

**HOUSE AND SENATE
JOINT JOURNAL SUPPLEMENT**

March 23, 2015

Monday

No. 7

*** * * * ***

Address by

The Honorable Dan Sullivan

United States Senator

Before a Joint Session

of the

First Session of the

Twenty-Ninth Alaska State Legislature

*** * * * ***

March 23, 2015

Juneau, Alaska

The following was submitted for publication:

I. Introduction

President Meyer. Speaker Chenault, members of the House and Senate from the Great State of Alaska, thank you for allowing me to appear before you. Thanks to each of you and your staff for your service to our state.

It's so great to see so many friends and colleagues and even some family members. Indeed, we are all like a big family here. Just like we're a big family in the state. We go through ups and downs together. Births, deaths, marriages—even elections! But in sickness and in health we're in it together.

On that note: It's so nice to see Rep. Bennie Nageak looking as healthy as ever. You gave us a scare Representative. Let's pray that it doesn't happen again. The North Slope needs you. We need you.

I wanted to start by telling a story. I know a few of you have heard, but I wanted to relay it again because it is something that this audience can really relate to: the rookie mistake of a freshman legislator!

Freshman Republican Senators are required to preside over the Senate for three hours a week as pro-tem. It's considered dreary duty by many. But I love it. Strict rules, all based on decades, even centuries of precedent that date back to our founding. The parliamentarian is VERY strict and gives very strict advice. I was nervous. The first time I sat in the chair, gavel in hand, I had the chance to recognize Senator Lisa Murkowski. I said, "The senator from the great state of Alaska." Well, the Senate parliamentarian—who apparently hadn't even been to Alaska—didn't like that, and I got scolded.

So, Mr. Speaker and Mr. President. I know I can say it proudly, without reprimand, in THIS LEGISLATIVE CHAMBER: IT IS **GREAT** TO BE BACK IN THE **GREAT** STATE OF ALASKA!! It's great to be home.

II. Introduction of My U.S. Senate Team

I'd like to start by introducing some of the key members of my team, a few of whom are joining me today. First and foremost, my most trusted confidant and partner, the love of my life, the incredible mother to our three teenage daughters: my wife Julie.

My chief of staff—Joe Balash—is back in D.C., working hard. Many of you know, and miss Joe, "the wrestler from North Pole." This is where he learned to wrestle in politics. This is where he helped you create a better state. He's still doing that work and doing it well with me in D.C.

Amanda Coyne—my senior advisor and speechwriter is here. Some of you may have heard of her. She used to write a little blog, that no one in this town read! And if you don't like my remarks today, well

Mike Anderson—my press secretary and counselor is here. Mike's an Anchorage kid who played basketball at UAF. He's also leading the Sullivan Senate office hoops team and will be a formidable force in that regard.

Connie McKenzie is with me today as well. The Congressional Delegation is honored to have her working for us here in Juneau.

Importantly, Kathlene Rowell—my state director—is also here. She's working in Anchorage with my Deputy Chief of Staff Mike Fleagle. They are two of the smartest, hardest working members of my team, and are directing my state operations.

We have six offices across Alaska and are putting together a great team.

III. D.C. Update

I've been in office for a little over three months now—I'm still in the basement—the bunker, as we call it there. But already, I've been honored to see so many Alaskans who travel the thousands of miles to come to D.C. I am also so appreciative to look out at this important group of public servants and thank so many of

you—including Governor Walker and First Lady Donna—who honored me and Julie and our family by traveling all the way to DC for my swearing in ceremony. What a turnout!! Over 200 Alaskans! It was by far the biggest turnout, biggest party, best salmon, and best beer—Alaskan Brewing Company—of ANY Senator who was sworn in last January. The fire marshal even tried to shut us down. Thanks for making that such a special occasion.

To every one of you too: My door is always open. We want to see you. We want to hear your ideas. We want to help.

The first news that I'd like to report is that since Republicans took the majority in the U.S. Senate, we are getting back to work, back to "regular order."

Let me give you one statistic: In January 2015, we took 43 roll call votes on amendments on the floor of the U.S. Senate. That was almost three times as many as the previous Senate majority leader Harry Reid allowed in all of 2014, when the U.S. Senate voted on a total of 14 amendments in the ENTIRE YEAR.

As for me, personally, my first goal has been accomplished: to fight for committee assignments that would be best for the state, best for our citizens. These are:

- Commerce, Science and Transportation
- Environment and Public Works
- Armed Services
- Veterans Affairs

These were my top four choices. These committees allow me to work on some of Alaska's most critical issues: fisheries, regulatory reform, transportation infrastructure, aviation, public lands issues, veterans issues and national security. They also complement the committees on which Senator Murkowski sits. So we are set up very well in terms of committee assignments.

