

**HOUSE AND SENATE
JOINT JOURNAL SUPPLEMENT**

April 2, 2004

Friday

No. 17

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Address by

The Honorable Lisa Murkowski

United States Senator

Before a Joint Session

of the

Second Session of the

Twenty-Third Alaska State Legislature

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April 2, 2004

Juneau, Alaska

The following was submitted for publication:

**Senator Lisa Murkowski's Address to the State Legislature
Friday, April 2, 2004
Juneau, Alaska**

Mr. President, Mr. Speaker, my friends and colleagues --

Standing in this chamber, again, is a privilege. Since I stood here last year, I've flown over 250,000 miles between Alaska and DC, and I have flown thousands of miles across the state. My return to Juneau reminds me how much we are all on a common mission.

Here and in Washington, we're trying to balance the budget. Here and in Washington we're working to keep our promises to our constituents and bring America new sources of energy. Here and in Washington, we're working to help our seniors, strengthen our health care system and support our fishing industry. But first and foremost, the role of our government, at every level, is to protect the freedoms promised to us by our constitutions and guaranteed to us by the men and women who have fought for our country.

We cannot forget for a moment that we founded this nation, and fought for Alaska's statehood, on the principles of freedom and self-determination. Freedom comes from strength and self-reliance. The predominant message I bring from all of us in Alaska to D.C. is this -- give Alaska the freedom to reach our potential and we'll keep America strong and free.

Alaska's contribution to America's freedom isn't just the oil we provide or the food we harvest from the seas or our location which is the best in the world for our military. It is more than that. It begins with the fact that Alaskans are free-thinkers. That same attitude that says "we don't give a damn how they do it Outside" says we'll show you a way to solve some of America's most complex problems. We'll show you a way to have oil and natural gas development while protecting our environment. We'll show you a way to have no child or teacher left behind and make education work in the smallest villages and the largest cities. Alaskans are free thinking, not fearful, and our confidence and courage is just what America needs right now.

The war against terrorism is one we must win. Alaskans are providing key support in this war. Many of us know about Sergeant Tyler Hall from Wasilla who earned a purple heart for his brave service and Sergeant Lucas Goddard from Sitka who earned a bronze star for valor in combat. But in 2003, over 2,700 men and women in uniform who call Alaska home fought in the war on terror. Soon both Elmendorf and Eielson Air Force Bases plan to deploy more soldiers and airmen.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 17

April 2, 2004

I had the honor to personally thank Sgt. Hall for his service and sacrifice. And you may remember Sgt. Goddard's family joined us in these chambers last year so we could all recognize his service. Today I want to thank all Alaskans for their service to our country. And I want our military and their families to know that they are in our thoughts and prayers.

Today I want to talk about promise. I believe that this new century will be about promise: the promises of the past which remain due to Alaska, the promises I hope to fulfill, and the promise of Alaska that comes from our way of life, our land and our people.

The key to reaching our full potential is in unlocking Alaska's real economic promise: our natural resources. I'm standing with our president, Senator Stevens and Congressman Young to strengthen the Alaska economy that lagged so far behind the rest of the country in the 1990s.

Over the past year we've all worked hard to encourage construction of a natural gas pipeline. We've done so, primarily, by promoting incentives here and in Washington. Before us today are several proposals to get our gas to market. Every proposal has promise, has energy. Whatever deal gets put together needs to insure Alaska is the winner. We gave some companies the rights to develop our gas over 30 years ago and nothing has happened.

Through the last few years of debate on the energy bill we've had no specific commitments to build a gas line. We've had private firms come and go, spending hundreds of millions of dollars -- and giving up for lack of supply. Without a buyer and a seller, a pipeliner hasn't got much. And that's the part that's missing right now.

I've heard experts on all sides make their predictions on which market might buy our gas first, which route is the best. I've heard some say, "My way is the highway." I want to remind you what I said last year: My way is the "buy way," meaning we need to do what it takes to get people to buy our gas. That's why I fought for equal treatment of both the highway line and the All-Alaska LNG line when it comes to the federal loan guarantees and tax incentives working their way through Congress right now.

