



Preliminary Report  
to the Alaska State Legislature

# Executive Summary





# Alaska Arctic Policy Commission

Co-Chair: Senator Lesil McGuire, Anchorage, 907.465.2995

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January 30, 2014

Dear Alaskans,

Alaska is America's Arctic, and the Arctic is changing. All eyes are on this vast, bountiful, and sparsely populated region – this creates new opportunities, and new challenges for Alaska. Across the Arctic and around the world, we have articulated a vision of this region as a vibrant place of activity and possibility. To envision these emerging opportunities is a good start, now we must help bring them to life for the benefit of Alaska and America.

Alaskans must boldly lead the United States in forming a strategy for its Arctic that realizes the state's prominent role in Arctic decision making. Alaskans have a shared responsibility to understand the issues at stake, including the perspectives and priorities of Arctic residents, and to set a clear course for leadership now and into the future.

Planting a flag in the Arctic is like planting a flag on the moon. It is an important symbolic message telling us to push boundaries and move with purpose toward Arctic endeavors. If we can conceive of the Arctic in a new way, a way that mirrors the reality and the way it ought to be—a place of unsurpassed beauty, culture and opportunity—then that is what the Arctic shall be.

Our timely report is consistent with the interest and commitment that our neighbors in the circumpolar north have shown in developing Arctic policies for their homelands. In addition, it coincides with the warranted but past due attention that the United States has given the topic in the last twelve months.

It is our job as Alaskans to seize these new opportunities, while at the same time overcoming new challenges and obstacles. We have trekked far and wide to ensure we received input from Alaskans around our state including Juneau, Barrow, Unalaska, Fairbanks and Anchorage in 2013, with visits to other locations planned in 2014.

2014 is the Year of the Arctic for the Alaska Legislature. There is a need to make sure Alaska is in the captain's seat as arctic decisions are made that will affect all Alaskans today and for hundreds of years to come.

If we act now, we have an opportunity to set the heading. The United States will be Chair of the Arctic Council in two years and it is imperative for Alaskans to develop and pursue our own Arctic vision. We must strive to be the navigator of the Arctic policy vessel.

This monumental undertaking of shaping an Arctic policy cannot be understated. It is easy for vision and leadership to be lost in the complexity of the task. However, we are not lost if we know where we have been, where we are, and where we are headed. This Preliminary Report acknowledges the first, provides a brief overview of the second, and begins to lay out clear guidelines and direction for the third.

To the legislators reading this, we ask you to take the time during this busy legislative session to provide critical and constructive feedback. Your input will help ensure that the Commission has the information it needs to draft what will become a determining and significant policy and implementation plan that shapes Alaska's future and benefits Arctic residents, citizens of the United States, and visitors who share its waters and land.

As fellow Alaskans, we know you recognize that with increasing activity in the region comes both risk and opportunity. We cannot let the perceptions of others determine Alaska's future. The Alaska Arctic Policy Commission is proud to provide this Preliminary Report of the findings and recommendations we have reached over this past year. We hope that you will view this Preliminary Report as a guide for maximizing opportunities and overcoming challenges that come with accepting our role as America's Arctic state.


Our fellow Commissioners, and many other Alaskans who have provided input, deserve our gratitude for their hard work and patience as together we have crafted this document. We look forward to 2014 when we will be gathering more public input, finalizing this report, seeking your "Arctic" appreciation, and producing a strategy for the implementation of Alaska's Arctic policy.

Sincerely,



Representative Bob Herron

Sincerely,



Senator Lesil McGuire



# Alaska Arctic Policy Commission



**Senator Lesil McGuire**  
Anchorage  
*Commission Co-Chair*



**Representative Bob Herron**  
South Bering Sea  
*Commission Co-Chair*



**Senator Lyman Hoffman**  
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**Senator Gary Stevens**  
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We would also like to specifically thank these individuals for their input and guidance: Lt. Governor Mead Treadwell; USARC Chair Fran Ulmer; US Coast Guard District 17 Rear Admiral Thomas P. Ostebo; US Coast Guard Arctic Planning/Coordination James Robinson; Arctic Circle Co-founder Alice Rogoff; former Alaska Senate President Drue Pearce; and former Department of Natural Resources Commissioner Dan Sullivan.

