

HOUSE AND SENATE JOINT
JOURNAL SUPPLEMENT

February 14, 1984

No. 17

ADDRESS OF SENATOR TED STEVENS
TO THE THIRTEENTH ALASKA STATE LEGISLATURE

JUNEAU, ALASKA
TUESDAY, FEBRUARY 14, 1984

WE CELEBRATE THE 25TH ANNIVERSARY OF ALASKA'S ENTRY INTO THE UNION THIS YEAR. IN JANUARY, I PARTICIPATED IN A BANQUET HONORING THE GREAT MEN AND WOMEN OF ALASKA WHO WERE DELEGATES TO THE CONSTITUTIONAL CONVENTION OR WORKED FOR STATEHOOD IN OTHER CAPACITIES.

THE ACCOMPLISHMENTS OF THOSE INDIVIDUALS ARE TRULY REMARKABLE. WITH COHESIVE SUPPORT FROM ALMOST ALL ALASKANS, THEY BROUGHT TO A SUCCESSFUL CONCLUSION IN 1959 THE STATEHOOD DRIVE THAT STARTED IN 1913.

REALIZING STATEHOOD WON ONLY THE FIRST BATTLE IN ALASKA'S CAMPAIGN FOR TRUE ACCEPTANCE AS A STATE, MANY THEN MOVED INTO POSITIONS OF LEADERSHIP IN STATE GOVERNMENT. THEY FOUGHT FOR STABILITY AT HOME AND CHANGES IN FEDERAL LAW TO ELIMINATE DISCRIMINATION AGAINST ALASKA. DEDICATED TO THE DEVELOPMENT OF ALASKA'S ECONOMY, THEIR AIM WAS TO DEMONSTRATE TO THE NATION THAT ALASKA WOULD MEET THE CHALLENGE OF STATEHOOD.

I CANNOT THINK OF THESE PEOPLE WITHOUT REMEMBERING THE MOMENTS AFTER THE ALASKA STATEHOOD BILL PASSED THE SENATE IN 1959. AS A YOUNG ASSISTANT TO THE SECRETARY OF INTERIOR, I WAS IN THE PRESS GALLERY WITH GEORGE LELIGHTNER, BILL SNEDDEN, CONGRESSMAN LEO O'BRIEN, GOVERNOR MIKE STEPOVICH, BILL EGAN AND OTHERS. IMMEDIATELY AFTER THE VOTE, NO ONE ANNOUNCED WHAT WE WOULD DO, IT WASN'T PRE-PLANNED, AND IT WASN'T COORDINATED. WE ALL WENT TO THE SENATE CHAPEL - WERE LED IN PRAYER AND NEVA EGAN LED US IN SINGING THE ALASKA FLAG SONG.

MY POINT IS SIMPLE: THE FOUNDERS OF OUR STATE WERE GIVEN DIVINE GUIDANCE BECAUSE THEY SOUGHT IT. WE MUST CONTINUE TO GUARD THAT RIGHT - AND TO BE LED BY PEOPLE WHO SEEK AND FOLLOW DIVINE GUIDANCE.

A QUARTER CENTURY AFTER STATEHOOD, THE PRINCIPAL GOAL OF OUR FOUNDERS -- THE ESTABLISHMENT OF A UNIQUE SOCIETY IN THE FAR NORTH -- HAS BEEN ACHIEVED. WE HAVE EXTENDED THE BENEFITS OF EDUCATIONAL, COMMUNICATION, AND OTHER PUBLIC FACILITIES THROUGHOUT OUR STATE, AND COMMENCED DEVELOPMENT OF OUR GREAT NATURAL RESOURCES--- ALL WITHOUT REDUCING OUR COMMITMENT TO PROTECTING ALASKA'S NATURAL BEAUTY AND PRESERVING OUR ALASKAN LIFESTYLE. ALASKA IS NO LONGER A POOR RELATION IN THE FAMILY OF STATES.

HAVING MADE STATEHOOD WORK, WHAT ARE OUR GOALS FOR THE NEXT QUARTER CENTURY? WHAT PROBLEMS WILL WE FACE? WHAT OPPORTUNITIES SHOULD WE PURSUE? AT OUR 50TH ANNIVERSARY OF STATEHOOD, WILL WE BE AS CERTAIN WE HAVE ACHIEVED OUR GOALS AS WE ARE NOW?

OUR PLANNING NOW MUST MAKE THE SECOND 25 YEARS OF STATEHOOD AS PRODUCTIVE AS THE FIRST 25. ALASKANS DON'T HAVE THE LUXURY OF LIVING FROM YEAR TO YEAR, FROM BUDGET TO

BUDGET, WE MUST OUTLINE THE PATH -- THE CRITICAL PATH -- THAT ALASKA WILL TAKE OVER THE NEXT 25 YEARS.

