

SCOMM

#9:95

FOR THE SPECIAL HOUSE AND SENATE COMMITTEES ON THE PERMANENT FUNDAlaska Public Forum
Interim Report
(Oct. 1-Oct. 25)

Alaskans participating in the Public Forum this fall have strong opinions and recommendations concerning the future of the Permanent Fund. This report is designed to give you the color of their responses through (1) questionnaire results and (2) workshop discussions.

The cut-off date for coding and tabulating questionnaires for this report was October 25. At that time, the Public Forum had concluded workshops in Wainwright, Dillingham, Togiak, Kotzebue, Noorvik and Anchorage.

* The Questionnaires

Cautionary note: This is an informal tabulation of Public Forum results, i.e., as they say in the vernacular, "for your eyes alone". The primary reason is that responses from Anchorage heavily weighted the results of the interim count, as you will shortly see. Thus, it would be unfair to quote these responses as representative of the entire state, since at the end of October we had only held six out of 17 meetings, and several regions of Alaska are not included in the count.

This is not to say that the responses to date are not valid ones. Yet they represent predominantly the opinions of Anchorage and Southcentral Alaska.

** The Workshops

Please keep in mind that many of the participants attending the workshops did not fill in questionnaires. This is particularly

true for rural communities where the Public Forum newspaper was too overwhelming for many to digest easily, especially since English is not their first language. However, following a careful verbal presentation and interpretation into their own languages, workshop participants in the Bush often had strong opinions concerning the Permanent Fund. These will be discussed later in the section on workshop results.

Do weigh the workshop results and the questionnaire results individually and with equal importance.

* Circa 1200 questionnaires were tabulated.

** About 500 people participated in the first six forums.

Tabulation of Questionnaires
For the Interim Report

Demographics

More than 75% of the participants in the Alaska Public Forum questionnaire are male. About 45% of respondents were either manager-administrators or professional-technical people. The third largest occupation group (16%) were the unemployed.

Frequencies

We have broken out percentages of responses into three categories ---Statewide, Anchorage and Southcentral. You will note that the responses from Anchorage comprise nearly 65% of the total questionnaire responses received by October 25. The Southcentral results include about 80-85% of the total responses. As the boundaries are drawn, Southcentral includes the major populated areas of Anchorage, the Kenai Peninsula, and the Matanuska-Susitna Valley.

The Questions

A. Which use of the Permanent Fund do you feel is most important?

By far, the most important use of Permanent Fund monies is "to provide money for income-producing investments". In Anchorage, 75% of the responses favored this option. Statewide this choice drew 71% of the vote.

"To save money for the future" was the second choice with 15% of the total responses statewide. "To avoid using the money for state programs" was the third choice with 10% of the vote statewide.

B. Would you like to see more than 25% of the specified mineral revenues placed in the Permanent Fund?

Opinion was fairly evenly divided on this question. However, the scales tipped slightly in favor of putting more than 25% of

certain mineral revenues into the Permanent Fund.

About 55% of respondents statewide said "yes"; about 45% said "no".

C. Please rank the following possible goals for Permanent Fund investments according to which goals you think are most important. (See attached sheets for complete listing of options.)

Statewide priorities for Permanent Fund investments, which are mirrored by Anchorage and Southcentral, are:

1. Assist in stabilizing the Alaskan economy (18%)
2. Create more jobs in Alaska (15%)
3. Maintain Environmental quality (14%)
Make more money available for investing in the state (14%)
4. Make the safest possible investments (10%)

D. In last year's Public Forum, participants indicated that the highest priority for using the Permanent Fund was to promote renewable resource industries. Do you agree with this?

More than 75% of the respondents agreed with the results from the Public Forum last year, placing highest priority on renewable resource industries for Permanent Fund investments.

E. Do you feel that the goals you have identified as most important can be met by investing in renewable resource industries?

An even greater majority (almost 80%) feel that their goals can best be met by investing in renewable resource industries.

F. If you said "yes" in question "D", would you still vote to invest in renewable resource industries even if the money earned was less than the money that could be earned from other investments?

More than 90% of the respondents answered "yes" to both Question 3D and to this question, i.e., they support renewable resource industries even if the return on investment is lower than the return from investing in other enterprises.

Last Year's Public Forum Results

The responses to these last three questions present a strong ratification of last year's Public Forum results on the Permanent Fund question.

Perhaps a brief review of those responses would be helpful. As stated above, renewable resource industries were ranked, by a wide margin, as the highest priority for all additional oil and gas money. The definition of those industries was colored by regional preferences, ranging from traditional industries such as timber, fishing, and farming to aquaculture and utilization of solar and tidal energy.

In addition, participants wanted to preserve the integrity of the Permanent Fund. Their second choice, "to save the money", reflected the desire for secure investments---those with guaranteed earnings and high returns. There was also considerable support for increasing the size of the Permanent Fund.

Last Year's Public Forum Results Statewide Analysis

1A. How should the Permanent Fund money be invested?

- 26% Save it
- 14% Loan it to communities
- 10% Loan it for industrial development
- 36% Loan it to develop renewable resource industries
- 9% Loan it to individuals

5% Other: Miscellaneous bonds and loans, or other methods of saving;
health, education, welfare issues.

Number of Responses: 3237

ALASKA PUBLIC FORUM

PERMANENT FUND QUESTIONS

Interim Count
(Oct. 1-Oct. 25)

A. Which use of the Permanent Fund do you feel is most important?

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
*Number of Responses =	1059	675	851
1. To save money for the future	15%	13%	13%
2. To avoid using money for state programs	10%	8%	10%
3. To provide money for income-producing investments	71%	75%	73%
4. Other	<u>4%</u> 100%	<u>4%</u> 100%	<u>4%</u> 100%

*(64% of total # of responses from Anchorage)
(80% of total # of responses from Southcentral.)

B. Would you like to see more than 25% of the specified mineral revenues placed in the Permanent Fund?

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
*Number of Responses =	1039	667	836
Yes	54%	52%	52%
No	45%	47%	47%
Don't Know	<u>1%</u> 100%	<u>1%</u> 100%	<u>1%</u> 100%

*(64% of total responses from Anchorage)
(80% of total responses from Southcentral.)

*C. Please rank the following possible goals for Permanent Fund investments according to which goals you think are most important.

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
**Number of Responses =	1175	750	944
1. Create more jobs in Alaska	15%	15%	14%
2. Not encourage more people to come to Alaska	9%	9%	9%
3. Maintain environmental quality	14%	13%	13%
4. Make maximum amount of money	6%	6%	7%
5. Make more money available for investing in state	14%	14%	14%
6. Make safest possible investments	10%	10%	10%
7. Make more Alaskan products available	5%	4%	5%
8. Assist in stabilizing Alaska's economy	18%	19%	18%
9. Other	9%	10%	10%
	<u>100%</u>	<u>100%</u>	<u>100%</u>

*Question C was tabulated on the basis of first choice answers only.

**64% of total responses from Anchorage

85% of total responses from Southcentral.

D. In last year's Public Forum, the participants indicated that the highest priority for using the Permanent Fund was to promote renewable resource industries, such as fisheries, timber and farming. Do you agree with this?

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
*Number of Responses =	1058	680	857
Yes	76%	76%	76%
No	23%	24%	24%
Don't Know	<u>1%</u>	<u>--</u>	<u>--</u>
	100%	100%	100%

*64% of total responses from Anchorage
81% of total responses from Southcentral

E. Do you feel that the goals you have identified as most important can be met by investing in renewable resource industries?

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
*Number of Responses =	1023	662	834
Yes	78%	79%	79%
No	21%	20%	20%
Don't Know	<u>1%</u>	<u>1%</u>	<u>1%</u>
	100%	100%	100%

*65% of total responses from Anchorage
82% of total responses from Southcentral

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F. If you said "yes" in question "D", would you still vote to invest in renewable resource industries even if the money earned was less than the money that could be earned from other investments?

	<u>Statewide</u>	<u>Anchorage</u>	<u>Southcentral</u>
*Number of Responses =	767	471	603
Yes	90%	93%	93%
No	9%	6%	6%
Don't Know	<u>1%</u>	<u>1%</u>	<u>1%</u>
	100%	100%	100%

*61% of total responses from Anchorage
79% of total responses from Southcentral.

Workshop Results

Our approach to the Permanent Fund in the workshop presentation and discussion questions was considerably different than the information and questions posed in the tabloid. There were several major reasons for this divergence.

Since decisions affecting the future of the Permanent Fund are imminent, our effort was to relay specific and current information relating to Permanent Fund bills already introduced in the legislature and ideas which will shape bills in the future session.

In rural areas, it was unrealistic to structure discussions around some of the more philosophical concepts posed in the questionnaire (Here I speak particularly about the third question which deals with investment goals.) For instance, to ask someone who lives in the small community of Wainwright near the Arctic Ocean, whether his investment goals for the Permanent Fund are "to stabilize the Alaskan economy" or "maintain environmental quality" are basically irrelevant to his daily life. And yet, in the Bush communities, participants had some very real and immediate concerns for the investment of the Permanent Fund. But they had difficulty grappling with the more "cosmic" options presented in the questionnaire.

In the urban areas, we found that people were ready to go beyond the philosophical or "value" statements and straight to the heart of legislation. They wanted to have some direct influence on the bills which will be presented and debated on the House and Senate floors this winter.

Briefly, our presentation on the Permanent Fund included:

1. The history and creation of the Fund
2. What decisions must be made in the near future, concerning

management, size, structure, etc.

3. The two bills introduced in the last legislative session, HB 298 and HB 300
4. And more recently, how the House Permanent Fund Committee proposes to treat the Permanent Fund.

Understandably, as more information became available, the presentation and subsequent workshop questions changed accordingly. As the Forums progressed, there evolved three slightly different sets of workshop discussion questions which I will briefly outline.

I. Wainwright, Dillingham and Kotzebue

We outlined the investment strategy of the S.I.A.C. bill and asked participants to consider how they would compare their investment strategy for the Permanent Fund with that currently proposed.

We asked participants to assign percentages to the different investment avenues specified in HB 298 according to which they felt was most important. We listed these simply as (1) economic development (2) community development and (3) save it. However, we did break down economic development into two parts, (a) economic development in renewable resources (since the emphasis in this kind of development was so strong last year in the Public Forum) and (b) other economic development.

Participants collectively assigned percentages to each category, defined what each category meant to them and explained the reasons behind their choices. (You will find that information, specific to each community on the following pages.)

II. Anchorage

In this urban center, the format was structured slightly different. Basically, we asked the same question which had been

posed in the three previous workshops and two additional questions for discussion. Participants here got into discussions of desired size, management and accountability.

These were the three workshop questions:

1. What is it that you want to accomplish as you recommend that oil revenues be invested in each of the categories (i.e., save it, economic development in renewable resources, etc.)?

2. From your point of view, is that better accomplished through allocation of the general fund or through investment of the permanent fund?

3. From your point of view, what should be the relative size of the permanent fund and why?

III. Fairbanks and Kenai

Following our discussions with Russ Meekins, Mike Doogan and Tom Singer, we were able to include in our presentation the draft proposal for the House Permanent Fund Committee's final bill, which will be presented to the Legislature in January.

We asked Fairbanks and Kenai participants to compare HB 298 and HB 300 and how the House Permanent Fund Committee proposes to treat the Permanent Fund, considering these four elements:

1. the size of the fund
2. the investment strategy
3. how the earnings or income are used
4. management of the Fund.

Then we asked them--What is it that you like about the proposals?
What is it that you dislike about the proposals?
What would you suggest be changed to make them more desirable?

(Note: You will notice that Fairbanks and Kenai are not included in the questionnaire tabulation. The cut-off date for coding the questionnaire responses fell before the workshops in Fairbanks and Kenai took place.) However, particularly in Fairbanks, participants had some very specific and interesting comments concerning the House's draft proposal, which is important that you know.)

On the following pages are recommendations on the Permanent Fund from each community in which a workshop was conducted.

** For those of you who read carefully, and may be wondering what happened to Togiak/^{and Noorvik,} let me reassure you that we did go there. However, "fly-in headhunters" and subsistence issues monopolized the entire meeting, so there was no discussion of the Permanent Fund.

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Wainwright

(71 participants)

<u>Permanent Fund Investment Strategy</u>	<u>Percentages</u>
1. Economic Development in	
Renewable Resource Industries	29%
Other Industries	9%
2. Community Development	34%
3. Save It	21%
4. Other	7%
	<u>100%</u>

Definition of Choices

1. Economic Development In

Renewable Resource Industries

- a. Reindeer Herding. "It's very important because there are not many caribou around Wainwright anymore."
- b. Fox farms, chicken hatcheries, musk ox farm.
- c. Hydroponic greenhouse. "It could run on solar power and supply villages on the North Slope."
- d. "Let's focus on the renewable part of industries so we do not abuse our land and animals."

Other Industries

- a. Small assembly factory "like putting together radio parts".
- b. Development of cottage industries.

2. Community Development

Loans for community recreation center
restaurant/motel
airport terminal
movie theater
auditorium for dancing and the performing arts
skill center (for plumbing, mechanics, carpentry)
hospital
pavement of roads
utilities - telephones, water, sewer
gymnasium

3. Save it

"To increase the Fund"

"For future use"

Trust Funds

"For young kids when they grow up."

4. Other

Increase other loan programs. Stimulate the performing arts, especially dancing. To encourage touring art groups.

Dillingham

(125 participants)

Permanent Fund Investment Strategy

Percentages

1. Economic Development in

Renewable Resource Industries 34%

Other Industries 8%

2. Community Development 22%

3. Save It 36%

Definition of Choices

1. Economic Development In

Renewable Resource Industries

a. Development of bottom fish and herring fisheries

b. Fish by-product use

c. Hatcheries, boat loans

d. "This is an economic base for our area...a key to future growth." "Renewable resources are important because there will always be something for the future."

Other Industries

a. Transportation--ferries, air taxis, scows and boats

b. Small businesses

- c. Saw mills
- d. Tourism
- e. Mining

2. Community Development.

Hospital
Housing
Alcohol treatment center
Music hall/theater
Recreation center/parks
Road maintenance
Community College

3. Save It

"We want safe investments and guaranteed return for investments."

Kotzebue

(26 participants)

Permanent Fund Investment Strategy

Percentages

1. Economic Development in	
Renewable Resource Industries	35%
Other Industries	8%
2. Save It	20%
3. Community Development	27%
4. Other	10%

Definition of Choices

1. Economic Development in Renewable Resources
 - a. Fishing - loans, research, fish farming. "There's tons of herring and sheefish here, but no market."
 - b. Reindeer Herding - "as local meat supply rather than bring in beef"
 - c. Musk Ox farms - for the meat and wool
 - d. Down birds - for down products, making down parkas

- e. Alternative power sources - - especially wind and solar.
- f. Cottage Industries - "Older people and mothers who must stay at home with their children, can make money by doing skin sewing, parkas, carving, sled and boat building. With the right organization, these people could make a living from such industries."

Other Industries

- a. Tourism
- b. More major air service
- c. Jade and mineral development
- d. Mining/refineries..."heavily controlled, no new roads"

2. Save It

- a. "Save money for a better idea"
- b. "Invest it outside of the State". . . .municipal bonds, insurance, treasury bonds, certificates of deposit.
- c. "The people of Alaska should have total control of how the money is invested."

- 3. Community Development ("Community development is not an immediate return, but a future return...to get people off welfare and improve the standard of living.")

Wholesale grocery store . . .cooperative
roads
barge services
storage facilities
movie theater/recreational facilities
housing/utilities
laundry mat
bakery/restaurants
garage/mechanics shop
schools - vocational and academic
community cultural center - with films, video, radio, swimming
pool, hot baths, sauna
recreational development - ski-lifts, ski jumps

4. Other

Low interest revolving loan funds

Educational loans . . . on the job training

One group's recommendations for the use of Permanent Fund earnings:

1. Human development projects for rural Alaskans
2. Community cultural centers
3. Research on education - - investing in individual young people who are interested in careers in government and education in Alaska
4. Development of more local community colleges in rural Alaska.

"We would like to see a built-in review and revision process in whatever plan of management and monetary division is originated. The ideas of people within the state may change as we learn what to do and how it feels to manage so much money."

Anchorage

(105 participants)

1. What is it that you want accomplished as you recommend that oil revenues be invested in each of the categories?

Only one out of the three small discussion groups actually assigned percentages to the different categories.

Economic Development in	
Renewable Resources	25%
Other Industries	20%
Save It	25%
Community Development	20%
Other	10%

However, two other groups spoke specifically about the importance of developing renewable resource industries, which for them included farming, fish hatcheries, aquaculture, timber and alternative sources of energy. One group was very concerned that community development "be tied to renewable resource industries. Whatever development is encouraged should be done in such a way that there is no damage done to the environment." Several participants agreed that the Permanent Fund should not be used for social programs..."perhaps we could use the interest for those."

2. From your point of view, is that better accomplished through allocation of the General Fund or through investment of the Permanent Fund?

One group spent most of their time talking about renewable resource industries and felt that "the General Fund should dwell on research into possible renewable resource industries and alternate energy sources." When these proved to be fairly safe investments, then to use money from the Permanent Fund to stimulate their growth.

The other two groups did not get into this question.

3. From your point of view, what should be the relative size of the Permanent Fund and why?

One group said that "we should invest a significant portion of the Permanent Fund (far greater than the 25% now provided) in blue chip investments Outside or municipal bonds in Alaska, possibly Federal Treasury Notes." Participants in this group felt that the size of the Fund should be between 50-75% "with an option on the part of the legislature to increase the contribution, but no option to decrease below the level set."

The second group concurred that the size of the fund should be substantially larger, around 40%. "Our prime concern was to protect the fund, to save it."

The third group did not agree on a size.

4. Management and Accountability

Several of the participants felt that the management of the Permanent Fund "should be run independently such as a separate corporation might be, although it must have certain definite ties back to the people." Management, they concluded, should be accountable to the administration, the legislature and most importantly, the people.

*Nearly one-half of Public Forum participants at the Anchorage workshop participated in Permanent Fund discussions.

Fairbanks

(157 participants)*

Fairbanks participants delved into the Permanent Fund discussions and emerged with some very specific recommendations. They were asked to compare HB 298 and HB 300 and how the House Permanent Fund Committee proposes to deal with the Permanent Fund, considering these four elements:

1. The size of the Fund
2. The investment strategy
3. How the earnings or income are used
4. Management of the Fund

We asked them what they liked about each proposal, what they disliked and any suggestions they had to make the proposals more desirable. Here is what they said:

1. The size of the Permanent Fund

There was strong consensus that the minimum contribution to the Permanent Fund should be at least 50%. Many said that the fund should be increased to 100% of the specified oil monies, minus the cost of operating expenses.

2. Investment Strategy

Almost all of the participants favored the concepts of a Trust Fund and Development Bank in structuring the investments of the Permanent Fund. They liked the idea of the Trust Fund because it was "security-oriented."

However, most people felt that the portion of the Permanent Fund (16%) which would be dedicated to the Development Bank under the House Committee's proposal was "too small." One Fairbanks banker was astounded by the House's proposal. "Oh my god, and they think bankers are conservative." He wanted to see the figures

reversed...i.e., that 84% of Permanent Fund should go into Development Bank and 16% should go into Trust Fund.

Many people were concerned about renewable resource industries development and did not feel that any one of the three proposals adequately addressed that concern. Some felt that renewable resource industries should be given low interest rates from the Development Bank, mentioning specifically agriculture and the development of alternative sources of energy.

One strong recommendation which surfaced in many of the groups was that "Local banks should handle the Development Bank money". Other comments speaking to that same concern were—"The Development Bank should happen through local banks. Utilize local banks in the loan business"; and "We trust local banks more than some policy board in Juneau."

3. How the earnings or income are used

Most people agreed that the cost of operating the Permanent Fund should come out of the income from Permanent Fund investments. Some thought that Permanent Fund earnings should be used to stimulate cultural development "it is one of our greatest needs in Alaska"; others recommended that the income return to the Development Bank; while still others specified that the earnings be used for baseline research, specifically environmental, to pave the way for renewable resource industry development.

4. Management of the Fund

For Fairbanks participants, it was very important that local people have some influence over management policies concerning the Permanent Fund. They felt that all the regions of the state should be represented on whatever policy board is structured. There were several groups who favored the idea of regional policy boards "if

they have more authority than just an advisory role". A few participants were adamant that "whatever policies are set, they do not reflect urban over rural".

* About one-third of Forum participants in Fairbanks participated in the Permanent Fund discussions.

Kenai

(218 participants)*

1. Size of the Fund

Kenai participants wanted the minimum contribution to the Permanent Fund to be at least 50%. This was unanimous. Many suggested even 75%.

2. Investment Strategy

One group said that "balance is important", but did not go into detail as to what that meant to them. Another group specified three elements which were important for investments (1) community development-personal loans; (2) save it; and (3) renewable resource industries, in that respective order. A third group wanted the Fund money "secure" and invested in the state wherever possible".

3. Earnings or Income

Many felt that at least a significant portion of the earnings should be used to finance "high risk loans". Others thought the income should be plugged directly into (1) renewable resource industries and (2) tourism facilities, such as hotels, restaurants, etc. There was an equally strong opinion that the earnings should

go back into the Permanent Fund, except the cost of operating the Fund.

4. Management

The strongest recommendation here was that management should be totally segregated from the political arena. "We don't know how to write it so it's not political, but we want management to include some financial wizards, some professionals, and also some just regular people like us."

* About 40 people at the Kenai Forum took part in Permanent Fund discussions.

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MEMORANDUM

ALASKA GROWTH POLICY COUNCIL
ALASKA PUBLIC FORUM

TO: Representative Clark Gruening
Special Committee on the
Alaska Permanent Fund

Thru: Mike Doogan
Administrative Assistant

FROM: Barry Quinn
Executive Director

DATE: September 20, 1977

FILE NO:

TELEPHONE NO: 276-5262

SUBJECT:

I have enclosed the last draft of the tabloid sections and questions for your review. Some minor changes in both will occur during the layout phase which is now in process.

I have also enclosed a copy of the results of our pretest which was conducted among a total of 40 people from Anchorage, Fairbanks and Barrow. The purpose of the pretest was to check the effectiveness of our questions, but it also gives us a feeling for the frequency of responses.

I spoke with Mike about committee members at Public Forum workshops. We would like to have committee members in attendance at as many workshops as possible to answer questions asked of the legislature. This will be most important in those communities where full day workshops will be held. The attached schedule indicates the evening and the all day workshops.

As I mentioned previously we will be producing a series of radio spots that both advertise the community workshops and ask people to fill out the tab questionnaire. These spots will be for statewide distribution. We would appreciate it if you would be willing to do the spots related to the discussion of the Permanent Fund. We feel this would assist in increasing the public involvement and at the same time illustrate the committee's involvement.

We have schedule production for the week of September 26, but are flexible enough to accommodate your schedule.

I would appreciate hearing from you soon about the schedule.

BPQ:rj

Enclosures: Tabloid sections, questions, pretest results,
APF schedule.

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

THE PERMANENT FUND

What Is It?

In November, 1976, voters of the state approved changing the language of the Alaska Constitution to allow for "dedicated" monies to be set aside for a special purpose--the Permanent Fund.

The amendment reads

"At least twenty-five percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State of Alaska shall be placed in a permanent fund, the principal of which shall be used only for those income producing investments specifically designated by law as eligible for permanent fund investments. All income from the permanent fund shall be deposited in the general fund unless otherwise provided by law."

There are five important points to be noted in the amendment.

1. At least twenty-five percent means that more than twenty-five percent can be placed in the Permanent Fund.
2. All mineral lease rentals, royalties, royalty sale proceeds federal mineral revenue sharing payments and bonuses specifies the type of money that will go in the Permanent Fund.
3. The principal of the Permanent Fund can be invested but not spent.
4. Permanent Fund investments must be income producing.
5. The income from Permanent Fund investments, which shall be deposited in the general fund unless otherwise provided for by law, can be spent.

In brief, the voters agreed to use at least 25 percent of specified oil and other mineral revenues coming into the state for investment purposes. None of that money may be put into the General Fund which finances the general operating expenses of government. All that may be spent in future years are the earnings from Permanent Fund investments.

Understanding the difference between the principal and the earnings of the Permanent Fund is important. For example, if the state put \$250 million into a savings account it might earn interest at seven percent. That interest over a five year period would amount to approximately \$87.5 million, plus what has been compounded. The state may spend the \$87.5 million, the earnings, but the \$250 million, the principal, must stay in the Permanent Fund for investments.

The same idea applies to a loan. If the state loans a community \$100,000 to build a dock, it will expect to receive that \$100,000 back plus, say six percent interest. In this case the state will earn \$6,000 at the end of one year which it can spend on state activities, unless otherwise provided for by law. Again, the state returns the \$100,000 to the Permanent Fund for future investments.

The fund is a big responsibility and it is critical that it is understood and managed properly. The revenues produced by the development of our oil and gas resources gives an idea of the magnitude of the fund. Total state petroleum revenues produced between 1977-1985 are estimated to be \$12.5 billion from all sources (taxes, royalties, leases and bonuses). The portion of that petroleum revenue required by the constitutional amendment creating

the Permanent Fund is expected to be at least \$1.75 billion by 1985.

Current Status of the Fund

The fund began accumulating money in January of this year. In February, the legislature adopted an interim management policy which will govern the investment of the fund until the legislature decides on and establishes the agency and procedure for managing the fund. Under the interim statute, the Department of Revenue is required to invest the fund in low risk, short-term, guaranteed return securities.

Beginning in January, the state legislature will consider laws on the Permanent Fund. In the last legislative session, two bills dealing with the structure and management of the Permanent Fund were introduced for the purpose of discussion. The State Investment Advisory Committee, which advised the Commissioner of Revenue on investment policies for the state, wrote House Bill 298. This bill was sponsored in the legislature by the Governor. A second bill, House Bill 300, based on HB 298 but incorporating some changes, also was entered in the last session.