## Arctic Boundary as defined by the Arctic Research and Policy Act (ARPA)



All United States and foreign territory north of the Arctic Circle and all United States territory north and west of the boundary formed by the Porcupine, Yukon, and Kuskokwim Rivers; all contiguous seas, including the Arctic Ocean and the Beaufort, Bering and Chukchi Seas; and the Aleutian chain.

The Aleutian chain boundary is demarcated by the 'Contiguous zone' limit of 24-nautical miles.

## Northern Hemisphere by Coven's and Mortier (1741)



This map was originally drawn by Guilaume de L'Isle in 1714 and updated by Coven's and Mortier in 1741. This map shows North America at the height of the Colonial period. Alaska does not appear as it was not explored by the Europeans at the time.

Note: California is drawn connected to the mainland with a dotted line- indicating that the European map publishers were not yet prepared to give up on the idea that California was an island.

As befits De Lilsle's scientific approach to cartography much of the unexplored northwest of America remains blank.



# Introduction

In years to come, Alaskans may ask how citizens of the state - and their government - are working to deal with massive changes coming to the Arctic region. This report of the Alaska Arctic Policy Commission shows that Alaska's leaders are working to understand the local, national, and global impact of an actively changing Arctic. Alaskans are on the forefront of new exploration and use of Arctic resources, and of new circumpolar cooperation.

Alaskans continue to dream big about the possibilities that come with an accessible Arctic, building on the vision and hard work of peoples who have lived here for thousands of years and many more who have contributed to exploring and pioneering in the region. The cultural traditions, beliefs, and practices that have sustained us must themselves be sustained. Alaska's leaders are working to make sure that happens.

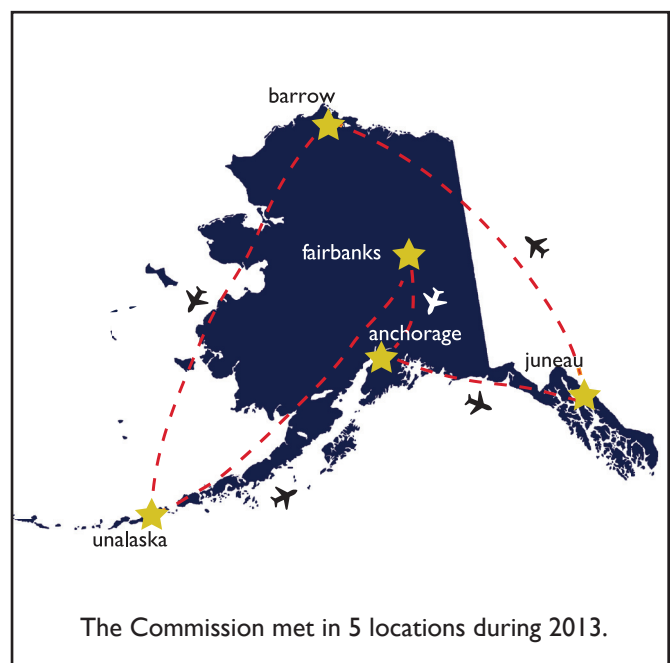
Leaders in Norway, Denmark, Sweden, Finland, Iceland, Russia and Canada - and even non-Arctic nations like Singapore and China - all see the value of the Arctic. Meanwhile, many Americans still do not realize that the United States is an Arctic nation. Providing relevant information about the reality of the emerging Arctic, understanding and communicating the critical issues that affect this frontier, and instilling confidence in the promise of safety and prosperity is essential as Alaska and America move forward to ensure both.