IV. A Snapshot of Committee Work and Accomplishments

Let me give you a quick snapshot of some of the committee work that we have been focused on. On the Environment and Public Works Committee and the Commerce Committee—we are beginning work on two transportation bills that will be *critical* to the state of Alaska: the Highway Bill and the FAA reauthorization. Basic infrastructure throughout the state, helping to bring low-cost energy to the state—particularly rural Alaska—will all help to grow our state to its true potential.

We are also working with communities on many common sense reforms that are important to Alaska. For our fishing community, a permanent exemption from one of the EPA's more ridiculous regulations—the discharge permits required of fishing vessels when they hose off their decks!

And for our hunting and sportsmen community, we're finally moving forward on a long-stalled bipartisan sportsman bill that would protect and enhance opportunities for hunting, fishing, and recreational shooting through increasing access to federal lands, supporting successful conservation programs, and reining in federal overreach. I am excited to be playing a leading role on these efforts for Alaska.

V. The Budget Process

Becoming thoroughly engaged in the committee process has given me a much deeper appreciation for all of the work that Alaska's Legislature does. Nowhere is this more apparent than on the budget process.

Just like all of you, for the past two months we have been hard at work on a budget. In fact, this week, the Senate will be voting on a budget for the United States government. I know what all of you are thinking. Big deal. We do this every year. Making tough choices on difficult budget issues in austere times, especially this year. You're right. But what IS different this year is that the Congress is in the trenches with you, making similar tough choices. This has not been the case in recent years. We are going to work hard to pass a budget this year.

In previous years, under Harry Reid, the Senate basically kicked the can and tough decisions down the road. The most basic function of government—putting together a budget—was ignored. The President's budget continues this trend of not being serious about the dire fiscal problems faced by our country. His \$4 trillion dollar budget raises taxes by almost \$2 trillion, doesn't even attempt to balance the budget, and explodes our national debt to almost \$26 trillion in a decade. We simply can't continue to pass this kind of irresponsible debt and limited future onto our children.

In contrast, the budget proposed by the Republican Congress balances the budget within 10 years and focuses on the most important ingredient that has been lacking over the past several years—truly growing our economy. Getting back to traditional levels of American GDP growth is the best way to tackle our national fiscal challenges. We can and we must do better.

So, these budget votes in the U.S. Congress this coming week won't be easy votes. The press will focus on those hurt by budget cuts, just as they are doing in your budget deliberations. It will sound as if we who are trying to make responsible choices don't care about people. Nothing is farther from the truth. We will be focused on responsible government: and that means FINALLY getting serious about a national debt that could bankrupt our children and grandchildren and futures and growing our economy so we have the resources to take care of the most vulnerable among us.

VI. Veterans and Suicide

In terms of our work in the new Congress, I wanted to make sure that you were aware of an important bipartisan accomplishment that means a lot to Alaska.

As you know, we proudly boast the highest number of vets per capita of any state. And Alaska Natives have the highest record of military service of any ethnic groups—a "special kind of patriotism." But tragically, we also suffer one of the country's highest suicide rates.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 7

March 23, 2015

Working on the Veterans Affairs Committee, I was honored to have co-sponsored and helped push through the Clay Hunt Suicide Prevention Act. Named after a Marine sniper who tragically took his own life, this bill will help our servicemen and women who are struggling with depression and despair. Across the nation, 22 veterans every day are lost to suicide. Many are older veterans. We need to address this.

I have and will continue to tangle with the Obama Administration on a whole host of issues. But when I was invited by the White House to the Clay Hunt signing ceremony by the President, I proudly attended to represent all of you. This is also a personal matter for me. As an officer in the Marine Corps, I have personally witnessed the struggles—at times tragic—that some of our servicemen and women undergo. The suicide of an outstanding young Alaskan Marine under my command still haunts me. You always wonder . . . could I have done more? Now, we are going to do more. That's progress.

VII. Aligning Interests

So how do we have more successes like the Clay Hunt Suicide Prevention Act?

Many years ago, I asked a successful businessman, what was the key to his success? His answer was simple: Define a clear goal, and then align the interests of the key stakeholders to get there. Aligning interests. That was great advice. I've kept it in mind ever since, and in many ways see that as a key part of my job as your U.S. Senator. But where I really learned how to put this into practice, more than any place, was here, with all of you.