Research and analysis continues as policy makers prepare for the debate which will take place during the 1978 session. Special House and Senate committees have been working through the summer to answer questions about how to set up and manage the fund. To assist these committees and the governor, who will have to decide whether to sign any Permanent Fund bill passed by the legislature, the Alaska Public Forum is asking you to consider your goals for this special fund. Although other methods of gathering Alaskans' opinions are currently underway, your responses to the Public Forum questions will be a valuable aid

for those who must decide policy.

How Much Money Should Go Into the Fund?

Perhaps the most important thing to understand when answering questions about Permanent Fund goals is that choosing one goal over another involves compromises or trade-offs. In answering question 1b., for example, you should know that money placed in the Permanent Fund (the principal) will not be available for financing government programs through the General Fund. Although some projections of state revenue indicate that the state will have large surpluses of money by 1985, the amount of money is not infinite. You also should know that the money earned by Permanent Fund investments (the interest) may be available for financing government programs through the General Fund. However, as far as the principal is concerned, the trade-off is obvious: money put into the Permanent Fund will not be available in the General Fund.

Instead of determining a straight percentage of the non-renewable resource money which shall be dedicated to the Permanent Fund, it is possible that the legislature will use a more flexible formula.

The legislature can decide, either by fixing in the enabling legislation or on a year-to-year basis, whether more than 25 percent should go into the Permanent Fund. This decision will depend on the need for state expenditures, the amount of oil revenues coming in relative to that need, and the uses to which the Permanent Fund will be put.

Your Goals for the Permanent Fund

In answering question two, it is equally important to keep trade-offs in mind. If, for example, you choose the goal of creating more jobs, you should realize that it involves a trade-off against the goal of not encouraging more people to come to

Alaska. Historically, many people have come to Alaska to fill available jobs. The more jobs that are created here, the more likely it is that people will arrive to fill them. The most recent example of this, of course, is the construction of the Trans-Alaska Pipeline.

Different goals involve other trade-offs, some more subtle than others. It is possible, for instance, that the goal of making more Alaska products available may involve a trade-off against the goal of making the safest possible investments. Investments designed to make more Alaska products available may not be as safe as investments in housing mortgages or government bonds. Likewise, the goal of making more Alaska products available may involve trade-offs against the goals of maintaining environmental quality or not encouraging more people to come to Alaska. The fact that compromises may be involved does not necessarily mean that some goals are better than others. That's for you to decide. But trade-offs cannot be ignored by policy makers, so we ask you to consider them carefully before ranking your investment goals.

The majority of last year's Public Forum participants wanted to invest the Permanent Fund money in renewable resource industries. This year we seek to clarify this response and also ask some additional questions on how to achieve your objectives.

Permanent Fund

1. Which use of the Permanent Fund do you feel is most important?

To save money for the future

To avoid using the money for state programs

To provide money for income producing ^{by} investments

2. Would you like to see more than 25 percent of this money placed in the Permanent Fund?

Yes

No

3. Please rank the following possible goals for Permanent Fund investments according to which goals you think are most important. (1-most important, 9-least important)

Create more jobs in Alaska

Not encourage more people to come to Alaska

Maintain environmental quality

Make the maximum amount of money

Make more money available for investing in the state

Make the safest possible investments

Make more Alaska products available

Assist in stabilizing the Alaska economy

Other _____

4. In last year's Public Forum, the participants indicated ^{Local} the highest priority for using the Permanent Fund was to promote renewable resource

industries; such as fisheries, timber, and farming. Do you agree with this?

Yes

No

5. Do you feel that the goals you have identified as most important can be met by investing in renewable resources industries?

Yes

No

6. If you said "yes" in question four, would you still vote to invest in renewable resource industries ^{LESS} if the money earned was less than the money that could be earned from other investments?

Yes

No

Land

1. Please rank the following private uses ^{of land} according to which you think the state should stress the most. (1-most important, 6-least important)

Provide land for recreational homes and cabins.

Provide land for homes near existing communities

Provide land for homes away from existing communities

Provide land for farms

Provide land for small businesses

Keep land in trust for future Alaskans

2. Should the state sell ^{this} ~~the~~ land or use long-term leases to make this land available for private use?

Sell the land

Use long-term leases

Don't know

3. Which of these users, if any, do you think should not have to pay the full price of the land that they use?

Farmers

People with low incomes

Loggers

People who have lived in Alaska a long time

People who do not own other land

People who are chosen by lottery

Other _____

No one should pay less than the full price

Subsistence

1. What do you mean when you use the term "subsistence"? And ^(subsistence) ~~what important~~ _{uses} of fish and wildlife do you feel are most important?
2. The State of Alaska says that subsistence is the most important use among all consumptive uses of fish and wildlife. ~~Is that correct?~~ However, if there are not enough fish and wildlife for all subsistence uses, what should be the basis for deciding who may use these resources for subsistence purposes?
3. How should we manage our fish and wildlife to best assure healthy populations of the resources and still provide for subsistence and ~~the~~ other consumptive uses?

One state will be receiving a large amount of money for the use of oil, gas, and hard rock minerals. Last year most Alaskan voters approved of the idea of placing at least 25 percent of this money in a Permanent Fund.

1. Which use of the Permanent Fund do you feel is most important?

- 15 ☐ TO SAVE MONEY FOR THE FUTURE
☐ TO REDUCE THE MONEY AVAILABLE FOR STATE PROGRAMS
25 ☐ TO PROVIDE MONEY FOR INCOME PRODUCING INVESTMENTS

2. Would you like to see more than 25 percent of this money placed in the Permanent Fund?

- 21 ☐ YES
13 ☐ NO

3. What goals should we meet through Permanent Fund investments? Please rank your choices (1 - most important to 8 - least important).

- 13 ☐ CREATE MORE JOBS IN ALASKA
5 ☐ NOT ENCOURAGE MORE PEOPLE TO COME TO ALASKA
11 ☐ MAINTAIN ENVIRONMENTAL QUALITY
4 ☐ MAKE THE MAXIMUM AMOUNT OF MONEY
8 ☐ MAKE MORE MONEY AVAILABLE FOR INVESTING IN THE STATE
5 ☐ MAKE THE SAFEST POSSIBLE INVESTMENTS
1 ☐ MAKE MORE ALASKAN PRODUCTS AVAILABLE
22 ☐ ASSIST IN STABILIZING THE ALASKAN ECONOMY

4. In last year's Public Forum, the participants indicated the highest priority for using the Permanent Fund to promote renewable resource industries. Do you agree with this?

- 35 ☐ YES
15 ☐ NO

5. Do you feel that the goals that you have identified as most important can be met by investing in renewable resource industries?

29 ☐ YES

7 ☐ NO

6. If you agree with promoting renewable resource industries with Permanent Fund monies: would you still vote to invest in renewable resource industries if the money earned was less than the money that could be earned from other investments?

26 ☐ YES

9 ☐ NO

Last year many people in the Public Forum told us the state should make more land available for private use. The state can stress some uses more than others.

1. Please rank the following private uses according to which you think the state should stress the most.

- 18 ☐ PROVIDE LAND FOR HOMES NEAR EXISTING COMMUNITIES
- 6 ☐ PROVIDE LAND FOR RECREATIONAL HOMES AND CABINS
- 11 ☐ PROVIDE LAND FOR HOMES AWAY FROM EXISTING COMMUNITIES
- 19 ☐ PROVIDE LAND FOR FARMS
- 12 ☐ PROVIDE LAND FOR SMALL BUSINESSES
- 10 ☐ KEEP LAND IN TRUST FOR FUTURE ALASKANS

2. Should the state sell or lease most of this land for private use?

- 18 ☐ SELL THE LAND
- 14 ☐ LEASE THE LAND

3. Which of these users, if any, do you think should not have to pay the full price of the land that they use?

- 11 ☐ FARMERS
- 16 ☐ PEOPLE WITH LOW INCOMES
- 2 ☐ LOGGERS
- 12 ☐ PEOPLE WHO HAVE LIVED IN ALASKA A LONG TIME
- 9 ☐ PEOPLE WHO DO NOT OWN OTHER LAND
- ☐ ~~PEOPLE WHO ARE CHOSEN BY CHANCE~~
- 4 ☐ OTHER _____
- 12 ☐ NO ONE SHOULD PAY LESS THAN THE FULL PRICE

Over half the money that the state now spends comes from oil bonus payments, lease sales, and royalties. Since the oil will not last forever, this source of money is limited.

1. How do you feel about using the money from oil to pay for state expenses?

- 5 ☐ WE SHOULD USE AS MUCH AS WE NEED OF THE OIL MONEY FOR STATE EXPENSES WHILE WE HAVE IT.
- 8 ☐ WE SHOULD USE THE OIL MONEY ONLY FOR ABOUT THE SAME PROPORTION OF STATE EXPENSES AS WE DO NOW.
- 14 ☐ WE SHOULD REDUCE THE PROPORTION OF STATE EXPENSES THAT ARE PAID FROM OIL MONEY.
- 4 ☐ WE SHOULD NOT USE OIL MONEY TO PAY FOR STATE EXPENSES.
- 8 ☐ OTHER _____

2. How should we decide how much state money to spend?

- 6 ☐ KEEP SPENDING AT WHAT IT IS NOW AND REDUCE SERVICES
- 6 ☐ INCREASE SPENDING ONLY ENOUGH TO KEEP UP WITH STATE POPULATION GROWTH
- 2 ☐ INCREASE SPENDING ONLY ENOUGH TO KEEP UP WITH INFLATION
- 11 ☐ INCREASE SPENDING ONLY ENOUGH TO KEEP UP WITH POPULATION GROWTH AND INFLATION
- 8 ☐ INCREASE SPENDING ENOUGH TO MEET THE NEED FOR CRITICAL NEW SERVICES

3. As the money we get from oil decreases, how should we pay for state expenses?

- 0 ☐ RAISE GENERAL TAXES
- 2 ☐ RAISE FEES AND TAXES FOR LICENSES, GASOLINE, ALCOHOL, AND OTHER GOODS AND SERVICES
- 17 ☐ USE THE MONEY EARNED FROM INVESTMENTS THAT ARE MADE WITH OIL MONEY
- 16 ☐ ENCOURAGE INDUSTRIES TO LOCATE IN THE STATE WHICH WILL INCREASE THE AMOUNT THE STATE GETS IN TAXES MORE THAN THEY INCREASE STATE EXPENSES
- 2 ☐ THERE WILL BE OTHER SOURCES OF MONEY IN THE FUTURE TO PAY FOR STATE EXPENSES
- 6 ☐ OTHER _____

The State currently spends money on the following services:

<u>STATE SERVICE</u>	<u>FY 1978 General Fund Operating Budget</u>	<u>Percent of Operating Budget</u>
EDUCATION (elementary and secondary schools, museums, State library, adult education, vocational training, etc.)	\$263,395,700	34%
UNIVERSITY OF ALASKA	60,310,400	8%
SOCIAL SERVICES (family and children assistance payments, pioneers' homes, longevity bonus, vocational rehabilitation, employment security and other employment programs, etc.)	52,968,400	7%
HEALTH (public health, mental health, payment support for medical services, alcoholism and drug abuse, etc.)	34,357,100	4%
PUBLIC PROTECTION (consumer and worker protection, safety programs, regulatory commissions, rescue, disaster, military, civil defense, etc.)	19,701,100	3%
ADMINISTRATION OF JUSTICE (State police, courts, prisons, delinquency, etc.)	69,532,000	9%
DEVELOPMENT (Economic and community development, business loans, housing development, revenue sharing, Native claims payments, etc.)	45,091,200	6%
TRANSPORTATION (airports, highways, marine ferries, etc.)	112,430,200	15%
RESOURCES (fish and game resources, land and water management, mineral resources, forest resources, environmental conservation, parks and recreation, etc.)	50,400,100	7%
GENERAL GOVERNMENT (administration, legislature, legal and fiscal services, etc.)	64,188,200	8%
TOTAL	\$772,374,400	

For each of these services, what do you think the State should do:

	INCREASE SERVICE & SPENDING	KEEP SAME SERVICE & SPENDING	SAME SERVICE CAN BE PROVIDED WITH LESS SPENDING	SHIFT SERVICE TO PRIVATE SECTOR	REDUCE SERVICE & SPENDING
A. EDUCATION	13	9	9	1	1
B. UNIVERSITY OF ALASKA	9	5	6	2	3
C. SOCIAL SERVICES	9	10	6	0	5
D. HEALTH	17	9	3	2	0
E. PUBLIC PROTECTION	15	10	2	0	1
F. ADMINISTRATION OF JUSTICE	12	19	2	1	1
G. DEVELOPMENT	5	9	5	4	5
H. TRANSPORTATION	9	11	5	1	1
I. RESOURCES	11	15	4	0	0
J. GENERAL GOVERNMENT	0	11	11	0	8

SUBSISTENCE QUESTIONS

1. What do people mean when they use the term "subsistence"?
And what subsistence uses of fish and wildlife should have highest priority?
2. If there are not enough fish and wildlife for all subsistence uses, what criteria should be the basis for deciding who may use these resources for subsistence purposes?
3. What management scheme would best assure healthy populations of fish and wildlife and also provide for valid subsistence uses?

FINANCIAL MANAGEMENT

The Alaska State government is a several hundred million dollar enterprise, responsible for providing a wide range of goods and services to the public. These goods and services must be paid for from the State Treasury, where all public funds are kept.

When an individual purchases a good or service from a private business, the cost and the payment is direct and is reflected in the price of the purchase. The individual can look at the price of the item, determine whether or not it is worth the money and act accordingly. Although just as real, payment for government products is less direct and the benefits are less easily measured.

Government operations are funded through a combination of tax revenues, user fees (i.e. camping permits, fishing and hunting licenses), federal aid and grants, and the sale of state-owned resources such as oil and land. Some state revenues occur only once, for example, the \$900 million Prudhoe Bay lease sale. Others are yearly collections from a continuing tax base such as corporate and personal income.

Since statehood, our mineral sale revenues have financed an increasing proportion of on-going state expenditures. There is growing concern over this situation. Today, approximately 55 percent of all government activities are paid for with mineral sale revenues. Since oil, gas, and other mineral deposits are finite, this source of money is ultimately limited. Currently, the state is deliberating how to move from a dependence on this unreplenishable source of funding to sources based on continuing state economic activity without drastically reducing services, disrupting the growth of the Alaska economy or saddling the populace with a large tax burden.

Although substantial oil revenue seems assured for at least ten years, how will we pay for government when revenue from mineral sources ultimately declines?

As the population increases and costs rise, it becomes more difficult to maintain the current levels of services without spending more money. Some people suggest that we should restrict government spending only to those additional activities which can be financed by new taxes or service charges. Yet on the other side of the scale, there seems to be rising expectations of government and demands for new or more expanded services.

Perhaps, examples of projects now under consideration may help to clarify the dilemma.

Alcohol abuse is a serious problem in Alaska. Many people feel that the state should become more involved in rehabilitation, education, medical care and law enforcement programs which deal with the devastating effects of alcohol. But if these programs are expanded, how should we pay for them? There are several possibilities: we could reduce spending in other areas; we could increase general taxes; we could increase taxes specific to alcohol (user fees); or we could use oil monies.

The potential opening of the North Slope Haul Road involves similar questions. If the road is opened, the state will have to pay substantial sums of money for annual maintenance and other related activities. Who should pay these costs, the people who will use the road or the state? Should we reduce the money for other programs to finance this one? Should we reduce the cost of road maintenance elsewhere? Should we raise general taxes or tap oil money? These are the kinds of difficult trade-offs which must be considered.

Some people believe that we should continue to finance state government predominantly with revenues from mineral sales because we will continue to discover and develop new resources to replace those currently being used up. This position is difficult to support or disprove. It assumes the existence of resources which have not yet been found. However, there is evidence from other parts of the United States and the world that it is very possible to deplete natural resources. Some individuals maintain that such an occurrence (the depletion of natural resources and thus the decline of those revenues) is too far in the future for it to be a major concern of the state government and the Alaska people today.

It is also possible that the Alaska economy will expand at a faster rate than government spending, thus producing a higher proportion of revenues.

That would mean attracting those industries to Alaska which would increase revenues more than it would increase expenditures (such as building new schools, new roads, etc.).

The legislature and the Governor, with public advice, will decide on the level of government expenditures. Finding the appropriate balance between state spending and the financing of that spending is the question of financial management. If you think spending should be held down, certain activities now undertaken by state government will need to be reduced. The questions below seek to determine your preferences regarding state expenditures and how they are financed.

LAND

Land. It is our greatest natural resource, and one that touches us all in a personal way. Few issues affect us more deeply than how it is used.

Surrounded by millions of acres, many Alaskans desire a small tract for a home, garden, and a measure of privacy. Others look to land to maintain their subsistence lifestyle. Another group wants the land left in its natural state and used for temporary purposes only.

The majority of participants in last year's Public Forum told us their most important objective for managing Alaska's land was "to provide land for people's needs." Yet "people's needs" varied from person to person and from region to region.

This year we would like to know more detail about the personal needs you think the state should meet and how it ought to meet them. But first, some background.

Land Ownership in Alaska

There are 375 million acres of land in Alaska. The federal government owns the largest chunk--226 million acres. Under the Statehood Act, Alaska is entitled to more than 103 million acres, an area a little larger than the state of California. Private landowners, including individuals and the native corporations, hold or will soon receive title to 45 million acres. Boroughs and municipalities own or have selected about 1.2 million acres.

State Lands

To date, the state has selected 71 million acres of its 103 million-acre entitlement. Full title has been conveyed on 20 million of those acres, and another 15 million have been tentatively approved for state ownership. The state is free to manage, sell

or lease only the 35 million acres which are patented or tentatively approved.

State lands are concentrated in southcentral, southwest, and interior Alaska, with scattered selections in southeastern and arctic Alaska. The State Division of Lands estimates that only about four percent, or 15 million acres, of the total land area of Alaska is well suited for intensive use--for homes, commercial, and industrial development, etc. Much is too steep for development, while other areas are wet or susceptible to flooding. Permafrost, poor surface soil, geologic hazards, and fragile vegetation are other limitations that directly increase construction costs, cause erosion, or even endanger life.

Realistically, there is simply not enough suitable land to satisfy everyone. Compromises and trade-offs will have to be made, and it is important to understand the limitations of the state's capabilities in providing land for private use.

State Land Available for Private Use. A homesite act went into effect in September, 1977, making parcels of up to five acres available for permanent homesites. The act calls for classification and survey of 25,000 acres of state land for homesite entry.

Residents of Alaska for the past six years or a total of 20 years may apply for a tract for a \$10 filing fee. To obtain patent, the applicant must live on the land a total of 21 months within the first three years and build a permanent home within that time. They must also reimburse the state for survey costs.

Land is excluded if it lacks adequate drainage or water supply, has agricultural or mineral potential, is located where homesites would threaten fish regeneration or where existing services provided by the state and municipalities would be

inaccessible, or is unsuitable for community or on-site sewage disposal.

About 1,000 acres that meet the proper standards have been located in the areas of Tok, Delta Junction, Rex, and Central. The first disposal of homesite tracts is tentatively scheduled for spring 1978.

The program will be difficult to implement in the state's organized boroughs where most of the best homesite land lies. These boroughs would have to provide many of the services for homesite families.

Some boroughs are refusing to permit any further classification of land within their boundaries until they receive title to the lands they have selected. Municipalities are entitled to select 10 percent of the vacant, unappropriated, unreserved state land within their boundaries under the Mandatory Borough Act of 1963. A bill that would have settled the municipal land entitlement failed to pass the last legislative session.

Other boroughs are refusing to waive their subdivision regulations requiring the subdivider to construct roads. Under the homesite bill the state itself is acting as subdivider. Since the legislature did not appropriate money for road construction, it is impossible for the state to comply with that portion of local laws.

If the state goes beyond borough borders for homesites, the land still must be near an existing road network which does not overlap selections by natives or the federal government under the Alaska Native Claims Settlement Act.

Land for Recreational Homes and Cabins. The state's open-to-entry program, which opened in 1968, was an earlier attempt to meet the desire of Alaskans for a personal piece of wilderness. More than

2.5 million acres were classified as open-to-entry in semi-remote areas near Fairbanks, in the Susitna Valley, on the Kenai Peninsula, in the areas of Kachemak and Resurrection Bays, around Tok, and on Kodiak Island.

Residents could stake up to five acres and apply for a five-year renewable lease. They could buy the land for fair market value at the time of staking, provided they paid for their own land survey.

More than 3,600 parties staked and leased tracts under this program. It was discontinued in 1973 after it proved increasingly difficult to administer and fell prey to various abuses. Further, it had failed to set aside areas for roads and trails and areas with high public recreation value.

The state had assumed that individuals were looking for isolated tracts, but people tended to cluster their filings near settlements and areas with water frontage. With no overall plan, entries sometimes overlapped or left pieces of unusable land between them.

Any new program for providing recreation lands should be designed to avoid the pitfalls of this earlier one and to carefully address Alaskans' practical desires and needs for recreation land.

Land for Urban Homes. State land near established communities where jobs, public services, and amenities already exist is deceptively scarce. In the years before statehood, much of the land in and around the population centers of Anchorage and Fairbanks was acquired by private owners under the federal Homestead Act. After statehood, the state selected most of the remaining lowland area. Municipalities have since selected or received approval or patent to about 1.2 million acres of state lands. More than 168,000 acres originally owned by state and

local governments are now in private hands through borough and state land disposals.

As a result, much of the best-located land within commuting distance of urban centers is already owned privately or by local government. Much of the state land which remains near growing urban centers is held in trust to help support the state's mental health program, public school system, and the University of Alaska.

Other state land near cities has been selected by local governments under the Mandatory Borough Act or pressed into a public service-related use. In the Anchorage Bowl, for example, the state owns 8,200 of the 64,000 acres. All but 300 of those acres are mental health, school, and university land or are used for airports or leased to the municipality.

Land for Farms and Rural Homes. In 1976 the legislature passed a bill calling upon the Department of Natural Resources to classify 650,000 acres for sale for agricultural use only. Through this classification, the state protects this resource from uses that would render it unsuitable or unavailable for farming. These tracts will probably have to be conveyed in much larger tracts than the 160-acre federal homestead parcels since these proved too small to support Alaskan agriculture in almost all cases.

Land could also be made available for rural homesites away from established communities. However, such a program might encourage urban sprawl and unplanned development. Many of these homeowners would have to commute land distances to urban jobs, aggravating traffic problems. Additionally, extending public services to these areas might be expensive and unpopular with local governments.

Land for Small Businesses. Many Alaskans dream of owning

a small family business. The state could make some of its lands available for such uses as a country store, cottage industries, a roadside cafe, or a taxidermy shop. Some people feel this option represents state intrusion into private industry, while others point out that finding land for small businesses near existing communities would pose the same problems as finding land for urban homes.

Land Held in Trust. State land could be preserved in its natural state as a bequest for future Alaskans. It could be managed for existing uses or to insure productivity of fish and wildlife and other resources for recreation and subsistence.

Land Conveyance

Currently, state land can be transferred to private use either through fee simple sale or by lease. All or partial rights can be conveyed at either full or below market price. Each of these options has advantages and disadvantages.

Sale. Some people believe that the sale of state land would relieve scarcity and consequently lower prices. However, since the state owns very little land in areas where there is a shortage of building sites, this course would have little effect. In many rural areas the high cost of land is due not to a shortage of building sites but to competition among speculators which has boosted prices. Among the more than one million acres privately owned in Alaska (not including native lands), about 10 percent is used for homes, farms, industry, recreation, and commercial development: ninety percent is used only slightly or not at all.

Lease. When the state leases land it retains title but authorizes other people or agencies to use it. The state's school, mental health, and university lands are examples of leased lands which

are held to earn revenue for specific purposes. Some lands, such as state tidelands and lands classified for resource management may only be leased and not sold. Leases run for 55 years with an option to renew for another 55 years. Subleasing is permitted on improved properties.

Greater use of leasing has been suggested as a way to reduce land speculation, retain a measure of land use control within the state, and allow the state to share in the revenue to be gained through rising land values.

Selling or Leasing Land at or Below Market Value. Selling or leasing land at market value maximizes income to the state. At the same time, there is evidence that this practice inflates surrounding land values, and actually casts the state in the role of developer.

State lands are generally sold or leased at public auction for no less than current appraised value. However, the auction method produces intense competition, and properties sometimes sell for two to four times the appraised value. Parcels without successful bidders can be offered over-the-counter for no less than appraised value.

Total proceeds to the state have not been great. The Division of Lands estimates that state coffers have been enriched by \$33 million through land sales since statehood. That averages less than \$2 million per year, or less than one percent of the annual state budget.

If the state opts to sell land at below market value, it must decide that meeting individual needs is more important than earning maximum profits. The homesite bill, and open-to-entry program are examples of land disposal below market value.

If land is leased or sold below market value, the state must decide who is to benefit. Certain land uses, for example, agricultural, could be encouraged by giving preference to those applicants who would use it for farming. On the other hand, certain categories of people might first qualify for a price break. These might be people with low incomes, those who own no other property, senior citizens, or long-time state residents. Some people have suggested a lottery system.

SUBSISTENCE

Introduction

One of the most sensitive and controversial issues facing the State in the area of fish and wildlife management is subsistence use of the resources.

At the heart of the problem lie these questions: What does the term "subsistence" mean? What is a fair method to determine who should use these resources for subsistence purposes? And what management system would best assure the well-being of animal and marine life, and also provide for subsistence uses?

There are no easy answers.

As Alaska's population grows, pressures increase on fish and wildlife and conflicts intensify over who should be allowed to hunt and fish. While no one likes the idea of restrictions on his activities, today's level of dependence on the land cannot be sustained for an ever increasing number of people. Eventually, demand will exceed supply.

In any discussion of hunting and fishing, we must keep one critical element clearly in focus--the protection of healthy populations of fish and wildlife. If we pursue them to extinction through overuse of the resources or abuse of the land, any further discussion will be purely academic.

