

**SENATE AND HOUSE
JOINT JOURNAL SUPPLEMENT**

February 18, 2015

Wednesday

No. 5

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Address by

The Honorable Lisa Murkowski

United States Senator

Before a Joint Session

of the

First Session of the

Twenty-Ninth Alaska State Legislature

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February 18, 2015

Juneau, Alaska

The following was submitted for publication:

President Meyer, Speaker Chenault, fellow legislators and fellow Alaskans: thank you for this invitation and for hosting us today.

I say "us" because several members of my team are here in the gallery: my chief of staff, Ed Hild; my deputy chief of staff, Kate Williams (Juneau); my senior policy advisor on the Energy Committee, Mike Pawlowski (Juneau); my Alaska communications director, Karina Petersen (Soldotna); my fisheries assistant, Ephraim Froehlich (Juneau); and Connie McKenzie, who leads our Juneau delegation office.

My initial plan was to use my time this morning to highlight accomplishments from the last year – and we had a good number.

We added more canned pink salmon to the Emergency Food Assistance Program, donated more than 2,000 books to Alaska communities, and helped write the first update to the Child Care and Development Block Grant Act in 18 years.

We did great work on the Appropriations Committee – fully funding Contract Support Costs for tribally-run federal programs, adding \$70 million a year for IHS hospitals and Joint Ventures in Alaska, and much more.

We pushed through a major public lands package, with Alaska front and center, including a land conveyance to facilitate development in downtown Anchorage and a provision for Sealaska that will allow logging to continue in the Tongass this year, to hopefully keep the struggling timber industry alive and finalized the long overdue conveyance of land to Sealaska.

What you should know is that Alaska's victories at the federal level are not always front-page news – but every one of them will help improve the lives of our people, and help reduce the challenges that you, as State Legislators, are facing.

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Today I'd like to set aside discussion of much of my current legislative agenda to focus on two pressing issues that Alaska faces.

The first is our ongoing effort to maintain and grow our military presence.

Two years ago, the Air Force proposed a virtual shutdown of year-round operations at Eielson Air Force Base. We were told by senior leaders that it was practically a done deal. Over the next two years we joined together to remind the Air Force about why America continues to need Eielson. And last fall we won that battle with the selection of Eielson as the first Pacific base to host the F-35.

The President's just released budget proposes the first new facility to support the F-35 – a \$37 million flight simulator building that will house \$90 million in equipment. Many in this room were part of the effort to bring the F-35 to the Interior and you can take pride in your accomplishment.

The Obama Administration has also come to embrace Ground Based Missile Defense and is growing the number of interceptors at Fort Greely. Alaska is slated to be the site of a next generation Long Range Discrimination Radar. Those are good signs – but the proposal to severely downsize our military is not.

Next week the Army will visit Anchorage and Fairbanks as part of a 30 community, nation-wide tour to determine where the brunt of downsizing will be felt. They will hear emphatically that it makes no sense to reduce force structure in the Army at the same time Congress is considering an Authorization for the Use of Military Force against ISIL. At the same time as the U.S. needs to build up its capacity in the Pacific. At the same time as North Korea remains a threat to global security. And at the same time that Russia is asserting itself militarily in Eastern Europe as well as the Arctic.

The Army will hear that Alaska remains the most strategic place in the world in which to train and deploy military forces to meet these new threats. We have a persuasive story to tell. Alaska supports our military. Our military needs Alaska.

I'd like to now switch the conversation from national security to economic and energy security.

On a Sunday morning, three weeks ago, at the same time we were debating whether to allow for a transboundary permit to move Canadian oil through the U.S. to the Gulf Coast refineries by the way of the Keystone XL pipeline, President Obama, from a scenic video aboard Air Force One, recommended that 12.3 million additional acres of ANWR be designated as wilderness. A few days later, he withdrew 9.8 million acres of Alaska's waters, including areas near current leases. In NPR-A, the viability of the Greater-Moose's Tooth-1 project was put into question because of the hugely expensive mitigation measures the Administration was trying to impose on Conoco. I don't get it. How can this president talk about an all of the above energy strategy and energy independence when you take Alaska and Canada offline?

This is just the latest round of restrictions. The Obama Administration has not provided a predictable path for Shell to move forward. They've placed half of the NPR-A off-limits. Our placer miners are threatened by new regulations from the Bureau of Land Management. And let's not forget King Cove, which saw its life-saving road rejected over a year ago. Secretary Jewell has ignored their pleas for help – and offered no alternative.

All of this is happening right as Alaska faces a slew of national regulations that will carry their own negative impacts. EPA's climate rule may force one of our five largest power plants to shut down. EPA is also seeking to expand the number of projects that will require Clean Water Act permits – through the so-called "Waters of the United States" rule – and its authority to veto almost any project, at any time, under Section 404(c) of that law.

We are also seeing the advancement of new listings under the Endangered Species Act. The Alexander Archipelago wolf here in Southeast. The Pacific Walrus. The proposed critical habitat designation for Ringed Seals alone could restrict access to 350,000 square miles of Alaskan waters.

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When you add it all up, you see a lot being taken away from us – 22 million acres taken off the table over the course of 3 days. You see our opportunities being limited by the day, by the month, by the year. You see barricades being lined up to prevent future development. What you don't see is Alaskans being listened to, or even properly consulted. What you don't see is balance – with the highest environmental standards in the world guiding responsible production on even a tiny fraction of our federal acreage.