## The Alaska Arctic Policy Commission

In April 2012, the Alaska State Legislature established the Alaska Arctic Policy Commission to “develop an Arctic policy for the state and produce a strategy for the implementation of an Arctic policy.” To accomplish these objectives the Commission has conducted a baseline review of the Alaskan Arctic by evaluating strengths, gaps and opportunities, and produced this *Preliminary Report* to the Alaska Legislature. The *Preliminary Report* sets forth a proposed Arctic policy and recommendations, from which Alaska's perspectives and priorities can be better understood by the many decision makers playing active roles in a rapidly changing Arctic.

As highlighted in the Commission's Letter of Intent to Secretary Kerry and National Security Advisor Rice (June 28, 2013), the Commission operated under the “conviction that the state is an active and willing leader and partner in Arctic decision making, bringing expertise and resources to the table.” Furthermore, the Commission remains “committed to producing a vision for Alaska's Arctic that stands the test of time; delivering policy statements that capture not only the opportunity of the Arctic but also the need to mitigate the challenges; and completing a final product that elevates the priorities and perspectives of Alaskans to a national and international stage.”







The Commission has considered a broad diversity of perspectives, drawing from a wealth of expertise within Alaska, while considering the national and international context of ongoing Arctic initiatives. The *Preliminary Report* includes a “State of Alaska’s Arctic” chapter that summarizes the Commission’s findings and which serves as the basis for its recommendations. The *Preliminary Report* should be considered a draft, with public comment and additional work to be completed throughout 2014 and incorporated into the Final Report.

### The Alaskan Arctic

Alaska is the sole reason the U.S. is an Arctic nation. Alaska holds 56% of U.S. coastline, and is 1/5 the size of the entire U.S. with 61.8% of its lands under the control of the Federal Government. Approximately 53,000 people out of Alaska’s total population of 740,000 live in the Arctic region, which has a diverse and fragile ecosystem with considerable natural resource potential. Indigenous peoples have occupied the Alaskan Arctic for thousands of years and today account for about 70% of the total population in mainland areas bordering the Bering, Chukchi, and Beaufort Seas. Local, state, federal and tribal governments; Alaska Native Corporations; and industry have been active in the region for decades.

### Increased Global Attention

The U.S. government and policymakers around the world have recently shown increased interest in the Arctic. A record number of non-Arctic nations were granted observer status at the 2013 Arctic Council Ministerial meeting and many of these nations have developed Arctic Strategies in recent years. This interest is due in large part

to significant changes experienced by the region in the last decade, particularly environmental changes such as rapid loss of summer sea ice and melting permafrost. With these developments come a series of new challenges and opportunities with respect to the health, economies, and cultures of Arctic inhabitants; environmental impacts; access to natural resources; commercial shipping and tourism; and security.

### Seeking Cohesive Policy in the U.S.

Alaska and U.S. domestic Arctic policy must be coordinated and aligned to achieve key objectives for the benefit of Alaskans and the nation. U.S. international Arctic policy should be a direct extension of sound domestic policy that has meaningful input from, and is endorsed by, Alaskans.

The Alaska Arctic Policy Commission was formed partially in response to efforts by the U.S. government to refine its Arctic policy. It is imperative that U.S. policy for the Arctic reflects the values and interests of Alaskans. The need for Alaska to influence national Arctic policy is about more than informed decision making. A top-down approach to U.S. Arctic policy that fails to build on the substantial knowledge (both traditional and scientific) and expertise of Alaskans would be counterproductive, inefficient, and lack legitimacy in the eyes of Alaskans.

### Scope of Issues Addressed by the Commission

For the purposes of its work, the Commission applied the geographic definition of the U.S. Arctic set out in the Arctic Research and Policy Act (ARPA), henceforth called the Alaskan Arctic – from the Aleutians to the Canadian border, west and north of the Porcupine, Yukon and Kuskokwim



rivers. The Commission acknowledges that there are other ways to define the Arctic. For example, some definitions focus on the physical properties of the area, specifically the Arctic cryosphere (i.e., permafrost, sea ice, etc.), and others focus on geopolitical boundaries.

