

**SENATE AND HOUSE  
JOINT JOURNAL SUPPLEMENT**

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**April 7, 2009**

**Tuesday**

**No. 5**

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**Address by**

**The Honorable Mark Begich**

**United States Senator**

**Before a Joint Session**

**of the**

**First Session of the**

**Twenty-Sixth Alaska State Legislature**

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**April 7, 2009**

**Juneau, Alaska**



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**Senator Mark Begich Address  
to the Alaska State Legislature  
11 a.m.; April 7, 2009; State Capitol**

President Stevens, Speaker Chenault, members of the House and Senate, and friends across Alaska.

It's an honor to join you this morning for my first presentation to the Legislature as Alaska's new United States senator. It was great seeing so many of you in Washington a month ago for the Energy Council.

As you witnessed then, the daily pace of the Senate is about like what you all experience in the final couple of weeks of the legislative session. Since I know your adjournment is looming and you have much business to complete, I appreciate you accommodating me today.

It was great to re-enter Alaska airspace over the weekend, especially with the rumblings from Mt. Redoubt. I know all Alaskans are grateful for our state-of-the-art volcano monitoring system, despite the lack of understanding by certain lower 48 governors.

We in public office are serving Alaskans at one of the most challenging times in our recent history. That's why I believe it is incumbent on each of us to re-double our efforts to find common ground.

Across our nation, the worst economic crisis since the Great Depression is taking its toll on Americans.

A record 3.6 million jobs lost just since December 2007. Bankruptcies up a third. New housing starts down by nearly half.

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Without decisive and dramatic action, economists feared another 5 million American jobs would be lost.

Fortunately we are sheltered from the worst of it, but still Alaska is not immune to the national recession. Our state's unemployment rate reached 8 percent in February, the highest since 1992.

And just last week we were troubled to learn that more Alaskans lost their homes through foreclosure than at any time since the oil price crash of the early 1990s.

Beyond the statistics are the individual Alaskans who are hurting.

Like the young mother of three I remember from a Dillingham campaign stop last fall. She pulled me aside to explain how much she loves raising her family in rural Alaska and was worried sick that she'd have to leave her home.

Or the Cantwell woman who recently wrote, saying she had worked her entire life to save for her kids' education, only to see most of their college fund disappear in the stock market collapse.

Or the military veteran who called my Anchorage office looking for assistance because he lost his job and can't pay his mortgage.

That's why the number one focus for the national administration, the Congress and for me the past three months has been reviving the economy, so Americans and Alaskans have good jobs to support their families, send their kids to college and fulfill their American dreams.

I commend the members of this Legislature and local government leaders across our state for working so diligently to make the American Recovery and Reinvestment Act work for Alaska, regardless of political party.

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As you know, this historic legislation is delivering some \$1 billion in assistance and benefits to our citizens and will protect or create about 8,000 Alaskan jobs.

I was pleased to be one of the critical couple of votes that put it over the top.

The Recovery Act is really three parts. First, building or fixing up basic public facilities like a new Nome Hospital, Dillingham clinic, Gustavus dock and many transportation projects around the state. These will create thousands of jobs.

Second, investing in education and job training so Alaskans are prepared to compete in the global marketplace. To me, this nearly \$200 million piece of the package is great news for Alaska – not a great dilemma.

And third, tax cuts that will allow working Alaskans to keep more money in their pockets.

Effective just last week, some 300,000 Alaskan families are receiving a collective \$100 million through the Making Work Pay Tax Credit. And thousands more Social Security recipients and disabled veterans also are getting extra relief.

My office has been working double-time to share information with you and with local governments, Native organizations and non-profits about how to take advantage of Recovery funds.

Thank you for working with the Denali Commission to set up a clearing house which can serve as a one-stop shop for the latest competitive grant information about economic stimulus funding.

And please encourage your constituents to participate in the congressional delegation's federal grants expo next Tuesday in Anchorage's Dena'ina Center to learn more about the Recovery Act and other federal funding opportunities.

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I know many Alaskans are concerned about the size of the Recovery bill and what paying for it will mean for the national debt. I am, too. Frankly, it would have been a lot larger had a group of us not stepped up to say “enough.”