For example, just think about where we were five years ago in terms of Cook Inlet and Southcentral gas supplies: Cook Inlet was considered a "dead basin"; we were going to be importing gas from Canada; we were practicing "brown outs" in Anchorage. But we all worked together to prevent this: Leadership from many of you in the Legislature on the Cook Inlet Recovery Act; utilities; producers—new and old; the private sector; state agencies; regulators. We all worked together toward a common goal—more

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

March 23, 2015

No. 7

Alaskan gas and jobs for Alaskans. Now, we're no longer talking about brown outs, or importing gas from Canada, but about shipping abundant Cook Inlet gas to Fairbanks to help them with their very high energy costs. The Kenai LNG plant is open again. Places like Nikiski are booming with small business start-ups and jobs.

We all did this, in a short amount of time by aligning interests. That's also what this Legislature has been doing over the past few years on Alaska LNG. It is not always easy. And there are many people who have been working on the gas line for years. But in my view one of the reasons we have struggled over four decades to commercialize our natural gas has been the inability to align the interests of the different stakeholders: Alaskans, market demand, producers, buyers, Asian governments, and state and federal agencies. I think we have made historic progress on this critical project for Alaska's future.

The most important thing we can do to continue this progress on the gas line is to work together—all of us—on continuing to align these interests. I commit to you to do everything in my power from Washington D.C. with regard to the federal government to expedite the legal and regulatory framework for AK LNG. For example, I had a very productive meeting with Secretary of Energy Moniz recently on expediting the export license needed for this project and I was assured that we should see positive approval soon.

The other way to help us align our interests in D.C. is by reaching out to the other side of the aisle as much as possible to work on issues of common interest and to educate them about Alaska. That is something that I'm doing on a regular basis. In fact, just the other night, Senator Murkowski, Representative Don Young and I made a little news by having a potlatch at Senator Murkowski's home with the entire Hawaiian delegation, all Democrats. We're going to rebuild that relationship with Hawaii that's been so important to the state. Good ideas are not the purview of one side. And I'm ready to work with senators of all political parties—

Republicans, Democrats, Independents, and Socialists—yes, we have one in the U.S. Senate—to get things done for Alaska and for America.

VIII. Biggest Challenge in DC Right Now

But sometimes aligning interests is not possible. In fact that is the biggest challenge I see in terms of getting important things accomplished right now. On some of the most critical issues facing our state and country, the Administration of Barack Obama does not have OUR interests at heart.

This is becoming increasingly clear.

- 1) We want more access to our federal lands for opportunity—they want to give us less.
- 2) We want to jump start and expedite large scale economic projects that create good jobs for the middle class—they want to delay them.
- 3) We want less federal regulatory burdens on our small businesses—they want more.
- 4) We want a strong, secure Arctic, teeming with opportunity for our citizens and protected by a strong military presence in Alaska—they are looking at removing thousands of our Arctic tough soldiers.

Let me provide a bit more context on each of these. On access to federal land, you know the story all too well. From ANWR, through the Interior, and down to Southeast, the President is intent on locking up Alaska and our future. Additionally, one of the Obama Administration's weapons of choice to kill projects they don't like is delay. Alaska has been ground zero for such delays: bridges, roads, mines that take years simply to permit—not to build; oil wells that cannot be drilled; a state-of-the-art clean coal plant that sits idle—for over a decade—despite the dire need for lower cost energy throughout Interior Alaska.

Outside of Alaska, the Obama Administration has been studying the Keystone Pipeline for SIX YEARS, a project that would put tens of thousands of trade union members to work. Enough! We're

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

March 23, 2015

No. 7

Americans. We know what we're capable of. We built the Empire State Building in 410 Days. We built the Pentagon in 16 months.

Closer to home: We built the 1,700 mile ALCAN highway—through some of the world's most rugged terrain—in less than a year. We are red-taping and delaying ourselves out of an economy! Even the Obama Administration's own Small Business Administration admits that regulatory costs are reaching nearly \$2 trillion a year. That's roughly \$15,000 dollars per year, per American family, more than some make in a year. And once again, Alaska is ground zero.

Let me give you an example: The EPA is trying to redefine the "waters of the United States" under the Clean Water Act through a rule that greatly expands its jurisdiction in Alaska. This new expansion would mean that the federal government will have even MORE control of Alaska's lands. And yet, where we actually want more support from the federal government, we might be getting less.

Former Secretary of State Henry Kissinger had the following to say at a recent Senate Armed Services Committee hearing: "The United States has not faced a more diverse and complex array of crises since the end of the Second World War." Alaska is on the front lines of this complex set of crises, especially with regard to Russia's militarization of the Arctic.