FROM MY PERSPECTIVE, THE MAJOR CHALLENGES OF THE NEXT 25 YEARS INCLUDE MAINTAINING, AND IN SOME CASES, RESTORING THE PROSPERITY OF OUR BASIC INDUSTRIES AND DEVELOPING OUR RESOURCE AND POWER POTENTIAL; DEALING WITH INCREASING SOCIAL NEEDS AND PROTECTING THE STATE'S REVENUE BASE; AND PRESERVING OUR UNIQUE SOCIETY AND LIFESTYLE.

MANY OF THE ISSUES THAT SHOULD BE CONSIDERED AS WE MAP OUT ALASKA'S CRITICAL PATH INVOLVE THE FEDERAL GOVERNMENT. WE CAN NO LONGER EXPECT PREFERENTIAL TREATMENT AT THE FEDERAL LEVEL SIMPLY BECAUSE WE ARE ONE OF THE TWO YOUNGEST STATES. WASHINGTON WILL RESPOND TO OUR SPECIAL NEEDS, BUT ONLY WHEN WE AGREE ON THOSE NEEDS AND PRESENT A UNITED FRONT.

ALASKA'S ECONOMY HAS GROWN ENORMOUSLY SINCE STATEHOOD -- OUR GROSS STATE PRODUCT IN CONSTANT DOLLARS HAS RISEN FROM APPROXIMATELY \$3 BILLION IN 1959 TO AN ESTIMATED \$21 BILLION IN 1983. OIL AND GAS DEVELOPMENT PLAYED A SUBSTANTIAL ROLE IN THIS GROWTH. THAT INDUSTRY HOWEVER, FACES SIGNIFICANT LONG-TERM CONSTRAINTS -- INCLUDING UNCERTAINTIES OVER EXPLORATION OPPORTUNITIES AND THE LACK OF A SYSTEM TO TRANSPORT NORTH SLOPE NATURAL GAS TO MARKET.

MANY REPRESENTATIVES OF THE OIL AND GAS INDUSTRY HAVE VOICED CONCERNS ABOUT THE STATE'S STAND ON EXPLORATION OF ALASKA'S OUTER CONTINENTAL SHELF. IT HAS BEEN, AND WILL CONTINUE TO BE, MY POSITION THAT THE ALASKA CONGRESSIONAL DELEGATION SHOULD SUPPORT THE STATE ON IMPORTANT ISSUES ONCE A FINAL POLICY HAS BEEN ADOPTED.

THE FACT REMAINS, HOWEVER, THAT WITH MORE THAN 70 PERCENT OF THE FEDERAL OUTER CONTINENTAL SHELF OFF OUR SHORES, LESS THAN TWO-TENTHS OF ONE PERCENT OF FEDERAL OCS WELLS TO DATE HAVE BEEN DRILLED ON THE ALASKA SHELF, AND OF THE 8 FEDERAL OCS LEASE SALES LAST YEAR, ONLY 2 WERE HELD IN ALASKA. OUR TASK IS NOT TO STOP OCS EXPLORATION, BUT TO ASSURE THAT VITAL MARINE RESOURCES ARE PROTECTED AND THAT COASTAL COMMUNITIES FACING SUBSTANTIAL OCS-RELATED CHANGE ARE GIVEN ADEQUATE FINANCIAL SUPPORT.

I HOPE THAT OUR STATE GOVERNMENT AND INDUSTRY WILL REACH AN ACCOMMODATION THAT PROTECTS THE STATE'S IMPORTANT INTERESTS WITHOUT FORECLOSING REASONABLE OCS EXPLORATION AND DEVELOPMENT. OUR SUPPORT INDUSTRIES CANNOT AFFORD A PROLONGED DISPUTE OVER THIS ISSUE.

AND, WHILE I AM ON THAT SUBJECT, LET ME SHARE WITH YOU THE COMMENT I MADE TO THE SUPPORT ALLIANCE - WE CANNOT, IN OUR REVIEW OF THE OIL AND GAS INDUSTRY, IN MY OPINION, ABANDON THE CONCEPT OF PRIMARY MANUFACTURING. THE PRINCIPLE THAT APPLIES TO TIMBER AND TO FISH, APPLIES EQUALLY TO OIL

AND GAS. YOU HAVE SUCH AN ISSUE HERE NOW ON THE ROYALTY CONTRACT. IT'S NOT MY PREROGATIVE TO ADVISE YOU ON THAT CONTRACT PER SE, BUT I DO BELIEVE IT IS PROPER TO SAY THAT IN STATE UTILIZATION OF OUR RESOURCES - PRIMARY MANUFACTURE OF THEM, IN THE LONG RUN, WILL SERVE THIS STATE BEST.

