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United States Senator Mike Gravel
Address to Joint Session of
Alaska State Legislature

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Mr. President of the Senate, Mr. Speaker of the House,
Members of the Alaska State Legislature:

When I came before you one year ago, I spoke for one hour and ten minutes. In the U. S. Senate, some would call that not a speech, but a filibuster. At least this year I am here after lunch, and not before and let me assure you that today I will be considerably more brief.

Last year I spoke about the decade ahead and what it could mean to all Alaskans. Today I will speak only about the months ahead.

Last year, I spoke about goals, and the possibility of making Alaska a model society in this decade. I still consider that achievement a valid possibility. But today we are confronted with very different problems of the moment. Problems that must be dealt with today and quickly resolved.

The change in atmosphere is due to the Federal Government's failure to process the application for construction of the Alaska pipeline. That failure has caused considerable economic hardship to many Alaskans and makes any long-range planning for the state simply a matter of speculation.

I wish that I could come here today with an optimistic outlook. Unfortunately, that is not possible.

In addition to the delay in the Department of Interior, we face the prospect of continuing delays in a good many other Federal agencies.

We face a rather tangled situation in the courts, with the prospect of additional litigation if there should be any movement on the pipeline within the executive branch.

And we face the prospect of an assault on the pipeline in the Congress. The letters pouring into Congress are almost universally against construction of an Alaskan pipeline. All that mail, literally tons of it, is bound to have an impact.

It is possible that a permit could still be issued sometime later this year, but much will have to be done to bring about such an action.

First, and most important, is that the President will have to make it clear to all his executive agencies that he wants prompt action in processing the application. Only the President can give the effort the force it needs to come unwound from the jungle of red tape.

Second, public attitudes will have to be changed with respect to the pipeline. I am personally convinced that most of the opposition is based upon false assumptions. I do not want to diminish the concern that I, and I am sure all of you, feel about the safety and reliability of the pipeline system. None of us would knowingly want to rush headlong into a development of this kind without carefully weighing the consequences to the people and resources of Alaska. But I cannot help but feel that legitimate concerns in many cases have been subverted. Many are opposed to the pipeline, not because of problems related to the pipeline itself, but rather because of general overriding concern for the environment.

More information, more carefully presented to the public, can do much to bring a sense of balance to the issue.

I would like to respectfully suggest, therefore, that the State take the leadership in the attempt to get the story told through means of national television, magazines and newspapers. Everyone who has a stake in early development of the pipeline must be aware that political action favorable to the pipeline will be most difficult against the kind of popular opposition which we now face. I am not talking about propaganda -- I am talking about facts and I can assure you that if there is one thing this whole debate needs more of it is facts.

My third point on the pipeline involves the State's role.

All other considerations aside, the State of Alaska has more to gain or lose than any other public or private entity involved in the pipeline issue. Since the discovery of oil at Proudhoe Bay we have relied almost entirely for leadership on either the oil companies or the Federal Government. It does not good to look back and point out errors. We must look ahead. But I would say that based on past performance and what we know to be the situation today, the State of Alaska must take a more active role in the entire pipeline question. We cannot afford to be semi-passive observers hoping for the best. We must give some direction to both the permit process and the developments that will follow from the permit. We cannot handle this question on a business as usual basis.

In recent days we have had a demonstration of how haphazardly the Federal Government is handling the pipeline permit process.

After more than fourteen months of assurances by the Department of Defense that it was conducting its own permit review process, we find that nothing of the sort has been taking place.

Instead of developing stipulations and design criteria, the Corps of Engineers has been systematically excluded from participating in the Department of Interior's efforts.

In a report dated February 5 and released only a few days ago, the Corps of Engineers reasserts its right to stop the entire project. Nowhere in that report is evidence of the positive, painstaking effort necessary to provide construction guidelines.

For nearly two years the Department of Interior has led us to believe that it was consolidating pipeline research and evaluation efforts for all Federal agencies. Now that story has gone up in smoke. Agency warfare has erupted. And believe me, many Federal agencies will be involved unless the President brings this situation under control.

Under the circumstances, the State must take a more active role in looking out for its own best interests.

That is why I was so pleased to see that Speaker Guess and President Hammond have created a new joint committee specifically charged with responsibility for the pipeline. Nothing short of this kind of approach will give us assurance that our interest will be properly considered.

My fourth and final point with respect to the pipeline is that regardless of the timing of a permit many pipeline related activities can go forward. Many Alaskans are under severe economic pressure. This very real consideration must be faced up to and Alaska's economic future must not be dependent upon whether a permit is issued next month, in September, or any time this year.

As I said in my testimony at hearings on the pipeline in Washington, many projects could be undertaken now.