Today I'd like to suggest we do more to let the market know this gas is for sale. I welcome agencies like the Alaska Natural Gas Development Authority. Their effort to bring Alaska gas to market should be encouraged. Alaskans need access to our gas. It's not just the gas markets in the lower 48. We need this gas to heat our homes all over the state. We need a gas supply to keep the Agrium plant in Kenai open. These jobs are important to the Peninsula. Simply put, we need gas as we continue to develop Alaska's economy.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

April 2, 2004

No. 17

In D.C., Ted, Don, and I are doing all that we can on the federal level to get our gas to market. I will continue to press for final congressional passage of financial incentives for a project to proceed. The federal loan guarantee, accelerated tax depreciation and tax credits for a North Slope gas conditioning plant are vital provisions in the energy bill. I also inserted language into the bill calling for Alaskans to have an ownership interest in the gas line. Some feel that we missed such an opportunity with TAPS. Now's our chance. An Alaskan gas line will help protect the nation's energy security, economy and employment outlook and produce real jobs for Alaskans.

The most recent federal energy report estimates that if Alaska gas does not come on line, we will need to import nearly 11 trillion additional cubic feet of gas a year. Those imports will cost Americans jobs and cost American consumers an additional \$6 billion a year in higher gas prices. For all of these reasons, I'll continue to press for federal gas line provisions, just as I know all of you will be working to cement agreements with qualified groups.

Construction of a gas line represents huge opportunity for economic development. It means a strengthened transportation infrastructure, reliable affordable energy and jobs for Alaskans. Already we're on our way with exciting projects that will expand our energy output and increase our transportation capabilities. We're fighting for a significant increase in the State's allocation of federal highway and transit dollars, and a new program specifically for roads in our rural villages.

Ted, Don, and I have also encouraged the Secretary of Transportation to work with all eight Arctic nations on northern sea routes -- something that is more viable with climate change. And we're constantly working to help our international airports stay competitive with the world's growing air cargo market. With the exception of the gas line, a railroad expansion would be the biggest transportation - construction project for the Interior.

An extension would help deliver missile defense materials to Ft. Greely and a carefully planned route would further open the Interior to future mineral development. Besides improving transportation to get our minerals to market, the biggest step we can take to assist our mining industry is to help reduce energy costs. For example, the Pebbles and Donlin Creek mines could be helped by a natural gas-fueled power supply.

In the Senate energy bill, I won approval for a provision to provide \$500 million to improve rural energy systems throughout Alaska. I'll be fighting for that energy aid to help both consumers and businesses in the future. A third key to helping our natural resource industries is to improve access to our lands.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 17

April 2, 2004

We are quickly approaching our fiftieth anniversary of statehood. I have asked that by 2009, the federal government complete transfer of the land it has promised Alaskans. I am talking about land approximately the size of the state of Montana. Land that would help Alaska provide an economic base to support its communities and families. I have introduced legislation that lays out a blueprint for the federal Bureau of Land Management to complete the surveying and final title transfer of 89 million acres granted to Alaskans and to Native Corporations under the Statehood Act and under ANCSA. My bill also addresses steps to complete the transfer of some 2,500 parcels of Native land applications made under the 1906 Alaska Native Land Allotment Act.

A Senate hearing was held on this bill in early February, where testimony revealed that it could take the federal government anywhere from 30 to 300 years to complete these land conveyances. This is simply unacceptable. As Senator Stevens stated in his testimony, he plans to see the day when this land is delivered to Alaskans and so do I. This land is vital to us. We have a right to it. And I see it as my duty and the duty of the Delegation to ensure promises that have been made to Alaska are kept. We must have the resources we need to determine our future.

And we can't talk about resources denied without mention of ANWR. In 1995, President Clinton vetoed a bill authorizing exploration in ANWR. That was 9 years ago and most oil and gas experts tell us that it will take at least 8 years to get ANWR oil flowing. Many of the issues facing us today would be very different if we had production on the coastal plain. Alaska and the nation will be better off when we can replace oil from the Middle East with oil from ANWR.