ALASKANS HAVE NO CONTROL OVER THE FUNDAMENTAL OBSTACLE TO IMMEDIATE CONSTRUCTION OF A SYSTEM TO TRANSPORT NORTH SLOPE NATURAL GAS. NATURAL GAS MARKETS IN THE LOWER 48 SIMPLY WILL NOT SUPPORT FINANCING OF THE NORTHWEST PIPELINE PROJECT NOW. NO ONE CAN PREDICT WHEN THIS SITUATION WILL CHANGE. MOREOVER, INCREASED WORLD COMPETITION IN THE LIQUEFIED NATURAL GAS MARKET MEANS THAT WE CANNOT EXPECT SPECIAL FINANCING FROM POTENTIAL OFFSHORE GAS PURCHASERS SUCH AS JAPAN. WE MUST CONTINUE TO WORK TO CLEAR THE WAY FOR ANY PROPOSAL THAT HAS A REASONABLE CHANCE OF UTILIZING OUR NATURAL GAS.

THE DECLINE IN OUR KING CRAB FISHERY AND THE CONTINUING WEAKNESS OF THE SALMON MARKET PRESENT A SERIOUS CHALLENGE TO THE FISHING INDUSTRY. I HAVE BEEN TRYING TO ASSIST INDUSTRY EFFORTS TO DEVELOP UNDERUTILIZED FISH STOCKS SUCH AS POLLOCK AND YELLOW-FIN SOLE AND OPEN UP NEW MARKETS FOR OUR SEAFOOD. OTHER LONG-TERM GOALS THAT WE SHOULD PURSUE INCLUDE IMPROVING THE COORDINATION BETWEEN FEDERAL AND STATE AGENCIES THAT MANAGE FISHING, AND PHASING OUT ALL FOREIGN FISHING. I INTRODUCED LEGISLATION IN THIS CONGRESS TO ACCOMPLISH THIS SECOND GOAL.

THE CONDITION OF THE SOUTHEAST TIMBER INDUSTRY IS A MATTER OF DEEP CONCERN TO ALL. WEAK WORLD WOOD PRODUCTS MARKETS AND FEDERAL ENVIRONMENTAL REGULATION EFFORTS POSE AN IMMEDIATE THREAT TO THE KETCHIKAN AND SITKA PULP MILLS. IF THE EPA DENIES THE PULP MILLS' VARIANCE REQUESTS, WE FACE A TOUGH FIGHT IN CONGRESS TO CHANGE THAT DECISION. THE LONG-TERM PROGNOSIS FOR THE TIMBER INDUSTRY AND THE SOUTHEAST ECONOMY IS NOT VERY ENCOURAGING UNLESS WE CAN MEET THIS EPA CHALLENGE.

HAVING WON A FEDERAL COMMITMENT DURING THE ALASKA LANDS DEBATE TO PROVIDE SUFFICIENT TIMBER TO SUPPORT THE EXISTING INDUSTRIAL BASE IN SOUTHEAST, IT SADDENS ME NOW TO SEE EPA ATTACK THE MOST ENVIRONMENTALLY-SOUND TIMBER OPERATION IN THE NATION, ESPECIALLY SINCE THE EPA'S EFFORTS TO ELIMINATE A NON-EXISTENT WATER POLLUTION PROBLEM COULD CREATE AN AIR POLLUTION PROBLEM. OUR STATE MUST USE ITS AUTHORITY UNDER THE CLEAN WATER ACT TO DELAY EPA ACTION TO GIVE US TIME TO TRY TO OBTAIN LEGISLATIVE RELIEF ON THIS ISSUE.

CURRENTLY, THE FEDERAL GOVERNMENT IS NOT A MAJOR OBSTACLE TO THE DEVELOPMENT OF ALASKA WORLD-CLASS HARDROCK MINES SUCH AS QUARTZ HILL AND GREENS CREEK IN SOUTHEAST AND THE RED DOG DEPOSIT NORTH OF KOTZEBUE. WORLD MINERAL PRICES ARE GUIDING THE DEVELOPMENT OF THESE DEPOSITS. ON THE OTHER

HAND, PLACER MINERS ARE EXPERIENCING GREATER DIFFICULTIES AS THE EPA MOVES TO DEVELOP EFFLUENT REGULATIONS FOR THE PLACER MINING INDUSTRY AND REQUIRE DISCHARGE PERMITS. SINCE THIS ISSUE ALSO INVOLVES STATE WATER QUALITY REGULATION, IT CAN ONLY BE RESOLVED THROUGH A COOPERATIVE EFFORT INVOLVING PLACER MINERS, THE STATE, AND EPA.