Most particularly we could build some test sections of pipe to prove or disapprove existing theories about what happens when hot oil runs through a pipeline in permafrost. The pipe is here in Alaska. Permafrost is here, and I see no reason why a number of sections could not be laid on state land for a scientific test. We need no permission to do this. Such an experiment would yield much information, as well as create many jobs and considerable economic activity. If we do it ourselves as a State, it would be costly, but quite possibly it would be the best investment we could make. If the Federal Government would join us we could pay half. If Alyeska Pipeline Company would join us, we could pay one-third. And, if planned, properly, the test sections could be incorporated into the pipeline, thereby minimizing or erasing the ultimate cost.

I made a similar suggestion when I was before you last year and regret that the experiment was not conducted in 1970. If it had been, our arguments for a permit in 1971 would have been considerably strengthened. Not only would we have had the data but we would have also had the reputation of being a State that cared enough about the reliability of the pipeline to conduct our own test program. And I assure you, the attitude and reliability of the State is a very real consideration in the minds of those who oppose the pipeline.

Closely interrelated with the pipeline is the Native Land Claims. With respect to the land claims, I am considerably more optimistic. Next week, the Senate Interior and Insular Affairs Committee will resume its public hearings. After these hearings, I expect the Committee to move quickly to report out a bill.

Congressman Begich believes that the House will schedule hearings shortly and that chances are improving for early action on the House side.

While it is always risky to make predictions about what Congress may do, I anticipate that both houses will act favorably on the Native Land Claims Bill this summer.

A larger question is the shape that the Land Claims Bill will take--whether it will do justice to the Natives' rightful claims; whether it will recognize Alaska's rights as a State to manage its own affairs.

The bill that passed the Senate in 1970 contained many provisions that I found personally objectionable. Many of these same provisions have been proposed in the bill submitted this year.

I am aware there is considerable controversy regarding an extension of the land freeze as a condition of the bill.

There is considerable debate over changing the mineral leasing act specifically for Alaska.

There is a possibility that the bill will contain a Federal provision for a Federal corridor covering the pipeline route.

These and other provisions all must stand the test of the legislative process.

All of us as legislators are aware there is a long road between a proposal and a law. While the Land Claims Bill is being settled in a legislative arena, it still is a negotiation process. In negotiations of all kinds solutions often differ from original proposals. I would urge everyone who has strong feelings on any segment of any land claims proposals to make his views known to me and to the other members of the Alaska Congressional delegation.

I assure you that I will not support any settlement which I believe to be either an injustice to the Natives' rights, nor an injustice to other Alaskans.

I would like to turn now to another subject which is of current concern and of which I think all of us should be aware.

It has often been said that the most conservative institution in the United States these days is the Federal Government. It is slow to change. It is slow to reform itself and its inefficiencies.

But there is considerable movement in Washington today in a number of important areas. I believe that within the life of this Congress some substantial government reforms will be enacted.

Most important is the President's revenue sharing proposal.

We were advised recently that Alaska's share of the revenue sharing package would be \$8.59 million. Of this amount \$1.52 million will go directly to cities and \$1.29 million to the boroughs. What we do not know is whether this money will be a substantial increase over and above what we currently receive as part of the categorical aid programs.

The opposition to revenue sharing is largely based on a concern that some states would not make the Federal monies available to all citizens. That is not the concern in Alaska. Our concern is over the manner in which revenue sharing will affect needed State services. I favor a decentralization of Government control. I believe that states and local government should have more latitude in utilizing tax money. That money will generally buy more if handled at the local level. But we certainly could not favor revenue sharing if it will mean a decrease in the amount of aid now coming through existing Federal programs.

Other major reforms are likely, including a national welfare program, and this merging or abolition of many government agencies.

After viewing the Government first hand from Washington, D.C. it is my belief that substantial changes are necessary and should not be resisted. The people must have renewed faith that Government can move quickly and effectively in providing services that majority of citizens believe to be right and necessary.

Two reforms will directly and substantially affect Alaska.

First is consideration of economic development in the broadest sense. During 1971, Public Works and Economic Development Act expires and will have to be renewed in some form. The major effort in rewriting this act is going forward in the Senate Public Works Committee, of which I am a member.

I have succeeded in having economic development hearings called for Alaska, April 16, 17 and 18. A number of Senators will make the trip to our State along with key Committee staff people. I consider this an excellent opportunity for the Alaska State Government, its organized local governments and individuals and organizations to make their views known regarding ways to enhance Alaska's economic future.

One way which I believe the Act can be changed to significantly help Alaska will be to reactive in an improved form the old accelerated public works program. With proper qualifying terms and proper funding the public works program could be of substantial assistance in solving not only water, sewer and other utility problems but other community facilities needs of nearly every community in Alaska.

Sometimes Congressional field hearings seem to serve little purpose. But don't be misled. When a Congressional committee comes to Alaska to study a problem, it focuses considerable attention on that problem and that attention can result in substantial benefits.

