

**SENATE AND HOUSE
JOINT JOURNAL SUPPLEMENT**

April 25, 2003

Friday

No. 9

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Address by

The Honorable Lisa Murkowski

United States Senator

Before a Joint Session

of the

First Session of the

Twenty-Third Alaska State Legislature

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April 25, 2003

Juneau, Alaska

The following was submitted for publication:

Senator Lisa Murkowski
Speech to the Alaska Legislature
April 25, 2003

Good morning. It is great to be here.

Speaker Kott, Senate President Therriault, members and friends.

Thank you for the invitation to speak today. It's great to be home in Alaska. And it is great to be in Juneau, among so many good friends and former colleagues.

Coming into this chamber, I was half tempted to slide right into my old seat between Rep. Gruenberg and Rep. Fate. I was comfortable here.

I enjoyed my time in the State House, and I learned a lot about state government and the legislative process. And I feel fortunate to have served with people I respect and admire.

As public servants we all work hard and we take our mutual obligations seriously, always trying to do what is right for our constituents and the State of Alaska.

We all know that the challenges of leadership can be great but leaders rise to meet the challenges.

I am confident in your abilities to find practical solutions to the issues facing Alaska and I am committed to working with all of you to achieve those goals. Thank you for all that you do for Alaska.

Today, I occupy a new seat representing Alaska in our nation's capital. It's a tremendous responsibility. Much of what I learned here prepared me for my work in Washington.

Having lived in Southeast, Southcentral and Interior Alaska my entire life, I know the issues that matter most to our state.

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And I have a clear sense of the diversity of the people of Alaska. It has been an eye opening experience to be in Washington at this time in our history when our country is involved in a war of liberation to purge the threat of Iraqi weapons of mass destruction.

We are bringing democracy to Iraq after decades of dictatorship, torture, and economic oppression. Our country and the Senate have stood steadfastly behind our commander-in-chief and our brave military men and women.

I know we all salute our Armed Forces, the men and women in uniform who are making the world a safer place for all generations.

Tragically, there is always loss of life in a military conflict – and our hearts go out to the many families who have lost loved ones on the field of battle.

But today I take great pride in recognizing one of Alaska's own, Sgt. Lucas Goddard, who will be returning home with a bronze star for valor in battle.

His parents Nick and Kathi Goddard, who live here in Juneau, join us today in the gallery.

We owe a debt of gratitude to them and to all of those who serve in the military.

Watching the TV images of Saddam's statue being pulled down two weeks ago, I came away thankful that freedom had finally arrived for the Iraqi people.

And now that we are accomplishing what we set out to do in Iraq, we must give President Bush the support he needs to win the peace.

Congress and the American people need to be patient in the months ahead to ensure that we see the road to freedom in Iraq through to its rightful end.

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Although the war against terrorism and the war in Iraq have been dominating world views, none of us can forget the threats we face closer to home.

The recent announcement by North Korea that it has nuclear weapons causes many Americans especially Alaskans great concern.

North Korea has, in clear violation of a 1994 agreement with the United States, restarted a reactor capable of producing even more nuclear weapons-grade material.

North Korean missiles are able to reach Alaska, which is why I strongly support placing the missile defense system in Fort Greely.

Thanks to our strong representation in Congress the base of the system will lie in our state making sure ALL Americans will be protected equally by the system, including all Alaskans.

I am pleased to report that recent discussions between American and Korean officials are proceeding in Beijing at this very moment and we are all hopeful that this tense situation can be diffused quickly and peacefully.

Turning our attention to the domestic agenda, the last four months in Washington have taught me something that we sometimes take for granted; the stature and ability of the two senior members of our Washington, D.C. team, Senator Ted Stevens and Congressman Don Young, is unparalleled.

They are amazing in what they do and Alaska is lucky to have them representing our interests.

I am thankful that the three of us are working together as a solid unit for the benefit of our state.

To ensure we work as a team, I am committed to doing my part to pursuing a vision for Alaska's future that will serve our interests now and for years to come.

Today, I want to share my vision with you.

I want to discuss how I will use this seat in the U.S. Senate to fulfill that vision and meet the challenges facing Alaska.

Our hallmark has been the tenacity and determination with which we attack those challenges.

But I also strongly believe that in order to know where Alaska is going we must understand how far we have come.

As I study our state's history and try to gauge our future, I am incredibly optimistic.