Working with independent-thinking moderates from both parties, we cut the size of the Recovery Act by nearly \$100 billion and refocused it on investments in public facilities and tax relief.

That has been my overall approach in the Senate: reaching out to educate my colleagues about Alaska, about issues like protecting Second Amendment rights and building coalitions among like-minded senators.

Yes, I am a freshman, but I am in a unique position to bring positive focus to our great state as a member of the party in power as final decisions get made. I intend to do exactly that for Alaskans for the next six years.

As Alaska invests the benefits of the Recovery Bill to help stimulate our economy, we’re pursuing numerous initiatives to keep our industries healthy and create more jobs for Alaskans.

My philosophy has always been that it’s government’s role to help create a pro-business climate, and then get out of the way so the private sector can do their job.

Certainly high on my list is Alaska’s oil and gas industry, which has taken its share of lumps recently with the fall in world oil prices.

That’s why I was troubled by proposals from the national administration to scale back incentives designed to increase domestic oil and gas production which make our nation more energy secure.

I told President Obama exactly that in the Oval Office a couple of weeks ago and repeated it to his budget director last week.

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I am working with senators from states like Louisiana, Nebraska, Montana and Texas to educate the administration and members of Congress on the need for a healthy American oil and gas industry.

Certainly renewable energy and conservation must be an essential part of a national energy policy. But we can't make the transition overnight as national decision-makers finally come to grips with the consequences of climate change.

In just the few months I've been in Washington, I've discovered there's little understanding of how oil and gas production works.

My colleagues are amazed when I explain how Alaska is on the cutting-edge of production technology, using techniques like directional drilling to reach oil miles away with minimal disruption to the environment.

The bill Senator Murkowski and I introduced calling for directional drilling to reach the oil beneath the Arctic National Wildlife Refuge may just change the conversation on that controversial issue.

I am pleased that our new Interior Secretary, Ken Salazar, accepted my invitation to visit Alaska. He'll be in Anchorage and Dillingham next week to hear from Alaskans about proposed outer continental shelf oil and gas development off our coast.

My message to the secretary is that as America's energy storehouse, Alaskans generally welcome OCS development, as long as it's done right and where competing resources are protected. The best way to do that is to provide Alaskans a greater say in how and where offshore waters are leased, explored and drilled.

Alaska fishermen are justifiably concerned about development in salmon-rich Bristol Bay. And North Slope residents want to - and should be - involved in any development in the Chukchi and Beaufort seas.

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Reliance on the resources of the Arctic for subsistence has been culturally and economically critical for thousands of years, and remains so today.

Secretary Salazar's visit is a first good step in hearing from Alaskans on this issue. I will use my place in the Senate to make sure that communities continue to have a voice.

I also will continue to push to give Alaska its fair share of revenues from OCS development. There is no reason why we are not getting the same deal as Louisiana and other Gulf states. That is why I pushed an amendment to the budget bill last week to give Alaska equal revenue sharing, and am drafting stand-alone legislation to do the same.

Frankly, Alaska missed out on 900-million dollars by not getting the same deal as Louisiana in 2006. That money could have plugged our budget shortfalls right now.

It could and should be helping our coastal communities prepare for new oil and gas development and adopt new energy efficiency technologies and switch to renewable energy sources.

Thanks to the Senate for your resolution, which I know awaits House approval, to tell Congress that Alaska wants its fair share of OCS revenues.

By the way, you'll be glad to know that your former colleague, Kim Elton, is hard at work as Alaska's point man at the Interior Department. We already have talked about how Interior can be a partner with rural Alaska to switch to renewable energy sources.

Kim agreed to be my first guest on our delegation TV show – the Alaska Report – which airs later this month. I know you won't forget to TiVo it.

The other big energy issue in Washington is the Alaska natural gas pipeline. I think it's fair to say there is great interest but growing concern with the level of progress on this project.

President Obama embraced the Alaska gasline during his campaign and has designated it one of the top five "green energy" priority projects for his administration. But as more natural gas floods the domestic market from both domestic and foreign sources, many worry the window on the Alaska gasline may be closing.