The Alaska Constitution says that these resources belong to all Alaska citizens. The State has the responsibility for managing resident populations of fish and wildlife, with the exception of some species of marine mammals, migratory birds and endangered species. As manager, the state has already assigned some priorities for use. In 1973, the Alaska Department of Fish and Game and the

Alaska Board of Fish and Game recognized subsistence use of fish and wildlife as the highest priority among other major consumptive uses, i.e. recreational and commercial. Governor Hammond recently stated, "To preserve the potential for the subsistence way of life is an extremely high priority of my administration".

Few people, we imagine, would argue against the state establishing preferential treatment for the person who relies solely on the land and sea to provide for his or her existence.

But the issue is far more complicated than that.

There are few examples today in Alaska of "pure" subsistence, that is, total reliance on the land for food, clothing and shelter. In most cases, modern conveniences and technology have become part of the subsistence lifestyle and as a result there are varying degrees of dependence on some cash income. In addition, use of fish and wildlife resources for recreational, cultural and commercial pursuits overlap or are intimately interwoven with subsistence living. While it may be possible to determine how many pounds of meat and fish are necessary to keep a person alive, we cannot measure the emotional or spiritual benefits of following such a lifestyle.

Even though the state government has assigned highest priority to subsistence, many people feel that the state has not lived up to that policy. However, the difficulty lies not in a recognition of the problem, but rather in the complexity of determining who the subsistence users are and what program might best provide for that use.

Through the Public Forum process, we hope that many people will share their views on subsistence. Perhaps then, with a better understanding of the problem statewide, the question of subsistence use can be dealt with fairly and the continued well-being of the fish and wildlife resources will be assured.

What is Subsistence?

Although there is a state law defining it and several federal and state policies recognizing it, there is no universally accepted definition for subsistence.

The Alaska Statutes define subsistence fishing as "the taking, fishing for, or possession of fish, shellfish or other fishery resources for personal use and not for sale or barter." The statutes define subsistence hunting as "the taking of game animals by a state resident for food or clothing for personal or immediate family use."

In 1973, the Federal-State Land Use Planning Commission sponsored an informal conference on "Subsistence Uses of Fish and Game in Alaska." The participants concluded that an acceptable definition should include "(1) to sustain life, (2) for economic benefit, (3) for relaxation and recreation, and (4) to maintain a lifestyle or culture." The majority felt that "to sustain life" should be the highest priority and "to sustain a lifestyle" the second priority.

Some may define subsistence activities as the direct use of fish and wildlife for food, clothing and shelter. Others may include some commercial uses such as the sale of ivory, furs, fish, fish eggs, handicrafts and clothing. Still others feel that the taking of fish and wildlife resources is a vital part of their cultural and historical heritage and involves traditional foods, art and religion.

For the purposes of discussion, consider the following questions involving current "subsistence" uses.

1. Is the taking of walrus so that saleable handicrafts can be made from the ivory a subsistence activity?

2. Is guiding others on hunting and fishing trips a subsistence activity?
3. Is taking moose, caribou or fish to supplement a person's diet a subsistence activity? Even if the person depends mostly on a job for pay?
4. Is the harvesting of fish to provide food for racing sled dogs a subsistence activity?
5. Is commercial fishing a subsistence activity if a person relies totally on that activity for his or her livelihood?

Who should use the resources for subsistence purposes? In the next decade we may have to face a very difficult and sad question: If there are not enough fish and wildlife for all subsistence purposes, who should be allowed to fish and hunt?

Some people have suggested that priorities should be based on the user's (1) degree of dependence, (2) past cultural or historical use, (3) local residency, and (4) traditional versus modern methods and means of harvest.

Degree of dependence. Most native people, as well as other Alaskans living in rural areas, spend much of their time hunting, fishing, trapping, and berry-picking. These food sources supply a major portion of their diet. Although commercialization of fish, ivory and fur long ago introduced a cash economy in rural Alaska, many villages and outposts of the state still lack cash employment opportunities. This forces most rural Alaskans to depend on the natural environment to provide a significant part of their livelihood.

Cultural or historical use. Activities which sustain life often have roots which go much deeper than that of purely satisfying a physical need. For centuries the Alaska native people depended completely on the land and sea to survive. This was the foundation

on which societies were structured, and the work which gave a people dignity and pride. An obvious example today are the arctic whaling communities where activities and social status are extremely dependent on the catching of the bowhead whale.

For native people subsistence is an intimate part of their life, and a celebration of culture. During the Public Forum workshop in Bethel last year, the protection of the subsistence lifestyle was raised as a vital concern. One young man explained, "The young people who went out to school, like myself, when we couldn't have subsistence foods, sometimes we get up from the table with tears. I mean, you couldn't help that. It is not only to fill yourself, your hungry stomach, but also to fill your being... to have a good feeling, to have mental health and employment. If subsistence is threatened, then you take away all these things."

But subsistence is not entirely an ethnic pursuit. In the past, many Alaskans, regardless of their origins, lived predominantly off the land. While their reasons for wanting to continue such a lifestyle may not be what are traditionally thought of as cultural, they too have strong emotional and historical ties to the land.

Some people believe that only Alaska natives should be allowed to continue subsistence activities. They maintain it is the only possible solution for protecting their heritage and unique cultures. Others feel that qualifying a subsistence user by race or ethnic origin would be contrary to the Alaska State Constitution which recognizes all citizens as equal under the law. Furthermore, a "natives only" policy does not address the matter of need, which varies between individuals, communities and geographical areas regardless of ancestry.

Local Residency. Many people feel that those who harvest subsistence resources from areas around where they live should be given first preference to continue to hunt and fish there. That would mean that priority for the use of resources would be determined by local residency. This policy would require a definition of residency. Would it be based on a certain number of years? Would it allow new residents to subsistence hunt and fish? As communities expand, pressures on local fish and wildlife would undoubtedly increase.

Traditional versus modern methods and means of harvest. Modern technology has changed the pattern of subsistence living. Modern tools, firearms, and transportation methods are becoming increasingly available to the subsistence hunter and fisherman. With this technology available, the subsistence user has the capability of ranging further and taking more animals than his needs may dictate. Thus, his impact upon the fish and wildlife can be much greater now than was possible in the past.

Only a few years ago, it was customary for residents of Fairbanks and Anchorage to drive out of the city in the fall to shoot a moose or caribou for the winter. Now, however, game animals have been so heavily hunted near these growing urban areas, particularly along the road system, that this is seldom possible. As a result many city dwellers seek more remote wildlife using aircraft, off-road vehicles or riverboats. Since those methods of travel also allow rural Alaskans to range further and take more game than in the past, competition between sport and subsistence users is increasing for often diminishing wildlife resources.

Some people feel that those who use older, more traditional methods of harvest such as travelling by foot, dogsled or skinboat, should be given preference in subsistence pursuits. This would

undoubtedly limit the take of resources. However, others argue that this option is unrealistic and comparable to asking the urban dweller to give up his automobile and return to the horse and buggy. Perhaps we can distinguish between people who subsistence hunt on snow machines and those who still use dogsleds. But it is less clear in establishing priorities when the choice is between two modern modes of transportation such as the snow machine and airplane.

Another suggestion has been to allow all traditional and current methods of taking fish and wildlife, but prohibit the use of any new technological developments in weaponry or transportation for future subsistence activities.

Management of Fish and Wildlife

The State of Alaska is responsible for the management of all resident populations of fish and wildlife except those excluded by federal regulations or international treaty. Two citizen boards which are appointed by the Governor, the Alaska Board of Fisheries and the Alaska Board of Game, make regulations affecting the fish and wildlife. Management of fish and wildlife is done by the Department of Fish and Game. Enforcement of the regulations is primarily the responsibility of the Department of Public Safety.

In addition, citizens are encouraged to take part in fish and game management decisions through the existing 53 fish and game advisory committees in the state. These advisory committees have increased local involvement. However, current lack of funding, formal organization and other frustrations have caused many people to conclude that the present advisory committee system no longer adequately addresses such things as subsistence needs, resource allocation or stock depletions.

Thus, it seems evident that more significant participation at the local level is required. It has been suggested that the state modify the present statewide board - local advisory committee system by the establishment of regional fish and game boards. There are many possible variations under this basic concept ranging from primary regional responsibility to a three-tier system of local, regional and master boards. The main differences of opinion here revolve around the degree of responsibility each board should have. Should the boards have merely an advisory role or actual authority to set regulations affecting fish and wildlife and subsistence users on a local, regional or statewide level?

Another major option which some people favor is that of federal fish and game management on federal and native-owned lands. This would mean that management of fish and wildlife would be fragmented between state and federal governments, each setting its own regulations on the lands within its jurisdiction. It is a plan which almost begs for cooperation between state and federal governments.

Another possibility is for Congress to set legislation concerning subsistence, leaving fish and game management with the state but under some form of federal oversight committee. Or, perhaps, the state legislature could pass specific laws governing the subsistence question. Many people fear both of these solutions because it "institutionalizes" subsistence and, therefore, lacks the flexibility to truly meet the lifestyle and cultural needs of most Alaskans. What is subsistence to one person or place differs from the meaning or emphasis of another person or place.

Subsistence is an evolving, changing way of life. Whatever management structures we adopt should reflect the times as well as the changing patterns of the animal and marine world.

August 2, 1977

Memo to: TERRY GARDINER

Re: RENEWABLE RESOURCES DEVELOPMENT FUND

This memo is for the purposes of boiling down the results of our meetings in Juneau and Ketchikan and the conversations and/or meetings we have had in the last 10 days with the following people:

Bob Dupere	George Hohman
Bob Laresche	Russ Meekins
The Governor	Bill Miles
Jim Edenso	Clark Gruening
Tom Singer	Jim Rhode
John Williams	Steve Cowper
John Sund	Walt Parker
Pat Rodey	
Bill Benier	Research and
John Sackett	Development
Rob Koscis	Committee

It should be noted that all of the discussions with these key people require a follow-up on our part and theirs. Those people from the Executive Branch are vital to the success of our plan regarding research and cooperation prior to the next session. The people from the Senate are integral on all levels and will be active in studying capital needs in renewable resource development. The House members, staff and consultants are seen as the key players in developing the structure and planning policy. I intend to use the above names as a partial mailing list for all further memos regarding the development fund.

A. As I interpret the basic plan, it is to include three major areas of work:

- (1) Renewable Resource Development Planning. Our meetings exposed the need for a comprehensive planning system for renewable resource development. DNR, DPDP, and private consultants will provide a lot of assistance here, and the Research and Development Committee and the Senate to a lesser degree.

The concept of a Research and Development Council to hone the leading edge of the Development Fund has initiated widespread interest. However, it has also made clear that we are weak in the area of a planning system, and it is quite probable we must seek some aid through a contractual proposal.

- (2) Present Fiscal Needs and Tools. We have had no information about fiscal needs or the lack of from anyone not connected with the banking profession, except for in-house staff work. The Senate should be a lot of assistance here. John Williams appears to have the fisheries questions under control. Land, water and non-depleting energy resources have not had the attention they need. Hopefully DPDP and DNR can help us with that.

Present fiscal tools have been superficially analyzed. It is apparent that, since those tools (loan funds, etc.) are spread out through the Executive Branch, there can be no coherent planning system or process that does not pull those tools under one umbrella. This matter has been the subject of previous memos, but I now suggest that we need someone working on a realistic proposal for that umbrella structure. I'll work toward that goal myself, until we can see who would be more qualified to work on such a proposal.

- (3) Structure Policy & Development. Heretofore we have looked at several different structures: (1) development bank; (2) corporation; (3) development and conservation fund; and (4) cooperative bank. The obligation of each of those structures is fundamentally different. I now intend to spend most of my time on developing drafts of these different approaches and analyzing the long and short points. I intend to work closely with Bill Berrier on this and see him as a key player.

As I now understand it, the basic plan encompasses what we have been calling a sub-funding mechanism. Beldon Daniels spoke of financial intermediaries, and those words have caught the ears of the players more. We are trying to balance a continuity of development planning policy against legislative interest in meeting regional needs. It appears that the creation of an intermediary, with funding through legislative appropriation, may be a good balance. Accordingly, I intend to begin drafting revisions to the RRDF to provide for such an approach.

Revenue basically proposed an intermediary for the Permanent Fund, but suggested autonomy that many in the legislative body did not approve of. After our meetings with Jim Edenso, I suggested that Revenue can be of the biggest help in this matter of concern.

- B. Regarding the budget for this plan, I feel the following factors are relevant:

- (1) We will need an RFP for a consultant on a Renewable Resource Development Planning System.
- (2) Analyzing structure policy will call for accountability and evaluation measure research. Tom Singer has and can help us in this matter, but, as we discussed earlier, it appears that we may have to travel to Washington and Boston to meet with the people Guy Martin and Beldon Daniels have recommended.
- (3) Since the Permanent Fund structure is taking shape differently than the RRDF, Juneau is the apparent center of action. I anticipate that you, I, and several members of the Committee should spend more time there. I suggest at least 1 week a month for me. We can coordinate that time with other time demands in Juneau to defray costs, but we should set a work schedule now.

Douglas Pope

STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA GROWTH POLICY COUNCIL
ALASKA PUBLIC FORUM

JAY S. HAMMOND, Governor

Phone 276-5262
Loussac-Sogn Building
429 D Street, Suite 310
Anchorage, Alaska 99501

September 12, 1977

Representative Clark Gruening
Special Committee on the Alaska
Permanent Fund
528 W. 5th Avenue, Suite 270
Anchorage, Alaska 99501

Dear Clark:

I appreciate your quick response to the proposal we presented to the Committee. Based on your indication that there would only be \$1500 for sharing Public Forum costs, I have further explained how the \$1500 would be used. Our intent is to utilize the money to produce radio spots both to advertise the workshops and to feed back workshop results to the public. This money would be spent between October 1 and January 15.

If any further information is necessary please let me know.

Sincerely,



Barry B. Quinn
Executive Director

BPQ:rj

cc: Growth Policy Council

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA GROWTH POLICY COUNCIL

ALASKA PUBLIC FORUM

August 31, 1977

JAY S. HAMMOND, Governor

Phone 276-5262

Loussac-Sogn Building

429 D Street, Suite 310

Anchorage, Alaska 99501

Representative Clark Gruening
 Special Committee on the Alaska
 Permanent Fund
 228 W. 5th Avenue, Suite 270
 Anchorage, Alaska 99501

Dear Representative Gruening:

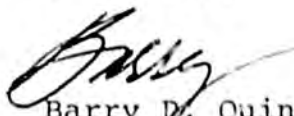
As you suggested I have outlined a proposal that directly involves your committee in the Public Forum program. The proposal includes committee cost sharing of Public Forum advertising, and media production and distribution. This program area is one that needs additional funding to maximize the effectiveness of the workshops and broaden our information distribution.

- | | |
|---|----------------|
| 1. <u>Advertising</u> - Advertising of Public Forum workshops to encourage the public to participate. | \$1,500 |
| 2. <u>Media Production</u> - Radio and possibly television production to advertise the workshops and feedback results to the public. | \$3,000 |
| 3. <u>Media Distribution</u> - Duplication and time buying of radio and/or television spots statewide in conjunction with Public Forum workshops. | \$3,000 |
| Total | <u>\$7,500</u> |

We are just now completing the final production plan and distribution schedule. When this work is completed I will forward you a more specific outline of the media strategy to be used with the fall workshops.

I hope this proposal meets with your approval. I will be available to discuss any aspects of the proposal at your convenience.

Sincerely,



Barry D. Quinn
 Executive Director

BPQ:rj

MEMORANDUM

State of Alaska

TO: Fran Ulmer.

DATE: July 13, 1977

FILE NO:

TELEPHONE NO:

FROM: Bill Luria

SUBJECT: Public Forum Issues, FY 78

Attached are the Division's recommendations for topics of discussion for the Public Forum during FY 78. They evolved from:

1. Suggestions from the Halibut Cove meeting;
2. Discussions with, and written inputs from several Commissioners and Division directors;
3. Inputs from the Public Forum staff;
4. Critical issue evaluations by the DPDP staff.

The Halibut Cove meeting did produce major areas of State concern. These, however, had to be tempered by the specific need for public input on certain key issues facing State agencies and the legislature during FY 78. In addition, the quite general nature of some of the Council's suggestions prevented the development of a meaningful set of questions for public debate. Listed below (and described in detail on the attached) are our recommendations as to the priority issues for the Public Forum and the rationale for the choices.

PRIORITY ISSUES

1. Permanent Fund -- The Legislature will be developing Permanent Fund enabling legislation this year for introduction in the next legislative session. In addition, the Governor has set up a cabinet level Permanent Fund working committee to come up with modifications to the SIAC bill introduced this past year. Both efforts will require public input on specific questions -- to refine last year's Public Forum results and to address questions left unanswered last year. Also, public debate on specific Permanent Fund questions should elicit responses that can answer certain policy questions regarding economic development, renewable resource investment, and overall State wealth management.

2. Population Control -- Under the rubric of the somewhat abstract issue "Growth Management" falls the more manageable issue of population control (with economic growth implicit in most of the questions). While still

general, public attitudes on population growth will help the DPDP staff in their present efforts to: develop evaluation criteria for large-scale development projects (oil refinery, Susitna hydroelectric, Beluga coal, to name some immediate ones); develop energy facility siting legislation; aid in the development of State oil and gas leasing criteria; develop capital improvement projects policies and guidelines.

3. Land Disposal -- The Department of Natural Resources will be generating State land disposal policies, criteria and regulations during the present fiscal year. The Commissioner has recommended that the Public Forum address this immediate concern in order to give his planning staff the benefit of public dialogue and input prior to the drafting of the specific policies. Last year's Forum results did indicate the strong public concern over this issue, and the Council has recommended that the State develop a policy for disposal of State lands into the private sector. More specific discussion will show movement on the part of the Administration. In addition, recently passed homesite legislation necessitates specific public inputs in order to help implementation efforts. Funds may be available from DNP to support this Public Forum effort.

4. Subsistence -- Highly controversial, but an issue that was consistently raised at last year's workshops, yet one that has not been given adequate Statewide public exposure in the past. The Alaska Department of Fish and Game intends to address the issue as one of its priorities this year, and public input (through a carefully approached debate) is desired by that Department. Also, resolution of the d(2) issue during this fiscal year will tend to "institutionalize" a subsistence policy at the Federal level. Meaningful State input into the pending d(2) debate necessitates a hard policy look at the subsistence issue in the immediate future. Funds may be available from ADF&G to support this Public Forum effort.

The above 4 issues appear to be the most critical (and manageable) for the coming year. Also attached are some general questions for other issues raised. They were either considered too general for specific question development; not as high a priority as the above 4; or are being addressed through different mechanisms:

5. Government Organization/Service Delivery -- Too general, requiring greater refinement on the part of the Council.

6. Alcohol -- Important, but not a top priority for another Public Forum round.

7. Transportation -- Being handled by the Governor's Alaska Transportation Planning Council.

8. Human Resources -- General suggestions presented for further Council deliberations.

9. Wealth Management -- Too general an issue to develop meaningful questions. It is integrally related to all the other issues and, therefore, can be treated as elements of the other areas of concern. Some general questions are included, however, for further Council discussion.

The questions presented on the attached, both for the 4 priority issues and the others, are not intended for the Public Forum workshops. Final wording should be left to those with specific expertise. The Division of Budget and Management is willing to help draft the questions in order to get responses that will fit in better with governmental budget preparation and program evaluation. The only intent for these questions is to stimulate the Council into refining and narrowing the issues so that a more useful set of questions can develop. Along with this refinement should come the generation of background papers to help explain both the issues and the questions being asked.

In general, the Council should consider the following key points:

1. Avoid repetition from last year, unless some movement can be shown;
2. Develop specific issues that have some relationship to governmental operations, and are helpful to governmental decision makers;
3. Confine issues to those that must be addressed in the near future.

RECOMMENDED PRIORITY PUBLIC FORUM ISSUES FOR FY 78

1. PERMANENT FUND

The Permanent Fund question was widely discussed at last year's Public Forum workshops. However, as pointed out by the Council, there appeared to be some inconsistency in definition and interpretation in such areas as renewable resource development, diversification of the economy, investment strategies, tax cuts, savings accounts, etc. While the results from last year did indicate a specific direction for the Permanent Fund, more detailed and refined questions must be raised. Both the legislative Permanent Fund committee, the SIAC and the recently-created Governor's Permanent Fund working group need specific public inputs in order to formalize the goals and objectives of the Fund and, therefore, the final enabling legislation.

It is recognized that there are various fiscal tools in addition to the Permanent Fund available to the State (loan programs, bonding, General Fund, Renewable Resources Revolving Fund, etc.) that can be used to meet certain goals and objectives. The evaluation of the capabilities, strengths and weaknesses of these tools is somewhat of a technical nature. The Permanent Fund questions that are brought to the public can best serve the needs of the State by focusing on goals and objectives.

Listed below are some sample questions that could help elicit this information. DPDP is now working with the Public Forum staff and the legislative committee to refine these questions:

1. Do you believe that the government should use the Permanent Fund to actively intervene in the State's economy to pursue public policies?

If yes, should the State provide:

- . market interest rate loans to any enterprise which can pay back the loan plus interest?
- . market interest rate loans to only a certain set of enterprises chosen by State policy makers?
- . subsidized loans to chosen sectors to achieve clearly stated goals?

- . state organizations to assist certain sectors, on a fee for service basis, to provide such services as state marketing, organizing, information, technical aid, research efforts, etc.
- . State owned and operated enterprises in certain chosen sectors?

2. If the State should not intervene in the economy, what should the State do with the Permanent Fund?

- . put it in a savings account?
- . invest it in securities?
- . other?

3. The Permanent Fund consists of two basic parts -- principle and income. The principle is that sum which goes into the Fund from oil revenues and is put to work (invested) to earn a return and perpetuate itself, i.e. it is permanent. The income is the return on those investments. Presently, the principle is expected to be _____ in 1977 and grow to _____ by 1985. Income from these funds, if invested at 8%, would be _____ in 1977 and _____ in 1985. Regarding the principle, which alternative uses do you favor?

- . investments which maximize income, yet are secure and relatively riskless?
- . investments which sacrifice some income in the pursuit of social objectives (i.e. subsidies to renewable resource industries, heavy industry, or consumers)?

Regarding the income, which alternative uses do you favor?

- . return it to the fund to earn money?
- . return it to the General Fund for the legislature to use to pursue social objectives as it sees fit?
- . have the legislature earmark it for existing and new State loan programs?
- . distribute it to Alaskans through an Alaska, Inc. type program?
- . some combination of the above?

4. In order to refine last year's Public Forum responses regarding what types of economic development is preferred, please indicate those areas of the State economy that you would like to see supported or discouraged

through the Permanent Fund:

Support

Discourage

- . heavy industry (coal development, aluminum refinement, oil refinery, petrochemicals)
- . light industry (electronics, R&D)
- . retail trade (cooperatives, local businesses)
- . fishing/aquaculture
- . timber
- . hard-rock mining
- . hydroelectric projects
- . tourism/recreation
- . agriculture
- . alternative energy sources
- . other

5. In the previous question, you expressed your preferences about various sectors of the Alaska economy. For the sectors which you prefer, why do you prefer them? For the sectors you disfavor, why do you disfavor them?

Prefer

Disfavor

- . employment potential
- . personal income potential
- . economic-stimulation potential
- . lifestyle implications
- . impact on recreation values
- . impact on environmental quality
- . impact on immigration
- . other

6. In the previous Public Forum workshops, renewable resources received considerable support as an area for State intervention. What aspect of these industries do you wish to see the State address?

Employment
Potential

Product Availability
In Alaska

Alaskan Ownership
and Control

Other

Fish

Timber

Reindeer

Agriculture

Tourism

Other

2. GROWTH MANAGEMENT/POPULATION CONTROL

"Growth Management" is a loosely defined generic concept that consists of various and inter-related components -- population control; large scale private sector economic development incentives/disincentives; State and local government revenue-generating and expenditure schemes; real personal income changes; to name just a few. In order to treat the "growth" concept in a more manageable fashion, and to make it more palatable for purposes of public dialogue, separation into its component parts, if somewhat arbitrary, is necessary.

Growth can be defined, for purposes of this analysis, as the rate, type and location of population changes and economic development. Economic development is treated within the framework of the Permanent Fund questions and will only be implicit in this discussion. The State is, however, confronted with fundamental policy choices which relate to: the magnitude of population growth; the rate of this growth; the pattern of population growth; and the distribution of population within the State. Public Forum questions should address these issues as the means of identifying the policy options available to the State to manage future population dynamics (With the understanding that population growth is, more than in any other state, inextricably tied to economic growth).

The issue is, unfortunately, more complex than simply the posing of a few questions on population growth attitudes. Any discussion must consider certain perceived basic needs or concerns related to population management: the need for increased employment opportunities and a more diversified economy; potentials for rapid and over-concentrated population growth, particularly in the railbelt area; need to prevent environmental degradation and social disruptions associated with population growth and economic development; concerns over increasing costs of public facilities and services; concerns over real personal income and the cost of living.

A list of the various tools available to State government to affect the magnitude, rate, pattern and distribution of population suggests that government could be very influential in managing growth and distributing the corresponding burdens. These tools include:

- . Financial -- taxation (capital gains, property, corporate and personal income, etc.); assistance (loans, subsidies, bond guarantees).

- . Regulatory -- licensing; performance standards, rules and regulations (i.e. effluent and emission standards); land use controls; price controls; etc.
- . Resource Allocation -- direct operating programs; State land acquisition and disposal; capital improvement projects; State owned resource (oil, gas, coal, etc.) disposition; etc.
- . Persuasive -- information; technical assistance; political

However, bureaucratic and legal restrictions and outside influences limit somewhat the ability of the State to manage population growth. First, State operations have comparatively limited discretionary powers when compared to the total level of activity in the State. Many State agency responsibilities are relatively fixed (highways must be maintained, children must be taught); capital improvement programs spending is not totally discretionary.

