

**HOUSE AND SENATE  
JOINT JOURNAL SUPPLEMENT**

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**February 22, 2017**

**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**

**Thirtieth Alaska State Legislature**

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**February 22, 2017**

**Juneau, Alaska**



**The following was submitted for publication:**

Mr. Speaker, Mr. President, fellow legislators and fellow Alaskans, thank you for that warm welcome. It is wonderful to be back home, and here with all of you, as we renew our annual conversation about the future of our state.

As I look across the chamber I see many new faces, some familiar faces in new places, and the faces of experience—individuals who have led this Legislature for a good long time.

To those who are new, you have my congratulations. To those who continue to serve, you have my gratitude. And no matter how long you have been here, or which caucus you are in, you have my respect and my best wishes for success.

Last year, joining me in the gallery was John Sturgeon, a regular Alaskan who became legendary as he battled federal overreach all the way to the Supreme Court. This year, I hoped to bring a new friend—a fellow westerner, a devoted public servant, and our nation's next Secretary of the Interior, Ryan Zinke.

Representative Zinke wanted to be here. He had flights held and his schedule all mapped out. He wanted to set the right tone, and Alaska was going to be part of his first trip as Secretary. His first meeting was going to be with the Alaska Federation of Natives. He was going to spend time with all of you, with the Governor, and with Interior Department personnel in our state.

I'm obviously disappointed that he isn't here. I'm disappointed that delays on the Senate floor have prevented his confirmation. Not every nominee deserves swift approval, but Representative Zinke is one who does. He will have bipartisan support, when the time comes—hopefully next Tuesday.

The reason I'm so eager to start working with Cabinet officials like Representative Zinke—when he is officially confirmed as Secretary Zinke—is that our challenges are enormous, they are real, and they are pressing. Alaska is in a recession. We have the highest unemployment rate in the country. And we face a multi-billion dollar budget deficit that has left this Legislature with nothing but difficult choices.

Today we see that reality reflected in the attitudes of many Alaskans, who love our state but have deep concern about the future. There is an undercurrent of anxiety running through much of Alaska right now. And it will take all of us working together to resolve it.

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That is why my focus—at the start of a new term, a new Congress, and a new administration—is on doing everything I can to empower Alaskans. To reduce the federal government's influence and control over our lives. To help create new economic opportunities. And in accomplishing that, to fulfill the promise of our statehood.

Our first task is to restore access to our lands and waters. I don't need to tick through the long list of restrictions, delays, and denials that we have endured. King Cove is the first that comes to mind—and Gary, I know you and Amber are here in the gallery today. It's also what we have faced on the North Slope, here in Southeast—and really, all across our state.

On lands issues, in particular, we have suffered from a federal mentality of "protecting Alaska from Alaskans" rather than "helping Alaskans build Alaska." That isn't how it was supposed to be, and it isn't how we should allow it to be. So, going forward, here is my plan.

We will start by working to restore throughput to our Trans-Alaska Pipeline System, which now appears possible. Not every step will be big; some will seem quite small. But we can now work with our federal partners to put projects like GMT-2 back on track.

We can ensure that additional development on state lands, Conoco's Willow project, and Caelus' potential discovery in Smith Bay all proceed in a timely manner. We can restore access to our Arctic waters and lease them for future production. And we can, and will, bring the 1002 Area of ANWR back into the conversation and seek to finally allow production there.

At the same time, we will work to realize Alaska's world-class mineral potential, whether we are talking about a gold mine in Southwest, a graphite deposit near Nome, or rare earths here in Southeast. At the federal level, we need to modernize our policies and reform the permitting process so that Alaska can produce more. We will not trade salmon for minerals or harm subsistence lifestyles—but we will insist that our Canadian neighbors, upstream and across the border, match our environmental standards at their own mines.

We can also help our ailing timber industry. I have already spoken with Governor Perdue, who will soon be our Secretary of Agriculture, about this. I am not against a transition to young-growth timber in the Tongass. But it must be proven to work on the ground, not just on paper, before it is locked in. We need a real inventory. And we must increase harvest levels, starting now. The Mental Health Trust land exchange will provide some bridge timber, but I know it is not enough to keep our mills going.

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While we work on forestry reforms, I will do my best to maintain the Secure Rural Schools program. Our Southeast communities, especially, rely on its funding to maintain roads and to keep schools running.

Managing our forests for multiple use means our federal agencies have a responsibility to do better by our recreation and tourism industries, as well. Streamlining the permitting process and increasing access to our scenic areas would go a long way toward recognizing the opportunity and value these businesses generate—whether it's an air taxi service showcasing Misty Fiords or a hunting guide outfitter on the Kenai Peninsula.

As we access more of our resources, we can also partner with the federal government to tackle another major challenge in Alaska—rural energy costs. This is a crisis in remote parts of our state, where a gallon of diesel still costs \$5 or \$7 or more and is factored into the price of every good and service. That devours family budgets. It limits opportunity. And it forces too many to move away from their communities.

No one was more disappointed when my bipartisan energy bill stalled at the one-yard line late last year. But I'm going to bring back major pieces, if not all of it, because it will help empower rural Alaskans. And I have already spoken to Governor Perry, who will soon be our Secretary of Energy, about a real mission for the Department of Energy in Alaska.