I intend to work with the Obama administration and Congress to ensure that the Alaska gas pipeline is considered a national priority, which should merit the personal attention of the President and be a key element in a national energy policy. We know that Alaska's pipeline can heat America's homes and fuel our factories well into the future with a nearly limitless source of secure, affordable, clean-burning natural gas.

Another issue where Alaska is in the national limelight is climate change. More than any state, we're experiencing its impacts, from the coastal erosion that is undercutting villages, to warming permafrost, the thawing of the Arctic sea ice, and even changing fish migration.

I've heard too often from some of my colleagues wanting to take a congressional trip to Greenland so they can witness global warming first-hand. I remind them that far more people are impacted far more directly in their own country – right here in Alaska.

As the state most affected by these changes, I believe we have a responsibility to be at the forefront of the debate.

That's why I am co-sponsoring the Cleaner, Greener, and Smarter Act of 2009, which seeks to reduce American dependence on foreign and unsustainable energy sources and encourages investments in green job creation and clean energy across the economy.

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Alaska has great opportunities to reduce greenhouse gas emissions through increased use of our renewable energy resources: wind, tidal and geothermal.

Closely linked to climate change is the need for a new national Arctic policy. I've been working closely with the new administration to ensure that Alaska is a leadership role here. After all, Alaska is the only reason the United States is an Arctic nation.

I'm joining those on both sides of the aisle in pushing for ratification of the Law of the Sea Treaty, so the United States can claim jurisdiction to the continental shelf beyond our 200-mile limit.

Thanks to Representative Seaton and Senator Wielechowski for sponsoring legislative resolutions in support of this treaty.

As other nations plant their flags on the Arctic seafloor, our country must assert its claim to Arctic waters and better understand changes underway.

That means ensuring the Coast Guard has the support it needs to protect America's presence in the Arctic and monitor increased shipping and tourism as the sea lanes open.

It means making sure we have a world class research facility on the North Slope. And it means using the our home-grown talent at the University's of Alaska's School of Oceans and Fisheries Sciences and our Sea Grant extension agents who bring science from the university classroom to the local level.

I applaud the North Pacific Fishery Management Council's action to close all fishing in Alaska's Arctic waters until stocks can be assessed and managed for sustainability.

Fortunately, Alaska fisheries remain healthy. A report earlier this year showed that Alaska provides 62 percent of the nation's harvest of

seafood and does so in a sustainable manner. None of our stocks are considered overfished.

That's not true elsewhere around our country and I'm pushing for full funding of the Magnuson-Stevens Act to keep it so.

Despite our envious record on fishery management, problems remain. Residents of the Yukon and Kuskokwim are hurting from weak returns of salmon, and poor markets at a time when energy prices skyrocketed.

The state administration has opted against declaring a disaster for this region. Alaskans have a proud record of lending a hand when their neighbors are in trouble, so let's work together to assist these fellow Alaskans.

This might be an opportunity to capitalize on AFN's proposal to steer any rejected Economic Recovery funds to needy villages and tribal organizations. If the state administration doesn't want the money, I know these hard-hit communities will put it to good use.

When it comes to helping fellow Alaskans, one of my earliest and proudest votes as a senator along with Senator Murkowski was reauthorizing the federal Children's Health Insurance Program and fully funding it for the next five years.

In its early years, Alaska's Denali KidCare was recognized as a national leader. Yet now our eligibility guidelines are too strict, with 44 states offering more generous benefits to working families. That shouldn't be.

And I know many of you, led by Senator Davis and Representative Hawker, are working to make sure we have a better program.

There are more than 21,000 children in Alaska without health insurance. Let's work together to get them basic medical care.

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Health care reform is one of the next big agenda items for Congress. I met recently with Montana Senator Max Baucus, who chairs the Senate Finance Committee and is one of the champions of health care reform.

I pledged during my campaign to make affordable health care one of my priorities, and I plan to be fully involved in the debate – from working to fix the Medicare mess to finding efficiencies through electronic health records.