I believe Alaska is entering a new era, in a sense we are approaching a "new frontier."

During our days as a territory, we fought for the right to have a vote in Congress.

Thanks to the work of leaders who came before us, statehood became a reality.

Now 43 years later, we are closing out another era in Alaska's history.

During the last 43 years we saw passage of landmark legislation in Congress that helped shape the Alaska of today:

- The Alaska Native Claims Settlement Act
- The Trans-Alaska Pipeline Act
- The Alaska Lands Act
- The Magnuson-Stevens Act
- The Tongass Timber Reform Act

and in the state we saw the creation of the permanent fund.

Now as we look to Alaska's future, we must shape what the next 40 years will bring.

Alaskans, and more importantly, Alaska's children need to know they have a bright and prosperous future.

Quality jobs, good schools, health care, and a good quality of life make up the building blocks of “healthy communities.”

But, the core of a healthy community is the economy.

Creating a stronger economy means lowering taxes on individuals and families, creating an environment where small business can thrive, reducing government mandates, and allowing ample access to resources and capital.

Strengthening Alaska’s economy requires policies that increase economic security for our families.

That’s why I support the President’s economic stimulus plan.

But I intend to do more to help strengthen Alaska’s families.

When I return to Washington next week, I will be introducing legislation that would provide a \$200 per-month tax credit to families with children under the age of six where the mother or father has decided to leave the workforce to stay at home and raise their family.

I strongly support the existing child care credit for working parents, but we must recognize the economic sacrifice families make when one parent leaves the workforce to stay home.

While my tax credit would not fully offset the family’s loss of income, it would recognize the economic sacrifice that one in three families make when a parent postpones his or her career to raise a family.

Congress enacted legislation eliminating the marriage penalty, we should now act to eliminate the stay at-home parent penalty.

But no economic issue is more important in Alaska than natural resource development.

And access to the reliable and affordable natural resources abundant in Alaska is a top priority for me, Sen. Stevens and Congressman Young.

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Too often we hear about why we can't explore in one part of Alaska or why we shouldn't produce in another.

I say Alaska is the nation's energy bank and it's time to make a withdrawal from our account.

As Ted and I pointed out on the Senate floor during the ANWR debate last month the predicted oil reserves in the coastal plain alone total more than the entire state of Texas.

The predicted reserves in NPR-A also rival the remaining oil to be found there.

And Alaska's known 35 trillion cubic feet of gas looks like it is closer to getting to market, thanks to legislation Ted and I are moving through Congress now.

In the last four weeks, as we develop the energy bill, we have seen enormous movement in Congress to get the Alaska Natural Gas Pipeline built.

We secured language in the Senate Finance Committee to provide the necessary tax incentives to reduce the capital risk on Wall Street.

One week later, I secured additional language necessary in the Energy Committee to further the project based on three principles:

One, the gas must come south so that Alaska has access to this important clean energy source. This means absolutely no "over-the-top route."

Two, everyone engaged in the exploration and production of energy on the North Slope should be able to participate in a fair and open process to gain capacity in the gas pipeline.

And three, the state must have a strong voice in determining how a portion of the gas will be distributed within the state.

I also secured language in the Energy Committee giving the Secretary of Energy the authority to provide a loan guarantee for up to \$18 billion dollars worth of capital that will be invested in the gas pipeline.

I will be working in the Senate Energy Committee and with my colleagues on the floor to ensure that these provisions remain in the energy bill.

Additionally, my language sets forth streamlined permitting and judicial reviews for the pipeline that should save years and hundreds of millions of dollars when it comes to designing, permitting and building this massive project.

It is important to note, the judicial review language that I secured for the gas pipeline does not cut off access to the courts.

Rather, it directs any lawsuits on the project to be filed in the D.C. Circuit Court and directs the Court to put the issue towards the top of the docket.

Finally for the gas line, I secured language saying Congress recognizes the need for more Alaskan, Canadian and Lower 48 gas production if we hope to stave off a gas crisis in the coming decades.

To that effect, and to help ease some of the concerns raised by our friends in Canada, my language recognizes the importance of both the Alaska natural gas pipeline and the MacKenzie Delta project in Canada.

The Lower 48 needs our gas, but that gas will have to come from both Alaska and Canada.

Getting Alaska's resource to market is just the beginning.

Alaska has many unexplored areas for oil and gas that could reduce our dependence on unstable foreign sources.