TOURISM IS AND WILL CONTINUE TO BE A MAJOR INDUSTRY IN ALASKA. ONE OF OUR LONG-TERM GOALS SHOULD BE TO BUILD APPROPRIATE VISITOR FACILITIES IN THE PARKS AND WILDLIFE REFUGES DESIGNATED BY THE LANDS ACT SO THAT VISITORS TO ALASKA CAN EXPERIENCE OUR STATE'S BEAUTY FIRSTHAND. THE EXIT GLACIER BRIDGE OUTSIDE SEWARD AND THE BEGICH-BOGGS VISITOR CENTER AT PORTAGE -- BOTH FUNDED BY CONGRESS AT MY REQUEST IN THE LAST INTERIOR APPROPRIATIONS ACT -- ARE EXAMPLES OF SUCH PROJECTS.

MILITARY ACTIVITIES WILL CONTINUE TO CONTRIBUTE SIGNIFICANTLY TO ALASKA'S ECONOMY -- A CONTRIBUTION, I MIGHT ADD, THAT IS MORE THAN MATCHED BY THE CONTRIBUTION THAT ALASKA MILITARY OPERATIONS MAKE TO OUR NATIONAL DEFENSE. OVER THE NEXT 25 YEARS, EXPANSION OF OUR ROLE IN DEFENSE STRATEGY COULD REQUIRE ENLARGEMENT OF AIR FORCE FACILITIES, AND THE STATIONING OF LIGHT INFANTRY FORCES IN OUR STATE.

TRANSPORTATION IS STILL THE KEY TO ECONOMIC GROWTH IN ALASKA. THE MOST IMPORTANT QUESTION IN THIS AREA IS WHETHER YOU WILL AUTHORIZE THE PURCHASE OF THE ALASKA RAILROAD. I BELIEVE THAT PURCHASING THE RAILROAD IN THE BEST INTEREST OF THE STATE, YOUR FAVORABLE DECISION ON THE RAILROAD EARLY IN THIS SESSION WILL MEAN THE TRANSFER CAN OCCUR BEFORE THE END OF THIS FEDERAL FISCAL YEAR.

THE FEDERAL ACTIONS ARE SIGNIFICANT IN ALASKA TRANSPORTATION ISSUES. IN AVIATION, OUR SHORT-TERM GOALS INCLUDE ACQUIRING NEW GROUND RADAR FOR ANCHORAGE INTERNATIONAL AND SECURING IMPROVEMENTS AT OTHER SITES IN STATE.

FURTHER RELAXATION OF RESTRICTIONS ON INTERNATIONAL AIR TRAFFIC WILL AID ALASKA'S TOURIST INDUSTRY. AND, AS THE SUN SETS ON THE CIVIL AERONAUTICS BOARD AT THE END OF THIS YEAR, WE MUST ASSURE ESSENTIAL AIR SERVICE FOR OUR RURAL COMMUNITIES. WE SHOULD START WORKING WITH THE DEPARTMENT OF TRANSPORTATION NOW TO PREPARE FOR THE PHASEOUT OF ESSENTIAL AIR SERVICE SUBSIDIES IN 1988.

IN THE MERCHANT MARINE AREA, THE GREATEST CHALLENGE TO PROGRESS OVER THE NEXT 25 YEARS WILL BE THE JONES ACT. ALMOST 40 PERCENT OF THE JONES ACT DEEP-DRAFT OCEAN FLEET OPERATES ON ALASKA ROUTES, AND MORE THAN 26 PERCENT OF JONES ACT OCEAN TONNAGE MOVES IN THE ALASKA TRADE. WHILE OTHER COASTAL STATES HAVE DEVELOPED ALTERNATIVE TRANSPORTATION SYSTEMS TO AVOID DEPENDING ON JONES ACT SHIPPING, WE ARE

UNABLE TO DO SO BECAUSE OF ALASKA'S GREAT SIZE AND RUGGED TERRAIN.

OUR OVERALL GOAL SHOULD BE TO REDUCE THE TRIBUTE ALASKANS PAY TO THE JONES ACT FLEET. WE NEED A FOREIGN-BUILT EXEMPTION FOR VESSELS IN INTRASTATE ALASKA COMMERCE, PARTICULARLY FOR STATE FERRIES. I WILL PRESS FOR THIS EXEMPTION AS PART OF THE LEGISLATIVE PACKAGE CLOSING THE THIRD PROVISIO OF THE JONES ACT, WHICH IS A LOOPHOLE FOR NON-JONES ACT VESSELS OPERATING THROUGH CANADIAN PORTS WITH A CANADIAN PAUL CONNECTION. OTHER LONGER-TERM GOALS SHOULD INCLUDE PERMITTING U.S. VESSELS IN FOREIGN TRADE TO CALL AT DUTCH HARBOR, ALLOWING U.S. COMPANIES TO OPERATE U.S. FLAG, FOREIGN-BUILT CRUISE SHIPS IN THE ALASKA TRADE, AND ENSURING THAT FREIGHT RATES ARE HELD AS LOW AS POSSIBLE.

