

**SENATE AND HOUSE
JOINT JOURNAL SUPPLEMENT**

February 22, 2022

Tuesday

No. 11

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Address by

The Honorable Lisa Murkowski

United States Senator

Before a Joint Session

of the

Second Session of the

Thirty-Second Alaska State Legislature

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February 22, 2022

Juneau, Alaska

The following was submitted for publication:

President Micciche, Speaker Stutes, members of the House and Senate:

Thank you for welcoming me back to the Capitol, and for the important work you are taking on for Alaska in the 32nd Legislature.

Truly so much has happened since I last had the privilege of this podium. In the lowest moments, we've faced the darkness of January 6. Another impeachment. The chaotic, deadly withdrawal of U.S. forces and refugees from a collapsing Afghanistan in a destabilizing world. In the highest, we've celebrated incredible achievements by young Alaskans - Emma Broyles being crowned Miss America, and Olympians like Lydia Jacoby representing us with grace and distinction on the world stage.

Of course, nothing has impacted our lives more than the pandemic. We've lost friends and loved ones, and we're grateful to those who have kept the toll from being far higher. I cannot find strong enough words to thank Dr. Anne Zink, Commissioner Crum, their teams, and all of the doctors, nurses, health aides, support staff, janitors - everyone who has provided care while saving our healthcare system from collapse. I'm also grateful to our essential workers - the Alaskans who have kept grocery stores, gas stations, schools, and so many other necessary places open.

Senator Sullivan, Congressman Young, and I have done everything we can to help Alaska weather this storm. That includes several major relief bills that have provided unprecedented federal support and some of the most important casework my team has ever taken on.

None of it has been perfect - government never is, especially in a crisis - but the assistance we brought home has made a difference, including for the state budget.

These past two years have been hard. But as I stand here today, I'm optimistic. I believe Alaska is well-positioned for a new era of opportunity, growth, and prosperity, thanks in part to the actions

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we've taken in Congress. At the end of 2020, I helped negotiate the 908 Agreement, which formed the last bipartisan COVID package. Things hadn't been going well. There was a need for more relief, but the leaderships from both sides weren't talking. A small group of us gathered at my house for dinner one night, and reminded ourselves that good things come from bipartisanship – from a responsible, common sense, side-by-side approach to legislating.

That conversation helped break the logjam on COVID relief and propelled us into 2021, when we came together again to write the largest infrastructure bill in our nation's history. Our bipartisan infrastructure bill is now law. And over the next five years, it will bring sustained benefits to both rural and urban communities across Alaska. More and better roads. Repairs to our 140 structurally deficient bridges. New and improved ports, harbors, and airports. A revitalized marine highway system. It will bring broadband and clean water, which should be basics of life in the 21st century, to far more Alaskans, including remote villages. It will help us build out renewables and bring new technologies like microreactors to places beyond Eielson, which is the Air Force's very first deployment site.

As we gain those benefits, we will create jobs. We will restore and grow our economy. We will improve Alaskans' quality of life. And we'll leave a healthier, more resilient, better developed and still beautiful state for our children.

Our infrastructure bill only became law a few months ago, but it is already delivering real results. More than \$600 million has already been announced for our state, from the Port of Nome to the Denali Park Road, and there is a lot more to come.

I commend the Legislature for paying close attention to this new law. As I shared with those on the House Labor and Commerce Committee a couple weeks ago, we need your help to build Alaskans' capacity to apply for grants. And as you develop the budget, I urge you to keep matching requirements in mind.

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I'm hosting an infrastructure grants symposium in Anchorage on Monday, April 11. It will be open and free to any Alaskan who is interested in visiting with agency officials to see what they have available.

The infrastructure law is one of the most consequential measures I've worked on. I thank Senator Sullivan and Congressman Young for supporting it, and really commend Congressman Young for ignoring partisan pressure to oppose the bill and instead rounding up the votes in the House. But the delegation has accomplished much more for Alaska.

Here in Southeast, we know how hard the tourism-based economy has been hit. That's why it was so important that we secured a waiver from the Passenger Vessel Services Act last summer, allowing the first cruise ships to return to our ports since 2019. I've introduced legislation to make that waiver permanent, because the strength of our economy should never depend on decisions made in another country.

Canada has heard the message; its ports are open. We'll get another waiver if we need it. And we're now working to put an end to the CDC's unwarranted travel advisory for cruise ships. My message to those who are thinking about visiting is simple: the cruise industry is taking every precaution to ensure a safe trip, and Alaska is ready to host you for the trip of your lifetime.

As we focus on restoring the tourism industry, we also have opportunities to expand it. One is the Alaska Long Trail, an exciting project that would connect Seward to Fairbanks and create an iconic route in our state.

As we diversify Alaska's economy, we're also diversifying our food supply. Alaska still imports 95 percent of its food, and the pandemic and supply chain breakdowns are the latest reminders of why that must change. I applaud all who are tackling this challenge and making a difference. Entrepreneurs, food banks, farmers, and fishermen alike, from Barnacle Seafoods and Foraged and Found to Meyer's Farm and the Mat-Su Farm Co-Op. Through legislation I wrote and funded, the Microgrants for Food Security program has already enabled the

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Alaska Division of Agriculture to fund 366 projects in our state. With a Farm Bill on Congress' agenda for 2023, I'm now working on an "Arctic Ag" bill to do even more to make us food secure.