The Commission realizes that many issues facing the ARPA geographic area are similar to, or intertwined with, developments in other regions of Alaska. In fact, much of the dialogue around Arctic issues has relevance to geographic areas of Alaska found outside the “Alaskan Arctic” area as defined by the ARPA.

Although the challenges and opportunities of the Alaskan Arctic region cannot truly be separated from those of the state as a whole, the Commission has focused on those issues specific or unique to the Arctic region. The

Commission did not wholly avoid statewide issues, but when those issues were addressed, they were examined based on how they related to the Arctic region in particular. Using the ARPA-delineated Arctic region also ensured that the Commission’s work product would be in a form that is helpful to U.S. federal agencies, which draw a distinction between federal policy for the Alaskan Arctic and the rest of Alaska. The Commission recognizes that, especially from a national and international perspective, it is often necessary and beneficial for Alaska as a whole to be included in Arctic discussions.



# Alaska's Arctic Policy

## The Alaskan Arctic Vision Statement

The Alaska Arctic Policy Commission respectfully submits to the 28<sup>th</sup> Alaska State Legislature for careful consideration this draft policy statement to establish an Arctic Policy for the state of Alaska.

Alaskans recognize the need for a higher level of attention to and deeper understanding of the “emerging Arctic.” Increasing activity, change and opportunity globalization and resource development, a sensitive environment and rich and diverse cultures are now framing the Arctic.

Therefore, the state of Alaska envisions an Arctic that:

- **Values Community Sustainability and Thriving Cultures**  
Alaska will continue to value and strengthen the sustainability of communities and respect and integrate Arctic peoples' cultures and knowledge.

- **Advances Economic Development and a Healthy Environment**

Alaska will continue its commitment to economically vibrant communities sustained by development activities that recognize the need and our responsibility for a healthy environment.

- **Ensures Public Safety and Security**

Alaska will provide a safe and secure Arctic for individuals and communities, and coordinate with federal agencies on national defense obligations to enhance Alaska security.

- **Incorporates Transparency and Inclusion into Decision Making**

Alaska will collaborate with other levels of government, industry, non-governmental organizations, and tribes to achieve transparent and inclusive Arctic decision making that results in more informed, sustainable and beneficial outcomes.







Therefore, it is the policy of the state of Alaska, as it relates to the Arctic, to:

- Recognize and respect the values and perspectives of the region's indigenous peoples, their cultures, and traditional ways of living.
- Sustain current and develop new approaches for responding to a changing climate that increase community resilience, adaptability and sustainability, as well as promote health and social well-being.
- Manage Arctic fisheries and wildlife for abundance and sustained yield using a science-based, ecosystem approach that integrates local and traditional knowledge.
- Build capacity to conduct science and research and advance innovation and technology, consistent with emerging risk and opportunity in the Arctic, as part of a state-led collaborative effort.
- Ensure that impacted communities receive direct and indirect benefits from economic development activities, including employment and training opportunities that might come with new and different careers.
- Strengthen disaster prevention and emergency response capability by coordinating the necessary levels of public and private investment for infrastructure and equipment.
- Collaborate with industry, local government, and federal agencies, and consult with Arctic residents, to improve the efficiency of permitting and regulatory processes, as well as to foster a positive investment climate.
- Strengthen cross-border relationships with Canada and Russia and support international Arctic cooperation.
- Pursue opportunities to meaningfully participate as a partner in development of federal and international Arctic policies and incorporate state and local government knowledge and expertise.
- Employ integrated, strategic planning and consult with Arctic residents for scientific, local and traditional knowledge to meaningfully enhance Arctic decision making.
- Attract Arctic investment with a competitive business environment supported by strategic investment in Arctic communications, energy, maritime, and aviation infrastructure.
- Establish, support and maintain national, state, community and personal security and safety.