Secondly, while the State does have certain capabilities to stimulate or control population growth (infrastructure investment, tax provisions and policies, regulatory policies, expenditure patterns and timing, to name a few), it is not complete. In some cases constitutional restrictions exist, such as in limiting in-migration through direct legislation. In others, the absence of certain laws (selective suspension of taxes for certain economic activity; enabling ability to declare an area of "critical State concern;" energy facility siting guidelines) limits the State's flexibility to implement policy decisions.

Third, the implications of State actions to guide this growth are only marginally predictable. Most policy actions only induce behavior, and cannot be relied upon to guarantee specific, predetermined results. Incentives and discouragements can confront the immigrant or potential developer, but they do not wholly determine their decision. They can only influence them.

Outside influences have a lot to say on how Alaska's population growth will be directed. Such pending actions as OCS activities, NPR-4, d(2) lands, national and international market situations, as examples, could dictate, more than State action, the economic and population changes in Alaska.

It should be noted, also, that the relationship of one State action to satisfy a particular growth goal could have a dramatic and opposite reaction on another goal. For example, high cost of living and limited employment opportunities appear to be strong deterrents to in-migration, as well as acting as inducements to out-migration. To the extent that State policies

and actions work to reduce the cost of living or improve employment opportunities in Alaska relative to the lower 48, in-migration will increase and out-migration will decrease. In addition, controls can act as stimulants to growth and stimulants as controls to growth (i.e. limiting economic development and therefore population in one area, could push it to another area).

One final point. Discussions on the application of various State tools to manage population growth must highlight the distributional consequences of each action. Each mechanism employed will have a different impact on who profits and who bears the economic and social burden of the action (general public, special interest groups, developers, immigrants, present Alaskans, etc.)

The brief discussion above was intended to lay out some of the complexities, groundrules and pitfalls associated with bringing such a general question to the public. Understanding this, listed below are a range of questions (somewhat repetitious) for the Council to consider in trying to narrow down to a more specific set of questions:

1. In order to determine what type of population growth (accelerated, moderate, slow, none) is most desirable, value judgements must be sought.

What do you regard as the highest priority growth objective for Alaska?

- . long-term high economic standard of living for present Alaskans?
- . long-term employment opportunities for present Alaskans?
- . maintenance of existing lifestyles?
- . quality of the environment?
- . economic self sufficiency?
- . recreational values?
- . improved delivery of human resource services?
- . improved mobility and access?
- . contribution to the stability of the U.S. economy?
- . other?

2. What should be the State's role in population growth management?

- . non-participant?
- . direct population growth in an orderly fashion?
- . limit State population growth?
- . promote growth in certain economic sectors (renewable resource industries)?
- . promote growth for certain socioeconomic sectors?
- . assist localities in population growth management?
- . other?

3. What should the State's priority objectives be in population growth anagement?

- . protect and enhance renewable resources?
- . stimulate industrial development?
- . protect the natural environment?
- . reduce (or increase) dependency on non-renewable resources?
- . reduce (or increase) governmental spending and services?
- . increase real personal income?
- . improve employment potentials?
- . economic self sufficiency?
- . none?
- . other?

4. Should population growth be directed toward specific geographic areas?

- . no?
- . to already developed areas?
- . in urban areas?
- . in rural areas?
- . to undeveloped areas?
- . to specific "growth centers" (Bethel, Nome, etc.)?
- . new community developments?
- . other?

5. What management tools for controlling or stimulating population growth should the State concentrate on?

- . tax and loan policies?
- . infrastructure investments and public service improvements?
- . regulatory provisions?
- . non-renewable resource leasing policies?
- . land disposals and acquisitions?
- . land and water use controls?
- . energy facility siting guidelines?
- . creation of "new Towns"?
- . informational and technical assistance programs?
- . housing support?
- . none?
- . other?

6. What should the State's role be in strengthening or otherwise modifying local powers to deal with problems of population growth?

- . home rule legislation?

- . fiscal reforms (taxing, bonding, revenue sharing)?
- . technical assistance?
- . land use controls?
- . zoning?
- . local input to State capital budget formulation?
- . none?
- . other?

There is a strong potential for a discussion on population growth to become nothing more than an academic exercise debating an abstract concept, with little relationship to the needs of governmental decision makers. It might prove more useful to select one or more major large-scale development activities pending (i.e. Susitna hydroelectric; OCS development in the Gulf of Alaska or the lower Cook Inlet; U.S. Borax Molybdenum project; Beluga coal development; world-class oil refinery) and discuss the pros and cons of the project. This could include the implications of each on population and economic growth, environmental and social consequences, etc. Specific questions could then be asked on the desirability of such projects. Will the public interest be served by stopping or delaying the development? What specifically can be done, by State and local governments, to manage the development? Quoting from a University of Alaska symposium on growth -- "Only in the context of specific developments will the issues of a growth policy for Alaska acquire sharp definition and tangible meaning, and the range of feasible policy action become fully evident."*

* A 3-day symposium on the subject of a growth policy for Alaska was held at the University of Alaska in December, 1974. Approximately 50 people (academics, government officials, legislators, private citizens, including Harold Pomeroy) participated. See Alaska Growth Policy: A Discussion of Issues, ISEGR, University of Alaska, 1975.

3. LAND DISPOSAL

Last year's Public Forum workshops did highlight strong concern over the policies and procedures for State land disposals. While the issue treated was geared mainly to the objectives for managing Alaska's lands, actual disposal was implicit in the concerns of the public. In order to build on last year's results -- land for renewable resources, and land for people's needs -- more refined questions must be posed.

In order to attempt to implement a State land disposal policy, the following issues should be addressed. It should be noted that these questions are preliminary. The Department of Natural Resources is presently developing a more refined set of questions. These are included solely to indicate to the Council the range of topics possible within the Land Disposal issue;

1. In order to implement a land disposal policy, the State must first determine specific disposal criteria. What do you consider the primary objectives of a disposal policy?

- . make it available anytime someone wants it?
- . disposal only if and when an established need for land exists?
- . to maximize revenue to the State treasury?
- . to stimulate economic development?
- . to satisfy overall State social objectives?
- . other?

2. Should the State give preferential treatment to certain groups in its disposal decisions?

- . residents vs. non-residents?
- . non-land owners vs. land owners?
- . Natives vs. non-Natives?
- . based on annual income?
- . promoters of economic development?
- . for preservation of open space?
- . none?
- . other?

3. Is private disposals necessarily in the best interests of the general public? Is there other lands (public) available to satisfy particular needs? Given that the State is only one of several land-owners in the State, should it be called upon to satisfy all needs?

4. Under what circumstances should the State demand a less than fair rate of return on land it elects to dispose?

- . for homesites?
- . for agricultural developemnt?
- . for recreation?
- . to preserve open space?
- . for subsistence use?
- .none?
- . other?

5. What specific means should the State employ to dispose of its land?

- . leasing?
- . fee simple sale?
- . transfer of development rights?
- . through municipalities?
- . other?

6. At present, land classification activities take place prior to land disposal. Subsequent to disposal, classification is no longer binding. Should land classifications be maintained to see if the land is being used for the purposes for which it was intended?

7. What kind of specific land needs exist in your community?

- . housing?
- . recreational lots?
- . agricultural lands?
- . open space?
- . industrial/commercial lots?
- . educational or health facilities?
- . none?
- . other?

4. SUBSISTENCE

The most controversial question facing the State in the area of fish and wildlife management is the issue of the subsistence use of resources. It was consistently raised at last year's workshops and represents one of the most important areas of concern in rural Alaska. Yet, it is an issue highly charged with emotionalism and distortions and is representative of the growing dichotomy between urban and bush Alaska.

The State administration is now trying to identify the critical points of contention and lay out specific guidelines for its operating agencies to address the issue. Public input is critical to this process. As the Commissioner of Fish and Game has noted, "....It would be enlightening to examine in a public forum the true nature, scope and relationship of subsistence dependence on resources in relation to existing access opportunities provided by state policies and regulations, lifestyle considerations, (and) aboriginal versus present-day harvest technologies..."

Listed below are some sample questions that could elicit the types of responses necessary to address both the issues raised by the public last year and the concerns expressed by the Commissioner:

1. There is a growing concern over the future of the State's fish and wildlife resources, particularly for subsistence use. What do you regard as the greatest immediate threat to Alaska's fish and wildlife resources?

- . Federal government policies?
- . sport hunting?
- . present subsistence practices?
- . State policies and regulations?
- . oil and gas development?
- . road building?
- . more people?
- . mining?
- . logging?
- . d(2) lands?
- . none?
- . other?

2. How can subsistence use be defined, and what constitutes a subsistence lifestyle? What criteria should be established for subsistence use?

- . degree of dependence on the resource (need)?
- . annual income?
- . income producing potential of the resource for an individual?
- . cultural or ethnic relationship to the resource?
- . other?

3. Do you consider yourself a subsistence user? Why? What proportion of your needs are met by subsistence use?

4. Should subsistence resources be managed? What role should the State play?

- . none?
- . regulatory?
- . enforcement?
- . technical assistance to localities?
- . education, research, resource inventories, etc. ?
- . other?

5. Should the State's subsistence policy be a uniform statewide policy or several policies tailored to regional needs and differences? Should there be preferential treatment in the use of the State's fish and wildlife resources?

- . no?
- . local users vs. other users?
- . based on regional or local habitat populations?
- . Native vs. non-Native?
- . in-state users vs. out-of-state users?
- . based on the degree of subsistence dependence?
- . subsistence vs. sport vs. commercial?
- . through a permit system?
- . other?

6. Should the State, Federal or local government have jurisdiction over subsistence resources and the setting of subsistence regulations? What role should communities have? Subsistence advisory councils? Regional or Statewide regulatory boards?

7. Do you view subsistence use as an historical right? If so, do you think that it should be required that historical methods of harvesting be employed when engaging in subsistence use? Why?

8. Do you think that subsistence use of fish and game resources is the highest and best use of these resources? Why? If fish and game resources diminish, would you be willing to forego recreational and commercial use of these resources so that subsistence could be maintained?

9. Is additional or improved game law enforcement necessary in your region? Should special subsistence zones be established? Should non-local subsistence resource users be excluded from such zones?

OTHER PUBLIC FORUM ISSUES FOR GROWTH POLICY COUNCIL CONSIDERATION

5. GOVERNMENT ORGANIZATION/SERVICE DELIVERY

The Government Organization/Regional Political Relations/Government Service Delivery issue is all-encompassing. As such it becomes too burdensome to work with when trying to develop meaningful and useful Public Forum questions. Two options are possible: try to list as many questions as possible, hoping the Council will cull out their primary concerns -- regionalization and/or decentralization of State government, Satellite Boards, subsidies, social service delivery problems, etc., etc.; or, request that the Council refine the generic issue, and be more specific in their concerns prior to generating a set of questions. The latter is opted for.

The multiplicity of options necessitates this. For example, the subsidy question alone is staggering -- subsidies through taxation policies; through government expenditures; hidden vs. open; direct vs. indirect; to meet certain social or economic objectives -- and cannot be discussed in a vacuum. The subsidy issue is really just a component of other concerns -- economic development (and the means to accomplish); transportation (and who pays for what facilities); social services (and who bears the burden) -- and should, therefore, be logically discussed within the context of other more specific issues.

Decentralization and regionalism must also be related to more specific issues. For example, which governmental functions (law enforcement, public health, sewage treatment, zoning, taxation and assessment of property, social services, land use planning) should be transferred or retained by what level of government (State, regional, local)? What are the implications and legal restrictions associated with such transfers? What measures of success exist to evaluate which is the best level for a particular function? In a sense these are highly technical problems and probably do not lend themselves to a Public Forum type of debate.

Other examples of the too broad nature of the Government Organization/Service Delivery issue can be cited. Listed below are some general questions relating to particular areas of concern raised. They are intended to serve as a framework for further Council deliberations:

1. A major concern raised last year was the perceived inefficiencies of governmental operations. What do you consider are the major deterrents

to government effectiveness?

- . excessive duplication?
- . lack of public input into decision-making?
- . inadequate information exchange between the public and government?
- . absence of specific urban and rural policies?
- . inadequate service delivery?
- . centralized State government?
- . State employee wages?
- . none?
- . other?

2. What techniques should be employed to monitor State government effectiveness and efficiency?

- . sunset laws?
- . zero-based budgeting?
- . public referendums?
- . improved communications (telecommunications)?
- . decentralization of State government functions?
- . citizen oversight committees?
- . improved hiring practices?
- . constitutional convention?
- . centralized information office?
- . none?
- . other?

3. What should the State's role be in strengthening or otherwise modifying local powers to deal with governmental problems?

- . home rule legislation?
- . fiscal reforms (taxing, bonding, revenue sharing)?
- . technical assistance?
- . land use controls?
- . zoning?
- . local input into State capital budget formulation?
- . none?
- . other?

4. Should Alaska decentralize certain State government functions?

- . law enforcement?
- . public health?

- . sewage treatment?
- . taxation and property assessment?
- . social services?
- . land use planning?

5. Through what means can decentralization best be accomplished?

- . regional boards (with advisory or regulatory powers)?
- . community-based districts?
- . service-based districts?
- . demographic-based districts?
- . political-based districts?
- . local control over State programs and capital budget formulation?
- . other?

6. What role should the State play in encouraging the creation of borough governments?

- . specific incentives/disincentives?
- . technical assistance?
- . none?
- . other?

7. (For villages) How would you like to see your community organized?

- . home rule city? (with list of pros and cons)
- . 1st class city? (" " " " " ")
- . 2nd class city (" " " " " ")
- . remain as is ? (" " " " " ")

6. ALCOHOL

The alcohol issue had the benefit of wide discussion at last year's Public Forum workshops. To bring the question to the public again could tend toward repetition. The Governor, the legislature and State agencies must now begin to address the issues and attitudes raised, and to develop appropriate implementation legislation to deal with the major concerns. As the Council notes and recommends, alcohol is linked to health care, mental health, crime, problems of the elderly, etc., and government actions must reflect these interrelationships. Below are some sample thoughts that could be addressed and refined into specific questions if the Council chooses this issue. These are a refinement of last year's discussions and are geared to satisfying the specific information needs of State agencies and the legislature:

1. State officials estimate that alcohol abuse now costs the State over \$17 million, but alcohol revenues only generate \$7 million. Should alcohol "pay its own way?" How? Should the burden fall on all alcohol consumers? On a broad or narrow group of tax payers? Sales tax? Increased excise tax? Should all tax payers bear the burden? Just the wholesale liquor industry? Retailers of alcohol? Public and private health insurance?
2. Evidence indicates that the manner of sale of alcohol is closely tied with its abuse. Should the State consider allowing only State liquor stores (thereby increasing control and revenue to the State treasury while reducing the private profit motive) to sell alcohol (except in communities which vote dry)? What other alternatives exist for controlling access to alcohol by minors or people already intoxicated?
3. How effective have been rehabilitation and counseling programs? By the State? localities? the private sector? What role should the State play? Direct provision of services? Financial and/or technical support? What would be considered the most effective way of treating or preventing alcohol abuse? Rehabilitation? Counseling? Education? Stronger controls? Improved enforcement of existing laws?
4. Should communities be allowed to control the sale of alcohol? By setting limitations or banning the sale completely? What about banning possession if a community votes to do so?

5. Which aspects of the alcohol abuse problem should the State focus on? Bootlegging? Drunk driving? Child abuse and neglect? Illegal sales to minors? None?

6. To which target groups should prevention and treatment programs be directed? Pre-teens? Teens? Adults? Men? Women? Senior citizens? Urban residents? Rural residents?

7. What are considered the Alaskan causes of alcohol abuse? Climate? Lifestyle changes? Seasonal employment? Rural living? Urban living? Lack of cultural or recreational facilities?

7. TRANSPORTATION

Transportation emerged as one of the most discussed regional issues at last year's Public Forum workshops. While most concerns raised dealt with site-specific problems -- ferry schedules, rural roads, airstrips, air service, etc. -- they do relate to several important Statewide transportation issues. The new State DOT is now wrestling with three areas that require policy guidance:

1. Where should the State vs. local responsibility lie for the provision and maintenance of transportation facilities and services?
2. Associated with the above issue are two subsidiary ones: What should the State's position be on a "user pays" policy on the construction, operation and maintenance of transportation facilities? Given limited resources, should the State emphasize upgrading and maintaining existing facilities or building new ones?
3. Now that d(2) legislation is being finalized, potential transportation access problems become significant. The State needs public direction in setting out a Transportation Corridor policy for all lands -- Federal, State, Native. The sensitivity of the corridor question, particularly for the Native community, necessitates widespread public debate.

Eventhough significant, these transportation issues need not be addressed by the Growth Policy Council. The Governor has established a citizens Alaska Transportation Planning Council. This group has been charged with developing transportation recommendations for the Governor.

8. HUMAN RESOURCES

If the Council elects to address a Human Resources question, here are some examples:

1. The State is now funding education at the 100% level. What should we expect for our dollars? Should this be left entirely to the options of the local school boards? Should the State set minimum guidelines? If so, in what areas (i.e., percent to be spent on instructional materials, equipment, professional staff, etc.)? How much autonomy do local school districts really want?

Should the State set minimum competencies or skills that students should achieve at specified mileposts during their education years? (in addition to &/or instead of the current minimum high school graduation requirements in terms of units earned)?

Who should be held accountable for the education of our children (State, parents, teachers, school administrators, local school boards)?

2. Small rural secondary schools are being developed across the State, How can programs be delivered to them to better insure a high quality of education? Should more efforts be spent on : a telecommunications system, a rural-urban exchange program, special teacher training, etc.?

3. There is a felt concern and some statistical evidence indicating a trend towards the disintegration of families. Should the State develop a system of "family impact statements" (similar to the environmental impact statement concept) to gauge and anticipate the effects of policies and actions on families (in order to be more supportive the the family structure)? Should the State do anything to be supportive of the family structure? What?

4. What is the minimum standard of the Alaskan quality of life? What are basic Alaskan citizen needs (i.e., income, shelter, nutrition, recreation, etc. minimum needs)? This needs to be identified so that we can assess whether or not Alaskans minimum needs are being met, and eventually so that Federal, State and/or boroughs and others can determine what is fair to provide to all Alaskans so that all may benefit from living a quality life.

5. Is the Alaska public satisfied with current State unemployment laws? Waiting periods? What are public attitudes toward mobile "Job Service" vans?

9. WEALTH MANAGEMENT

The issue of wealth management is integrally related to all state activities and thus to nearly any question which might be posed to the public through the Forum. Virtually every public meeting abounds with suggestions for things the state should do or should provide, i.e. ways for the state to allocate its revenues. ϕ However, oil wealth has recently been financing about 60% of State expenditures. Since these revenues result from the ~~extraction~~ sale and extraction of a public resource, it is clear that this (currently) relatively painless method of financing state activities cannot continue indefinitely.

Thus we face the inevitable ^{task of moving} ~~necessity to move~~ the financing of state expenditures from ϕ a non-recurring ^{to a recurring} source of revenues.

The formation of the Permanent Fund has been viewed by some as the solution to the wealth problem, since the Fund assures that a ~~px~~ portion of the wealth will be maintained. Although the interest earnings of the Fund will represent a recurring revenue source, these earnings cannot bridge the gap which will result because of declining oil revenues. Further, there is little evidence that the State, through intervention in the private economy, has the ability to assure the growth of a tax base large enough ~~to~~ replace oil income.

Nor is the other side of the equation -- state expenditures -- an easy ~~element~~ ϕ to control. As the population increases and costs rise, ^{as a result of which} expenditure upward pressures are exerted against expenditure ceilings ^{which are made} simply to maintain the current ^{service} ~~service~~ levels.

This then is the wealth management question. How can the State adjust its expenditure/revenue situation to assure a stable long run government sector?

It is difficult to refine this rather global issue for presentation in question form to the public. Perhaps a useful approach would be to ask the public their preference (value judgement) regarding a solution to the problem. For example:

1. At present approximately 60% of state expenditures are financed with oil wealth. Since state expenditures will continue as oil wealth declines, how would you rank the following methods of paying for state expenditures in the future?

- _____ a. Accumulate oil revenues in interest earning investments and use these interest earnings to pay for state expenditures.
- _____ b. Raise existing taxes. Specify types: _____ income(personal)
_____ excise
_____ business
_____ other (list)
- _____ c. Increase user fees for state services.
- _____ d. Set a ceiling on state expenditures.
- _____ e. Reduce certain types of state expenditures. Specify area of reduction: _____

- _____ f. Encourage industries which will increase tax receipts to a greater extent than they increase state costs.
- _____ g. Let future residents worry about paying for state expenditures when oil revenues decline.

Alaska State Legislature

SPECIAL COMMITTEE ON
THE ALASKA PERMANENT FUND
(907) 276-3433

528 W. 5TH, SUITE 270
ANCHORAGE, AK. 99501

[POUCH V, JUNEAU, AK. 99811]
(907) 465-3873



MEMBERS

REP. CLARK GRUENING, CHMN.
REP. TERRY GARDINER, V. CHMN.
REP. E. J. HAUGEN
REP. RUSS MEEKINS
REP. BILL MILES
REP. LEO SCHAEFFER
REP. RICK URION

House of Representatives

September 26, 1977

*Sent to all
Committee
members*

The Honorable Rick Urion
4222 Pinnacle Circle
Anchorage, AK 99504

Dear Rick:

Attached is a copy of the Alaska Public Forum's schedule. The Chairman has instructed me to tell you that the Committee will pay travel and per diem for any out of town meetings you will attend. For planning purposes, it would be greatly appreciated if you would notify this office of your plans to attend forum meetings.

Sincerely,

A handwritten signature in cursive script that reads "Mike".

Mike Doogan
Administrative Assistant

MD:LAD

Attachment

<u>DAY</u>	<u>DATE</u>	<u>LOCATION</u>	
Mon/Tues	Oct. 3/4	Dillingham - Togiak	Evening
Wed	Oct. 5	Wainwright	Evening
Wed/Thurs	Oct. 12/13	Kotzebue - Noorvik	Evening
Sat	Oct. 22	Anchorage	Day
Wed/Fri	Oct. 26/28	Nunapitchuk - Emmonak	Evening
Sat	Nov. 5	Fairbanks	Day
*Tues	Nov. 8	Chalkyitsik	Evening
Wed	Nov. 9	Kenai	Evening
Fri	Nov. 11	AFN Convention	Afternoon
Thurs	Nov. 17	Galena	Evening
*Sat	Nov. 19	Copper Center	Day
Tues	Nov. 29	Cordova	Evening
Wed	Nov. 30	Hoonah	Evening
Sat	Dec. 3	Ketchikan	Evening

*Absolute need for GPC

September 22, 1977

Barry Quinn
Alaska Public Forum
429 D Street, Suite 310
Anchorage, AK 99501

Dear Barry:

Thank you for sending over the (almost) final questions and background material for the Public Forum's upcoming program. The preparation of this material has been a lengthy and arduous process, both for you and for us. After reviewing your Permanent Fund material, I have serious reservations about the value to the Committee of several of the questions. In saying this I don't mean to infer bad motives to any of the many persons and groups involved in the negotiation of the questions.

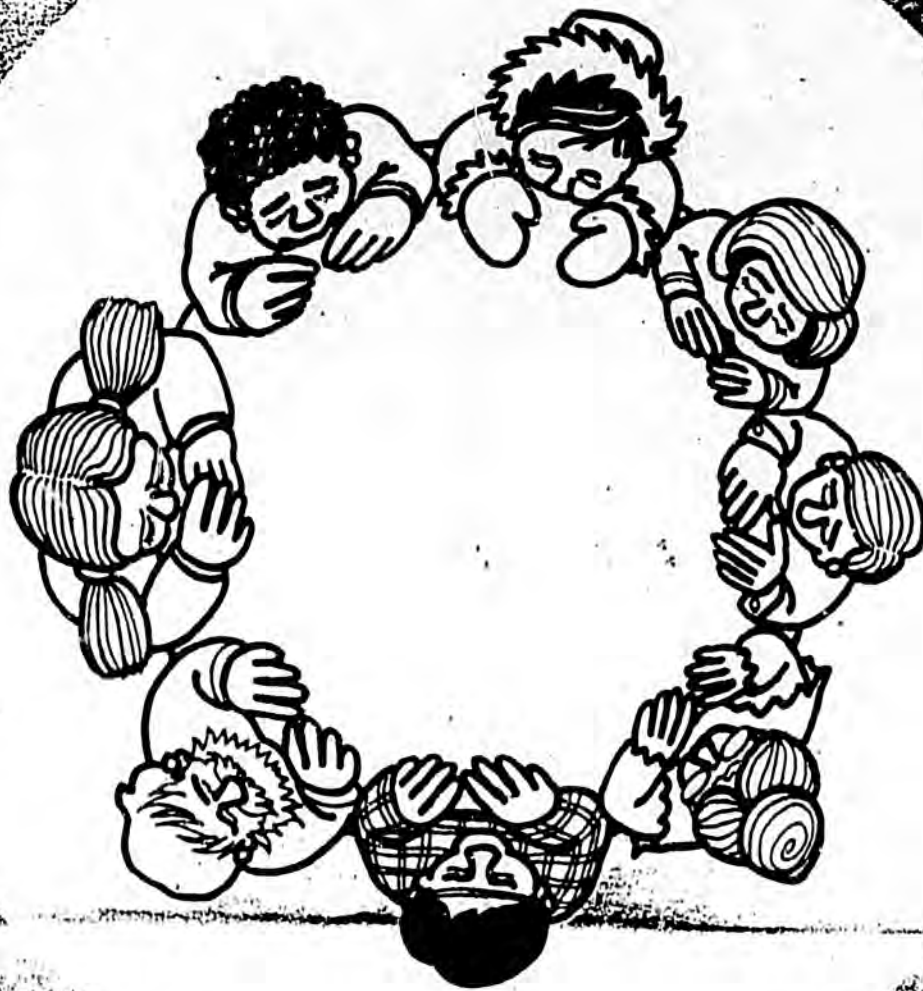
I will be circulating your schedule to Committee members and offering to pay their travel to attend forum meetings.