RECENTLY, A REPRESENTATIVE OF THE DISTILLED SPIRITS INDUSTRY INQUIRED ABOUT MY BILL TO REQUIRE THE CARS OF THOSE CONVICTED FOR THE SECOND TIME OF DRIVING WHILE UNDER THE INFLUENCE TO BE FORFEITED AND SOLD. THE PROCEEDS WOULD GO TO A FUND TO ASSIST VICTIMS OF DRUNKEN DRIVERS. I TOLD HIM ALASKANS ARE NOT SEEKING PROHIBITION. HOWEVER, I ALSO TOLD HIM ALASKANS WERE MAD -- WE SEE THE EXCESS OF ALCOHOLISM IN OUR STREETS, IN OUR COURTS, AND EVEN IN SOME OF OUR SCHOOLS. I URGED HIM TO ENCOURAGE THE INDUSTRY HE REPRESENTED TO HELP US ESTABLISH AND ENFORCE STANDARDS OF CONDUCT DESIGNED TO STOP SO MANY MEANINGLESS DEATHS ON OUR STREETS AND HIGHWAYS.

DEVELOPMENTS AT THE FEDERAL LEVEL WILL HAVE A SUBSTANTIAL IMPACT ON THE PROVISION OF BASIC SOCIAL SERVICES SUCH AS HEALTH CARE, EDUCATION, COMMUNICATIONS, AND ELECTRICAL POWER.

IN MY OPINION, OVER THE NEXT TWENTY FIVE YEARS WE CAN EXPECT TO SEE WELFARE AND EDUCATION PROGRAMS NOW FUNDED IN WASHINGTON SHIFTED TO THE STATES. DURING THE SAME TIME, THE FEDERAL GOVERNMENT WILL TAKE MORE OF THE BURDEN OF FUNDING AND OPERATING HEALTH CARE DELIVERY SYSTEMS, MEDICARE, MEDICAID, AND FEDERAL EMPLOYEE HEALTH PROGRAMS ARE MASSIVE. FEDERAL EXPENDITURES FOR HEALTH CARE IN FISCAL YEAR 1985 MAY TOP \$105 BILLION, \$31 BILLION MORE THAN TOTAL HEALTH COSTS THREE YEARS AGO. ONLY THE FEDERAL GOVERNMENT CAN CONTROL OR PAY FOR BILLS OF THAT MAGNITUDE.

SECOND, LONG-TERM CHANGES IN TELECOMMUNICATIONS AND POSTAL SERVICE WILL OCCUR. AT&T DIVESTITURE AND THE FEDERAL COMMUNICATIONS COMMISSION'S ACCESS CHARGE DECISION POSE SIGNIFICANT THREATS TO FINANCIAL SUPPORT WE HAVE RECEIVED FROM PRIVATE ENTERPRISE FOR LOCAL EXCHANGE COSTS AND INTRASTATE AND INTERSTATE TOLL COSTS. AND, THE PREDICTED DECLINE IN HARD COPY MAIL VOLUME COULD RESULT IN DRASTIC INCREASES IN PARCEL POST RATES, TO THE DETRIMENT OF THOUSANDS OF ALASKANS WHO DEPEND ON PARCEL POST FOR THE NECESSITIES OF LIFE.

OUR FIGHT IS TO PRESERVE UNIVERSAL TELEPHONE AND POSTAL SERVICE AT REASONABLE RATES. MARKET STRUCTURE AND REGULATORY CHANGES MAY CAUSE PROBLEMS THAT THOSE OF US WORKING ON THE FEDERAL LEVEL DO NOT ANTICIPATE. I HOPE YOU WILL CONTINUE TO HELP US PROTECT OUR STATE'S INTERESTS BY PROVIDING THE ALASKA PUBLIC UTILITIES COMMISSION AND STATE CONSULTANTS WITH THE FUNDS NECESSARY TO ANALYZE FULLY THESE CHANGES.

THIRD, IT IS CLEAR THE FEDERAL GOVERNMENT WILL NOT BUILD THE SUSITNA HYDROELECTRIC PROJECT. THAT FACT DOES NOT MEAN, HOWEVER, THAT ALASKA WILL HAVE TO BEAR THE ENTIRE COST OF CONSTRUCTION. WE CAN AND SHOULD TAP FEDERAL FINANCING RESOURCES -- SUCH AS REA FUNDS AND TAX-EXEMPT BONDING AUTHORITY -- ONCE THIS PROJECT IS CLEARED FOR CONSTRUCTION.

