



Senator Cathy Giessel ★

*Representing Eagle River Valley, South Fork, Stuckagain Heights,
South Anchorage, Indian, Bird, Girdwood, Whittier, Portage, and Hope*

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August 16, 2011 Update

Q&A:

Q: Do you support the **rail extension** from the Interior to **Port MacKenzie**?

A: Yes. Port MacKenzie will be an exporting facility for minerals, coal, cement and other natural resources. It is a deep water facility that allows very large vessels that carry bulk export materials. The rail extension to Port Mac is a more direct route to tidewater. As we proceed with Susitna/Watana Dam construction, materials arriving through Port Mac, can be efficiently moved north, via rail. If an in-state gas pipeline is constructed, Port Mac would be a logical receiving facility for construction materials and has land around it for stockpiling materials.

Q: What can be done to assure that **Medicaid** will not pay for brand-name drugs when a generic is available?

A: I am concerned about the Medicaid budget. Commonly, generic medications are safe and may be more effective than brand names, as well as less expensive. The exception to this is psychiatric medications; these medications are very individualized and there should be no restrictions on which medications are covered. I support other efforts to contain our Medicaid costs.

Q: Is **90 days** enough to complete the required legislative business, considering we have already had two special sessions and who knows how many more?

A: I voted against extending the session to 120 days when it came to the Senate Floor. I believe that if the Legislature, specifically the Senate, spent more time taking care of business and issues critical to Alaskans, 90 days is more than enough time to complete legislative business. The two Special Sessions would not have been needed if the Senate had gotten down to work. I voted against holding the second special session, because I did not believe it would be productive; sadly, I was right.

Q: Parental Choice Scholarship Program, HB 145: what is your stance?

A: I am cosponsor of SB 106, the Senate version of School Choice. Anytime you introduce competition into an arena, best practices are utilized, efficiency becomes a necessity and striving for excellence becomes more than just a goal, it becomes essential. We are spending millions of dollars on an education system which produces unsatisfactory results. The Parental Choice Scholarship Program is a program with proven results; it is time to put our children first.

Q: What drives increases in the State **operating budget and the capital budget**?

A: Our district has very few, small items in the Capital budget, primarily for road projects. The Operating budget increases are largely due to education and healthcare "formulas." This means that Medicaid and education funding increases every year due to federal mandates and inflation. In the upcoming years, as

national healthcare (Obamacare) is imposed, our healthcare costs will escalate even more. To quash the escalation requires entitlement funding reform in Washington.

Q: The year 2007 saw the enactment of legislation that significantly increased **Alaska's oil production tax**. This tax has proven to be seriously damaging to private sector investment, and has led to an even steeper decline in oil production in Alaska. Greater exploration and development investment by oil companies will result in more oil in the pipeline, more Alaskans with jobs, and more money for the state due to increased oil production and higher employment. I see nothing but positive by lowering the taxes, what exactly is the hold up?

A: I serve on the Senate Labor & Commerce Committee, which currently holds the bill that would reduce the production tax (HB 110). As a freshman Senator, I did an unconventional thing on Apr. 8 – I made a motion that the bill be moved out of that committee and on to Senate Resources committee. Needless to say, the motion failed due to “no” votes by Majority members. HB 110 is still held up by L&C. High taxes discourage investment and are effectively reducing our private sector job market and TAPS throughput. I will continue to advocate for our future by supporting a robust private sector business environment. Alaska jobs are of critical importance to me. I talk to people in my district who are losing their jobs in the oil industry or being transferred out of state. Business owners are laying off employees as demand on the North Slope falls. As a lifelong Alaskan, here before statehood and petroleum, and with 2 sons and 3 grandchildren living in our state, I am concerned about the future of our state for all residents.

I am focused on ensuring that TAPS has sufficient oil to remain functional. If TAPS shuts down (hastened by falling production), our state loses 90% of the revenue that runs it. Dr. Scott Goldsmith, Ph.D., researched the effect of the loss of petroleum on the Alaska economy; find his report at: <http://www.iser.uaa.alaska.edu/Home/ResearchAreas/EconomicAnalyses.htm>

Q: Do you support SB 98, the **privacy bill** prohibiting the collection of biometric data?