On the education front, the President has outlined significant reforms that I support, including giving kids a strong foundation for success through quality preschool programs, expanding charter schools, funding dropout prevention strategies and making college more affordable.

What we haven't gotten to yet are the details of No Child Left Behind. I'll be working closely with Senator Murkowski to fix some of the currently unworkable requirements for Alaska.

Another thing that won't work well for Alaska is the administration's plan to reconfigure the student loan program. I have some unique experience here as the former chairman of the Alaska Student Loan Corporation.

Our Student Loan Corporation does a terrific job with the current structure, using subsidies from the loans to pay more than \$21 million in benefits to Alaska borrowers in rate reductions and loan credits.

I applaud the President's efforts on education, but ending federal loan distribution by state agency and non-profit lenders is not the way to go. Just last week, I supported a measure to fix this problem.

In addition to the economy, the other major issue facing our country is defending American interests abroad and ensuring that the young Americans serving us in harm's way return home to the benefits and services they deserve.

I am truly honored to serve as the first Alaskan since 1968 on the Senate Armed Services Committee, with broad jurisdiction over our military across the world. With the nearly 30,000 active military men and women in our state and two wars underway, it is vital we look out for the interests of Alaska's troops.

Next month, I'll be visiting Afghanistan and Pakistan to get briefed by military commanders on the ground, talk to local officials and meet with Alaska soldiers deployed there.

I support President Obama's policy of gradual troop withdrawal from Iraq while we increase the presence of Americans and our allies in Afghanistan. But I remain concerned about whether we're providing our troops adequate resources to get the job done.

That's why I was pleased the Senate agreed to a bi-partisan amendment to the budget resolution I helped write last week increasing Army troop strength by 30,000. And that's why I want to hear directly from our soldiers on the ground.

Another area of concern is North Korea, which over the weekend launched a rocket capable of reaching Alaska and Hawaii.

Defense Secretary Gates has proposed holding the Alaska missile defense system harmless but not adding to it. Unless the Pentagon can convince us of a reduced threat from North Korea, I will fight any reduction of the ground-based missile system at Fort Greely.

With the highest per capita number of veterans of any state – more than 75,000 - I'm also pleased to serve on the Veterans Committee. Our major initiative is upping the budget to better meet the growing needs of our veterans.

Our heroes returning from Iraq and Afghanistan deserve the best care, including more resources for those with traumatic brain injury. There are hundreds of soldiers in Alaska right now with some form of brain injury – including Post Traumatic Stress Disorder.

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As we know – sadly – many of these injuries lead to suicide. That’s just one reason I am co-sponsoring a rural veterans bill to ensure our military men and women receive quality care as close to home as possible.

We ask our soldiers to search out and take on our enemies wherever they find them. In return, let’s make sure that once they come home, they don’t have to search for the medical help they need.

Thank you to Senators Hoffman and Huggins and this entire Legislature for ensuring that a handful of elderly members of the Alaska Territorial Guard are treated right by their government.

As you know, these couple dozen rural guardsmen are caught in a bureaucratic Catch-22 over retirement benefits for service during World War II.

Just last week the United States Senate agreed to my amendment to the budget bill to correct this injustice, but freeing up additional federal money will take a little time. All Alaskans thank you for recognizing their brave service in the interim, and I hope the governor signs your legislation promptly. This will ensure there will be no interruption in their benefits.

Let me also commend Representative Guttenberg and Senator Thomas for advancing the issue of a veterans’ cemetery. When the state’s application for federal construction funds comes before the Veterans Department, you can be assured of my support.

As the snow melts off and the salmon start running in Alaska’s rivers, I plan to encourage my Senate colleagues and top administration officials to visit our state to understand our problems and opportunities first-hand.

As we celebrate 50 years of statehood this year, there remain many misperceptions about the 49<sup>th</sup> state.

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By reaching across political and geographic boundaries, we can make sure Alaska's concerns are adequately addressed by their national government. Thank you for your efforts to explain our state to our fellow Americans.

It is a great honor to serve you and all Alaskans in the United States Senate. I look forward to six years of hard work in partnership with you.

God bless this great country and God bless our great state.

**Please report corrections to the Senate Secretary's office.**