OUR STATE GOVERNMENT'S ABILITY TO COPE WITH THE FINANCIAL AND SOCIAL CHALLENGES IS THREATENED BY OTHER DEVELOPMENTS AT THE FEDERAL LEVEL. THE HOUSE WAYS AND MEANS COMMITTEE AND SOME INFLUENTIAL SENATORS WANT TO PLACE A PER CAPITA CAP ON INDUSTRIAL DEVELOPMENT BONDS. IN ADDITION, THE MORTGAGE REVENUE BOND PROGRAM HAS EXPIRED, AND THE HOUSE WAYS AND MEANS COMMITTEE IS DETERMINED TO LIMIT THE USE OF SUCH BONDS AS PART OF THE REAUTHORIZATION PACKAGE. THESE CHANGES WOULD SEVERELY RESTRICT IMPORTANT ALASKA PROGRAMS. PROTECTING ALASKA'S INTERESTS IN THIS AREA WILL BE ONE OF OUR TOUGHEST FIGHTS IN THE YEARS AHEAD.

WE CAN ALSO EXPECT CONTINUED EFFORTS TO LIMIT STATE AUTHORITY TO LEVY SEVERANCE TAXES AND USE THE UNITARY BUSINESS CONCEPT IN TAXING MULTIJURISDICTIONAL BUSINESSES. DO NOT UNDERESTIMATE THE SERIOUSNESS OF THESE EFFORTS. INTEREST IN LIMITING STATE TAXATION AUTHORITY HAS INCREASED OVER THE PAST THREE CONGRESSES. FEDERAL INTRUSION IN THIS AREA WOULD STRIKE A DEVASTATING BLOW TO OUR ABILITY TO MAINTAIN THE PERMANENT FUND. IT COULD SEVERELY REDUCE OUR REVENUE.

DURING THE PAST QUARTER CENTURY, FEDERAL ACTIONS HAVE SIGNIFICANTLY AFFECTED OUR SOCIETY AND OUR ALASKAN LIFE-STYLE. THE MOST IMPORTANT FEDERAL ACTIONS IN THIS REGARD HAVE BEEN THE ALASKA NATIVE CLAIMS SETTLEMENT ACT AND THE ALASKA LANDS ACT. THE CONTINUING IMPLEMENTATION OF THESE TWO MAJOR LAWS WILL HAVE A PROFOUND IMPACT ON ALASKA OVER THE NEXT 25 YEARS.

UNDER ANCSA, ALASKA NATIVE CORPORATIONS' STOCK WILL BECOME FREELY TRANSFERABLE IN 1991. MANY ALASKANS ARE CONCERNED THAT THIS DEVELOPMENT AND OTHER CHANGES INVOLVING NATIVE CORPORATIONS WILL RESULT IN A BREAKDOWN OF THE LAND CLAIMS SETTLEMENT PROCESS.

THE ALASKA CONGRESSIONAL DELEGATION IN COOPERATION WITH THE STATE AND THE NATIVE COMMUNITY WILL BE STUDYING THE

POSSIBLE IMPACTS OF 1991 OVER THE NEXT SEVERAL YEARS TO SEE WHAT CHANGES TO THE ALASKA NATIVE CLAIMS SETTLEMENT ACT ARE NEEDED. EVERYONE IN ALASKA HAS A STAKE IN THE SUCCESS OF THE LAND CLAIMS SETTLEMENT.

IN MANY WAYS, THE NATIVE SOVEREIGNTY ISSUE IS RELATED TO 1991. IT WILL ALSO REQUIRE A GREAT DEAL OF WORK IN THE YEARS AHEAD. MY POSITION IS UNCHANGED. NO STABLE OR EFFECTIVE RESOLUTION OF THE ISSUES POSED BY SOVEREIGNTY CAN BE REACHED WITHOUT A DIALOGUE BETWEEN THE NATIVE COMMUNITY AND STATE OFFICIALS. THE FEDERAL INTEREST IN THIS ISSUE SIMPLY IS NOT AS SIGNIFICANT AS OUR STATE'S. I APPLAUD THE EFFORTS TO INITIATE THE DIALOGUE NECESSARY TO RESOLVE THE CONTROVERSY OVER SOVEREIGNTY.