A: Yes, I am cosponsor of SB 98. This bill is currently held up in Senate Judiciary, despite its bipartisan support. Alaskan's have the right to keep their personal genetic and biometric data private.



Outdoor Heritage Foundation Midnight Sun Charity Shoot: Senator Giessel and Olympian Cory Cogdell

I welcome your questions and comments.

You can contact me at:

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News

In-State Gas Line Report

The Legislature formed the Alaska Gas Development Corporation (AGDC) in 2010, to continue work on an in-state gas pipeline. The plan is called ASAP (Alaska Stand Alone Gas Pipeline) plan. View the plan at <http://www.gasline.us.com>.

AGDC calls for a pipeline that will deliver gas to consumers at the lowest possible cost. The report indicates that gas could be delivered to Anchorage at \$9.63/MMBtu (currently we pay \$8.85) and to Fairbanks at \$10.45 (currently \$23 trucked gas, \$30 for heating oil). These prices could be achieved,

according to the report, if the State of Alaska owns the pipeline. Cost estimate at this time is \$7.52 billion (in 2011 dollars).

There is a lot more work to do, refining costs and engineering. The Legislature has provided funding for work to continue.

In-State Gas Caucus Meeting

I am a member of the In-State Gas Caucus. Our purpose is to be informed about, and promote, use of Alaska's vast natural gas resources for the benefit of Alaskans, as well as export to the world market. The Caucus met on July 25 for a briefing on the ASAP (Alaska Stand Alone Gas Pipeline) plan. The ASAP team is using a "stage-gated project delivery approach." This approach provides multiple points where "Go/No Go" decisions are made, based increasingly on refined engineering and cost estimates.

Megaprojects Workshop

I will be attending a 3-day workshop about the "stage-gated project delivery approach." I have read Industrial Megaprojects by Murrow, which summarizes the process that can bring greater success for large projects. My goal is to cast informed votes on the large projects in Alaska's future, doing my best to foster projects that provide economic benefits and which can be completed on-budget and on-time. I look forward to this rigorous workshop.

Legislative Energy Horizon Institute

I recently attended the Energy Institute in Portland, OR. The Legislative Energy Horizon Institute is designed to educate state legislators on the North American energy infrastructure and delivery system. Thirty legislators who are committed to energy policy in their legislative service were selected to participate in an 18-month, university certificate, program in energy policy planning. The Institute sponsors are Pacific Northwest Economic Region (PNWER) and the University of Idaho. Legislators from both the U.S. and Canada are taking part in the program. Senator Coghill, Representative Feige and Representative Foster attended with me.

Capital Project Information System

This past month a member of my staff attended the Huffman O'Malley Community Council to speak on the capital project submission process. If you would like more information on this process please feel free to contact my office at 269-0181.

UPCOMING EVENTS AND INFORMATION

Hiland/Eagle River Loop Road Resurfacing

Rick Feller, Public Information Officer at DOT, tells me that the bid phase of the project is complete. You can expect to see activity this month with guardrail and signage work. The actual paving is not expected to begin until after Labor Day, with the completion of the main paving work by mid-September. A sealing overlay will be placed next summer.

Seventh Annual Girdwood 2020 Golf Tournament

This is one of the two events this year that provides vital dollars for Girdwood 2020 to support worthwhile community projects and for the Alaska Winter Olympic Foundation to support Alaska athletes in pursuing the Olympic dream.

Date: Monday, August 29th 5:30 pm Kick-Off Reception

Tuesday, August 30th 8:00 am Start

Location: O'Malley's on the Green

Huffman O'Malley Community Council: Dan Coffey to speak on Title 21

Date: August 18th @ 7:00 pm

Location: Anchorage Christian Church (Corner of Lake Otis and O'Malley)

Chugach State Park Management Plan Draft is out for Public Comment

To view the full plan visit: <http://dnr.alaska.gov/parks/units/chugach/manageplanchug.html>

Submit Comments by 4:30 pm September 9, 2011 to:

Chugach State Park Planning

Department of Natural Resources

550 W 7th Ave. Suite 1050

Anchorage, AK 99501

Fax: 907-269-8915

Monica.Alvarez@alaska.gov

Construction on Eagle River South Fork Trails

This project is part of an ongoing effort by the Department of Natural Resources, the Governor, and the Legislature to address the more than \$60 million in state park deferred maintenance needs and to provide Alaskans and visitors with a more pleasant and safer park experience. Work on existing pathways and new pathway construction will take place from July 2011 through September 2011. For more information visit:

