

JOURNAL
SUPPLEMENT

SENATE AND HOUSE - SUPPLEMENT NO. 9

February 7, 1972

STATEMENT BY TED STEVENS

TO THE ALASKA STATE LEGISLATURE
7th LEGISLATURE, 2nd SESSION

February 7, 1972

As you continue your deliberations, the problems facing our state are becoming more complex each day. I hope you will believe me when I tell you there are no partisan political solutions to these problems. And, there is nothing to gain, in my opinion, by attempting to inject election year politics into suggested solutions. The campaign this fall will come soon enough for each of us. Meanwhile, it is my hope that each of you will agree, as I have, to work with the Governor and his advisers and my two colleagues in this Congress to see what we can do to make progress on solutions, acceptable to as many Alaskans as possible while we are all privileged to serve the state.

THE ALASKA NATIVE LAND CLAIMS SETTLEMENT ACT OF 1971

Whenever I think of the Alaska Native Land Claims settlement Act of 1971, I think of a statement made to me by my grandmother. She once told me, "Teddy, don't marry a woman you can live with, only marry one you can't live without." The Land Claims Act falls in the same category. It is an Act without which this state could not survive--on the other hand, I know that there is hardly a segment of the Alaska population, including the Alaska Natives, which is completely happy with the final result. I will be pleased to answer any of your questions concerning the Act when I complete this statement. Let me point out to you, though, that the meeting the Alaska Delegation had with Governor Egan and Attorney General Havelock wherein we came to agreement on 25 specific points was the time we turned the corner. After that meeting, I was convinced that we would obtain a bill. Not everything we agreed on is in the final Act; it was the fact that we had discussed each of those items and had reached a consensus that convinced other members that there was a basic framework upon which a bill fair to the Alaska Natives and fair to the State and its other citizens, could be drafted by the Conference Committee.

The Land Claims Act will have substantial impact on many of the subjects pending before you--I need not remind you of that except for the fact that we must enact technical amendments to that Act in this session of Congress, and I say to you very candidly that what you do here and what the State of Alaska does will have a definite effect on future deliberations of the Congress concerning the adequacy of the procedures established for the settlement. I have introduced a bill to authorize the advance of funds to regional corporations and villages. Under the parliamentary procedure in

The House, Congressman Begich would have great difficulty in achieving passage of such an amendment. It is possible to do it in the Senate, and I have great hope that the Senate will favorably act upon my amendment. Meanwhile, because I have discussed the problem with the officers and legal advisers of many banks, I would urge you to take action here if it is at all possible to advance the monies to the 12 regional associations through one of the State of Alaska financial institutions. We are dealing with a very firm fixed precedent--to my knowledge, Congress has never paid to an Indian or Native group any portion of the cash due under a settlement without having first determined the total number of beneficiaries of that settlement. That calls for the preparation of the final roll. Let me point out to you also that Congress never legislated a settlement before, so we have already crossed some virgin ground and I hope that Mike and I can convince the Senate that this unique settlement requires unique procedures. In any event, with the schedule before us, that could not be achieved before the end of April at the earliest. And I think these associations need funds now to commence their duties under the Land Claims Settlement Act.

ALASKA PIPELINE

As you know, we have been informed that the Environmental Impact Statement for the pipeline has again been delayed. Last Thursday, some 40 representatives of separate agencies dealing with energy policy and problems were called together by the Interior Department to reassess the difficulties of the Impact Statement in the light of recent court decisions from the District Court of the District of Columbia and the District Court of Appeals of the District of Columbia. These decisions concerned the case of Natural Resources Defense Council vs. Morton, decided January 13, 1972, involving oil drilling on the outer continental shelf off Louisiana. In that case, the District Court enjoined the lease of offshore Louisiana lands because the Interior Department had not discussed the environmental effects of the alternatives to developing that Louisiana oil potential. The District Judge listed specific points in which the environmental effects should have been discussed:

1. Elimination of import quotas.
2. Increase onshore exploration and development.
3. Development of oil shale.
4. Increase nuclear energy development.
5. Increase use of low sulfur coal and/or desulfurization of coal.
6. Development of coal liquification (sic) and gasification.
7. Development of geothermal resources.
8. Development of tar sands.

Let me point out to you that the availability of these alternatives to the development of offshore Louisiana oil had been discussed in the Impact Statement. The environmental effects of the alternative had not been discussed fully.

The Court of Appeals for the District of Columbia sustained the District Court but said that 5 of the items listed by the District Court need not be discussed further, thus leaving 3 important points from the Court of Appeals' point of view: import quotas, onshore production, and nuclear energy.

It is interesting to note that the Court of Appeals said, "So long as the officials and agencies have taken the hard look at the environmental consequences mandated by Congress, the court does not seek to impose unreasonable extremes or to interject

itself within the area of discretion of the executive as to the choice of the action to be taken." To me this means that if the Interior Department complies with that decision, the court will not examine into the merits of the Impact Statement but only into the sufficiency of it from the point of view of procedural aspects.