With regard to the advertising for the forums, I am hesitant to make a final commitment of either funds or time until I can look at a more detailed proposal. The Committee's interest is that the advertising be politically neutral, and for that reason, I will not appear in the ads.

Cordially,



Rep. Clark Gruening
Chairman



The Alaska Public Forum

A program of the Alaska Growth Policy Council



The Alaska Public Forum

What is it?

All Political power is inherent in the people. All government originates with the people, is founded upon their will only, and is instituted solely for the good of the people as a whole.
The Constitution of the State of Alaska

The Alaska Public Forum is the people of Alaska discussing major state issues and making recommendations on them to the Governor and state leaders. It is the leaders of the state listening to the ideas of Alaskans. Finally, it is decision-makers incorporating the suggestions of the people into the activities which will shape the future of the state. This is the Alaska Public Forum.

The Public Forum provides a method for people to voice their opinions on a series of state issues and to be heard. Alaskans are asked to read and think about, to discuss and recommend action on such areas as oil and gas revenues, leasing and royalties, priorities for human needs, and land use planning.

The Alaska Public Forum is directed by the Alaska Growth Policy Council. That eleven member council was set up by Governor Hammond in 1975 to include the points of view of citizens in decisions on important state issues. Through the Public Forum process the Council hopes to broaden citizen involvement.

The Alaska Growth Policy Council Members are:

Mark Boesser	Leonard Lane
John Borbridge	Harold Pomeroy
Tim Bradner	Lidia Selkregg
Frank Homan	Herbert Smelcer
David Klein	Diana Tilton
Lowell Thomas, Jr. Chairman	

How does it work?

The Alaska Public Forum will be highlighted by seven regional workshops scheduled for:

Southeast	November 13, 14
North	December 4, 5
South Central	January 15, 16
Copper River	February 11, 12
Southwest	March 5, 6
Gulf Coast	March 26, 27
Interior	April 16, 17

In addition to the regional workshops, the Public Forum will hold a series of local meetings for those persons who are unable to attend the larger workshops.

The Alaska Public Forum extends one step further for people who cannot attend either the regional or local meetings. This newspaper you are presently reading contains a questionnaire on the last page. This may be filled out and mailed in without attending any previous meetings. The information contained in this paper is the same material which will make up the workshop agendas.

Regional Workshop Locations



How can I participate?

The Alaska Public Forum meetings are open to everyone and you are encouraged to attend. Additionally, 25 persons from the general public will be selected at random in each region to participate in the regional workshops. Leaders and representatives of community organizations will be invited to lend their experiences to the discussions. The local Public Forum workshops will also be open to all those who want to participate and discuss their opinions on major state issues.

If you cannot attend a workshop, please fill out the questionnaire at the end of this paper and send it to the Growth Policy Council. Your thoughts on these issues are extremely important. They will be made available to both the legislature and the Governor for use in upcoming legislative sessions and in the preparation of the state budget.

There are decision-makers who want to know what you think. That is what makes the Public Forum unique. Your response will not be lost—if you want to play a role in determining the future of Alaska for yourself and your children.

Since no man has the only road map, what we need up here are many alternative visions of where Alaskans want to go, and from this amalgamation put forward positive images of tomorrow. The major question is, of course, what kind of Alaska do we want, both for ourselves and for our children's children.

Governor Jay Hammond

About this publication

This newspaper is your invitation to participate in the Alaska Public Forum, whether you choose to do so at home or at a workshop. At public meetings, this publication will be used as the agenda. You will be asked to read and discuss the background information provided on these pages. From there you will be able to answer a series of questions which will serve as your recommendations to state leaders.

If you choose to participate in the Forum at home, we urge you to read the following pages, answer the questions at the end, tear off the last page, fold it as directed and mail it back to us. No postage is necessary.

There is a wealth of information contained in this paper. It has been accumulated by knowledgeable people in each field and then condensed to provide you with the basic information you need to answer the questions.

We've tried to keep from overloading the pages with technical material, and yet some background is helpful to better understand the implications of each question and answer.

Any comments you have about the Public Forum process would be welcomed by us, so feel free to jot them down at the end.

We urge you to participate. We look forward to receiving your answers.

Our address: The Alaska Growth Policy Council, 429 "D" Street, Suite 310, Anchorage, Alaska 99501

When tomorrow becomes today

A chance to plan ahead

We, as a nation, have notoriously responded first to crises—energy, environmental, economic, racial, and others. When the crisis becomes too great, we jump to our collective feet and demand action. And the government responds predictably. Federal Energy Agencies, Environmental Protection Agencies, Cost of Living Councils, and Offices of Civil Rights spring up overnight. On the state level, we respond similarly. Belt-tightening administrations are elected into office and Commissions on Energy and the Environment appear throughout the country.

And, we continue to be a nation without a future plan. Moving from one crisis to another, doing battle, winning and moving on just in time to grapple with the next urgent situation.

Alaska's approach has been no different. But at this time the State has a unique opportunity. The chance to plan ahead.

We are maturing as a state everyday, which means growth and development. This is a natural phenomenon and only becomes a problem when we can no longer manage it.

There are several important questions about this change for which we will need answers. Simply,

How fast?

How much?

What kind?

And further,

What role should the State take in these changing events?

In order to fully understand these issues, we should look back and retrace the steps which brought us here.

Before Statehood

Historically, Alaska has suffered at the hands of outside exploiters. Its development has been in waves and in direct response to the most recent discovery, whether it has been furs, gold, fish, timber or oil. People have swelled the population size of the State but then have taken the wealth away with them when the job was done. Very little of Alaska's riches have been spent by or for Alaskans.

The Sixties

In the first years after statehood, the economic future of the State looked somewhat shaky. Apart from Federal Government spending, the fishing and timber industries were the economic mainstays in those early days. But, it was the discovery of oil and gas in the Kenai-Cook Inlet fields that gave the young state its biggest boost.

By the end of the 60's, the oil and gas potential in the State showed great promise. And the decade



reached a climax in 1969, when the State sold the Prudhoe Bay oil leases for \$900 million which ushered in the oil age.

The Seventies

During the first five years of the 70's, events tumbled together in rapid succession. Alaska today is very different from Alaska ten years ago.

For Alaska to expand and grow in tune with these changes, it was first necessary to settle the question of land ownership between the State and the other two major owners—first, the Native people, who if they did not "own" the land through conventional titles, certainly owned portions of it through time and past use; and second, the federal government, whose involvement and control of Alaska land long preceded the State government.

The result was the passage of the Alaska Native Claims Settlement Act in 1971. This Act gave Eskimo, Indian and Aleut people of Alaska 40 million acres of land and \$1 billion. At the same time, the Act set aside 80 million acres from the Federal domain for possible additions to national parks, wildlife refuges, forests and wild and scenic rivers.

This parcelling of land, while fragmenting ownership around the State, also cleared the way legally for construction of the oil pipeline. Any further reservation about its future was overridden in the wake of a nationwide "energy crisis".

Today and Tomorrow

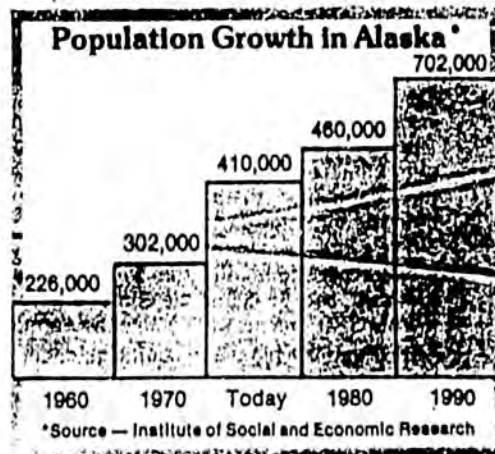
And where are we today? Generally, we are in the middle of a prosperous era with no immediate end in sight.

But you are an Alaskan, and what does all this mean to you? Probably, it means more people in your town, more job opportunities, more items at

the local store, often at higher prices, better schools and more cars on the road. Even in rural Alaska, this growth is present. And it means that if you look at the future you want, you must carefully weigh the importance of these new activities in your life. Every new benefit comes with a price tag, not always measured in dollars, and only you can decide whether the price is right for you. You, as an Alaskan, have a share in the ownership of this State:

- 103 million acres of land, at least 30 percent of which the State has not yet selected.
- 3 miles of off-shore waters with untapped oil reserves.
- 12½ percent of all the oil brought out of the ground to use in Alaska or to sell for profit.
- 12½ percent of gas brought out of the ground to use for Alaska's needs or again, sell for a profit.
- 2,000,000 acres of commercial timber resources.
- One of the richest fishery resources in the world.
- And most important, 400,000 Alaskans with enormous human energy and resources.

All that is quite a responsibility. The way in which the State moves ahead and what it does with all this potential wealth is at issue today.





New Money For Alaska

Shortly after the oil begins to flow through the pipeline, Alaska will suddenly become very wealthy. We have had a trial run at this experience. In 1969, we received \$900 million from Prudhoe Bay lease sales. The money was spent primarily for education and a number of public services. Today, however, most of that money is gone.

Soon, the State will receive \$1 to \$2 billion and more per year from oil production. That is a lot of money, not only for a state like Alaska with its small population but for many other states.

And what will the State and we Alaskans do with that amount of money? Some of it—a minimum of 25 percent, maybe more—will go into the Permanent Fund (see this page). But the rest of the money may be spent or invested in a number of ways from increasing services such as education, highways, health or revenue sharing allocations to loaning it to industries or communities.

Not all this money comes from oil and gas revenues. The State continues to receive money from its timber and fishing industries, for example. It is important to remember that once the oil and gas have been taken from the ground they will be gone. They will not replenish themselves the way a new tree may grow again in the forest.

For this reason, we refer to oil and gas resources as *non-renewable* and resources such as fish and timber as *renewable*. Indeed, the new money is a bonanza for Alaska but its value is limited to the one time extraction of non-renewable oil and gas resources which at this time are estimated to last no more than another thirty to fifty years.

The Permanent Fund — Our Nest Egg

In November, 1976, voters of the state approved changing the language of the Alaska constitution to allow for "dedicated" monies to be set aside for a special purpose — the Permanent Fund.

In the case of this Fund, the voters agreed to use at least 25 percent of the oil revenues coming into the State for investment purposes. None of that money can be put into the General Fund for State programs. It can only be invested—through savings which accumulate interest or loans which are returned with interest. What may be spent in future years is the earnings from that investment.

For example, if the State put \$250 million into a savings account, it might earn interest at 7 percent. That interest over a five year period would amount to approximately \$87.5 million, plus what has been compounded. The State may spend the \$87.5 million, the *earnings*, but the \$250 million, the *principal*, must stay in the Permanent Fund for investments, which could be the same savings account.

The same idea applies to a loan. If the State loans a community \$100,000 to build a dock, it will expect to receive that \$100,000 back plus, say 6 percent interest. In this case, the State will earn \$6,000 at the end of one year which it can spend on State activities. Again, the State returns the \$100,000 to the Permanent Fund for future investments.

The Fund is a big responsibility and it is critical that it is understood and managed properly. At this time there are several important questions about the Permanent Fund which will need answers soon.

For example:

1. How should the Permanent Fund money be invested?
2. How should the Permanent Fund earnings be used?
3. Should more than 25 percent of the new money be put into the Permanent Fund?
4. Who will manage the Permanent Fund?

The Public Forum will look at the first two questions. How this money is invested is extremely important, because the size of the Fund itself will grow rapidly. If the Permanent Fund is 25 percent of the total oil and gas revenues, it may grow from \$2.8 million dollars in 1977 to \$1.883 billion dollars by 1985. How should that money be used to make more money? Secondly, how should we spend the money produced from these investments and the balance of the new oil and gas revenues which could be as much as 75 percent of all the new money. The options are up to you.

Options for investing the Permanent Fund

The 25 percent or more of oil and gas money put into the Permanent Fund must be invested to make money for the State. There are several ways this can happen.

Saving it:

If the money is saved either through a savings bank or government bonds, it will, for the most part, be safe and tied up collecting interest. If it is put into banks or securities the returns (earnings) on the money will probably be high. This method of use, then, would be profitable and safe for the State.

Savings provide no threat to the money. Losses are avoided, financial gain is made, and there will be something for a rainy day.

Loaning it:

There are at least four major types of loans that the State could make with Permanent Fund money. **Community development loans** would provide money for community projects such as building and maintaining airfields, ports, housing projects, child care centers, etc. Generally these would contribute to the betterment of Alaska's communities by providing money to them with low interest rates to take on projects they could not otherwise afford. On the other hand, it would not produce a great financial gain for the State. This type of loan would probably stimulate some local growth and provide jobs at the community level.

Industrial development loans would provide the same incentive to industry that community loans provide to local areas. In this case, population, job opportunities and services would probably in-

crease. The long range economic growth potential would be greater and might be the kind that would make us less dependent on dwindling oil and gas revenues. Again, the State would probably sacrifice large immediate financial gains for the benefits derived from this economic development.

Renewable resource development loans would encourage the development of resources that can be used over again such as timber, fishing, and agriculture. This development would probably increase job opportunities, the population and new services slowly, over a longer period of time than the boom economy produced by oil production. And it would also provide a steady, long-range source of money for Alaska, unlike the revenues from non-renewable resources, which will end when oil and gas supplies are depleted.

Individual loans would provide money to private citizens for better housing, small businesses, and education opportunities, as examples. This option probably would not have a sizable effect on either population increases or economic growth. Again, as above, State profits would take second place to promoting the general good of Alaskans.

The \$900 Million

In addition to the Permanent Fund monies to be invested, the State will have to decide what to do with the earnings from the Fund as well as the remaining portion of the new oil and gas revenues not allocated to the Permanent Fund. That will be a good deal of money and it may be used in a variety of ways. However, before making a decision, let's look at the past.

The arrival of this new money will not be the first time that Alaska has found itself wealthy overnight because of its oil. In 1969, as we have seen, the State received \$900 million from the sale of Prudhoe Bay oil leases. What did we do with that money?

This bonanza came to a State government that had often operated on a shoestring budget. Largely, then, to compensate for those leaner years, much of this money went to areas which had not received full attention in the past.

These efforts were aimed at improving education, health and social services, public works (which includes building, marine transportation, airports, docks, etc.), and paying off the debt from State bonds. However, the new money was spread throughout the State budget, so all State operations increased.

As a matter of fact, this created a problem. Most people thought that the trans-Alaska pipeline would be completed by 1973. And Alaska used its money

based on the anticipation of receiving more money shortly. But as we chipped away at the \$900 million, pipeline construction was delayed and no new money arrived to replenish the State coffers.

Not all the \$900 million went into the General Fund, however. Some was put into small loans and mortgage programs for Alaskans. Close to \$100 million went into housing, veterans', small business, municipal and similar loans. Additionally, there was some \$300 million gained in major investment earnings. But at the same time, close to \$8 million was lost on an \$18 million investment in the stock market.

As it became painfully clear to everyone that state expenses were way up and the new money from the pipeline would not be available until at least 1977, state officials began to look into more immediate methods of producing money.

One method used by the State to meet a 1976-77 budget shortfall, was to enact a tax on oil in the ground before it is actually brought up. This, was in effect, a pre-payment of approximately \$500 million against future taxes. A second method under consideration would involve leasing additional areas of the state for oil exploration. (See section on Leasing our Oil and Gas Lands). This second plan would help to explain all the recent discussion on the Beaufort Sea oil potential.

Whatever the State decides to do in the next few years—and, more immediately, whatever recommendations you make in the Alaska Public Forum—should be made with our recent history in mind.

Options for surplus oil and gas money

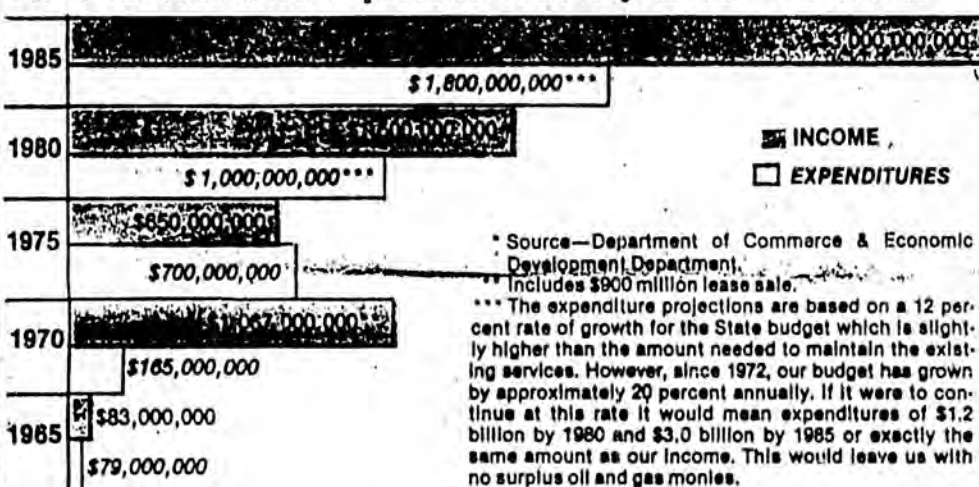
Oil and gas revenues not going into the Permanent Fund and those available as earnings from the Fund may be used for a number of purposes. As with the Fund, this money may be saved for future security or loaned to industries, communities or individuals providing a new kind of future for Alaska. (See options for use for the Permanent Fund.) It also may be spent in a variety of ways.

It might be given to communities for local services through larger amount of revenue sharing and municipal grants. Or it might be used to increase the benefits in existing State programs in education, health and social services, highway maintenance, criminal justice, land planning, alcoholism or a myriad of other State government activities.

The new money might be used to cut back the amount of State taxes we pay or it could be given out to Alaskans in cash payments like dividends in the stock market. The new money might be used to retire the State debt (paying off all its bonds). It might go to pay for public works projects such as building airports, docks, etc., in cash rather than taking out loans.

As you see, the choices are varied and numerous. But it's up to you. Consider what each means, not only to you but to the Alaska you want for your children. And know that your choice may make a difference.

Past State Income and Expenditures and Projections for the Future*



1.

The Question:

A.

How should the Permanent Fund money be invested? (Please rank your choices 1 through 4, with 1 the most important)

- ☐ a. Save it
- ☐ b. Loan it to communities
- ☐ c. Loan it for industrial development
- ☐ d. Loan it to develop renewable resource industries
- ☐ e. Loan it to individuals
- ☐ f. Other _____

B.

How should the State use its new oil and gas money? (All revenues except those invested in Permanent Fund.) (Please rank your choices 1 through 4 with 1 the most important)

- ☐ a. Use it for tax cuts for Alaskans
- ☐ b. Use it for cash payments to Alaskans
- ☐ c. Use it for community revenue sharing and community grants
- ☐ d. Use it for more State services
- ☐ e. Save it by increasing the Permanent Fund
- ☐ f. Loan it to communities
- ☐ g. Loan it for industrial development
- ☐ h. Loan it to develop renewable resource industries
- ☐ i. Loan it to individuals
- ☐ j. Other _____



Meeting Human Needs, Developing Human Resources

Meeting human needs

While many persons in Alaska today live in the prosperity of an economic boom, others are not as fortunate. Many face a constant struggle to meet their basic human needs.

And so, the state provides help for those who can't, at all times, provide it for themselves. It has recognized an obligation to house the homeless, feed the hungry, care for the elderly, heal the sick, whether they are crippled by physical or psychological illness, provide some income for those who have no means of their own, and care for children when the young have no one else.

Every year the State puts money into programs that will help eliminate some of these needs. Its range of activities is broad.

Beyond the needs...

Once the basic needs of people are met, has the State a further obligation?

In education, for example: The State has assumed a large part of the job of educating Alaskan children. It does this, even at the most elementary levels, in part, because it believes in the potential in each of us and the need to let it grow.

The State also recognizes the need for its people to have jobs. It provides access to on-the-job training programs and the chance for people, regardless of their profession, to upgrade their skills. Generally, people will develop their potential as contributing members of society if they produce work of which they can be proud.

Services the State Provides

ALCOHOLISM through the Department of Health and Social Services.

- provides money for detoxification centers, housing and outpatient treatment
- promotes research and education on alcohol-related problems and helps former alcoholics find jobs

CHILD AND YOUTH CARE through the Department of Health and Social Services.

- maintains and funds day care centers
- helps abused children
- funds treatment and counseling
- provides foster care for the orphaned
- provides rehabilitation for juveniles

EDUCATION through the Department of Education.

- provides 90% of basic need costs for schools in organized boroughs and some cities
- provides 100% of basic need costs of schools in the unorganized borough
- provides support services such as curriculum development, vocational and special education programs
- administers Federal funds for bilingual, counseling and special interest programs

PROGRAMS FOR THE ELDERLY through the Department of Health and Social Services.

- helps fund Salvation Army hot meals program

- provides money to local governments for transportation of the elderly
- provides grants for senior citizen centers
- provides legal assistance funds for the elderly through Alaska Legal Services

EMPLOYMENT through the Department of Labor and the CETA Manpower Division.

- provides Job Service Centers
- provides for on-the-job training programs
- administers the WIN program, Work Experience, and the Job Corps
- helps fund Seward Skill Center

HEALTH through the Department of Health and Social Services.

- provides doctors, nurses, and health centers for treatment, prevention, and control of illnesses
- provides mental health clinics
- administers family planning counseling
- funds programs for disabled persons

HOUSING through loans to the Alaska State Housing Authority.

- constructs homes for the elderly
- maintains low and middle income housing in urban and some rural areas

Federal Involvement

It is important to note that a great portion of Human Resource money comes from the Federal Government. It also should be noted that while

these funds provide for a great many services, they generally come with a series of restrictions and regulations which can make them as much of a burden as a help.

The Question:

What areas of human need do you feel requires most attention? (Please rank your answers #1 through #8 in order of importance with #1 as the most important need.)

2

Priority (1-8)

- | | |
|--|---|
| ☐ a. Alcoholism | ☐ e. Employment |
| ☐ b. Care of Children | ☐ f. Health care |
| ☐ c. Education | ☐ g. Housing |
| ☐ d. Programs for the elderly | ☐ h. Other |

The Cost of Schools



The State's responsibility to education

If we start with the idea that an educated society is a productive, vital one, it then becomes important that we look at one of the most debated subjects in Alaska: What is the responsibility of the State in educating its people?

The basic goal of the State government is to assure that every child has a quality education. However, that is not always as easy as it might sound.

If the community is unable to pay for itself, does the State absorb all the costs? What, then, is the obligation to those school districts that do have the means to contribute a major part of their educational expenses?

The cost of learning

The State provides for education through its Public School Foundation program, which today pays a minimum of 95 percent of "basic need" operating costs (teachers, books, desks, etc.) in organized boroughs — mostly urban areas — and first class cities throughout the State. It also pays 50 percent of these school construction costs. The other 50 percent comes from local property taxes.

In the unorganized borough — most of rural Alaska — State and Federal money covers 100 percent of both operating and construction costs. These expenses are mounting rapidly now more so than in the past years for two reasons. First, the State is assuming control over many rural schools formerly run by the Federal Bureau of Indian Affairs.

Second, it has been determined both through the expression of the people and through the courts that it shall no longer be necessary for students in rural areas to be separated from their homes and families in order to receive a high school education. This means, simply that the State must begin to build high school facilities in 126 communities where needed by 1980. Fiscally, this is a gigantic undertaking. For example, a six room high school

for approximately 90 students recently built in the village of Kivalina cost \$1.7 million. If the State were to meet its legal obligation to provide high schools in even 60 of the possible 126 locations, it would cost approximately \$102 million. Added to this, urban area education costs are rising too.

It is possible that the State can provide 100 percent of the basic operating costs of education once the oil money begins to appear in its treasury, but it is unclear how the State will cover the new, as well as on-going, construction costs.

Who pays the school bill?

Between 1970 and 1976 State government funds for public school education increased from \$59 million to \$200 million. Operating costs during that period rose 240 percent and construction costs jumped by 200 percent.

And as we have seen, the expenses in the years ahead, particularly in construction, will be even greater. But how should these be paid? Consider the options.

First, the State could pay 100 percent of school construction costs by increasing the State income tax. For example, if it were to add 1 percent to the present 5 percent collection rate, it would receive close to \$20 million in the year 1978. This would provide an equitable contribution method for everyone in the State.

Second, the State could pay for the 100 percent of school construction costs with money gained from a statewide sales tax. A tax of 1 percent could produce close to \$80 million in one year. This, of course, taxes everyone and could be a problem for cities which already have a sales tax. If the existing source of revenue cannot be spared, people of those communities will be doubly taxed.

Third, the State could require that all areas impose a property tax much like organized boroughs have now. In this way, everyone would have a share in their own local school construction. However, most of rural Alaska — the unorganized borough — does not have regional or local governments with taxing powers. And further, if you consider the population in rural villages it soon becomes apparent that the cost of collecting the taxes and the amount collected would not support the effort, particularly in smaller communities. As with the sales tax, this would reduce the portion of property taxes people now pay for school construction in urban areas.

Fourth, the State and local communities could proceed as they have in the past. The State would provide 50 percent of construction financing in organized boroughs and 100 percent of the cost in rural Alaska. However, this system depends entirely on support from Alaskans through bond proposals.

The Question:

How should public school construction be financed in both organized and unorganized boroughs? (Please check the appropriate box.)

3.

- ☐ a. 100% State funding through an increase in the State income tax.
- ☐ b. 100% State funding from a statewide sales tax.
- ☐ c. Local property taxes throughout the State and supplemental funding where needed.

- ☐ d. Continue the present system which provides for property taxes plus supplemental State funding in organized boroughs and 100% State funding in the unorganized borough.
- ☐ e. Other _____

Alaska's Land

Distribution of Alaska's Land

Alaska's land is its greatest wealth. It is the home and the parks of its people; it is the source of its oil and gas and minerals; and it is generally the basis of its economic development and its industries.

