

**SENATE AND HOUSE  
JOINT JOURNAL SUPPLEMENT**

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**February 22, 2018**

**Thursday**

**No. 16**

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**Address by**

**The Honorable Lisa Murkowski**

**United States Senator**

**Before a Joint Session**

**of the**

**Second Session of the**

**Thirtieth Alaska State Legislature**

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**February 22, 2018**

**Juneau, Alaska**



**The following was submitted for publication:**

Speaker Edgmon, President Kelly, to all of our State Senators and State Representatives, and to all who are with us this morning: thank you for inviting me. It is always good to be back in these chambers, to be among friends, and to discuss what is happening both here at home and in Washington, D.C.

Let me start by thanking you for your service – for the long hours you spend, seeking the best ideas to help our state – by giving my strongest encouragement to work together, across the aisle and across the chambers, whenever and wherever and with whomever you can.

My friend Al Adams always did. Thank you for honoring him and may his legacy inspire all of us to be better for Alaskans. I also want to acknowledge Joe Hayes, my friend and former Speaker who passed away last week.

I also want to thank your families. For we all know it is their love and encouragement that keeps each of us going when the hearings run late, the rhetoric is heated, and the sessions seem to go on forever. Let's thank them for their support.

My family is doing well:

- Nic is 26, which means he is no longer on our health insurance, and he's also finishing up grad school, which means our 529 college fund is depleted.
- Matt is running the family small business in Anchorage and is anxious to see how the new depreciation schedules and Section 179 expensing – under the new tax law – work out for him.
- Verne won't like me saying this, but it's true: he's now applied for Medicare.

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- As for me, I also passed a milestone birthday, making me eligible for my OFL – thank you, State of Alaska – and celebrated 30 years with Verne.
- We also opened ANWR.

It was a good year.

So here we are in February – after a dark and gloomy time of year awaiting for spring, and often our pessimism about the weather influences our outlook on our work which can also look dismal, with high unemployment and budget shortfalls. So I'd like to focus on the good this morning and why we have reason for optimism about Alaska's economy:

- New investment in our military in the Interior at Clear, Eielson, and Greeley;
- Near-term opportunities to begin to refill TAPS on the North Slope;
- Exciting progress in mining, whether expansion at Fort Knox or at Bokan Mountain, Graphite One, and Donlin;
- Strong growth in tourism and our visitor industry;
- Multi-year funding for highways from the FAST Act; and,
- The growing benefits of tax reform for individual Alaskans and our business community.

Through all of those, we see glimmers of spring all around us. There's more to look forward to. Consider, as well:

- Our passage of the Alaska Mental Health Trust land exchange, providing timber for industry and revenue for mental health services;
- Continued progress on the AKLNG project;

- New broadband development;
- The deployment of new Coast Guard cutters;
- Leading the way with innovation of renewable energy microgrids;
- A two-year budget deal to fund both our military and critical programs; and
- The ever-growing attention to the Arctic including icebreakers.

With all of those, and more, we can imagine a pretty good summer ahead.

Best of all, our biggest victories over the past year came from perhaps the hardest place: our long-standing fight to gain reasonable access to Alaska's lands.

We see the administration's commitment to help Alaska through its efforts to re-open much of our National Petroleum Reserve, after nearly half of it was closed off. And we see it through the new OCS Five-Year Plan, which should re-open our northern Arctic waters to responsible development.

And we had a pretty big victory at the very end of last year, through the tax reform bill that just so happened to include a second title, which I authored, to open the 1002 Area of ANWR to responsible energy development.

That was an effort 37 years in the making – a torch carried by Ted Stevens, by my father and Congressman Don Young, by multiple Governors, and by countless state legislators – some here in this room, many who are no longer here with us. It was the ultimate team effort. We never gave up. We kept the faith. And we finally succeeded. Access to the 1002 Area is now law.

We had another victory in our fight for reasonable access to our lands – the land exchange between the Department of the Interior and the good people of King Cove. That one is personal for many of us,

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and we can't wait to turn the first shovels of dirt. I am so pleased to stand here today and tell you that we are closer than ever to a life-saving road – and I commend you for working with the Governor to fund it.

As Alaskans, we can feel that things are starting to turn around for us. But even as we plan ahead for summer – we have to wade through the slush of early spring that we are in now.

We have to recognize that while our gains are substantial, and in many ways historic, they are still fragile. They are not guaranteed or permanent at this point.

As jubilant as I am about ANWR and King Cove, and so many other successes over the past year – I also feel obligated to express a note of caution. To a certain extent, we have reached the “end of the beginning” – we have taken some of the hardest steps – but we cannot take for granted what comes next. I urge you to consider carefully how your actions and policies attract investment and foster stability in the face of the constant efforts from outside to undermine our progress.

We already face lawsuits over King Cove and the Arctic offshore. We will likely see lawsuits and other roadblocks for the 1002 Area. And all have to be taken seriously. So I ask, this morning, that you consider how we can partner together to ensure Alaskans realize these benefits.

As much as ever before, we need to speak with one voice at the national level. We need to engage the administration, we need to participate in the regulatory process, and we need to work harder than ever so that our views – Alaskans' views – prevail.

In many ways, state-led advocacy is more important than ever.