We could fill both the oil and gas pipelines for decades, but we need access to land to make those resources readily available.

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The simple fact is that we do not have equal sovereignty with the states in the Lower 48 because two-thirds of our land is under federal control.

There are many outsiders that actively try to halt every natural resource development project in Alaska.

Many of these same people have never even been to Alaska, yet they claim to know what's best for us.

I recently asked Interior Secretary Gale Norton to reinstate the old rule forbidding any further wilderness reviews in Alaska.

About two weeks ago she agreed by issuing a rule that prohibits further wilderness studies in Alaska without specific direction from Congress.

We welcome tourists and we want a thriving tourism industry.

But we also need thriving fishing, timber, mining, and oil and gas industries if Alaska's families are to support themselves and have the quality of life they deserve.

In the area of fisheries development, Senator Stevens and I requested the inclusion of language in the Supplemental Appropriations bill to allow our wild seafood products to be labeled as "organic."

There is nothing more natural than Alaska's wild fish. Now they can be marketed that way.

I also sent a letter to the U.S. Trade Representative requesting him to address the impact of imported Chilean farm-raised salmon on Alaska's fishermen.

The USTR is finalizing a trade agreement with Chile that is expected to be presented to Congress later this year.

Alaska has seen imports of fresh and frozen salmon from Chile explode in recent years to the detriment of our fishermen.

"Free and fair trade" should indeed be fair.

In addition to economic and energy issues, my vision includes reforming elements of our health care system so it better serves all Alaskans.

The United States offers some of the best health care in the world. Unfortunately, that's practically useless if Americans can't afford it.

Figures show that almost one out of every five Alaskans is uninsured.

For most people, and especially our small business owners, the cost of buying or providing health insurance is just far too expensive.

I believe that Americans should be able to choose a health care plan that meets their needs at a price they can afford.

One way to reduce the number of uninsured Americans is to provide tax credits that can be used to purchase health insurance.

These tax credits would make private health insurance premiums more affordable for low and middle-income families.

I want to be clear. I am not advocating a national health plan run by the government.

We don't need to look that far to see how little the federal government knows about supplying health care.

The government-run Medicare program lacks even basic coverage for prescription drugs.

Even with almost forty years of innovation in pharmaceutical drugs since Medicare was created, the program is still stuck in the mindset that the only way to treat an illness is by sending a person to the hospital.

To improve Medicare, we must provide seniors with a comprehensive prescription drug benefit that doesn't require them to join an HMO in order to receive coverage.

In addition to Medicare, we need to strengthen Medicaid. I know and understand how vital these funds are to providing health care for low-income and disabled Alaskans.

In fact, one of the very first pieces of legislation I introduced in the Senate would make permanent Alaska's adjusted Medicaid formula.

Our current adjusted formula expires within the next two fiscal years.

I will work to assure that the federal government recognizes Alaska's uniquely higher costs, and compensates us fairly.

I believe it is imperative that we re-examine all of our tax and health care policies to find a way to make health insurance more affordable and the process of getting that care more efficient.

I also intend to make sure that Alaska continues to receive all necessary funding for Denali Kid Care.

As many of you know, earlier this year, I joined several of my colleagues in urging the Administration to release unspent S-CHIP funds so that we could continue to finance Denali Kid Care.

I am very pleased that the Administration heeded my request and released more than \$20 million dollars for Alaska to help our most vulnerable kids.

Additionally, I offered an amendment to the Budget Resolution to increase funding for Indian Health Services by 10 percent, or \$290 million dollars next year.

That is important for Alaska Natives in rural and urban areas who rely on IHS for health care.

Governmental involvement in health care should be focused on covering those who would otherwise fall through the cracks.

Making sure all procedures are performed safely, funding Indian Health Services and improving Medicaid and Medicare are priorities of mine.

Along with re-vamping our nation's health care situation, I want to improve the quality of life for our veterans.

All of you know the sacrifices our veterans make, and the debts we owe them as a society.

But Alaska does not have a Veterans home, and I pledge to pursue that goal.

Alaska's veterans should be able to get the health care they desire without being forced to travel to Seattle.

If procedures can be done in the state then we should encourage that to happen.

Looking out for the men and women that serve our country is of great importance to me.

I am equally committed to working for, and with, the young people of our state.

My own two boys attend public school in Anchorage, and I want all of Alaska's children to have the educational opportunities they deserve.