OUR UNIQUE ALASKA LIFESTYLE WILL ALSO BE CHALLENGED OVER THE NEXT QUARTER CENTURY. IN 1986, SPECIAL FEDERAL STATUTES PERMITTING HOMESTEADING AND OTHER LAND SETTLEMENT IN ALASKA WILL EXPIRE, (AS THEY HAVE EVERYWHERE BUT ALASKA) AND THE FEDERAL FRONTIER IN ALASKA WILL BE CLOSED. CLOSURE OF FEDERAL LAND TO SETTLEMENT CANNOT BE ACCOMPANIED BY EROSION OF ALASKA LANDS ACT PROTECTIONS FOR INHOLDERS, TRADITIONAL LAND USES, AND ACCESS ACROSS CONSERVATION UNITS. THE ALASKA LANDS BATTLE HAS MOVED TO THE ADMINISTRATIVE PROCESS, WHERE ALASKA'S INTERESTS ARE RECEIVING CLOSE CONSIDERATION.

SOME OF YOU MAY DISAGREE EITHER WITH MY ASSESSMENT OF THE FUTURE OR THE GOALS WE SHOULD PURSUE. ONE HUNDRED PERCENT AGREEMENT ON ANY ISSUE WOULD BE UNUSUAL IN A STATE AS DIVERSE AS OURS, AND NONE OF US CAN PREDICT PRECISELY WHAT WILL HAPPEN OVER THE NEXT 25 YEARS. NEITHER OF THESE FACTS, HOWEVER, IS AN EXCUSE FOR FAILING TO CONSIDER THE LONG TERM.

THOUSANDS OF ALASKANS WRITE TO ME EACH YEAR EXPRESSING CONCERN ABOUT ALASKA'S FUTURE. THEY WRITE ABOUT ISSUES SUCH AS FEDERAL ENCRoACHMENT ON THEIR LIFESTYLE, STATE AND FEDERAL SPENDING, PROBLEMS IN ALASKA'S RENEWABLE RESOURCE INDUSTRIES, AND 1991. THEY REALIZE THAT BALANCED, ENVIRONMENTALLY-RESPONSIBLE NATURAL RESOURCE DEVELOPMENT WILL NOT OCCUR IN ALASKA UNLESS WE PLAN FOR IT.

IF YOUR MAIL IS SIMILAR TO MINE, YOU KNOW OUR CONSTITUENTS WANT ALL OF US IN FEDERAL, STATE, AND LOCAL GOVERNMENT TO PLAN FOR THE FUTURE NOW. AS LEGISLATORS, WE IGNORE CONSTITUENTS' CONCERNS AT OUR PERIL. WE CAN WORK TOGETHER TO ADDRESS THOSE CONCERNS AND DEVELOP A CONSENSUS ON LONG-TERM GOALS, PARTICULARLY IN AREAS WHERE THE FEDERAL GOVERNMENT IS INVOLVED.

THIS IS MY SIXTEENTH APPEARANCE BEFORE THE ALASKA LEGISLATURE. I HAVE NEVER FAILED TO ARTICULATE IN WASHINGTON THE GOALS OF OUR STATE AS DEVELOPED BY A

CONSENSUS OF OPINION AT HOME. THERE WAS NO SUCH CONSENSUS DURING THE NATIVE LAND CLAIMS DEBATE -- AND THAT MADE THE JOB OF REPRESENTING ALASKA ALL THE MORE DIFFICULT.

DURING THIS SESSION OF CONGRESS, THE ALASKA CONGRESSIONAL DELEGATION IS WORKING ON SEVERAL ISSUES AFFECTING OUR LONG-TERM CONCERNS.

FIRST, AS YOU KNOW, THE SENATE TABLED CONSIDERATION OF S. 1660 -- THE UNIVERSAL TELEPHONE SERVICE PRESERVATION ACT -- LAST MONTH. THE FCC'S DECISION TO DELAY THE IMPOSITION OF ACCESS CHARGES AND SUBSTANTIALLY INCREASE SUPPORT FOR HIGH-COST RURAL EXCHANGES PLAYED A MAJOR ROLE IN THIS DEVELOPMENT.

I AM STILL NOT SATISFIED WITH THE FCC'S APPROACH--- PARTICULARLY AS IT AFFECTS ALASKA. FOR THAT REASON, I INTRODUCED A RESOLUTION THAT WOULD URGE THE FCC TO ASSURE SUPPORT FOR HIGH COST, RURAL EXCHANGES, CONTINUE ITS INTERSTATE TOLL RATE INTEGRATION POLICY, AND PROVIDE LIFELINE SERVICE TO POVERTY-LEVEL CONSUMERS.

SECOND, WE ARE TRYING TO OBTAIN CONSIDERATION OF MY OUTER CONTINENTAL SHELF REVENUE SHARING BILL, S. 800. THIS LEGISLATION WILL ASSIST COASTAL COMMUNITIES AS THEY PLAN FOR OCS DEVELOPMENT.