From ANWR to the Tongass, some of Alaska's most valuable lands have been put behind closed doors by a few who think they know better than Alaskans how to protect Alaska. Perhaps if all members of Congress opposed to drilling in ANWR would actually visit the North Slope and honestly look at the strides we have made in technology and how we care for the environment, we would win the support we need to open the coastal plain to limited oil and gas exploration.

Together we have to let the nation in on a valuable secret: When it comes to our natural resources, Alaskans know what we're doing. We live here, and work and play and raise our families here. It's in our best interest to balance development with care for our environment so that we can enjoy the best of all worlds -- good paying jobs in the most beautiful place in the country.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

April 2, 2004

No. 17

As we engineer our future, we must include structures that support all Alaskans at every stage in life. That's why Congress's pledge to help Alaska's seniors and physicians by passing Medicare reform was so important. Prior to this legislation, many Alaskan seniors were unable to find a doctor because Medicare reimbursement was so low that it didn't cover a providers' overhead and doctors were not taking new Medicare patients. The result was that seniors were forced to get primary care in hospital emergency rooms. That's why Ted, Don and I fought for, and won, \$53 million to increase Medicare reimbursements in Alaska so our doctors can treat more Medicare patients.

There is still much to be done to secure quality health care in Alaska. Many Alaskans struggle to purchase health insurance. Currently, one out of five Alaskans are uninsured. This means that many Alaskans are forced to ask -- "can I afford medical care if I need it?" -- a question that should never have to be asked.

This is not just a problem in Alaska, it's a nationwide problem. There are millions of Americans today who are uninsured. Uninsured Americans have a poorer health status and health outcomes. For example, uninsured women diagnosed with breast cancer have a 30 to 50 percent higher risk of dying than women with private health coverage. This is a huge problem. I am in the process of developing legislation to encourage and enable Alaskans and all Americans to help get the health insurance they desperately need ... Without creating a new government bureaucracy ... without having the government take over health care.

In all of our efforts the goal of the delegation is to win Alaskans equal treatment and if that means that we occasionally rock the boat, so be it. Nowhere is this more apparent than with our national education policy.

No Child Left Behind is a bold vision for all Americans; but, national standards and national requirements have left many of us in Alaska feeling left out and frustrated. I have fought for waivers to the act that maintain the spirit of the law, while reflecting the individual needs of Alaskans. The great distances that separate our communities might make enforcing school choice provisions unrealistic. The great diversity represented in our schools may make achieving specific language requirements difficult. But, this is what has made Alaskan schools not only places that house excellent educational opportunities, but buildings where life lessons are learned.

We will not allow Alaskan students to be left behind because the unique Alaska qualities - the very reasons why we live here - make certain national

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 17

April 2, 2004

requirements unreasonable. At the last bell of the day, we as lawmakers, we as Alaskans, and most importantly, we as parents, want what is best for our children.

Clearly, one of the best ways to help educate our kids in rural Alaska is to help districts keep good teachers. Recently Jennifer Davies and Peggy Cole, teachers from Kotzebue and Emmonak testified that inadequate housing is one of the primary deterrents to retaining qualified teachers in rural Alaska. In some instances teachers are living in 250 square feet of space – and they are the lucky ones. How can we expect the best for our children if we are leaving our teachers out in the cold? We must provide our teachers and the children they teach with the support they need. Last year, I secured \$10 million in funding through the Denali Commission to help construct and renovate rural teacher housing.

All of us in this room are working every day to make sure our families are healthy, educated and safe. We want the same for our communities. And in keeping our communities healthy, we must not forget the industries that have long supported us.

This past year has seen many important developments for Alaska's fishermen. Ted, Don and I worked with USDA to get more canned salmon purchased for relief purposes and food programs, kept the Pacific Salmon Commission operating, battled unfair foreign trade, and fought to keep country-of-origin labeling alive. I am working with the Secretary of Agriculture to identify ways to make the Trade Adjustment Assistance program more "fisherman-friendly."