It is the most valuable commodity we own. And we do own it, whether privately or collectively as residents of the State. Either way, we own a large portion of land in Alaska—103 million acres through the State government and 226 million acres of Federal land.

As an Alaskan, you can participate in the management and choices affecting the 103 million acres of land we received from the Federal government at the time of statehood. This land has not all been selected by the State. As a matter of fact, we have only about 36 million acres today, with another 32 million waiting for approval from the Federal government. But let's retrace the history.

Selection of Lands

In its early days, the State's policy on selection was conservative. The young State had a limited



OWNERSHIP OF ALASKA'S LAND

State	28%
Federal	60%
Native	11%
Private	1%



budget and often believed that it should leave lands which benefited from Federal money for fire protection and highway construction in Federal hands. But, more recently, two massive land selections in 1968 and 1972, indicated a new policy—namely, that the value of certain lands now far outweighed the earlier value placed on those Federal funds. These two major selections involved lands which the State thought to be rich in oil and minerals—the North Slope, the Copper River basin, and the Bristol Bay areas, in particular.

Alaska's Land

In total, Alaska contains 375 million acres of land that varies from Southeastern rain forests to the barren lands on the Arctic Slope. The Federal government is by far the largest land owner, with 226 million acres, once State selections have been made. The Statehood Act entitles Alaskans to 103 million acres, making us the second largest land owner. Over one million acres in Alaska are presently in private ownership; and an additional 44 million acres will move into private ownership when the Native land selections, as provided for in the Native Claims Settlement Act, are completed and approved. This Act also sets aside 80 million acres within the Federal domain for possible additions, by them, to parks, wild and scenic rivers, wildlife refuges and forests.

Where does all this activity leave Alaska? Generally, in a period of transition until the Settlement Act lands are finalized. The State then has until 1984 to complete its own selections.

There are several important considerations. Namely, the State has a limited amount of good land for multiple use. It does not have enough quality land to do everything that Alaskans might think desirable. Because of this, management direction should be determined before the remaining 35 million acres of State land is selected.

Management Options

First, the State could manage its lands to encourage the kind of use that will produce the largest profit. For example, if the land has oil and gas or mineral potential which will produce large financial returns for the State, then the management plan should reflect this.

Second, the State could manage its lands primarily to meet people's needs. Lands could be set aside for homesites, for future hunting and fishing use, for public access, and parks and recreation areas. The interests would be determined by the people and the management would provide for the greatest use by all Alaskans. Here State profits would take second place to people's needs.

Third, the State's goal could encourage land management for renewable resource development—agriculture, forestry, fisheries or tourism. This would provide for present, as well as, future revenues from the land.

Fourth, the land management could encourage economic development throughout the State by promoting industrial uses of the land and managing it to accommodate this goal. In some cases, the State could provide incentives to industries. Although this might prove less profitable in the short run, the long term economic gains could make it a worthwhile pursuit.

Fifth, the State could manage its lands to preserve the natural environment. This option would include the protection and maintenance of areas where both wildlife and wilderness could always exist. The natural wealth of Alaska's land would take preference over other land uses.

The Question:

What should be the objectives for managing Alaska's land? (Please rank your choices 1 through 5, with 1 the most important.)

4.

- | | |
|---|--|
| ☐ a. To raise revenues for the State | ☐ d. To promote industrial growth and development |
| ☐ b. To provide land for people's needs | ☐ e. To preserve the natural environment |
| ☐ c. To promote renewable resource development | ☐ f. Other _____ |

Leasing our oil and gas lands

Revenues

There is much discussion about oil and gas in Alaska's future, principally for two reasons:

- 1) The money for the State from these resources is enormous, and
- 2) The impact on the future of the State, its communities and its people is far reaching.

All the oil and gas activities hinge on one process—leasing the land. Once the state sells its leases, it commits itself to the resource and to some development in that area of the state on behalf of all Alaskans.

The lease itself may bring in a large amount of revenue. But it is a once-only bundle of money, called *bonus* money. Additional revenues flow over a longer period of time, if and when oil and gas is found. These other revenues come from taxes on the oil when it is brought up from the ground (*severance* tax). Last of all, the State receives revenues from the royalty oil and gas—its share in the actual substance. (See section on Our Royalty Riches) It is estimated that the period of oil production and, consequently, its revenues can be expected to continue in Alaska for the next 30 to 50 years.

Impacts

The process that starts the revenue flow begins with the first lease sale. But more than money, the sale will bring with it development of the area. The impacts are far reaching—some of them are productive and some are not.

The State was, to an extent, startled by the impact of the trans-Alaska pipeline. Suddenly, new workers appeared in Alaska. Prices increased, roads became crowded and rents and housing costs soared. For many local communities it became a matter of playing catch-up with these demands. By the second year of pipeline construction, these problems were much more manageable.

We had learned a lot as a State about our capabilities to handle sudden prosperity. Now, for many it is a matter of making the most of those opportunities, such as higher incomes, more services, improved facilities, etc. But these areas may never again resemble the communities they were before the development began. These trade-offs—which simply means you give up some things to get others—must be looked at to understand the significance of oil and gas lease sales.

What Can We Expect

There is much land in Alaska with oil and gas potential. The State government has indicated its own best potential for future oil and gas leasing is probably on the Arctic Slope—in the upland areas just north of the Brooks Range and in the shallow

waters of the Beaufort Sea north of Prudhoe Bay.

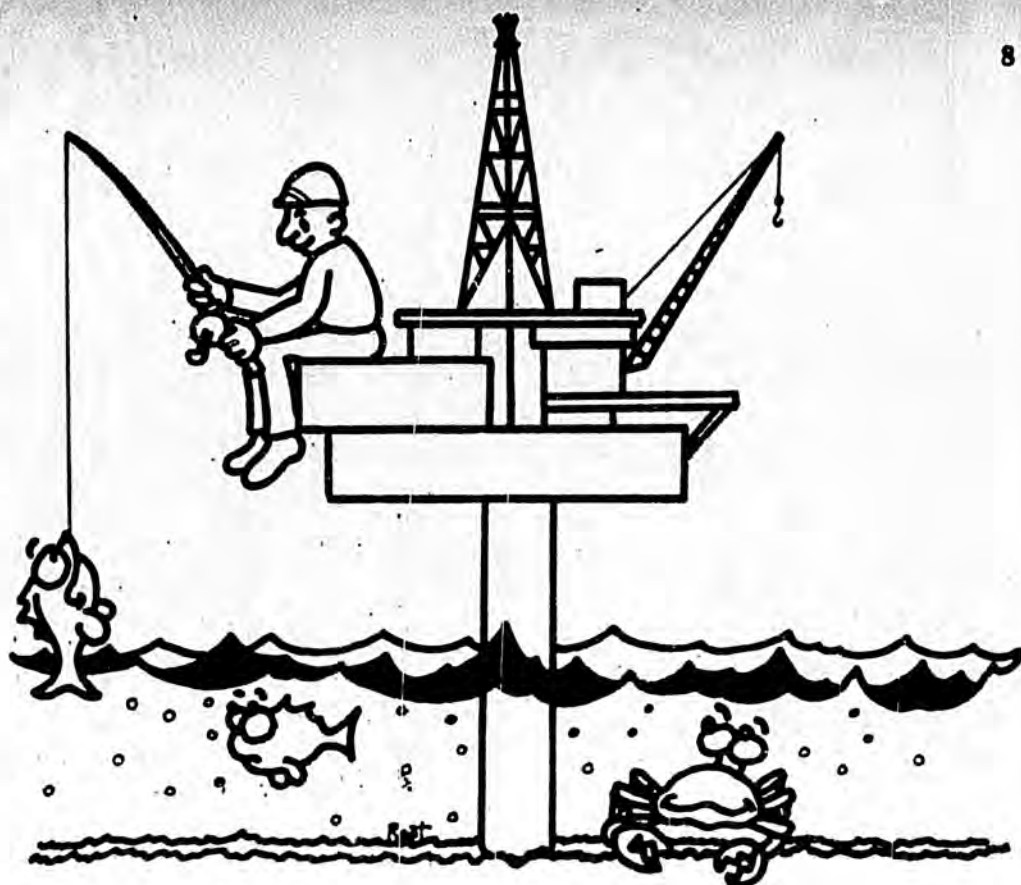
It also believes that oil and gas might be found on other land it owns, both onshore and offshore, but specifically offshore, in the northeast and northwest Gulf of Alaska, the Aleutian Chain, Bristol Bay, and the Bering Sea. However, there is no proven potential in any of these areas.

For this reason, these sites, described as "wildcat" areas, will require further work, including drilling.

It is likely that State, Federal and Native regional corporation leasing efforts will affect and stimulate each other. For example, the Prudhoe Bay discovery and the trans-Alaska pipeline have "opened up" the North Slope and surrounding areas and some lands along the pipeline corridor to new leasing and exploration by each of the three land owners. It is generally easier and cheaper to extend development in areas already open than in more remote, isolated areas. Since the Federal Outer Continental Shelf (OCS) leasing program is by far the largest in Alaska, it could pull State and regional corporation oil leasing and development activity along in its wake.

At this point, the State has several leasing choices. It could sell them as fast as possible which would bring in a large amount of revenue immediately. Or it could sell its leases at a more constant pace so that there would always be some money coming into the State for its oil and gas as long as the supply lasts. It could sell leases only

when it wants to raise extra monies to meet immediate needs. And it could stop further leasing and make the best long term use of the revenues it will receive from Prudhoe Bay production alone.



Alaska's Lease Sales

There have been major lease sales in three areas since statehood:

Cook Inlet—several sales in the 1960's. These resulted in bonus revenues for the State of approximately \$95 million. The Cook Inlet fields are still operating successfully and are producing 200,000 barrels of oil a day.

Prudhoe Bay in 1969. The State received \$900 million from this lease sale. Oil will begin to flow sometime after mid-1977, at an average peak rate of approximately 1.8 million barrels a day, and tax and royalties could amount to \$1 billion a year by 1980.

Kachemak Bay in 1974. This sale brought in \$27 million in bonus money, but the sale has produced controversy over the adequacy of public notice and public involvement in the leasing decision. Also at issue is the potential conflict with the fishing industry, if there is oil development. In 1976, the legislature passed a bill asking that the Kachemak Bay leases be bought back by the State.

The Question:

What should be the State's policy on future oil and gas lease sales? (Please check the appropriate box.)

5.

- | | |
|---|--|
| ☐ a. It should sell leases as fast as possible to bring in a lot of money immediately. | ☐ d. It should do no further leasing and make the best use of present income. |
| ☐ b. It should sell leases at a constant pace to assure a steady flow of income for a long period of time. | ☐ e. Other _____ |
| ☐ c. It should lease when the State needs large sums of money to meet public needs. | _____ |



Our Royalty Riches

What is royalty oil and gas?

A major portion of Alaska's new wealth will come in the form of oil and gas. This share of the actual substance brought up from the ground is the payment, by the producers, to the State, for use of the land. The same principle applies when the private landowner receives royalties—a portion of the actual oil and gas—from the companies that found oil on his land.

In Alaska, we will receive approximately 12½ percent (or 1/8) of all the oil and gas substance brought up from the ground. That is a lot of oil and gas. For example, it is estimated that close to 9.8 billion barrels of oil and some 26 trillion cubic feet of gas will be recovered from Prudhoe Bay. The State's royalty share therefore is approximately 1.2 billion barrels of crude oil and 3.25 trillion cubic feet of natural gas. Another way to look at Alaska's share is: at its peak, the pipeline will provide 2 million barrels of oil a day. In turn, Alaska will receive 250 thousand of those barrels each day.

What will the State do with this wealth? There are several options. But before we look at the specific ways in which we could use this oil and gas, it is important to note the peculiarities of these two substances. Specifically, if you wish to use the oil for either private or industrial in-state activities, the substance first must be *refined*. Oil just out of the ground is unusable in that form and for that reason it is called *crude*. Therefore, any in-state use of oil will mean that a refinery must be located in Alaska to convert the oil from crude to gasoline or other products.

Gas may be used essentially as it is when it is removed from the well site to the site where it will be used—a private home or a business, for example. If the gas is to be sold out of State, it must be *liquefied* before it can be transported by tanker. A liquefaction plant must be built to meet this need. To skip the liquefaction process, the gas could be transported to outside markets by an overland pipeline.

Therefore, in some cases the oil and gas would require in-state industrial development before it could be used. The development may be relatively small, but it is important to remember when you consider the options.

Options for Use

There are a number of ways the State could use its royalty wealth. *First*, the state could sell its oil and gas on the outside market for profit, which would give the State an additional source of money. The sale could be made in two ways: 1) The State could let the oil companies at Prudhoe Bay sell the oil as it comes out of the ground at the *wellhead price*—the going price at the well. It would then give the State its 12½ percent royalty share in money. Or 2) the State could take the 12½ percent in actual oil and gas which it could sell on the open market on the chance that it could get a higher price for it.

Part of the money—a minimum of 25 percent—would go into the Permanent Fund. (See section on New Money for Alaska.) Further, there are many who feel that the money could be kept safe with little effect on Alaska's growth, and ultimately be of more benefit to the people of the State as cash than as oil and gas.

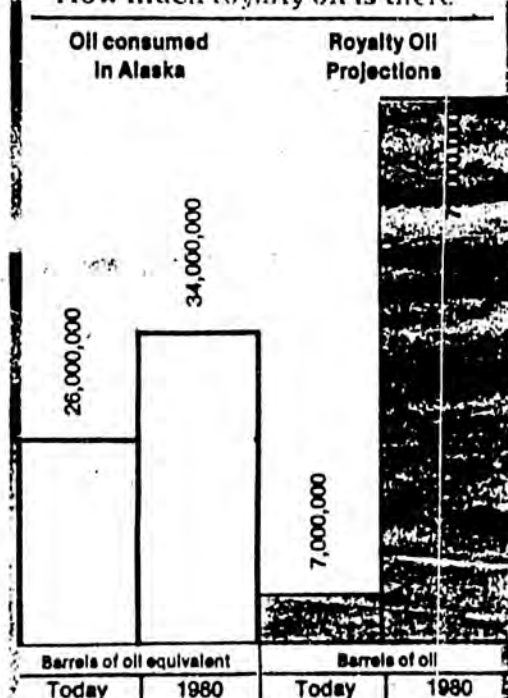
A *second* option could promote industrial development in the State. To do this, Alaska might sell the oil and gas to industries, perhaps at a lower rate than it might get on the open market, in order to create the incentive for them to locate in the State. Two types of industry might develop: 1) those that need large amounts of oil and gas to operate, i.e. mineral processing, and 2) *petrochemical* industries, those that produce oil and gas based products i.e. fertilizers and plastics.

In this case, as with most industrial development, benefits such as job opportunities and improved services must be weighed against the possibility of increasing the population and environmental impact.

A *third* option for the royalty oil and gas would

use it within the State for individual energy needs—gas for your car, heating fuel for your home. This, as with the second option, would provide less revenue for the State but would insure that Alaskans have an available supply of energy. The State might ask Alaskans to buy the oil and gas for their personal use at the market price or at a discount rate.

How much oil we use annually*
How much royalty oil is there



*Source — Department of Natural Resources

The Question:

What is the best use of Alaska's royalty oil and gas? (Please check the appropriate box).

6.

- | | |
|---|---|
| ☐ a. The State should sell its royalties to make money. | ☐ c. The State should provide in-state residential use of the royalty oil and gas. |
| ☐ b. The State should use its royalty oil and gas primarily for promoting industrial development in the State. | ☐ d. Other _____ |

The Alaska Public Forum Questionnaire

10

Please fill out this questionnaire. There are decision-makers who want to know what you think. Right now, your opinion can make a real difference in the future of Alaska. Answer the questions, tear off the back page and mail your opinions to us. Thank you.

1. The Question:

A. How should the Permanent Fund money be invested? (Please rank your choices 1-4, with 1 the most important)

- | | |
|--|--|
| ☐ a. Save it | ☐ d. Loan it to develop renewable resource industries |
| ☐ b. Loan it to communities | ☐ e. Loan it to individuals |
| ☐ c. Loan it for industrial development | ☐ f. Other _____ |

B. How should the State use its new oil and gas money? (All revenues except those invested in the Permanent Fund.) (Please rank your choices 1-4, with 1 the most important)

- | |
|--|
| ☐ a. Use it for tax cuts for Alaskans |
| ☐ b. Use it for cash payments to Alaskans |
| ☐ c. Use it for more community revenue sharing and community grants |
| ☐ d. Use it for more State services |
| ☐ e. Save it by increasing the Permanent Fund |
| ☐ f. Loan it to communities |
| ☐ g. Loan it for industrial development |
| ☐ h. Loan it to develop renewable resource industries |
| ☐ i. Loan it to individuals |
| ☐ j. Other _____ |

2. The Question:

What areas of human need do you feel require most attention? (Please rank your answers 1 through 8 in order of importance with 1 as the most important need.)

- | | |
|--|---|
| ☐ a. Alcoholism | ☐ e. Employment |
| ☐ b. Care of Children | ☐ f. Health care |
| ☐ c. Education | ☐ g. Housing |
| ☐ d. Programs for the Elderly | ☐ h. Other _____ |

3. The Question:

How should public school construction be financed in both organized and unorganized boroughs? (Please check the appropriate box.)

- | |
|--|
| ☐ a. 100% State funding through an increase in the State income tax. |
| ☐ b. 100% State funding from a statewide sales tax. |
| ☐ c. Local property taxes throughout the State and supplemental funding where needed. |
| ☐ d. Continue the present system which provides for land taxes plus supplemental State funding in organized boroughs and 100% State funding in the unorganized borough. |
| ☐ e. Other _____ |

4. The Question:

What should the objectives for managing Alaska's land? (Please rank your choices 1 through 5, with 1 the most important.)

- | |
|--|
| ☐ a. To raise revenues for the State |
| ☐ b. To provide land for people's needs |
| ☐ c. To promote renewable resource development |
| ☐ d. To promote industrial growth and development |
| ☐ e. To preserve the natural environment |
| ☐ f. Other _____ |

5. The Question:

What should be the State's policy on future oil and gas lease sales? (Please check the appropriate box.)

- | |
|---|
| ☐ a. It should sell leases as fast as possible to bring in a lot of money immediately. |
| ☐ b. It should sell leases at a constant pace to assure a steady flow of income for a long period of time. |
| ☐ c. It should lease when the State needs large sums of money to meet public needs. |
| ☐ d. It should do no further leasing and make the best use of present income. |
| ☐ e. Other _____ |

6. The Question:

What is the best use of Alaska's royalty oil and gas? (Please check the appropriate box.)

- | |
|---|
| ☐ a. The State should sell its royalties to make money. |
| ☐ b. The State should use its royalty oil and gas primarily for promoting industrial development in the State. |
| ☐ c. The State should provide in-state residential use of the royalty oil and gas. |
| ☐ d. Other _____ |

7. The Question:

What other important State problems do you feel should be considered? (Please provide questions and possible answers. You may continue your answer on the top of the back page.)

Please tell us:

Did you receive this newspaper from
☐ workshop ☐ town meeting ☐ other

Your community _____

Your age _____ Male ☐ Female ☐

What kind of work do you do? _____

How long have you been in Alaska? _____

THIS MAY BE A
SUPPLEMENT TO:

A.
Anchorage Daily Times
Anchorage Daily News
Fairbanks Daily News-Miner
Southeast Alaska Empire

Ketchikan Daily News
Sitka Sentinel
Kodiak Mirror
Homer News

Valdez Copper Basin News
Petersburg Pilot
Wrangell Sentinel
Seward Phoenix Log

Peninsula Clarion
Nome Nugget
Cordova Times
Tundra Times

Pioneer All Alaska Weekly
Palmer Frontiersman
Tundra Drums
The North Wind
The Chitkat Valley News

Fold Here

To Mail This Questionnaire

1. Tear off this page.
2. Fold Flap "C" over Flap "A" with address on the outside and staple or tape where indicated.
3. Mail the folded page — No postage is necessary.

ADDRESS
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B.
Alaska Public Forum
Workshop

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Permit
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BUSINESS REPLY MAIL

No Postage Stamp Necessary If Mailed in United States

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REGIONAL HIGHLIGHTS

Introduction

Over the past year, in meetings of the Public Forum throughout the state Alaskans spoke simply, directly, eloquently on issues which will affect their lives. It is those voices and the color of their responses which we hope to capture on the following pages.....as they discuss their government, their opinions, and the potential of the future.

In keeping with the spirit of the Alaska Public Forum, we decided not to publish a weighty government document. We felt, perhaps, that elaborate detail and a barrage of statistics would make this report far too intimidating for the casual reader and even some decision-makers. That would be unfortunate and defeating.

Thus, it is our intent to be brief, hopefully without sacrificing the clarity of those voices or compromising the enthusiasm generated within the Public Forum discussions. This narrative will attempt to underline the highlights.

We found that people spend more energy debating those issues which are closest to their hearts, livelihoods and pocketbooks. In each region there were some strikingly different emphases. However, surprisingly, in a state so uniquely diverse as Alaska, there were many common threads.

Some may accuse us of being too sketchy. For those who wish to delve deeper, further inquiry will produce reams of additional information.

THE SOUTHEAST REGION

Alaska's "panhandle". This thin strip of coastline is rich in wood, fish, minerals, and scenic diversity. Throughout Alaska's history under the American flag, Southeast has been a center of government and trading.

Currently, timber is the main economic support. Fishing ranks close behind. Tourism and recreation are third among Southeast industries and growing rapidly.

Government is the largest employer in the region. However, with the plans for moving the state capital and most of the state and federal services with it, that picture will radically change.

The country of southeast pans jagged mountains, dense forests, glaciers and fjords. For the most part, communities are located along waterways connected to the outside world through the Alaska Marine Highway system and charter plane service. There is commercial air service as well through the five larger towns, although it is often said to be inadequate by the people who depend on it.

Primary Themes

Indeed, transportation failings raised the ire of Southeasterners gathered at Public Forum meetings.

A number of criticisms were leveled at the Marine Highway System, among them inappropriate schedules and unacceptable sanitary conditions. More than this, participants repeatedly echoed the sentiments of a middle-aged logger who said, "That ferry system is our road to the South and you keep reading in the paper about the profit they're making or how much money you're losing. There ain't no talk about the profit they're making or the money they're losing on the roads into Anchorage and Fairbanks...." In Skagway, people continued with their complaints. As a young teacher said, "We have four or five ferries a week in the winter and that sounds real good, but three of them are on Sunday." In Thorne Bay, residents recommended the use of hydrofoils to transport people and goods throughout the region.

The inadequacies of air transportation were pointed out, along with an expressed desire to upgrade navigational aides at Southeast airports. A final concern was that localities be included in any transportation plans that might affect them.

In addition to transportation, the highly-charged issues in Southeast encompassed renewable resources, community services and land selections.

Generally, renewable resources here translated as fishing, timber and tourism.

The region was committed to the rehabilitation of the struggling fishing industry, through more planning, research and technical assistance. There was support for hatcheries, for aquaculture. As one Craig fisherman who, in the past, has contributed part of his catch to the Aquaculture Association articulated, "My job is to catch fishbut I also want to make sure that someone isn't going to point a finger at me 20 years from now and say, 'that guy was a fisherman and he used to catch lots of fish, but the fish are gone now because he caught them all'."

Residents were critical of management by Fish and Game Department. Some felt the seasons for taking fish were arbitrarily set. Said a long-time fisherman, "I want to know that when Fish and Game tells me I can go fish that they're right and I can leave something for posterity."

There was also great concern over the rapidly disappearing herring runs, important because herring are the primary food supply of the valuable salmon.

Permanent Fund

From Skagway to Metlakatla, the use of new oil and gas revenues for loans for renewable resources drew enormous applause. As a Petersburg resident remarked, "Their protection, proper use and future plans for management must be uppermost in our considerations if we're going to make it over the long haul."

Community loans tied with community revenue sharing and community grants for the second highest vote as to the channel for investing the Permanent Fund

money and additional oil wealth. Towns such as Sitka, Wrangell, Skagway and Petersburg supported the idea of loans for communities, particularly for hydro-electric projects and small businesses.

Land

Along with the promotion of renewable resource development, Southeasterners felt strongly that state land should be selected with "people's needs" in mind. Communities in the panhandle are surrounded by waterways of the Inland Passage and mountains covered by national forests. They are locked in with no room for expansion. Participants didn't want tremendous growth, but did demand room for individual homesites.

They decried the lack of lands for homesites and the slowness of the state land selection in the region. Furthermore, they cautioned the state to keep its lands out of the hands of speculators.

As a young teacher at the Ketchikan workshop put it in a question to the Governor, "I'm asking the basic question. When am I and fellow 'I's' going to get five acres to raise chickens and a garden on? We don't want a handout. But when can I count on buying it?"

There is some land that can be used for homesites in Southeast. This land presently belongs to the U. S. Forest Service. However, the state through the Statehood Act, has the right to select acreage in these forested areas. One of the recurring themes was to get on with the state land selection in Forest Service areas.

Social Issues

In the debates over social issues, education consistently came up as the number one priority...."the umbrella solution". Following that was the problem of unemployment, which was strongly linked to education. In Ketchikan, residents expressed the need to design vocational training programs which would meet the existing job opportunities in the state. In Craig, employment hardships are

aggravated by contractors who bring in employees from other areas to work on projects that, residents felt, should be employing local people. In Haines, two lumber mills had recently closed leaving many in the community without work. In Metlakatla, residents depend on seasonal employment and want year-round industry. In Angoon, lack of employment, it was felt, stimulated a lot of alcoholism problems.

Although education and unemployment ranked highly, alcoholism was the gut-level issue which probably provoked the strongest response. Often people suggested placing a tax on alcohol to cover the cost of rehabilitating the alcoholic. And in Wrangell, participants were critical that too little emphasis is placed on the importance of reintegrating the recovered alcoholic into the mainstream of society.

A middle-aged lumberman spoke out for the tax. "I had an idea that a tax should be put on booze so that the people who have to be rehabilitated can help pay their own way. After all, it is a self-inflicted disease, you know, just like if you chopped your toes off with an axe. So I'm boosting for a tax on booze to help the alcoholic."