Last year I brought the Public Works and Commerce Committees to Alaska for transportation hearings. As a result of these hearings, I was able to convince the Public Works Committee that additional transportation money was necessary for Alaska.

We were able to secure an additional \$20 million in our highway trust fund entitlement each year for the next two years. I had a telephone message just today receiving the obligating authority to spend that money immediately. Furthermore, the Committee agreed to permit the State to use highway trust fund monies for ferries and for village roads.

The importance of the development goes beyond the \$40 million we will be receiving over the next two years. At the end of the second year the entire Federal highway program will be revised and it is almost a certainty that in the new permanent program Alaska will continue to receive aid at the same higher level. Over a ten year period I am sure that will mean at least an additional \$200 million that can be used at our discretion for either roads, ferries, or village transportation systems.

In the same legislation we were able to write a provision asking the President to negotiate with Canada for the paving of the Alaska highway. Before leaving Washington, I was advised by the White House that the U.S. Government intends to open such discussions with Canada at an early date.

While I cannot guarantee the same kind of success with the 1971 Public Works hearings, I believe we stand an excellent chance of winning substantial benefits in the areas of airport developments and community public works projects. I will be calling on many of you for support in this area. Hearings will be held in both Anchorage and Fairbanks.

The next item I wish to discuss is health. I believe that a major revamping of our health policy will be enacted at least by 1973. When a national health insurance bill goes through there will be an extraordinary opportunity to attach an amendment that will directly affect Alaska and which will provide for additional health care in Alaska.

If our state and local agencies and interested health groups can coordinate their efforts immediately to develop a unified health program, there is an excellent chance that such a program could be enacted by Congress.

It is important to recognize that legislation affecting only Alaska would have little chance of passing without the opportunity afforded by a major health reform proposal. We may not get such an opportunity again in a long, long time.

In analyzing the problem of health care, we find a lack of facilities in so many Alaskan communities, we see a tangle of jurisdiction and overlapping administration in many programs. We must come up with a single jurisdiction and a single unified program.

Everyone who has worked in this area knows the problems. What we need now is a solution, and that solution need not be pie in the sky. We have an excellent opportunity to make it work. This is the year to reform the Alaska health situation and we must not miss the opportunity.

Last year I spoke to you in considerable detail regarding the communications opportunity that awaits us. Since that time the entire railbelt area, including Fairbanks, has received live television. We managed to bring even the recent pipeline hearings to substantial numbers of interested Alaskans. That was the first time we had satellite T. V. broadcast originating in Alaska.

It is important to consider this the beginning, not the climax, of our communications effort. Live television in every community of Alaska must be our goal. It is an attainable and desirable goal. Our actions over the next few months will determine the quality of our communications for the next generation.

COMSAT two weeks ago filed a proposal which contained a number of considerations for Alaska.

Among these special considerations for Alaska is the provision of service for network television distribution which had not been requested by the FCC. COMSAT suggests the construction of at least three new earth stations in Alaska.

I might point out that in November, 1969, I attended a meeting in Anchorage where the Chairman of Board of COMSAT forecast that satellite communications for Alaska might be 10 to 15 years away.

I need only point out that healthy persuasion has accelerated everyone's timetable. I have devoted considerable time and effort to this issue and there is evidence all around us that the pressure is paying off.

Tomorrow RCA will probably file its own proposals with the FCC. A part of that proposal will be a satellite communication service in Alaska. Beginning next year the Canadians will be preparing their sites for earth stations in the Northwest Territories and in the Yukon. In passing, I would like to report a few details: RCA will request authority to build five new earth stations immediately and nine additional stations in the near future. Also RCA foresees a construction schedule involving hundred of T.V. stations in the rural areas.

I have asked that the Alaska Public Service Commission hold hearings on the subject of satellite communication systems that will provide each applicant a forum to explain what his proposal offers Alaska. That will permit us to form a judgment, so that we can present an Alaska case to the FCC in Washington.

If Alaska cannot get what it wants from the first round, then we must demand a second round. There will never be a better opportunity to solve Alaska's communications problems than right now.

Last year we were successful in achieving an appropriation that will permit extensive communications installations to be developed in rural Alaska. Some twenty Alaska communities are now under consideration to receive small earth stations. The federal government will finance the stations and their operations for the number of hours that NASA will assign its ATS-1 satellite to Alaska.

Again this is only a beginning. Satellite communications are here. The cost is within reason, and we should not be satisfied with anything less than a first class system.

Members of the Legislature, I appreciate this opportunity to come before you. I stand ready to continue working with you at this period of decision so critical to the future of the State of Alaska.

The opportunities are as great as when we met last year. The problems are greater. But we have a vision of what Alaska can be.

And, together, we can make it happen.

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