Also, the delegation is working to get the U.S. military to buy wild Alaskan salmon for meals for our troops. I recently announced in Kodiak the development of a commercial microwave sterilization process that can produce high-quality, shelf-stable salmon fillets -- at far less cost than traditional canning. This is exciting news and will notably improve the marketing opportunities for Alaska seafood.

I'm working to protect CDQ communities. I'm working with the industry and the FDA to allow labels that call attention to the beneficial nutrients in salmon. I am pushing to get Alaska salmon included in the Women, Infants and Children (WIC) program, which serves more than 7 million people each month.

But the federal government can do more to help Alaskans help themselves. For example, we can help our tourism industry do a better job of marketing

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

April 2, 2004

No. 17

Alaska's attractions. While tourism brought \$1.8 billion to Alaska last year, it can still grow. We know that 94 percent of our visitors come to see Alaska's national parks. To boost visitation to our parks I'm seeking to fund a federal-state marketing campaign to help Americans realize the beauty that we see every day. Development of new facilities such as a visitor's center at Wrangell-St. Elias National Park should be pursued.

It's tough to find anyone as proud of their state as Alaskans are of ours. I take great pleasure in telling Alaskan tales to people in the Lower 48. Every day I have conversations with other Senators about the midnight sun, the dark winter days and the birdlike size of our mosquitoes – always answering their questions with a certain amount of embellishment. In the back of our minds we know it really isn't that amazing that we live here – it is easy to live here because we love it and we are proud.

We all love to tell the story about Alaska's uniqueness and of the strength and resilience of our people. But, as often as Ted, Don and I tell the Alaskan story in Washington, for some, seeing is believing. That's why I invited cabinet secretaries and administration officials to Alaska – so they can see our challenges and embrace our opportunities. In the past year, I brought up the Secretary of Education; the Secretary of Health and Human Services; the Secretary of Veterans Affairs; the Secretary of the Interior; and numerous other Administration officials. I will continue to bring those responsible for the policies that affect our way of life to Alaska. I won't just tell them what we need, I will show them. As Secretary Paige said at a press conference after our trip to Savoonga last May, "When you said 'rural' to me several days ago, it meant one thing. When you say it to me now it means a different thing."

When federal officials come here, they see that Alaska is not just a distant place on the map; it's the place where you and I and over six hundred thousand Alaskans have made our homes. The most powerful force in Alaska is our people. When cabinet secretaries come here and see the Alaskan spirit – in a principal living in a broom closet in Savoonga, a nurse in Point Hope, or a veteran in Wasilla – they see the real Alaska.

I know some people were surprised and upset with the way I came to this job. But not for one day, not for one minute since coming to the Senate, have I let concerns about the process interfere with my duty to represent all Alaskans. Since I took the oath of office on December 20, 2002, my primary focus has been to ensure a healthy future for Alaska.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 17

April 2, 2004

I have looked to history for guidance and I have been inspired by the examples of leaders – both elected and appointed – who have tipped the balance in crucial moments for their states and the nation. Appointed leaders have left a rich legacy. Rebecca Latimer Felton, appointed by the Governor of Georgia, served only one day, but paved the way for women in the Senate. Maine's Margaret Chase Smith raised the bar for leadership when she became the first woman nominated for the presidency. Ernest Gruening, the man who once held my Senate seat was appointed to statewide office in 1939 when F.D.R. made him Alaska's territorial governor. And, in the past year, I have been honored to serve with our own Senator Ted Stevens, an exceptional leader for Alaska and the country.

These Senators have taught me that it doesn't matter how you got there, it's what you do with the trust that counts. Working closely with Senator Stevens, I have seen the difference an appointed senator can make when they fight for their state. Ted likes to tell the story about his appointment: when Governor Hickel wanted to appoint Ted to complete Senator Bartlett's term, President Nixon actually looked at Wally and asked "Do you have the courage?" Ted had been defeated twice before and Governor Hickel took a risk -- that risk has been paying off for all Alaskans for 36 years.

I understand the magnitude of this responsibility, and I will continue to fight for you until every promise to Alaska is fulfilled and every Alaskan can fulfill their promise. Thank you.