(In Southeast, the Alaska Public Forum conducted a regional meeting in Ketchikan with town meetings in Wrangell, Petersburg, Juneau, Sitka, Skagway, Haines, Craig, Klawock, Thorne Bay, Angoon, Metlakatla and Hoonah.)

SOUTHEAST

Demographic Characteristics

	1970 Census Information on Southeast	Alaska Public Forum Participants Southeast
<u>Age:</u>		
Under 25	23%	14%
25-34	24%	26%
35-44	19%	20%
45-54	16%	20%
55 and over	18%	20%
<u>Sex:</u>		
Female	47%	33%
Male	53%	67%
<u>Occupation:</u>		
Professional-Technical	27%	29%
White Collar	20%	24%
Blue Collar	12%	26%
Not in the Civilian Labor Force	41%	21%
<u>Length of Residency:</u>		
3 years or less	-	18%
4-10 years	-	23%
over 10 years	-	59%

Total Number of Respondents: 475

SOUTHEAST

1. How should the state use its new oil and gas money in the future?

Questionnaire Results

Number of Respondents: 446

- 14% Save it
- 6% Loan it to communities
- 4% Loan it for industrial development
- 32% Loan it to develop renewable resource industries
- 4% Loan it to individuals
- 17% Use it for tax cuts for Alaskans
- 14% Use it for revenue sharing and community grants
- 4% Use it for more state services and public facilities
- 6% Other: Not to move the capitol, pay off bonds

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 355

- 13% Alcoholism
- 6% Care of Children
- 37% Education
- 6% Programs for the Elderly
- 21% Employment
- 9% Health Care
- 5% Housing
- 2% Income Maintenance
- 1% Rehabilitation

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 464

- 26% 100% State funding from the General Fund
- 9% 100% State funding from a statewide sales tax
- 17% Local property taxes in all areas and supplemental funding where needed
- 39% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 9% Other: Local participation

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 395

- 4% To raise revenues for the state
- 40% To provide land for public needs
- 44% To promote renewable resource development
- 10% To promote industrial growth and development
- 2% Other: Multiple use

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 468

- 5% It should sell leases as fast as possible to maximize its oil and gas revenues.
- 60% It should sell leases at a moderate rate to assure a steady flow of income for a long period of time.
- 7% It should lease when the state needs large sums of money to meet public needs.
- 22% It should do no further leasing and make the best use of present income.
- 6% Other: Environmental and community safeguards

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 459

- 37% The state should take its royalties in money or substance to sell for a financial gain.
- 19% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 31% The state should provide in-state residential use of the royalty oil and gas.
- 13% Other: Combination of option 1 and 3

THE NORTHERN REGION

The home of the Inupiat Eskimo, the North today is a product of traditional subsistence lifestyles mingled with the advance of western culture.

First the whalers arrived, then the miners. Eventually, government activities played a part, whether through management of the federal reserves like Pet 4 and the Naval Arctic Research Laboratory on the Arctic Slope or through government services throughout the region. Now the area is experiencing the effects of oil and gas exploration and development.

The introduction of western practices such as health care, education and religion had both positive and negative influences. On the negative side, this disruption of the independent lifestyle of the northern people has tended in some communities to create a dependency on state and federal government for services such as housing, health care and education.

Still, the economy is based primarily on a subsistence way of life. Most of the employment which exists is seasonal and includes commercial fishing, herding, limited tourism and arts and crafts. Only Nome owes its development to mining rather than subsistence pursuits. More recently, oil development has changed the economy of the Arctic Slope. Poor transportation and communications have in the past and continue today to hamper the delivery of services throughout the region.

Primary Themes

The emotional themes evolving out of Public Forum meetings in the North corresponded closely with those in Southeast....renewable resources, communities and the land....although in the North these are, perhaps, more tightly intertwined.

Communities

In this northern part of the state, where inhabitants generally live in small, isolated villages along coastal and river sites, the importance of community development seemed paramount. That is the direction Forum participants chose to funnel Alaska's new oil and gas money. They favored community revenue sharing

and grants as well as additional state services to the region.

In Barrow and Kotzebue, people vigorously protested using population figures to determine revenue sharing allocations. Many suggested that a greater percentage of the oil revenues should go to communities where oil had been discovered and which, as a result, had suffered some impact. Renewable

Renewable Resources

Close on the heels of this concern was a staunch vote for the preservation of the fish and game, viewed by participants as the essence of their existence and livelihood. A young Barrow resident pointed out, "I believe that loans for renewable resources could provide the incentive needed to develop strong support for a reindeer industry in the Arctic Slope for subsistence as well as revenue."

Renewable resources can and do provide an income for many people of the North, such as in commercial fishing or reindeer herding. But, more importantly, the fish, reindeer, caribou, sea mammals, and tundra plants are the foods they bring to their tables. Thus, the land for them is precious not only for economic purposes but also for sustenance and they spoke strongly in its defense.

Land

"The land belongs to the people of this state. It should be treated as theirs primarily by concentrating on renewable resources. This can be done in the areas of agriculture, reindeer herding and such things that would not necessarily damage the land. Then the same land could be enjoyed and used by the public," observed one resident. So as the state looks to the selection of its lands, northern participants urged a dual objective...land for renewable resource development and for public needs.

- "Industrial development? Sure we're in favor of it....in Anchorage," quipped one Kotzebue man. But a long-time Alaskan and teacher in the Northwest pointed out, "We could have industries for tanning hides, mineral development, oil from belugas. These items could be hauled back with every carrier that leaves here

empty and it would make it cheaper for the items coming up here." Most tended to think that industrial development would only encourage a conflicting lifestyle and bring discontent to the region's inhabitants.

Oil and Gas Leasing

Considering the state's policy on oil and gas leasing, people were inclined towards selling leases at a moderate rate, but with maximum safeguards against the disruption of communities and fish and game. In Barrow, participants recommended the state lease on-shore rather than off-shore, for in this coastal town, people rely heavily on the harvesting of sea mammals.

As one whaler observed, "I think that would be the best deal (to drill on-shore only), because when you drill in the water you're going to lose the mammals that we've had for centuries. They have already been disrupted now...we've seen that this fall. We didn't have any small whales. All we saw was the big ones and we had to go so far out we couldn't even save the meat. By the time we got in here, they got bloated."

Royalty Oil and Gas

The debate over the future of the royalty oil and gas was significant in northern communities because of the high prices people must pay for fuel there. They saw these royalties as a way to reduce the price of oil in rural Alaska and overwhelmingly supported in-state residential use; particularly if the state could remedy the present imbalance in the cost of fuel oil. The people in Shungnak pointed out that they must pay \$83 for a drum of oil while people in Anchorage pay something closer to \$25 a drum.

Alcoholism

Equally important in these rounds of discussions were the issues of alcoholism and the transportation dilemma.

While education seemed the bulwark to help people cope with the future, alcoholism was a more immediate and desperate problem. "Everything that is involved

under the human needs question is affected by alcoholism," related a middle-aged woman from Kotzebue, urging an increase of staff for alcoholism programs. "Children don't get to school to get a proper education; we have families that are broken up; we have illness. It is a community problem. One person cannot solve it. When you have a total of 167 clients and you've got one counselor, it's just not realistic to think that one person can handle it."

The strongest recommendation which came out of the Kotzebue workshop was for the state to place a tax on alcohol to rehabilitate the alcoholic.

Transportation

In the area of transportation, selected as a major concern in Kotzebue, Gambell and Nome, criticism was directed primarily at the air service. People were distressed over airport maintenance in smaller villages especially, citing second-hand, inoperable or non-existing equipment. This can mean weeks without plane service when the air strips are icy or muddy, many participants explained. Others found fault with the location of air fields, indicating that planes often have to land and take off in dangerous crosswinds. They expressed a need for runway lights to expedite emergency medical evacuations. In addition, air schedules and routing drew fire as people protested that there are no direct flights to Anchorage.

(In the North, the Alaska Public Forum held a regional workshop in Kotzebue. Smaller meetings were conducted in Barrow, Nome, Kivalina, Deering, Shungnak, Kobuk, Gambell, Stebbins, Saint Michael, and Unalakleet.)

NORTH

Demographic Characteristics

	<u>1970 Census Information on the North</u>	<u>Alaska Public Forum Participants the North</u>
<u>Age:</u>		
Under 25	34%	17%
25-34	22%	36%
35-44	16%	29%
45-54	12%	10%
55 and over	16%	8%
<u>Sex:</u>		
Female	45%	42%
Male	55%	58%
<u>Occupation:</u>		
Professional-Technical	7%	38%
White Collar	9%	24%
Blue Collar	19%	23%
Not in the Civilian Labor Force	65%	15%
<u>Length of Residency:</u>		
3 years or less	-	14%
4-10 years	-	20%
over 10 years	-	66%

Total Number of Respondents: 134

NORTH

1. How should the state use its new oil and gas money in the future?

Questionnaire Results

Number of Respondents: 133

- 15% Save it
- 7% Loan it to communities
- 7% Loan it for industrial development
- 15% Loan it to develop renewable resource industries
- 2% Loan it to individuals
- 14% Use it for tax cuts for Alaskans
- 27% Use it for revenue sharing and community grants
- 8% Use it for more state services and public facilities
- 6% Other: Services equalized throughout state; oil-producing regions receive larger share of revenues.

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 104

- 15% Alcoholism
- 5% Care of Children
- 36% Education
- 4% Programs for the Elderly
- 10% Employment
- 15% Health Care
- 10% Housing
- 2% Income Maintenance
- 3% Rehabilitation

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 127

- 44% 100% State funding from the General Fund
- 8% 100% State funding from a statewide sales tax
- 19% Local property taxes in all areas and supplemental funding where needed
- 23% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 6% Other: Oil and gas revenues

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 100

- 18% To raise revenues for the state
- 30% To provide land for public needs
- 41% To promote renewable resource development
- 11% To promote industrial growth and development

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 126

- 5% It should sell leases as fast as possible to maximize its oil and gas revenues.
- 51% It should sell leases at a moderate rate to assure a steady flow of income for a long period of time.
- 15% It should lease when the state needs large sums of money to meet public needs.
- 13% It should do no further leasing and make the best use of present income.
- 15% Other: Community and environmental impact

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 127

- 24% The state should take its royalties in money or substance to sell for a financial gain.
- 11% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 53% The state should provide in-state residential use of the royalty oil and gas.
- 12% Other: Combination of the above

THE SOUTHCENTRAL REGION

Today, Southcentral contains over half of the state's population. Most of the people live in Anchorage.

Development here has mushroomed dramatically in recent history.

At first the area was supported by mining and fishing, with some trapping and hunting on the side. Basically, a subsistence lifestyle. Waves of people migrated into the region beginning with the construction of the railroad at the turn of the century. The population expanded with the arrival of the Matanuska Valley colonists in the mid-thirties.

During World War II, military and federal government activities became the economic base for the region until more recently when Anchorage evolved into the center for operations of the state's private business sector. The petroleum industry, which includes secondary businesses as well as oil company activities, has now taken the lead as the region's largest private industry.

Rapid expansion seems to have some unsavory effects.

Primary Themes

In the eyes of Southcentral Forum participants, "big brother", alias state government, has gotten too unwieldy for their liking. The attitude that government is stepping in and doing more than people think it should be doing, "just goes against what I thought Alaska was supposed to be all about,....a little bit of independent freedom," grumbled one Palmer resident.

At all of the meetings, the growth of state government and the inefficiency of its operation were topics which kept resurfacing whether people pondered prospects of the Permanent Fund or areas of critical human needs.

Be it economy or population, the "delirious" growth of the state seemed to be a source of dismay to many. A grocer in Anchorage was concerned over how we can best control that expansion so it doesn't get out of hand. "Limits should be placed on new people that would be allowed to settle here," he said. "Especially if they're

just going to take jobs away from Alaskans or land on the unemployment rolls."

A barkeeper in Homer seemed to have similar sentiments; "There's just too many new people coming up here and getting a free ride. Normally I wouldn't mind that, except it appears that I'm the one that has to provide some of the free transportation they get."

Participants in Southcentral rallied strongly behind the issues of land for individuals' needs, the fostering of renewable resource industries and preservation of the natural environment.

Permanent Fund

For the majority, the most valuable investment we could make with the Permanent Fund monies and accrued oil and gas wealth was interpreted as either bankrolling it or making loans for renewable resources. In this category, people spotlighted timber, game management, fishing, herding, tourism, wildlife and alternative energy sources such as tidal, solar and wind.

Specifically, to the Homer resident, loans to renewable resources meant the rehabilitation of the fishing industry and research into farming potentials. To the Matanuska-Susitna Valley participants, agriculture bannered the list. Those of the greater Anchorage area wanted to see fishing boosted for sport and recreational activities, while meeting the needs of the commercial fishermen.

Those sitting at home filling out their questionnaires differed from meeting participants in their preference for oil and gas revenues outside of the Permanent Fund. A substantial number defended tax cuts, writing as one Palmer doctor did, that he might be more inclined to support the railbelt's heavy financing of education in the Bush, "if there were just one thing where everyone in the state got an equal crack." A young homesteader simply put 16 exclamation points beside her choice of a tax cut.

However, at least one woman changed her mind after attending the regional workshop. She had been tempted, she said, to rank the tax cut as her favorite, "but then I talked to some people in my discussion group and I got to thinking...what

good is \$50 in a tax cut for me when all of the Matanuska Valley could get a hydro-electric plant, or Homer could get some more fish. You know, it just didn't make sense."

Land

Land was a subject dear to many hearts. The plea here was "with all this land in Alaska, why is it that we can't have any of it to build a home or to use for ourselves?" Participants wanted just a little piece of the state to build on and raise a family.

"But we need some insurance that this disbursement of state land does not end up in the cutthroat real estate market where land gets speculated out of our means," said an eight-year resident of the state, adding, "Now, I don't mean I want a giveaway program or free land. I'd be willing to pay for it."

In Homer and Talkeetna, a major emphasis was the preservation of the environment. Homer participants were worried about the adverse ramifications of offshore oil and gas activity. Talkeetna protested being "capital-ized and dam-ized to death" (the capital move and Devils Canyon Dam). People explained that time and effort should be taken to insure that the land is kept environmentally sound...no matter what the future brings.

Transportation

Another burning issue for Southcentral was transportation. Transportation planning and more mass transit were touched on, but many people were not specific in their complaints. They just shook their heads in exasperation, bemoaning simply that, "transportation is a big problem."

More vocal participants enumerated the potholes in the streets and the lack of ferry service to Anchorage. They wanted expansion of the present road system and upgrading currently existing roads. And they debated whether or not to open the North Slope Haul Road.

Miners from the Valley wanted new avenues into mineral-rich areas there; Anchorage Sand Lake residents wanted to be able to get to work in the morning in less

than 40 minutes and Kenai area people wanted more off-the-beaten-track accesses.

Criminal Justice

Crime and the judicial system also came under a great deal of scrutiny at these meetings. Particularly in those areas that do not have police powers, people were concerned about the lack of police protection and the enforcement of penalties for offenders. One man was convinced that the judicial system was breaking down. "A lot of hardened criminal types either are not being prosecuted or are getting off with an easy sentence and then getting back on the streets to strike again."

Social Issues

From a list of social needs, Southcentral participants voted staunchly for education as the one which deserved most attention. "I don't think there's a person here who wouldn't agree that our kids are a primary resource," maintained one Homer woman. "I'd always opt to put the dollars there." In Soldotna, people specified particularly an increase of opportunities in vocational training to break the track record there for off-season unemployment.

The dismay over the rampant alcoholism in the state surfaced. One gas station attendant in Kenai feared the talk lacked conviction. "Sure there isn't a person here who doesn't feel a bit ashamed about the state's alcoholism problem, but we'll probably see half of you in the bar after this too."

A tax on alcohol, directed at rehabilitating those who overindulge, was raised independently in almost all of the Southcentral meetings. In Homer, they wanted tighter controls on those who drink and drive. People in Kenai wanted to put alcohol tax money into recreation and church programs to offer alternatives to drinking.

Although programs for the elderly were seldom mentioned as a top priority here except by participants fast approaching the twilight of their years, some pointed comments were made. Sparked one 67 year old woman in Anchorage, "You young whippersnappers are all going to be old someday you know." At which point, a 69 year old gentleman retorted from across the room, "Yes, maybe that's so, but let's

hope when I get there, alcoholism and unemployment aren't the problems they are now."

Oil and Gas Leasing

Finally, on a different tack, participants were dissatisfied with the options listed under the oil and gas leasing question. "Of course, the most rational plan is to do it at a moderate, constant pace," maintained a woman from Anchorage. Others qualified that such a program seriously take into account native and federal leasing maneuvers and environmental safeguards. And the majority wanted to be cut directly into that oil and gas market with royalty oil and gas going for in-state residential use.

(Alaska Public Forum meetings in Southcentral were held in Kenai-Soldotna, Homer, Palmer and Talkeetna. The regional meeting took place in Anchorage.)

SOUTHCENTRAL

Demographic Characteristics

	<u>1970 Census Information on Southcentral</u>	<u>Alaska Public Forum Participants Southcentral</u>
<u>Age:</u>		
Under 25	30%	10%
25-34	26%	29%
35-44	21%	21%
45-54	14%	22%
55 and over	9%	18%
<u>Sex:</u>		
Female	45%	36%
Male	55%	64%
<u>Occupation:</u>		
Professional-Technical	10%	35%
White Collar	20%	23%
Blue Collar	21%	20%
Not in the Civilian Labor Force	49%	22%
<u>Length of Residency:</u>		
3 years of less	-	18%
4-10 years	-	29%
over 10 years	-	53%

Total Number of Respondents: 1,633

SOUTHCENTRAL

1A. How should the Permanent Fund Money be invested?

Questionnaire Results

Number of Respondents: 1,633

- 24% Save it
- 13% Loan it to communities
- 13% Loan it for industrial development
- 35% Loan it to develop renewable resource industries
- 9% Loan it to individuals
- 6% Other: Combination of the above

1B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

Questionnaire Results

Number of Respondents: 1,633

- 31% Use it for tax cuts for Alaskans
- 5% Use it for cash payments for Alaskans
- 9% Use it for more community revenue sharing and community grants
- 4% Use it for more state services
- 13% Save it by increasing the Permanent Fund
- 4% Loan it to communities
- 5% Loan it for industrial development
- 19% Loan it to develop renewable resource industries
- 3% Loan it to individuals
- 7% Other:

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 1,618

- 12% Alcoholism
- 6% Care of Children
- 26% Education
- 9% Programs for the Elderly
- 27% Employment
- 6% Health Care
- 5% Housing
- 3% Other

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 1,633

- 12% 100% State funding from the General Fund
- 14% 100% State funding from a statewide sales tax
- 22% Local property taxes in all areas and supplemental funding where needed
- 32% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 20% Other: oil and gas revenues

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 1,579

- 7% To raise revenues for the state
- 34% To provide land for people's needs
- 26% To promote renewable resource development
- 9% To promote industrial growth and development
- 19% To preserve the natural environment
- 5% Other: Multiple use

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 1,609

- 2% It should sell leases as fast as possible to bring in a lot of money.
- 62% It should sell leases at a constant pace to assure a steady flow of income for a long period of time.
- 8% It should lease when the state needs large sums of money to meet public needs.
- 14% It should do no further leasing and make the best use of present income.
- 14% Other: Involvement of impacted communities

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 1,620

- 14% The state should take its royalties in money or substance to sell for a financial gain.
- 25% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 42% The state should provide in-state residential use of the royalty oil and gas.
- 19% Other: Combination of the above with environmental considerations

COPPER RIVER REGION

At one time, the Copper River Valley, which stretches north from Prince William Sound alongside the Wrangell-St. Elias mountain ranges, supported a nomadic subsistence lifestyle.

However, the extension of the road system linked the region with both Anchorage and Fairbanks. Economically, the highways have opened the valley up to development. The construction of the Trans-Alaskan Pipeline has considerably heightened the impact.

Subsistence is no longer as important as it once was. The Copper River Valley has now become a prime area for recreation and tourism. Most of the employment there is service-oriented, including lodges, restaurants, guiding operations and government agencies. The focal points for services and goods lie at Copper Center and Glennallen. In addition, the proposed Wrangell-St. Elias National Park, if it receives Congressional approval, promises to attract an even larger influx of tourists.

Primary Themes

Participants at the regional meeting primarily encouraged the growth of renewable resource industries such as forestry, fishing and agriculture; advocated that land be available to the needs of individuals; and recoiled at rumors that a borough government might be imminently imposed on them from Juneau without their prior consent.

Permanent Fund

The Permanent Fund money and oil and gas revenues, the majority agreed, should either be saved or devoted to boosting forestry activities, fisheries, and agriculture as well as "recognizing that recreational use of the land is also a renewable resource."

"That's the best place to put our money," maintained one group of residents. Another emphasized, "Those industries are probably the most important for the future

of Alaskans". Still another group suggested that "renewable resources should be developed through private enterprise, stressing small businesses and the individual businessman."

"In other words," explained an oldtimer, "people up here feel that they've lived a certain lifestyle and they'd like to preserve that lifestyle and not have the land become just one big pipeline, so to speak".

Agriculture was often mentioned as a potentially valuable resource in the Copper River Valley. In fact, one writer suggested "Provide mini-experimental farms. Locate them in each region to demonstrate subsistence; how to grow fruits, vegetables, poultry; how to keep bees; how to repel insect pests and how to design a compost privy."

Land

Regarding the state selection of lands, there was strong feeling that land for people's needs, such as homesites and farms, and renewable resources were of the highest priorities.

-----"State lands where possible should be made available for homesites, primarily around existing towns and with proper planning and safeguards to protect the environment."

-----"Don't sell the land for revenues. Try to develop the resources for each community for their benefit."

-----"The state should try to protect the agricultural areas that lie in the Tok area and especially in the Chitina Valley."

Local Government

Major topics which Forum participants in Glennallen chose to delve into at length concerned local government and urged, "Local government should be set up by local people before Juneau does it for us." A large majority of participants and mail-in respondents stipulated, "Let everyone form their own self-government." Above all, they wanted more information on the options of government available

to them including "service areas, economic development districts and different kinds of local control that could best exist here".

Hand in hand with this idea, was the concern for an improvement in utilities. Some felt that, "The problems we face here in Glennallen can best be handled at the local level with the infusion of either loans or grants from the Permanent Fund." Another suggestion was that, "in terms of utilities for the Copper River basin there should be a unified plan for each little town or townsite because each community has different priorities. For one it might be sewage, for another it might be communications." A few ventured that, "possibly the state could work out some kind of a sewer co-op system such as the REA or telephone co-op". Improvement of sewer systems roads, and communications such as radio and television surfaced repeatedly throughout the meeting and in the mail-in responses.

Social Issues

In debating critical areas of human needs, education drew a lot of attention. "With education we can solve most of our other problems. Not completely. But we can take a big step in that direction," stressed one woman. A number of people agreed that, "education itself needs to be improved in three primary areas: that is one in pre-school orientation and in the vocational manpower area and in the college-bound emphasis in local schools."

Thoughts for the future of the elderly were best summed up..."Many who would rather spend their sunset years in Alaska are forced to go Outside because the cost of living here prevents their staying comfortably."

Oil and Gas Leasing

As for oil and gas leasing, residents in the Copper River Valley called for the state to wisely map out an energy policy. Such a policy would require an assessment of the impacts future action might have on local communities, the natural character of the land, and the balance of the marine environment. "State lands should be leased at a constant rate to prevent wild swings in the economy that

we see happening today in Alaska," seemed to be the majority opinion.

Most participants concluded that the state should provide in-state use of the royalty oil and gas. One reasoning was that, "this would require a refinery which would also mean employment. But the refinery should not be state-owned."

(The regional meeting of the Alaska Public Forum for the Copper River area was held in Glennallen. There were no other town meetings in this area conducted by the Forum. At the regional meeting there were representatives from Gakona, Copper Center, Nabesna, Tok, Gulkana and Kenny Lake.)

COPPER RIVER *

Demographic Characteristics

	<u>1970 Census Information on Copper River</u>	<u>Alaska Public Forum Participants Copper River</u>
<u>Age:</u>		
Under 25	46%	9%
25-34	14%	28%
35-44	15%	23%
45-54	14%	24%
55 and over	11%	16%
<u>Sex:</u>		
Female	45%	32%
Male	55%	68%
<u>Occupation:</u>		
Professional-Technical	12%	23%
White Collar	19%	20%
Blue Collar	33%	30%
Not in the Civilian Labor Force	36%	27%
<u>Length of Residency:</u>		
3 years or less	-	16%
4-10 years	-	30%
over 10 years	-	54%

Total Number of Respondents: 135

* 1970 Census comparisons for this region are based on statistics for the Valdez-Chitina-Whittier Census Division. The boundaries of this Census Division fit imperfectly with those of the Copper River Region and should be interpreted accordingly.

COPPER RIVER

1A. How should the Permanent Fund money be invested?