<http://dnr.alaska.gov/parks/plans/chugach/uppertsouthfork.htm>

Senate Labor & Commerce Hearings

The Senate Labor and Commerce Committee will be conducting hearings in Fairbanks and Anchorage. The subject is North Slope oil field employment, especially focusing on the level of Alaska resident participation in the industry. We will hear from industry and labor leaders, workers and other experts with the goal of understanding how we can increase employment for Alaskans.

Times: 1:30 pm-3:30 pm, invited testimony;

5:30 pm-8:00 pm, public testimony

Fairbanks: Tuesday, September 6th

Anchorage: Thursday, September 8th

Energy Council

The Energy Council will be holding their annual meeting in Anchorage this year, September 29th -October 2nd. I will be attending these meetings and look forward to continuing the dialogue about the importance of resource extraction and other crucial energy issues to our great state and nation.

SPOTLIGHT

Presidential Scholars

Betsy Winkle of Grace Christian School and **Aaron Wheatall** of Service High School were named 2011 Presidential Scholars. Nationally, only 141 students are selected each year. These elite students have demonstrated outstanding academic achievement, artistic excellence, leadership, citizenship, service, and contribution to school and community. U.S. Presidential Scholars were honored for their accomplishments in Washington D.C., from June 18th -21st.



Pioneers of Alaska-Anchorage Scholarships

Congratulations to students from our district: **Kaitlin Hosking** (South High School) and **Brianna Asplundh** and **Gabriella Servant** (Grace Christian School). I am a proud member of this organization, which awards scholarships to direct descendants of organization members who are graduating from any Anchorage high school, public or private.

What's Your Story?

Do you know someone who will be in 6th, 7th, or 8th grade in the 2011-2012 school year? They can be part of the Alaska middle school newspaper, "What's Your Story?" The paper includes photos and career dreams of middle school students from all around Alaska. Students need only fill out a quick form identifying their career goals and basic contact and school information - no lengthy writing required! Parents need to sign for approval and they may send in a cool, non-professional photo of themselves.

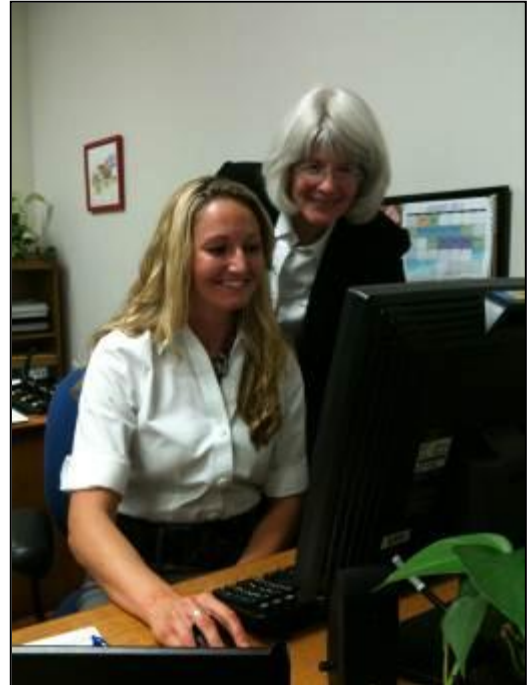
Contact shelly.morgan@alaska.gov or 1-877-577-3367. You can also visit Alaskadvantage on Facebook to find out more!

Meet My Staff!

I have the best staff! When you call my office with a question or request, you will probably talk to Lindsay Williams. Lindsay coordinates meetings between you and me, can connect you with the right information source, or will find out answers to tough questions!

Sharon Long has extensive experience in the legislature and government and is well informed on resources and veteran affairs issues. If Sharon doesn't know the answer on any issue, she knows how to find it and won't give up until she has the answer!

I am pleased to have these two people stand with me, ready to serve you! Please feel welcome to contact my office at any time. **You are our priority!**



Sharon Long (Chief of Staff) and Lindsay Williams (Legislative Aid)