In this connection, it becomes highly important to note what happened to this case when it went back to the District Court for this is the primary reason for the delay on the Impact Statement now. The District Court has now said on a re-hearing that because there were substantial changes made in the Impact Statement, it has become a new draft and must be submitted to the other agencies for comment.

This was the reason for the meeting in Washington Thursday and the determination has been that these agencies will in fact participate in the Impact Statement for the Alaska pipeline. The hope is that the statement on the pipeline will be viewed by the court as a comprehensive statement of all agencies and not subject to review by any of them after it is completed.

The preparation of the revised Impact Statement has been given absolute top priority, and I am hopeful that it will be completed as quickly as possible under these new court guidelines.

I can only add parenthetically that it is apparent to me that the National Environmental Policy Act must be reviewed again by Congress. I do not feel that Congress intended the broad sweeping conclusions reached by these two courts. And, I do not believe it is right for the preservationists to argue in Louisiana that North Slope oil is an available alternative to the development of Louisiana oil and at the same time they are blocking the Alaska pipeline.

I have been informed that the Comptroller General has been requested by Representative Aspin of Wisconsin to investigate the cost of the Impact Statement and the allocation of that cost by the Interior Department and oil companies concerned. He wants to know if an investigation of alternatives has been made and who paid for the study. Needless to say, it is important that this study not impede the issuance of the Environmental Impact Statement. I shall do all that I can to insure that this does not happen.

HOUSING AND OTHER NEEDS OF RURAL ALASKA

Alaska urgently needs improved housing and such basic services as sanitary water and waste disposal systems. In our urban areas, the Federal Housing Administration and Farmers Home Administration programs are critical to meet the need. I feel certain we all support expansion of these programs. Alaska exemptions to national cost standards may be necessary if some of the programs are to function in our state. And, our urban areas, adequate funding is essential from a variety of agencies for water and sewer systems. I am hopeful that the new proposals for rural America will assist in this effort.

In rural Alaska where housing conditions are clearly among the worst in our nation, we have made some progress in our efforts. The President's Indian Housing Program has a goal this year of 6,000 new homes nationally, and Alaska's share is 1200 homes. I believe that it is wise to have the Alaska Federation of

Natives working, initially, with the Alaska State Housing Authority to implement this program. But, I hope that soon the Native Housing Regional Authorities, which you authorized last year, will begin to function.

POSTAL SERVICE

Recently, serious discrepancies have been brought to my attention in the Postal Service, particularly in the bush areas. I requested an investigation of this matter and the Postal Service has created a task force to make a complete and impartial study. The results are expected in mid-April. Hopefully, this task force will bring about improvements in the bush mail delivery.

NO-FAULT INSURANCE

The Senate Commerce Committee extensively studies the concept of no-fault insurance. Plans being considered by the Senate all involve a national system. While I am sure that many members of my profession will not agree, I am convinced that no-fault insurance legislation on a national level must become a reality. There is certainly a necessity for state action also. But the conversion from a pure liability insurance concept to a concept whereby the owner of an automobile primarily provides his own no-fault insurance coverage will be difficult if it continues on a piecemeal state-by-state base. Minimum federal standards for insurance in this field will be required.

MT. MCKINLEY NATIONAL PARK

The National Park Service proposes to restrict private vehicles to the first 12-mile section of the Mt. McKinley Park road. Such a proposal will deprive visitors, especially Alaskans who now have relatively easy access to the Park, from the full, unimpeded experience of the Park's scenic wonders and will confine the expected 30,000 visiting automobiles to a 12-mile area, a situation that--in my judgment--would be intolerable.

FEDERAL BUILDINGS

As you know, site selection and acquisition investigation is presently being conducted by the General Services Administration for new and larger Federal buildings in Anchorage and Fairbanks.

Robert Kunzig, the Administrator of GSA, visited Alaska at my request sometime ago. As a result of that visit, the necessity of providing adequate federal office facilities to the people of our two largest cities became clear, and planning for these two new buildings began. I have the assurances of the GSA that they will continue to be responsive to our needs as they increase in the coming years.

PUBLIC SERVICE EMPLOYMENT

It is my understanding that the Federal Emergency Employment Act is proving effective in providing transitional public service jobs for unemployed Alaskans. In its first few months' existence, the nearly \$6 million granted Alaska under this program is quickly being converted into jobs widely spread through the state. Experience shows, however, that certain changes would improve the program in sparsely populated states such as ours. As presently operated, sponsorship of Public Employment

Programs by municipalities is possible only for those of 75,000 population or more. We are trying to lower this base to allow local planning in some of Alaska's other localities. Also, Alaska is being seriously limited in its receipt of special Indian monies under the Act, because this program now allows contracts only with Indian groups on reservations. I am preparing legislation which would bring these conditions more in line with Alaska's needs.

