participate.

On another front, \$50 million was included to modernize and upgrade the Alaska Railroad bringing the total funding to a third of a billion dollars since I became chair of the Appropriations Committee. And requests for proposal just went out for two new federally funded ferries.

In the next Congress, Don Young and I will again work on a new highway bill--he, as the Chairman of the powerful House Transportation Committee and I hopefully as Chair of the Senate Commerce and Transportation Committee.

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In 1998, we were successful in increasing highway funding Alaska receives each year by 50 percent, bringing the total for Alaska's roads to over \$350 million annually. Don will begin working on that bill this year and has already held hearings. Work will not be completed until the following Congress.

The Denali Commission is going great. This year it will receive nearly \$100 million. I will try to expand its mission to include job training and community development.

Energy development remains the backbone of our economic engine. Funding was included at my request to expedite the environmental review necessary to explore and develop Alaska's National Petroleum Reserve.

We are fortunate that Alaska's own Andrew Lundquist, my former Legislative Assistant, is the White House Energy Czar advising the Vice-President on energy policy.

President Bush, who lived in Alaska for over a year, is deeply committed to responsible development of the Arctic Coastal Plain. Just last week, he addressed the International Brotherhood of Teamsters, commending Jerry Hood and organized labor for their tireless efforts on behalf of ANWR. Frank has worked long and hard on the energy bill as Chair of the Resources Committee, and he continues to push for the opening of ANWR.

The United States now imports well over half its oil from overseas - and nearly a quarter of that comes from Sadaam Hussein. Americans are beginning to understand that depending on our enemies for the fuel on which our economic engine runs is fraught with danger. International conditions and the President's staunch support make development of ANWR more likely, but it will be a tough battle. Most importantly, we have a President who will sign an energy bill which includes ANWR.

If energy prices go through the roof as they did just a year ago today, some Senators who are now on the fence should come our way. OPEC constriction of supply could be another factor in our favor.

And no one can predict what may happen in our global war on terrorism. Especially when it comes to Sadaam Hussein.

We must be ready. I urge you to do all you can to maintain your commitment to Arctic Power and its lobbying efforts. So long as Majority Leader Daschle opposes ANWR, we will need all the help we can get to succeed in this mission.

Without jeopardizing the future of ANWR, I want to proceed with the gas pipeline as soon as possible. Our delegation, this legislature, and the Governor support only an Alaska route. We want to work with you to ensure that all possible financial incentives are in place to make this an economically viable project.

Last week I visited with a leading independent oil and gas producer who emphasized to me that there is increasing room for independent oil and gas operators in Alaska. He predicted substantial new activity in Cook Inlet. I asked him if he thought independents would come to Alaska to explore state lands if federal lands were not available. In his opinion, they would.

We talked about problems independents face in Alaska. I intend to pursue that discussion. I hope you will also open a dialogue with independents. Our state government should do all it can to eliminate red tape on Alaska lands for oil and gas explorations. I will seek federal incentives for exploration in remote areas where unemployment is high and energy costs are excessive. Alaska needs to bring about regional oil and gas production which would reduce local, rural energy costs.

My effort to bridge the cultural gap between rural and urban students led to a five-year funding amendment in the Education Bill guaranteeing at least \$1 million a year for the Mitch Rose Urban-Rural Student Exchange Program. I am also working with the Alaska Humanities Forum and the Rasmuson Foundation to develop a new art curriculum focusing on Alaska Native crafts and Alaskan artists. Funds were provided for museums around the state. I am also working with the Rasmuson Foundation on expansion of the Anchorage Museum. Plans are also in the works for new museums in Fairbanks, Kotzebue, and Kodiak.

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In preparation for the 50th anniversary of statehood in 2008 to 2009 -- which will also be, God willing, my 40th anniversary in the Senate -- we are beginning a new statewide oral history project. KAKM has agreed to produce a television series and APRN will produce a radio version. We have also discussed funding for an Alaska history curriculum to implement the decision you made to require Alaska students to learn Alaska history.

I applaud that effort. As my friend and author Steve Ambrose has taught me, and others have said: Those who do not learn from history are doomed to repeat it. Having started this new millennium with a renewed sense of patriotism, it is my hope we will never forget the sacrifices made not only for our freedom as a nation, but by those dedicated Alaskans who fought for statehood. The independence Alaskans achieved on that historic day 43 years ago this month is never far from my mind.

God bless you all. And God bless the United States and our State of Alaska.