Just a week ago, Russia began five-day Arctic war exercises that included 38,000 troops, more than 50 surface ships and submarines and 110 aircraft. Some are actually beginning to see actual Russian planes flying near Alaska's airspace as Russian bomber flights are returning to Cold War levels. That's in addition to them building thirteen new airfields in the Arctic, adding four new combat brigades in the Arctic, as well as a new Arctic command and several new ice breakers to their robust fleet. Meantime, the Secretary of the Army is contemplating removing thousands of soldiers from America's only Arctic location—our state. Vladimir Putin is certainly smiling in Moscow. Let me be clear. I'm not suggesting that we maintain our

troop presence so that we can use it. On the contrary, you put military forces in forward places like Alaska so you don't *have* to use them.

IX. What to do?

So, where does this all leave us? What do we do when our interests and those of the Obama Administration don't align? **FIRST**, we need to engage in the debate and win the argument. This isn't always easy with a national media that still favors the President and his policies. But we've been working hard to convince Americans that we have good ideas that can translate to real progress for them. We've been doing this in hearings and op-eds and speeches.

For example, in a recent hearing, I pressed Transportation Secretary Anthony Foxx if it makes sense that it takes 8 years to permit a bridge. Is that good for America? At almost every Armed Services hearing I'm pressing Department of Defense brass and other members of the Obama Administration to talk about the importance of energy in our national security, Alaska's role in helping to provide that energy security. Today, I have an op-ed in the Wall Street Journal on this topic.

And, of course, there's the EPA—whose leadership is now finally getting asked tough questions about its unconstitutional policies and how they are opposed by most Americans.

SECOND, with good arguments, we need to increase the number of allies on our side who support good legislation or to stop bad policies. This is also starting to happen.

Let's take Keystone. We were only three Senate seats short from overriding the President's veto on this important energy infrastructure project. Similarly, we're now close to getting 67 veto-proof bipartisan votes to thwart the President's goal of bypassing Congress on his nuclear deal with Iran.

And it's not just Republicans, just last week, before Congress, Harvard Law Professor, President Obama's former law-school mentor, and noted "liberal icon" Laurence Tribe argued that the

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

March 23, 2015

No. 7

Obama Administration has gone too far in EPA's new carbon rules. He called it a "power grab." Professor Tribe testified recently in front of Congress to oppose those rules. He said, "the EPA is attempting an unconstitutional trifecta: usurping the prerogatives of the States, Congress and the Federal Courts all at once. Burning the Constitution should not become part of our national energy policy." Bottom line: We can win these arguments!

THIRD: We need to continue to defend the Constitution and the rule of law. As Professor Tribe's testimony points out, so many of the Obama Administration policies simply ignore the Constitution. Americans of all political persuasions know how harmful this is to our country. The rule of law, carefully built up and nurtured for centuries in America, is a fundamental pillar of our great nation. Most countries don't have it. We do. It's a gift. But I have hope. Because there is a growing number of members of Congress who see the Constitution not as a mere suggestion, but as THE foundation for the structure of our government and our protection of our individual liberties.

FINALLY, we must continue to work together—all of us—to create alignment on critical issues to Alaska. I know that you all are doing your part here: You're passing resolutions against the Obama Administration's ANWR policies. That's important. Keep it up. It's getting noticed.

It was also so heartening to see the hundreds of Alaskans who showed up in Anchorage and in Fairbanks last month to support our soldiers during the Army listening session on possible troop reductions. It's making a difference.

Let's do the same on the EPA's overreach. In April, I'll be chairing field hearings across the state on the EPA's proposed waters of the U.S. rule and Alaskan voices from all over will be heard. We need to be heard on reversing this bad policy as well.

HOUSE AND SENATE JOINT JOURNAL SUPPLEMENT

No. 7

March 23, 2015

X: Conclusion

Let me close by saying first, that I miss Alaska like crazy. I even miss testifying in front of you here in committees Actually, I don't.

Secondly, as a legislator myself now—who gets to ask questions of those who come before the committees I sit on—I've gained an increasing respect for what you all do here. I believe that the structure of the Constitution puts the states in the lead on so many issues.

As a former Alaska Attorney General, I understand, believe in and am thoroughly committed to the 10th Amendment of the Constitution. Former Supreme Justice Louis Brandeis put it so well when he called the states the "laboratories of democracy."

It may not seem like it sometimes, but we in D.C. follow you. You're teaching all of us what it means to guard and protect Democracy. We take our lead for you.

Thank you for listening to me today. Thanks for all you do.

Please report corrections to the Chief Clerk's office.