The steps we have taken to restore reasonable access to our lands and waters is one of the great stories from the past year. As we see them through, those efforts will protect lives, create jobs, refill TAPS, diversify our economy, and help ease our budget deficits as the years go on. Yet, there are still other resource issues that we face as Alaskans.

One is right here in the Tongass, our largest national forest, where reasonable access has a direct impact on economic stability. Over the next two days, I will be hosting the Chief of the Forest Service, Tony Tooke, in Ketchikan and on Prince of Wales so that he can see firsthand how federal restrictions, including the Roadless Rule, are holding back timber, mining, and renewable energy development. I believe there is both room and need for all of those alongside tourism and fisheries in a sustainable Southeast economy, and that is why I am pushing hard to restore balanced management.

Another is the challenge of high energy costs throughout our state, particularly in rural areas. The Department of Energy has awarded a large grant for microgrid technology to Cordova, which can serve as a model across our state. My legislation to provide federal financing for small projects is now back on the Senate calendar – and later this year, I will host the Secretary of Energy, Rick Perry, in our state, to show him how Alaska is the perfect proving ground for new, clean, reliable, and lower-cost technologies.

As I travel the state, healthcare cost and access remains a priority. Here, too, we have made some progress. And here, too, we continue to have our work cut out for us.

- We deferred the three percent tax on health insurance plans that would have further driven up premiums in our state by more than \$600 a year for the typical Small Group Family Plans.
- We deferred the Cadillac Tax that would affect more than 60 percent of the plans in Alaska, including those offered by the state, municipalities, and school districts – putting further pressure on your operating budget.
- We repealed the individual mandate that was punishing thousands of Alaskans for failing to buy insurance they couldn't afford.
- We extended the Children's Health Insurance Program for 10 years, a full decade, providing certainty for critical programs like Denali KidCare.

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- We passed two-year funding for Community Health Centers to keep these resources operating in our communities. And,
- We moved past the threats to Medicaid and Medicaid Expansion, which have delivered coverage to more than 42,000 additional Alaskans.

But I know that you are grappling with the reality of \$92 million in additional Medicaid costs. The real challenge facing all of us – legislators, mayors, businessmen, or nonprofits, is the relentless growth in healthcare costs.

Instead of fighting over coverage, we must address the cost of care, recognizing that there is no simple fix and that it will take a combination of policies at the local, state, and federal level.

I have said that we need to come together to find Alaskan solutions for Alaskans. Policies that will leverage creative partnerships between providers and payers, streamline regulatory burdens, invest in telemedicine, pioneer new delivery models, create transparency for costs, coordinate care and get the cost of prescription drugs under control.

And we must, must confront the substance abuse epidemic that is literally killing fellow Alaskans, communities, and our budgets. Every day we see the impact that addiction is having on our society. In just about every meeting I have, whether on the Kenai or back in Washington, we inevitably seem to end up talking about addiction. We have now directed additional federal resources to combat opioid abuse, and will be sending at least \$6 billion more for enhanced state grants, public prevention programs, and law enforcement activities related to substance abuse and mental health programs over the next two years.

But this isn't just a matter of funding – it is a challenge that requires each of us as leaders to stand with families and help dispel the stigma associated with the disease of addiction. To acknowledge that addiction impacts all of us and that it is our friends and neighbors who are struggling, and that we all must be there to support them.

I cannot end my remarks without briefly addressing the sadness, sorrow and anger around the country after yet another mass shooting in our schools. I was here in this chamber almost 19 years ago when I learned of the assault on the students at Columbine. I can still feel the horror I felt and the helplessness as a mother wondering whether my children were safe at their school. Since Columbine, we have seen a growing trend in mass shootings and a greater violence in our country that is difficult to explain or understand.

Just as with the issue of addiction, there is no simple fix for these acts of violence. We do know though, that we are failing so many with mental illness – how we answer their cries for help before they do harm must be part of the solution. We cannot have continued Congressional impasse – where tragedy happens, we express our condolences, we lock in our political stances, and then nothing is done until the next tragedy hits and we are outraged yet again. We cannot become numb to the violence. If the senseless death of children cannot bring us together to find solutions, I don't know what can. Know that as Alaskans, as Americans, we must come together to confront the violence in our society.

I'm ready to work with all of you to deal with the challenges we face today – and to nurture the opportunities we are creating for tomorrow.

With us in the gallery today are key members of my staff who work every day on these issues:

- Connie McKenzie, my Juneau District Representative and a good point of contact to connect with my local office.
- Leila Kimbrell, from Soldotna, my State Director.
- Michael Pawlowski, from Anchorage, my Chief of Staff.
- Garrett Boyle, from Seward and Ouzinke, my Legislative Director and lead on healthcare policy.
- Brian Hughes, from Anchorage, my Staff Director on the Energy and Natural Resources Committee. And,

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- Annie Hoefler, also from Anchorage, and a rising star on my Energy and Natural Resources Committee staff.

We are here to work with you and all of your staff. No matter the issue, if we can help, all you need to do is call or write.

Our challenges are real and daunting. But we shouldn't hide from them; we should work together to overcome them. We should also recognize that our opportunities are immense, and we must work together to protect and advance them.

This is Alaska. We are blessed to be citizens of the greatest state in our great nation. And we are blessed to be here, as we approach the long, prosperous summer ahead.

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