# Strategic Recommendations

Commissioners have identified the following “strategic recommendations” as important for priority consideration given their potential scale of impact—responding to significant gaps and/or opportunities—and the degree to which their implementation is complex or difficult.

These have been selected as recommendations that would benefit from the attention of the 28<sup>th</sup> Alaska State Legislature with the hope that action might come sooner than later. *Note: The recommendations are grouped by section and are in the order that they appear in this report. Strategies for implementation of recommendations will be further developed in 2014, prior to the final report’s delivery in 2015.*

## Governance and Indigenous Perspectives

- Continue to pursue, and actively expand, all avenues of participation in the Arctic Council, including involvement in Working Groups and by building partnerships with Permanent Participants.
- Develop, where lacking, and build upon existing programs to improve transparency and community/local

inclusion in decision making through state coordination of multi-agency permits, state and federal coordination of permits and plans, and meaningful involvement of regional stakeholders in development activities or plans that affect them.

## Science and Research

- Increase state funding to, and partnership with, the University of Alaska for Arctic research that aligns with state priorities and leverages the University’s exceptional facilities and academic capacity.
- State agencies should consider adapting successful models—such as the Alaska Department of Environmental Conservation and Yukon-Koyukuk Tribal Communications Protocol—to development agreements with local governments and tribes regarding the use of traditional knowledge and culturally sensitive practices in research and permitting programs.







## Planning and Infrastructure

- Conduct a comprehensive Arctic region economic and infrastructure assessment and planning process that integrates local, regional, state and federal planning efforts.
- Encourage the development of an inter-agency and inter-governmental working group tasked with working with multiple levels of stakeholders to develop and implement a prioritization, funding and implementation mechanism for constructing and maintaining infrastructure and economic development.

## Oil, Gas, and Mineral Resources

- Implement regional planning efforts that allow local stakeholders to identify and communicate priorities such as education, infrastructure, and development, to state and federal agencies.
- Develop a mechanism for revenue sharing from resource extraction for impacted communities, developing perpetual trust funds (where lacking) to finance community needs beyond the life of non-renewable resources.

## Security and Defense

*Due to the complexity and importance of National Arctic security issues the Commission decided that this area warrants more attention than they were able to give it. National Arctic security issues will be reviewed for the DOD agencies and the Coast Guard during 2014.*

## Marine Transportation

- Encourage development of appropriately integrated systems to monitor and communicate Arctic marine information, and continue state and federal support for programs such as the Alaska Marine Exchange.



## Response Operations:

### Search and Rescue/Oil Pollution

- Facilitate and secure public and private investment in support of critical aviation and maritime response infrastructure and economic development, to include consideration of direct state funding and/or public-private partnerships that address development of communications, a deep draft port(s), icebreaker(s), logistics hubs, and a WX C-130 size aircraft hangar(s).
- Encourage and advocate for more adequate funding so that the U.S. Coast Guard can carry out its assigned and emerging duties in the U.S. maritime Arctic without compromising its capacity to conduct all missions throughout Alaska.
- Expand and support the Department of Environmental Conservation's effort to involve communities through Sub-area Planning and provide local training to maintain limited supplies of oil spill response equipment and to ensure timely, effective and safe response and spill containment.



- Support the Department of Environmental Conservation's ongoing communication with the U.S. Coast Guard in reviewing alternative compliance program development and applications.

### Energy and Power

- Develop stable long-term funding mechanisms for state weatherization and energy efficiency programs while continuing robust efforts to find long-term energy solutions.

### Fisheries and Wildlife

- Develop an assessment and monitoring program in support of strategies for fish and wildlife management that enhances food security for Arctic residents.
- Develop new and improve existing public education and awareness programs that result in a more informed public who understand the multi-faceted programs and policies that regulate the conservation of Arctic biodiversity and sustainable use of biological resources.









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