THIRD, THE SENATE WILL CONSIDER MY PROPOSAL TO MAKE THE TAX-DEFERRING CAPITAL CONSTRUCTION FUND AVAILABLE TO SHORE-BASED PROCESSORS. WE WILL ALSO BE WORKING ON A BILL THAT I INTRODUCED IN DECEMBER TO ESTABLISH A NATIONAL FISHERIES MARKETING COUNCIL MODELED AFTER THE ALASKA SEAFOOD MARKETING INSTITUTE.

FOURTH, WE WILL MAINTAIN OUR EFFORTS ON S. 49, MY BILL TO RESTORE HUNTING ON SOME OF THE LANDS DESIGNATED AS NATIONAL PARKS BY THE 1980 ALASKA LANDS ACT. SOME COMPLAIN THAT I AM UNNECESSARILY REOPENING THE ALASKA LANDS DEBATE. THE TRUTH IS THAT THE LANDS DEBATE IN CONGRESS NEVER ENDED. OVER THE NEXT 25 YEARS, WE WILL FACE EFFORTS BY ENVIRONMENTAL EXTREMISTS TO CLOSE THE ARCTIC NATIONAL WILDLIFE REFUGE TO OIL AND GAS EXPLORATION; TO DESIGNATE THE REST OF THE PARK AND WILDLIFE REFUGE LANDS IN ALASKA AS WILDERNESS; AND TO DESTROY THE SOUTHEAST TIMBER SETTLEMENT. TWENTY FIVE (25) SENATORS AND ONE HUNDRED FORTY TWO (142) HOUSE MEMBERS HAVE COME TO THE CONGRESS SINCE 1980 WHEN THE LANDS ACT PASSED. CONSIDERATION OF S.49 IS ESSENTIAL TO THE EDUCATION OF NEW MEMBERS OF CONGRESS.

FRANK MURKOWSKI WILL BRING YOU UP TO DATE ON OTHER ACTIVITIES OF THE CONGRESSIONAL DELEGATION, INCLUDING OUR EFFORT TO LIFT THE ALASKA CRUDE OIL EXPORT BAN AND OTHER ENERGY AND FOREIGN POLICY ISSUES WHEN HE SPEAKS TO YOU LATER THIS WEEK.

AT THE STATEHOOD DAY BANQUET IN FAIRBANKS, I SAID THAT THOSE OF US WHO WERE PRESENT AT THE PASSAGE OF THE ALASKA STATEHOOD ACT FELT LIKE BORN-AGAIN AMERICANS. WE HAD SEEN DEMOCRACY IN AMERICA AT WORK.

OVER THE NEXT 25 CRUCIAL YEARS OF STATEHOOD, WE NEED TO BE BORN-AGAIN ALASKANS. WE MUST THROW OFF REGIONAL, PERSONAL AND POLITICAL RIVALRIES AND DEVELOP A CONSENSUS ON GOALS TO PURSUE AT HOME AND IN WASHINGTON.

YOU AND I HAVE BEEN GRANTED THE ULTIMATE HONOR OF A DEMOCRACY -- THE AUTHORITY TO REPRESENT OUR NEIGHBORS AND FELLOW ALASKANS. ALASKA'S FUTURE DEPENDS ON WHETHER WE ARE ABLE TO DEVELOP A CONSENSUS ON LONG-TERM AIMS FOR THE STATE AND MAP OUT THE CRITICAL PATH THAT ALLOWS US TO ACHIEVE THOSE AIMS. NOTHING WOULD PLEASE ME MORE THAN TO JOIN EACH OF YOU IN 2009 IN PROCLAIMING THAT WE WERE AS SUCCESSFUL IN ARTICULATING AND ATTAINING OUR GOALS AS THE FRAMERS OF OUR CONSTITUTION AND OTHER STATEHOOD ADVOCATES WERE 25 YEARS AGO.

THANK YOU.

HOUSE JOURNAL

ALASKA STATE LEGISLATURE

THIRTEENTH LEGISLATURE - SECOND SESSION

JUNEAU, ALASKA

Wednesday

February 15, 1984

Thirty-eighth Day

Pursuant to adjournment, the House was called to order at 10:02 a.m. by Speaker Pro Tempore Barnes.

Roll call showed 39 members present. Representative Hayes had previously been excused from a call of the House today.

The invocation was offered by the Chaplain, Father John Larson of the Holy Trinity Episcopal Church. Representative Uehling moved and asked unanimous consent that the invocation be spread on the journal. There being no objection, it appears below:

"Almighty God, giver of all good things:
We thank You for the natural majesty
and beauty of this land. They restore
us, though we often destroy them.

Heal us.

We thank You for the great resources of
this state. They make us rich, though
we often exploit them.

Forgive us.

We thank You for the men and women who
have made this state strong. They are
models for us, though we often fall
short of them.

Inspire us.

We thank You for the faith we have
inherited in all its rich variety. It
sustains our life, though we have been
faithless again and again.