WICKERSHAM LEGISLATION

My bill to provide a temporary exemption for the M/V WICKERSHAM from the Jones Act was reported from the Commerce Committee to the Senate floor under the agreement that it will be held until the House Merchant Marine and Fisheries Committee passes out their bill. All departments concerned, except one, have reported they have no objection. I am personally pleased that Representative Garmatz, Chairman of the House Committee, has been so understanding and helpful on this legislation, and I feel certain he will do all that he can to help Nick get action on the House bill soon. It would be very helpful if you would assist by urging the House Merchant Marine and Fisheries Committee to take speedy action on this bill.

NEW LEGISLATIVE PROPOSALS

Let me bring you up to date on legislation in preparation in my office. These include bills:

- 1) to extend the time for state selection under the Land Claims Act to a period equal to the present delay and include provision for state selection of lands on the Outer Continental Shelf.
- 2) (at the Governor's request) to extend the Wilderness Act for 10 years.
- 3) to prohibit the use of fishing boats which have been banned in their country of origin from fishing in the waters of the United States. This will stem the flow of Canadian vessels into Alaska.
- 4) to require confiscation of all fish on board foreign vessels apprehended while fishing in American territorial waters. Presently only those fish taken in our territorial waters may be confiscated.
- 5) to assist Alaska cities to obtain mass transportation. Because of the guidelines under the Mass Transportation Act, no Alaska city qualifies now.
- 6) to give Alaska an additional Federal District Judge.
- 7) to tax foreign imports from countries in which businesses do not pay environmental costs. Such a tax would be in an amount equal to the environmental costs our domestic producers must pay under our environmental programs.
- 8) to extend Veterans care (a) to pre- and post-hospital treatment, (b) to Veterans who served between World War II and Korea and desire treatment in the non-contiguous states, and (c) to Veterans whose medical bills in Alaska where the cost of medical service is higher, exceed the standard V.A. schedule.

February 7, 1972

9) to amend the aircraft users tax to exempt helicopters in places such as Alaska, which are not on scheduled routes.

10) to require the Federal Government to clean up World War II debris on the Aleutian Islands.

ALASKA COURT SYSTEM AND LAW ENFORCEMENT

I have read with interest the presentation made to you by Chief Justice Boney. Since I have been in Washington, we have obtained \$402,301 from federal funding for assistance in pilot projects to improve law enforcement and the judicial system in Alaska. Many of these projects are demonstration projects and if they prove to be feasible, we are, of course, quite hopeful that you will continue them in the future.

BUDGET

The federal budget for 1973 proposes several new approaches including revenue sharing. This budget allocates \$2.5 billion in 1972 and \$5.3 billion in 1973 to make revenue sharing a reality.

The budget recommends increased funding for Alaska programs. The Department of the Interior alone has a budget of \$150 million in 1973 for Alaska. More than \$25 million in construction funds for harbors and waterways have been requested for Alaska projects by the Army Corps of Engineers. In the area of recreation, three Youth Conservation Corps Camps are planned for Alaska. The Bureau of Land Management has a camp 50 miles northeast of Fairbanks on the Steese Highway which will be called the Grouse Creek Camp. The Bureau of Indian Affairs will have a camp very close to Sitka to be called the Mt. Edgecumbe Camp. A Forest Service camp on Kenai Lake near Seward will be called the Kenai Lake Camp. The YCC Camp program is open to young people of both sexes between the ages of 15-18 without regard to race or social or economic status. Each camp will accommodate between 20-30 young people. I have asked that the Kenai Lake Camp be expanded.

I know there are other matters that I could discuss, but I prefer to respond to whatever questions may be on your mind.

Let me close by saying that I am doing everything I can not only to keep the Navy in Kodiak, which now appears very difficult to do, but also to assure that the Coast Guard has the financial resources to support its own operation there if the Navy does leave. It is highly important, I feel, that this state through its elected officials in all offices demonstrate to the military our willingness, indeed our desire, to have them as our permanent neighbors. I am becoming quite alarmed over the reduced defensive capability of our military forces in Alaska. The priorities in this country for the expenditure of funds is changing. We have reduced military and defense-related civilian employees by 2.7 million people in the last 4 years, and bases are being closed all over the country. In the post-Vietnam period which we pray will commence soon, every military base in the United States will be reviewed to determine its necessity under our reduced military appropriations. Although our natural climate is somewhat hostile for

February 7, 1972

the military, the warmth of our feelings and the expression of our desire to have our bases remain open, I think, will play an important role in this review. I am certain that each of our bases and each military installation in the state will be reviewed in the coming years. I would personally request each of you to consider this problem and do everything you can to assist us in maintaining the best relations possible with the military here in Alaska. They are doing a great job with very limited funds, and I think it is vitally necessary to keep them here.

Now, during any questions that you may wish to ask, I have requested that you each be given a copy of the budget highlights prepared for Fiscal Year 1973. I will be happy to discuss this or anything else with you now. Thank you for your courtesy.