At Statehood, we were guaranteed 90 percent of the revenues from resource development on most federal lands. After ANILCA passed in 1980, President Carter assured us that, quote, "A hundred percent of the offshore areas and 95 percent of the potentially productive oil and mineral areas will be available for exploration or for drilling."

Now, think about today. We have gone from the promise of 90 percent of the revenues, to losing reliable access to almost 90 percent of our estimated oil resources. Who would have thought the Obama Administration would be talking about commercial activity on the moon while denying seismic mapping in a small part of ANWR? Who can explain why federal restrictions on Alaskan oil development are tougher than our sanctions on Russia and Iran?

I have never been a good alarmist, but it is becoming harder and harder to conclude that this Administration's long-term plan is anything other than to starve our Trans-Alaska Pipeline System of new oil. It sure looks like their goal is to shut down our pipeline once and for all – to see it decommissioned and dismantled.

Thousands of Alaskans are being hurt by the combination of low oil prices and low oil production that are forcing this year's State budget cuts. If we lose TAPS, everyone will be affected, even more. Our teachers, machinists, government workers, and small businesses. Alaska as we know it, Alaska as we have built it, will no longer exist.

That brings us to the biggest question: how do we go forward?

I would start by reminding you that we are not powerless. Alaska has more support in the U.S. Senate today than at any other point during this Administration. The Republican led Congress can be the firewall for the remainder of the President's time in office.

Within our new Senate majority, I am privileged to be Chairman of the Energy and Natural Resources Committee and the Interior/EPA Appropriations Subcommittee. Both are powerful panels. I will use them as forums for Alaskan voices to be heard in Washington, DC. I will bring them here, to hear your concerns firsthand. And I will use both to advance as many Alaska priorities as the Senate will allow.

Dan, Don, and I are a strong team. But our best results will come if all of us are fully engaged. We need to work together with the legislators, Governor, and Native leaders. We need to coordinate and communicate. This needs to be a campaign – a campaign for Alaska – with everyone fighting for our hard-earned right to self-determination.

That is why, today, I thank you for your work – and ask you to join me in pursuing every legal, legislative, and public opinion strategy that we can devise to secure Alaska's future.

From a legal perspective, I hope you will work with our Governor to challenge the President's decisions. Part of this is just the basics of government: Congress writes the laws, the President administers them – but it is up to the courts to ensure that they are carried out properly.

We can also win by tapping into broader legislative agendas. Our goal is to help Alaska – but the best way to recruit new allies is to help other States, as well. That's why I have introduced a bill to require congressional approval of new National Monuments. That's why I want to require that lands in Wilderness Study Areas be released within a finite time period if Congress has not acted.

When it comes to specific legislation, Dan and I have introduced legislation to open the Arctic Coastal Plain to responsible development. We are working hard to add cosponsors, but I ask you: is it also time to formulate additional approaches?

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I believe it is. Instead of seeking to open ANWR under federal control, I ask you to work with me to transfer it to state hands. I believe there is a chance we can devise a reasonable land exchange or even purchase part of the Coastal Plain.

The same goes for NPR-A. I'm going to fight for the State to take the lead over activities there. I'm also working to put an end to the extreme mitigation requirements being imposed on projects in the reserve – and to allow for alternative compliance options that will actually help Alaskans.

This Legislature is doing great work. The resolution you passed with overwhelming bipartisan support showed a unity that is rare in America today. Keep sending resolutions to Washington, DC. Keep requesting meetings with federal officials. Submit your comments on federal rules. Make federal officials acknowledge your views, and make them respond to your suggestions. Go where you're not invited.

I am also pleased that Alaska's leaders are talking about new ways to build partnerships with tribes. Alaska Natives have special standing in federal processes and can be, and often have been, our strongest partners and loudest voices.

Many of you traveled to Kotzebue yesterday, in support of the Alaskans gathering there, to let Secretary Jewell know how we feel. Take every opportunity like that you can find. Public opinion is key.

We need to remind America that Alaska production is key to our national security – it's us, or petrostates who don't share our values, or terrorist groups like ISIL. Not a single member of Congress who voted for Keystone XL should be against more production from Alaska. As legislators, I ask that you redouble your efforts to take Alaska's message to other states through groups like CSG West, PNWER, and others. You have built those bridges, and now we need to walk across them.

We need to remind them of Alaska production's role in our national economy. Just look at the "Ties that Bind" report showing Alaska's worth to the Puget Sound region: 113,000 jobs and \$6.2 billion in earnings. It's numbers like these that will help get Senator Cantwell's attention.

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When I go back to Washington, DC, I will have Secretary Jewell coming to the Energy Committee. It won't be her favorite day in Washington, DC. After that we are going to put together an energy bill, and we are going to include provisions that benefit Alaska. After that we will have the budget and appropriations processes, which will offer a number of unique opportunities.

Every must-pass bill, every open amendment process, every chance we have to leverage something for Alaska – I will be keying in on every one of them. I can't tell you everything that I plan to do. As legislators, you certainly will understand that – but I have some new tools, some of which are pretty sharp, at my disposal.

These are challenging times for Alaska, but we have never run from a fight. We face obstacles head on just like an Iditarod musher moving forward through a storm, confident that with a good team all pulling together we will prevail.

Please report corrections to the Senate Secretary's office.