DOE needs to enter into meaningful partnerships with the institutions of our state. We can work together to bring down the cost of new technologies and find innovative mechanisms to deploy them. As that unfolds, Alaska can become the Department's proving ground—its first choice for new projects that help reduce rural energy bills.

So, Cathy and John, I hear you—we have to produce more oil and gas from federal areas. Bert, I hear you—we have to increase the timber harvest here in Southeast. And Lyman, I hear you—we are going to address the crisis of rural energy costs. But that's not all we can do to help empower Alaskans.

The Senate will spend a lot of time on health care over the next year, and it is another area where Alaskans must take greater control of our future. The Affordable Care Act has failed to deliver affordable care. Too many Alaskans face crushing premium hikes. All but one insurer has withdrawn from our marketplace. And things are getting worse, not better.

The Affordable Care Act has failed, in so many ways, but some elements within it deserve to be saved. For example, we should continue to prohibit

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insurers from discriminating against pre-existing conditions. We should retain mental health parity. And we should allow those under 26 to remain on their parents' health insurance.

As we engage in the debate over repeal and replace of the Affordable Care Act, the other elephant in the room is Medicaid expansion. Some 27,000 Alaskans now have coverage. While I have concerns about the expansion's long-term costs, it has strengthened our Native health system and reduced the number of uninsured coming into our emergency rooms. As long as this Legislature wants to keep the expansion, Alaska should have the option—so I will not vote to repeal it.

I, for one, do not believe that Planned Parenthood has any place in our deliberations on the Affordable Care Act. Taxpayer dollars should never be used to pay for abortions, but I will not vote to deny Alaskans access to the health services that Planned Parenthood provides.

You know me—you know that I will not support a reckless repeal process that leaves people hanging. I will insist on a replacement that expands access, improves affordability, and provides the flexibility Alaska needs to develop our solutions. What I want are stability, certainty, and health care policies that work for all Alaskans.

That is what we did last year with education, when we returned control over the decisions that affect schools, educators, parents, and students back to Alaskans. For the first time ever, the Every Student Succeeds Act included state legislators among a list of stakeholders that state education agencies have to consult with when implementing the Elementary and Secondary Education Act. That gives you the opportunity to be involved, and the opportunity to bring the people you represent to the table, to help meet the educational needs of Alaska's youth.

I am also proud to say that for the first time, we required state agencies and local school districts to consult tribal representatives when crafting their plans. It is high time—past time—for the federal government to recognize tribal self-determination in the area of education.

Every Alaskan needs to be involved in planning how we prepare our young people for the future. And if we are going to dig out of our fiscal challenges, we need the next generation to be well-educated, well-trained, and highly motivated to help.

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Another area where we can lead, and empower Alaskans, is through the development of a comprehensive strategy for the Arctic. The United States' tenure as Chair of the Arctic Council is almost over, but in many ways, we have accomplished less than I hoped. We still lack a blueprint that recognizes both our needs and our opportunities—a good plan for the development of telecom infrastructure, deepwater ports, icebreakers, response capabilities, and more.

While this Legislature developed an Arctic policy, most discussions at the federal level were dominated by climate change—a real issue, but hardly the only one. And even more concerning, the focus was often on how to stop economic development, rather than finding the right way for it to responsibly proceed.

The status of our Arctic strategy is a good reminder that if we want something done right, let's do it ourselves. I am looking to the work you have done and will be proposing a plan to the Trump administration that emphasizes partnership over partisanship, progress over process, and meaningful consultation over convenient conversations.

Our geographic location at the top of the world has also positioned Alaska to remain the best place for our military to call home. Our successes in this area are real, and will resonate through our security and our economy long into the future.

JBER is going strong, including the 4th Airborne Brigade Combat Team, which was threatened with downsizing just a few years ago. Eielson will boom with the addition of 54 F-35s. Fort Wainwright just hosted a worldwide symposium on operating in the high altitude cold and is becoming a center of excellence in this field. The radars at Clear and Shemya are on 24-hour watch for North Korean missile activity. The interceptors at Fort Greely are ready to shoot down an incoming missile. Construction of the new Long Range Discrimination Radar at Clear is moving forward. And the Kodiak spaceport will undertake a new mission for the Missile Defense Agency, testing the THAAD interceptor.

There are many additional areas where we can work to empower Alaskans—our rural residents, our youth, our fishermen, our farmers, and our small business owners, among others—but the full list of work that my team and I are engaged in is simply too long to run through today.

What I want to leave you with is that in many ways, it appears the conditions we face are improving at the federal level. The next several years hold much

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economic promise for Alaska. Comprehensive tax reform and a broad infrastructure package are just the start of what lies ahead. And we have new partners, some confirmed and some not quite there, ready to work with us to achieve our goals.

There will still be plenty of storms to navigate. Not everything we accomplish will feel like a big victory, but we must remember that every degree we turn the wheel, turns the ship. And for the first time in a long time, Alaskans, not just outside interests, will be given a chance to take that wheel.

I cannot wait to work with all of you—and Senator Sullivan, Congressman Young, and Governor Walker—to make the most of the opportunities that lie ahead.

**Please report corrections to the Chief Clerk's office.**