Another vital aspect of Alaska's future is with regard to our role in national defense. We've witnessed the largest troop buildup in Europe since World War II along Ukraine's borders, and an invasion has now begun. Russia is threatening not just Ukraine though, but the international order and the norms that have prevailed for decades.

As of this morning, Nord Stream 2, the pipeline from Russia going into Europe, has been halted. Sanctions are being imposed. That's absolutely necessary. But we are entering a new phase of this crisis. A full-scale invasion would lead to a catastrophic loss of life and have massive implications for the security of Baltic states, for NATO, for the positioning of American forces around the world, and even for the Arctic and us Alaska - given our location directly to Russia's east.

In the midst of that, and whether we are focused on Russia, China, North Korea, or other nations, we have to remember Alaska remains the "most strategic place in the world." And military commanders know this, they know that value, and we need to work with them to fulfill it.

When we complete the bed down of F-35s and KC-135s at Eielson, Alaska will be home to more fifth-generation aircraft than anywhere else in the world. This is a complete 180 from where we were in 2005, when Eielson was threatened with a BRAC closure.

We're also making good progress on icebreakers. We've now authorized six Polar Security Cutters, fully funded two, and will approve the purchase of long-lead time materials for a third in this budget cycle. Through the infrastructure bill, we are funding projects the Coast Guard has sought for decades, yet never been able to complete - including the Kodiak fuel pier, childcare facilities, and more housing.

We've directed each military service to release an Arctic strategy. And we established the Ted Stevens Center for Arctic Security Studies in Anchorage to further the Department of Defense's focus on security

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cooperation in the High North. These advances – along with the radar expansion at Clear, and the addition of new missiles for defense at Fort Greely – will bring new service members to our state, along with many opportunities for civilian and support jobs.

For veterans, the VA recently opened a new Community Based Outpatient Clinic in Soldotna last December. We'll soon have a clinic in Fairbanks, and an expanded facility in the Mat-Su Valley. The delegation has produced real results for Alaska as we support our military, but we continue to face challenges in key areas.

As excited as I am about Alaska's ability to host more F-35s and refueling tankers, along with over a thousand new military members and their families, I'm concerned that some of them will never make it if we don't address the housing shortage in the Fairbanks North Star Borough. We need to prioritize a swift resolution to the housing issue, just as we need to address the alarming rise in suicides among those who serve our country. I continue to elevate mental and behavioral health at every opportunity, and recently introduced a measure to prevent the Coast Guard from automatically discharging those who seek help.

When it comes to resource development - a core promise made to us at statehood - we have had a few notable wins in the midst of our uphill battles. I added a provision to the infrastructure bill to modernize the \$18 billion loan guarantee for the Alaska gas line, making the current project eligible for it. I opened the Department of Energy's loan guarantee program to states, so that Alaska can bundle good projects, like the Makushin geothermal project and Angoon's Thayer Creek hydro project, and secure the capital to construct them. The entirety of my American Mineral Security Act is now law, including its permitting reforms, along with funding to reduce our foreign mineral dependence.

The AMHT land exchange is now effectively complete, allowing the harvest of 201 million board feet of Tongass timber to move forward. GMT-2 is on track to add 30,000 barrels to TAPS each day. Hilcorp is

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investing and reviving production in Prudhoe Bay. And I truly believe the Willow project will be approved this year. You know how President Biden named his new cat Willow? Trust me, that name was in his head for a reason.

We've had some wins. And yet, the list of decisions that have gone against us seems longer by the day. I won't itemize it; we all know what is happening in the 1002 Area, the NPR-A, Ambler, the Tongass, and elsewhere. Laws are being ignored. Millions of acres are being taken off-limits, and even projects that were already permitted are being stalled out by the Biden administration.

No administration should look to OPEC+ instead of Alaska for supply. No administration should entertain a bad nuclear deal with Iran to help lower prices instead of looking to our own opportunities. And no administration should defend a Russian pipeline instead of refilling ours. Why are we rewarding the Russians and punishing Americans? That's what we face, right now. It's a failure on policy and the height of hypocrisy. But reality is on our side.

There is no question the resources we have in Alaska are needed by our country and the world. Just look at oil prices, how Russia has leveraged Europe over natural gas, and soaring global demand for minerals. If there was ever a time for realism to prevail on resource development, it is right now. Every day, I remind the Biden administration of the immense benefits of Alaska production - energy and minerals alike. And every day, I remind them that refusing to permit those activities will have harmful consequences.

I should add: greater production of Alaska's resources would be good news, not bad, for our efforts to address climate change. We don't flare our gas; we re-inject it. Our production is cleaner and results in fewer emissions than most other places. On climate policy, Congress has taken three major steps over the past 15 months. Between my Energy Act of 2020 and the infrastructure bill, we authorized and allocated more than \$70 billion to new technologies. And a global phase-down of the use of ultra-warming hydrofluorocarbons – where we have now committed to doing our part – will avoid up to half a degree of projected warming.