Just last month Senator Stevens spoke to you about the unique problems the No Child Left Behind Act creates for our schools in rural Alaska.

Many of you were already familiar with those problems.

All of us recognize the goals of the Act, holding all students and teachers to the highest standards.

Those goals are commendable, but they are meaningless if they can't be implemented efficiently and fairly.

According to recent news articles, twenty percent of Alaska's 506 schools have three or fewer teachers.

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And in many parts of rural Alaska the teacher turnover rate is 100 percent every three years.

We need to find innovative ways to reduce this high teacher turnover rate in rural Alaska.

Rural students, like students in urban Alaska, need predictability and stability to thrive and that is hard to achieve when you have a completely new teaching staff every few years.

When I return to Washington I will introduce legislation to create a federal funding stream for rural school districts to build and maintain new teacher housing for teachers who commit to long-term contracts in rural areas.

My proposal would supplement an existing plan proposed by Alaska Housing Finance Corporation to set aside funds for this purpose.

This would make recruitment and retention of rural teachers a little easier.

And what about the tests required in No Child Left Behind?

Many Alaska Native children are enrolled in culturally important Native language immersion programs.

Are their third grade achievement exams going to be in English or Inupiat?

These are just some of the education issues that we are going to have to work through in the next two years.

It is necessary to convince the Department of Education to allow for flexibility and to adopt the state's plan for compliance of "No Child Left Behind."

I am pleased to announce that Education Secretary Rod Paige has committed to visiting Alaska the first week of May.

After his visit, and based on his review of the state's education plan, I will consider possible amendments to the federal law to ensure that our children are not harmed by the standards required by the Act simply because of geography or cultural heritage.

And while the learning environment we provide our children is crucial to their development, the social environment is just as important.

Some surveys suggest that nearly 90 percent of junior high students in parts of rural Alaska have experimented with drugs and dangerous chemicals.

Just as worrisome, alcohol abuse among students is rampant.

I was committed to this issue when I served here, and I am just as committed to addressing the problem at the federal level.

On issues of access, Senator Stevens and I recently notified Secretary Norton of our intention to pursue legislation to complete the state's land conveyances by 2009.

The state is still owed lands under the Statehood Compact and the Alaska Lands Act. It is time we received fee ownership to that land.

Our approach would ensure the state gets titles to those lands 15 years ahead of schedule.

Also in the area of access, we must address the continuing competing views over subsistence.

It is my hope we can resolve this issue in a way that benefits all Alaskans.

All parties to the subsistence debate have long acknowledged subsistence is vital to the Alaskan way of life.

State management of all fish and game in Alaska is the most desirable objective, we must not abandon this goal.

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I challenge anyone to identify a program the federal government manages efficiently and fairly.

Medicare is a mess, federal stewardship of Indian reservations in the lower 48 is almost criminal and look at the IRS.

Alaska should not concede to believing that long-term federal management is the answer.

The solution to subsistence must be driven by Alaskans.

Given the current divide in the state and the razor-thin margins in the House and the Senate in Washington, legislation alone from D.C. cannot solve this problem, nor is it likely such legislation would be successful without some movement at the state level.

Senator Stevens delivered a similar message last month while he was here, and given his history with this issue I respect his counsel.

I stand ready to work with all interested parties to get fish and game management under state control again.

I've covered a lot of ground here today because my vision for Alaska's future is expansive:

A quality education for our children, a healthcare system that covers those in need, a vibrant economy that takes advantage of our abundant natural resources, an infrastructure for our communities, and real economic opportunities for each Alaskan.

As we look to Alaska's future, it is up to us to decide what the next 40 years will bring.

Our history has taught us a lesson. It's the story of a state that overcame obstacles and made the most of its opportunities.

And I believe our future will be no different.

Alaska is poised on the edge of a new age of opportunity.

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It will be the ingenuity of our citizens and the vision that we have for this great state of ours that will lead us into this new era.

As a third generation Alaskan, my roots in Alaska run deep.

I know our state's history, and have often been amazed at how far we have come.

I can tell you I was never prouder than when I raised my right hand and swore to represent the state of Alaska to the best of my ability in the U.S. Senate.

I intend to uphold that oath and pledge to work with this legislature and all Alaskans to make sure that the promise of our future is fulfilled.

Thank you.

Please report corrections to the Senate Secretary's office.