That brings me to public safety. Last summer, victim service providers around the state nearly shut down until we directed new resources to the Crime Victims Fund to keep their doors open. And yet, we know that's not enough. We live with an epidemic of domestic violence and sexual assault in our state. That's why I'm working with my colleagues to reauthorize the Violence Against Women Act, which has a filibuster-proof majority in support of it. It includes my provisions to address teen dating violence, named after Breanna Moore; expand victims' access to medical forensic exams; and improve access to care for all victims of violence.

I also worked hard on VAWA's tribal title, which includes a pilot program for a limited number of Tribes to exercise concurrent jurisdiction with the State over certain domestic violence-related crimes. It's a recognition that Tribes are valuable partners that can play a larger role in restoring public safety, while reducing the burden on the state. I developed VAWA's tribal title in my role as Vice Chairman of the Indian Affairs Committee - a position that ensures Alaska Native voices are heard and reflected in decisions being made across the federal level.

Next on my list is to remedy the 50-year injustice of the Landless communities here in Southeast. And given its 157 medevacs over the past eight years alone, I continue to fight for a life-saving road for King Cove.

One of the longstanding issues facing Alaska Native communities is the contaminated land conveyed to them by the federal government. It is well past time for federal agencies to take ownership and address the terrible consequences those lands are inflicting on human health. I commend Commissioner Brune and his team for taking this on, and will be there as your partner in the effort.

We must also protect our fisheries for generations to come. We expect another incredible return in Bristol Bay, so we'll need workers. We've secured funding for the Pacific Salmon Treaty and fisheries surveys. The recent fisheries disaster declarations bring welcome relief, as do the extra visas the administration is making available for seasonal workers. But we must understand why some of our most iconic species – like salmon and crab – are in decline.

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Last fall, the delegation held a roundtable to hear from fishermen and scientists about what is known, and what isn't. The delegation has since introduced legislation to establish a federal research task force to help us find a path forward.

On the topic of fisheries, I want to recognize Senator Gary Stevens and the committees here in the Legislature that have advanced resolutions calling for the Russian embargo on Alaskan seafood to end. You are right: the United States should halt all seafood imports from Russia until they lift their ban on ours. Senator Sullivan and I have legislation to impose a reciprocal embargo on Russian imports. We're pushing for it to move on a standalone basis and as part of any Russia sanctions package.

Another major priority when I return to Washington, DC will be to finalize the federal budget for the rest of Fiscal Year 2022. We need to reach a final agreement so that everything we've done for Alaska – including \$230 million that I secured in congressionally directed spending – can come to our state. That's the fancy new term for earmarks. These projects are listed on my website, and direct a very small portion of federal spending to make a real difference in the lives of Alaskans. A few examples are backup power for Metlakatla, the safe demolition and remediation of the Polaris Building in Fairbanks, and improvements for our earthquake early warning system.

The final issues I want to raise are prices, the cost of daily life, and workforce challenges. Alaskans are facing the highest inflation in 40 years. Everything costs more. Family budgets are stretched thin. And businesses big and small are struggling to find enough employees to keep their doors open. I know this is causing pain, but we will address it. We must oppose reckless spending. We need to reinvigorate domestic resource production, which would boost Alaska and help make energy and manufactured goods more affordable.

We also need to take a long look at the Federal Reserve, and the impacts that its policies have had. Everything is fragile right now. We know that, and our first responsibility as policymakers is make things better, not worse.

I recently stopped by Odie's, a restaurant in Soldotna, for a meeting with small business owners, where I heard about how the cost of a culvert has gone from \$150,000 to \$400,000. How projects have to be re-bid every 10 days to keep up with changing costs. How the restaurant had to reduce hours to keep their limited staff from burnout. One story that has stayed with me came from the owners of a local theater, which had been facing workforce shortages for months on end. Every day seemed hard and just when they seemed to catch a break, they were told their order of plastic drinking straws was on a three-month backlog. Straws are relatively minor, especially in light of empty shelves. But it's an experience too many have had; that just as things finally start to go right, once problems seem fixed, something new pops up in their place. What I didn't hear at Odie's was anyone with any interest in giving up - those small business owners are committed to their business, and helping their communities and fellow Alaskans. And that's an example for all of us.

I don't pretend to have all the answers for every problem that arises. No one does. But I do know a good way to find solutions. That's working together, side by side, so that we can actually get things done. Good governance. Responsible governance.

I'm optimistic because of all the good things the delegation has been able to deliver for Alaska, and because of the resolve and resiliency of the Alaskan people. The lesson I take is that we will overcome and accomplish great things by working together. Instead of deepening our divisions, we can find ties to bind them and heal.

So that's my hope, my governing prayer, for 2022: that we'll wake up every morning, channel Ted, and say "to hell with politics." That we'll seek common ground, find it, and in doing so, do right by the state we love and the people we serve.

Please report corrections to the Senate Secretary's office.