Questionnaire Results

Number of Respondents: 140

- 29% Save it
- 16% Loan it to communities
- 7% Loan it for industrial development
- 33% Loan it to develop renewable resource industries
- 11% Loan it to individuals
- 4% Other:

1B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

Questionnaire Results

Number of Respondents: 137

- 18% Use it for tax cuts for Alaskans
- 5% Use it for cash payments for Alaskans
- 10% Use it for more community revenue sharing and community grants
- 7% Use it for more state services
- 9% Save it by increasing the Permanent Fund
- 8% Loan it to communities
- 4% Loan it for industrial development
- 24% Loan it to develop renewable resource industries
- 3% Loan it to individuals
- 12% Other:

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 146

- 7% Alcoholism
- 10% Care of Children
- 42% Education
- 8% Programs for the Elderly
- 18% Employment
- 10% Health Care
- 1% Housing 4% Other:

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 125

- 13% 100% State funding from the General Fund
- 10% 100% State funding from a statewide sales tax
- 11% Local property taxes in all areas and supplemental funding where needed
- 41% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 25% Other:

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 141

- 6% To raise revenues for the state
- 55% To provide land for people's needs
- 19% To promote renewable resource development
- 7% To promote industrial growth and development
- 11% To preserve the natural environment
- 2% Other:

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 135

- 0% It should sell leases as fast as possible to bring in a lot of money.
- 60% It should sell leases at a constant pace to assure a steady flow of income for a long period of time.
- 10% It should lease when the state needs large sums of money to meet public needs.
- 11% It should do no further leasing and make the best use of present income.
- 19% Other:

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 130

- 8% The state should take its royalties in money or substance to sell for a financial gain.
- 20% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 54% The state should provide in-state residential use of the royalty oil and gas.
- 18% Other:

THE SOUTHWEST REGION

Primary Theme

Interwoven through the fabric of the Public Forum meetings in Bethel, Aniak and St. Mary's was a universal plea for a continued subsistence lifestyle. What emerged was the defense of a centuries-old culture, a way of life which has given its people dignity and pride.

"Subsistence is more than a cultural tradition; it's our employment," articulated a young woman from Bethel. "Subsistence gives us more than just money; it gives us mental and spiritual strength."

All of the responses to the prepared questions were permeated by the feeling of a people caught in transition....desperate to protect at least a fragment of their traditional lives.

As one Bethel participant wrote on his questionnaire, "We need to find a compromise between the regulated social welfare systems and the older traditional ways of living. We need to find a way to let me have real meat between my Wonder Bread."

Another remembered, "The young people who went out to school, like myself, when we couldn't have subsistence foods, sometimes we get up from the table with tears. I mean, you couldn't help that. It is not only to fill yourself, your hungry stomach, but also to fill your being...to have a good feeling, to have mental health and employment. If subsistence is threatened, then you take away all these things."

Whether participants were discussing the future of the Permanent Fund money, the selection of state lands, oil and gas leasing, or human needs, the messages were remarkably similar..."preserve our way of life".

Permanent Fund

They leaned heavily towards investing the Permanent Fund money into renewable resources and for loans to communities...as a key to quality of existence, as a key to subsistence.

"Fish is our life. We need fish hatcheries to keep the salmon from becoming extinct. If we don't we'll be a sorry people in ten years."

In Bethel, one group of residents wanted to make the point that "renewable resources might include more than king salmon, other forms of salmon and timber...but also whitefish, lush and pike should be considered if markets would be found for them. We thought that even though this might be a low return that loans for renewable resources would provide employment and a larger tax base."

In Aniak there seemed widespread agreement that loans should be made to agricultural projects "much like the one started by the Kuskokwim Native Association here, but large enough to support the whole town."

Village residents there also suggested that if money were loaned to start small businesses in rural communities "that would in turn create more jobs, more services, better life styles and less welfare."

Fish hatcheries, fish farming, reindeer herding, and agriculture were voiced repeatedly as possible solutions to providing an economic base in rural Alaska. The thought was that those avenues which would foster resources and employ residents, might also be the key to solving severe social problems existing in the Bush.

Alcoholism and Health Care

Again, participants talked about the lack of proper health care as undermining the spirit of a people and, above all, the overwhelming problems of alcoholism as "the symptom of a dying culture."

Many people at the Forum meetings thought that alcoholism was not a problem in itself but more of a "sign that something is wrong".

"After I came back to the village, I found things were different after seven years...I see only one alternative--go into another world. A white world. That left a bad scar," remembers a young Eskimo man. "The next best thing is to work

for my people. A student who goes home doesn't know which world he's in. It's frustrating. Pretty soon he turns to alcohol."

In Dillingham, Forum participants emphasized the importance of alcohol and drug education. They were also dismayed about disturbed children in the community as a result of alcoholic parents.

A former Bethel magistrate emphasized, "Punishment won't do any good...what is needed is more counseling. Alcoholism isn't any different than any other diseases. You remember how we took care of the tuberculosis problems throughout Alaska? Well, we can do the same with another illness...alcoholism. All we need is the right medicine."

Throughout the southwest region, alcoholism was seen as a major debilitating force. But one man in Bethel said angrily, "These points are raised in forums like this, but no solutions are ever made."

A member of the Bethel Native Board of Health made a plea for immediate state attention to the health problems in rural Alaska.

"The Yupik Eskimo people of the Bethel region are suffering serious medical and dental conditions which present immediate and grave threat to their health, safety and well-being. Many children and adults suffer terrible dental disease. Many suffer from chronic or acute ear disease, otitis media and its subsequent hearing loss. About 500 children are in immediate need of physical treatment to repair ear damage and restore their hearing, but there is no money." Aniak residents pointed out they had only one health aide to serve 11 villages.

Community Concerns

It is important to note that in most of these communities discussion of the prepared questions centered primarily on the investment of Permanent Fund monies and critical human needs. The few who did talk about state selection of lands and oil and gas leasing nearly always related those topics back to the subsistence issue. For instance, "the state should set aside lands for subsistence use" and

as regards to the leasing policy of the state, "perhaps to say 'no further leasing' would be the only guarantee that our lifestyle would not be jeopardized."

Loans to communities and community revenue sharing as an investment of the oil wealth were highly popular throughout the region. There exist specific problems that each community felt it necessary to address.

In Bethel, it was sewer and water maintenance. Here are some of the complaints and suggestions:

-----"You hire an Arizona builder to build something that doesn't work. Then there's no way to maintain it. It's evident that the people who build here don't understand the weather, the ground."

-----"We recommend municipal grants and loans for implementation of systems not now in existence. People in villages must be educated so they can understand what they must do to acquire, and more importantly, maintain these systems."

In Aniak, villagers asked that the state "finish the dike!" so their homes wouldn't get flooded every year.

In St. Mary's, the residents were discouraged with the erratic nature of electric power in their village provided by A.V.E.C. They want cheap power, but more importantly, they want reliable power. For this reason, they suggested exploring alternative sources of energy. This call for the improvement of public utilities was strongly seconded by mail-in responses from Ptka's Point and Kotlik as well.

School Construction

As in most of rural Alaska, Dillingham participants favored state-wide funding for school construction. "We should not have to depend heavily on local funds to try and equalize education and facilities." The point was made, "there are 36 school children from South Naknek who must be flown across the river twice a day to go to school in Naknek. Equalization of funding would mean that we wouldn't

build high schools for six children in a village when there are 36 who have to be flown across the river to attend high school."

Law Enforcement

Law enforcement in the Bush, or rather the lack of it, seemed to stir up quite a few comments. Several voices specified..."more troopers", "facilities for maintaining drunks or violent persons", and "quality training". Someone qualified the last remark by saying, "We don't want a lot of cowboys running around in the villages with guns who are sort of half-trained."

Certainly, throughout the region, the most volatile issue was subsistence, secondly alcoholism, and thirdly the lack of proper services running from health care to public utilities.

(In the Southwest region, town meetings were held in Aniak, St. Mary's and Dillingham. The regional meeting took place in Bethel with village representatives from Alakanuk, Eek, Pilot Station, Marshall, Russian Mission, Scammon Bay, Quinhagak, Chefnak, Napakiak, Goodnews Bay, Napaskiak, Tuluksak, Platinum, Manokotak, Emmonak and Tuntutuliak.)

SOUTHWEST *

Demographic Characteristics

	<u>1970 Census Information on Southwest</u>	<u>Alaska Public Forum Participants Southwest</u>
<u>Age:</u>		
Under 25	64%	8%
25-34	12%	36%
35-44	10%	20%
45-54	7%	19%
55 and over	7%	17%
<u>Sex:</u>		
Female	47%	28%
Male	53%	72%
<u>Occupation:</u>		
Professional-Technical	9%	35%
White Collar	9%	17%
Blue Collar	16%	24%
Not in the Civilian Labor Force	66%	24%
<u>Length of Residency:</u>		
3 years or less	-	12%
4-10 years	-	12%
over 10 years	-	76%

Total Number of Respondents: 198

* 1970 Census comparisons combine the following Census Divisions:
Bethel, Wade Hampton, Bristol Bay Division, and Kuskokwim.

SOUTHWEST

1A. How should the Permanent Fund money be invested?

Questionnaire Results

Number of Respondents: 209

- 28% Save it
- 25% Loan it to communities
- 7% Loan it for industrial development
- 28% Loan it to develop renewable resource industries
- 10% Loan it to individuals
- 2% Other:

1B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

Questionnaire Results

Number of Respondents: 216

- 16% Use it for tax cuts for Alaskans
- 11% Use it for cash payments for Alaskans
- 27% Use it for more community revenue sharing and community grants
- 9% Use it for more state services
- 7% Save it by increasing the Permanent Fund
- 5% Loan it to communities
- 3% Loan it for industrial development
- 13% Loan it to develop renewable resource industries
- 4% Loan it to individuals
- 5% Other:

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 246

- 17% Alcoholism
- 10% Care of Children
- 29% Education
- 3% Programs for the Elderly
- 16% Employment
- 11% Health Care
- 10% Housing
- 4% Other:

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 184

- 10% 100% State funding from the General Fund
- 11% 100% State funding from a statewide sales tax
- 16% Local property taxes in all areas and supplemental funding where needed
- 47% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 16% Other:

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 205

- 11% To raise revenues for the state
- 37% To provide land for people's needs
- 21% To promote renewable resource development
- 8% To promote industrial growth and development
- 20% To preserve the natural environment
- 3% Other:

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 185

- 6% It should sell leases as fast as possible to bring in a lot of money.
- 49% It should sell leases at a constant pace to assure a steady flow of income for a long period of time.
- 12% It should lease when the state needs large sums of money to meet public needs.
- 23% It should do no further leasing and make the best use of present income.
- 10% Other:

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 179

- 16% The state should take its royalties in money or substance to sell for a financial gain.
- 20% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 55% The state should provide in-state residential use of the royalty oil and gas.
- 9% Other:

THE GULF COAST REGION

The Gulf of Alaska region ranges from moderate urban areas to small isolated native villages. The communities encompassed by the Alaska Public Forum, either by meetings or mail-in questionnaires, include the island of Kodiak, Seward, Valdez and Cordova, all situated within Prince William Sound, and Yakutat which lies on the ocean shore to the southeast.

The grandeur and diversity of the Gulf Coast allures both the casual tourist and the rugged sports enthusiast. Economically, Seward and Valdez have served as important transportation centers, linking the outside world with interior Alaska. For all of the coastal towns, certainly in the recent past, fishing, seafood processing and logging were the primary sources of occupations and income.

However, the advent of oil development and OCS exploration in the region promises to alter the texture of that way of life. Already, the imprint of oil has been felt.

Valdez, once a small fishing community, is now the southern terminus for the Trans-Alaskan Pipeline. In July, supertankers will be moving in and out of Prince William Sound. An onshore facility to support OCS exploration in the Gulf of Alaska has been proposed for Yakutat. And lease sales in the waters near Kodiak seem imminent.

Many participants in these coastal communities do not seem to welcome the changes with open arms. However, considering the impending OCS development, a woman shrugged her shoulders resignedly, "What can we say? It's happening. It's inevitable. All we can do now is to work with the industry to minimize the impacts."

Primary Themes

Thus it is not surprising that participants in Forum discussions were overwhelmingly concerned with the future of the fishing industry, expressing a certain frustration and anger at not being included in major decisions which directly affect their livelihoods. One oldtimer emphasized, "The fishing industry has

been the lifeblood of Kodiak and will continue to be after the oil boom is over. It needs to be protected!" And a Kodiak fisherman protested, "Our fish are still being used as chips. Despite the 200 mile limit, they're being bargained away for other national interests."

Again and again voices advocated the development of renewable resource industries as the wisest path to the future. Included in that category and often mentioned, was the need to preserve the character of this untamed land, its natural beauty, wildlife and recreational values.

Fishing Industry

Specific recommendations which surfaced in the area of renewable resources mainly dealt with the fisheries and included these comments:

-----Fisheries Management. "An effective way to manage the fisheries might be to put all those decisions in the hands of the North Pacific Fisheries Council, which is the body now enforcing the 200 mile limit," proposed one group from Kodiak. And a voice demanded, "Put more fishermen on the council."

-----Hatcheries. "We need more information and assistance from the state government in terms of fish hatchery development so that local people know what their options are and funding sources available if they decide to pursue such an effort."

-----Free Port. "What about establishing a free port in Kodiak to handle the foreign fleets?"

-----Bottom Fish. "We should do research on bottom fish processing and possibly have the state help in establishing a market here for bottom fisheries. Foreign fishermen are going after that market and this country isn't even involved in it."

-----Employment. "For villagers, the most pressing problem is year-round employment needed to stabilize village economy. The most likely remedy is to develop diversified fish processing plants."

-----National Control. "We encourage total Americanization of the industry from harvesting to processing to marketing of Alaska's fisheries."

-----Cheap Energy. And finally one group of Kodiak residents proposed that "competitive advantage of Kodiak's fish processing industry would be enhanced by cheap energy to offset the foreigners' advantage in cheap labor. Let's direct Permanent Fund monies into alternative energy." This last suggestion had wide based support.

Energy and Oil Leasing

Perhaps because the issue of oil and all of its ramifications hits so close to home for the residents of these coastal communities, discussions involving alternative sources of energy and state plans for oil leasing were two of the most lively topics, in addition to the fishing industry.

Many were in favor of allocating substantial state funds drawn from the Permanent Fund and our oil wealth for a vigorous research program into the harnessing of solar, wind, tidal and hydro energy. Locally, a primary concern was with hydro-electric power and the need for its development in Kodiak through the Terror Lake project. "That project is going to cost more the longer we delay it," seemed the general consensus.

And before he left the podium, one group spokesman emphasized, "I want to put in one final plug for making use of the tidal energies that are going so strong around Kodiak."

Although one fellow admitted, "We do need fuel for our fishing boats," he agreed display of departmental cooperation will set the tone for our a moderate level and that "no further lease sales should be made until the state has carefully evaluated the social and ecological impacts of such a move." Several said emphatically, "No further leasing. Just make the best use of our present income."

There were also strong opinions that "local control ought to be a primary factor in these concerns". One island resident put it more dramatically. "The state ought to demand of itself what it demands of the federal government. As the state feels it has a right to say 'go' or 'no-go' when a lease is proposed by the feds, so it should allow various regions that same right."

Housing and Land

While education was given the majority nod under the human needs question as an important basis for solving all other problems, the rousing issues in both Seward and Kodiak revolved around the shortage of housing, and land for individual needs.

"It is ironic," wrote one young man, "that with such a wealth of land here, I find myself unable to buy land to build a home on. It's just not available."

In Seward, one resident maintained, "There's a lot of pride in owning your own land." Another pleaded, "Bring young people into the community with jobs and land. Homesite land should be open close to established towns." In Kodiak, several discussion groups agreed that "housing is the foremost problem here for city dwellers. We have a middle income housing shortage and a land shortage that inhibits housing developments." Again, "Land should be available for housing with adequate facilities."

Alcoholism

Alcoholism was also listed as a top priority. "We must recognize alcoholism as a medical disease and use education and rehabilitation means to correct it." There was a measure of agreement that "we must treat the causes of alcoholism rather than the actual disease. Recreation may be important to this end."

Royalty Oil and Gas

The opinion expressed by the majority on the royalty oil and gas was clearly to use it for in-state residential use. Said a Seward inhabitant, "Stockpile it, reinject it, I don't care; just use it for Alaskans first. If there is great excesses, maybe we could sell it, but use that money for developing alternative energy systems."

(Due to budget limitations, the Public Forum was only able to conduct a meeting in Seward and the regional gathering in Kodiak at which representatives from five surrounding villages were also present. No meetings were held in the Aleutian Chain communities.)

GULF COAST *

Demographic Characteristics

	<u>1970 Census Information on Gulf Coast</u>	<u>Alaska Public Forum Participants Gulf Coast</u>
<u>Age:</u>		
Under 25	56%	12%
25-34	17%	37%
35-44	11%	20%
45-54	8%	13%
55 and over	7%	18%
<u>Sex:</u>		
Female	38%	28%
Male	62%	72%
<u>Occupation:</u>		
Professional-Technical	6%	29%
White Collar	12%	21%
Blue Collar	22%	34%
Not in the Civilian Labor Force	59%	16%
<u>Length of Residency:</u>		
3 years or less	-	16%
4-10 years	-	30%
over 10 years	-	54%

Total Number of Respondents: 175

* 1970 Census comparisons combine the following Census Divisions: Cordova-McCarthy, Kodiak, Seward and the Aleutians.

GULF COAST

1A. How should the Permanent Fund money be invested?

Questionnaire Results

Number of Respondents: 174

- 18% Save it
- 17% Loan it to communities
- 7% Loan it for industrial development
- 48% Loan it to develop renewable resource industries
- 7% Loan it to individuals
- 3% Other:

1B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

Questionnaire Results

Number of Respondents: 168

- 14% Use it for tax cuts for Alaskans
- 4% Use it for cash payments for Alaskans
- 15% Use it for more community revenue sharing and community grants
- 8% Use it for more state services
- 15% Save it by increasing the Permanent Fund
- 4% Loan it to communities
- 2% Loan it for industrial development
- 26% Loan it to develop renewable resource industries
- 5% Loan it to individuals
- 7% Other:

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 171

- 13% Alcoholism
- 5% Care of Children
- 30% Education
- 8% Programs for the Elderly
- 15% Employment
- 9% Health Care
- 16% Housing
- 4% Other:

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 155

- 13% 100% State funding from the General Fund
- 13% 100% State funding from a statewide sales tax
- 15% Local property taxes in all areas and supplemental funding where needed
- 43% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 15% Other:

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 172

- 4% To raise revenues for the state
- 42% To provide land for people's needs
- 27% To promote renewable resource development
- 4% To promote industrial growth and development
- 19% To preserve the natural environment
- 4% Other:

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 166

- 1% It should sell leases as fast as possible to bring in a lot of money.
- 43% It should sell leases at a constant pace to assure a steady flow of income for a long period of time.
- 3% It should lease when the state needs large sums of money to meet public needs.
- 30% It should do no further leasing and make the best use of present income.
- 23% Other:

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 161

- 8% The state should take its royalties in money or substance to sell for a financial gain.
- 11% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 69% The state should provide in-state residential use of the royalty oil and gas.
- 12% Other:

THE INTERIOR REGION

Fairbanks. Residents of this frontier town are painfully aware of that fickle pendulum, boom or bust. They are just now beginning to recover their balance after the initial rush for oil at Prudhoe Bay.

Primary Themes

While they did not demand a moratorium on development and growth, no matter what issue they discussed at the Forum meeting, there was one unified voice which warned, "Stop. Reflect. Investigate thoroughly the possibilities. Scrutinize the consequences."

They carried the banner for renewable resource industries. Feeling this avenue was of the greatest importance to a healthy Alaska, participants not only delved into the subject as it was applicable to the six prepared topics of debate, but also chose to emphasize it as their number one priority in the open-ended question of "other important problems facing the state".

One homesteader cautioned, "Let's not go hucklety-bucklety into exploiting our resources like a so-called drunken sailor. Let's go slowly. Let's be wise about it."

Looking down the road, a young man observed simply, "Renewable resources are our ace in the hole. They are our gift to our grandchildren and, hopefully, their grandchildren also."

Another demanded, "What do we do when they're all gone? Eat the money?"

Participants arrived at the regional meeting, armed with a myriad of questions, criticisms and strong opinions. At times they collectively shook their finger at the state bureaucracy which "strangles its citizens in red tape." But, ultimately, in looking at the grand scheme of events, they advised government to be critical and cautious while navigating our course to the future.

Permanent Fund

Clearly the bandwagon for the Permanent Fund, as well as additional oil and

gas riches, was loans to industries such as agriculture, forestry, fisheries and tourism. Ultimately, these seemed to promise "the good life" and a preservation of the current life style - perhaps the reason many chose to settle in this rugged, uncompromising land.

Suggested more than once was the belief that "even if investment in Alaskan development of renewable resources doesn't produce the most immediate financial gain, the social benefits in the long run would be greater than any of our other choices."

One viewpoint was "industrial development should stand on its own feet. If it's good enough, it'll be able to make money alone. Encouraging industry will only increase the rate of immigration to Alaska and make it too crowded."

Substantial opinion advised strictly to save the Permanent Fund, investing it in Alaskan banks. Many felt strongly that "the Permanent Fund is one of the greatest things that Alaska has done in a long time", and would like to see it increased. "Then the money would always be available and would permit certain reflection on the use of that money in the future."

Some clearly doubted the loan concept of the fund money. "Our group agreed that where there are loans, there are also defaults and forgiveness. We are not convinced that a loan program could be designed with total repayment assured."

Land

In tossing back and forth the question of state selection of lands, renewable resources once again soared to the top of the list. Hand in hand, with providing an economic base for Alaskans through the "wise" development of that regenerative wealth, was the desire to open land for individual needs in the near future.

"We all have our own definition of what that means," began a young man from Galena. But if you want to hunt on it or trap on it, you ought to be able to use the land. If you want to camp on it, you should be entitled to that right."

Most commonly specified was land for homesites, recreation areas, and preserva-

tion of the wild character of the landscape and its animals.

A prevalent demand was "to keep the land out of the hands of speculators and realtors who buy it all up first and then jack up the prices so individuals cannot afford to buy even a little."

"Land management is probably as dear to everybody's heart as anything we can think of," observed a long-time resident of Fairbanks. Concluded one woman, "We should, therefore, look upon it as a finite resource and not an infinite one."

One group proposed a springboard for the "careful" selection of lands. "First establish a uniform data bank consisting of current and accurate demographic resource information for each region of the state."

A number of residents were adamant that "the state has no business selling land merely to raise revenue. If the land belongs to the people of this state, then the state should act only as a trustee, not a profiteer."

Oil and Gas Leasing

An independent spirit prevailed as participants debated the future of oil and gas leasing. The majority was not content with the given list of options under this question. While they leaned towards moderation of lease sales to insure a steady income flow, they made a variety of stipulations:

-----"Lease sales should be based on an opportune time, with full knowledge and consent of the people."

-----"Act on complete information. Each area should be considered and explored separately with an eye on preserving the ecological balance."

-----"Make a careful assessment of the market. Always deal in our favor. No stampeded sales."

-----"Like any intelligent businessman, find out first what oil and gas reserves we have. Then cooperate in the leasing program with the federal government and the natives in a steady, moderate manner."

Royalty Oil and Gas

There was no major consensus in Fairbanks as to the fate of Alaska's royalty oil and gas. The scales seem to tilt towards in-state residential use, selling for profit and selling the oil and gas outside, using the money to improve renewable resource activities.

-----"Residential use where feasible, but let's figure out the costs...can we afford it?"

-----"Process the products within the state so that we might derive greater benefit from the raw materials."

-----"If development is encouraged in Alaska, then the state will become a plastics factory. Which do the people want more? Cheaper gas and refineries? Or more expensive gas and forests?"

-----"Sell it. Use the money to preserve our pure air, pure water, subsistence lifestyle, sport fishing and hunting."

Social Issues

Deviating from resource issues to critical social needs, those in attendance widely favored education as first priority. The thought was that education extended far beyond the classroom and seemed inextricably linked with employment opportunities.

"Our school systems have got to start offering our youngsters an option...do they want to become a bachelor of science or a metal sheet worker? We've all screamed about the influx of outside labor, but the point is, did we have the trained personnel? So perhaps we need to offer our youngsters more of a choice in our fields of education which in turn is going to provide employment."

Others seconded, "Education has priority. With education, of course, there is a chance and hope for more and better employment."

Another participant agreed that "long-range needs are basically tied to education," but added a slightly different perspective. "It is important not only

in creating skills and professions, but we should look at education also in the reconstruction of the meaning of families and community and other things basic to coexistence by all of us. We all need to learn to care again."

For the lives of the elderly, there was concern.

"We lose, every year, an invaluable pool of expertise and experience, because our older citizens cannot afford to retire in the state. We must find a way to assist these people which allows them to maintain their dignity and a degree of respect to which they are entitled." And from another corner of the room, "These people have built the state and we have some obligation to them and to ourselves in the future should we survive that long."

School Construction

While the most radically opposed participants agreed on the importance of education, there were a full spectrum of suggestions as to how construction of public schools should be financed.

Among the most popular, was that oil and gas revenues make up if not the total cost of construction, at least a substantial part. There was also a widespread belief that the percentage of costs be split between the state and the community involved... that community contribution is essential to the success of the program.

"If the state designs, builds, staffs and maintains the schools, then the local community feels no responsibility toward the project. A sense of local responsibility must be part and parcel of a project in Bush communities."

Many were "flat out against 100% of state funding", which has been the procedure of unorganized boroughs in the past. They felt in addition to some participation financially by each community, that local talent and material should be employed.

There are many skilled craftsmen in the villages and Bush communities. Create jobs for them in building schools and you create revenue for that area as well," remarked one man, adding that the natural materials of the region should also be used. "For instance, if there's good timber, maybe a log school should be built

instead of shipping up materials."

No one was thrilled by the idea of a sales tax.

"Sales tax hits lower income people harder in proportion to their income. I mean, do the Rockefellers end up buying more hamburger than we do?" asked one group spokesman pointedly.

Capital Move

And finally, in addition to their emphasis on natural resources and the inefficiency of state government, Fairbanks participants couldn't wait to jump once again into that explosive debate over the proposed capital move.

To move it?...

"More time should be spent on planning a proper move of the capital."

"We thought it would be a good idea to move the Governor, the Lt. Governor and the rest of his staff to Willow and leave the buildings in Juneau."

Or not to move it?.....

"Telecommunications would be a more economical way of providing accessibility to government. Physically moving the capital would not necessarily make government more responsive."

In summation one woman expressed a belief which permeated all of the discussions:

"We must prepare for the next impact, whether it be oil and gas development or something else...that the rest of the state, and Fairbanks especially, doesn't suffer the kind of confusion that we went through here the last few years."

(Unfortunately, due to lack of money, the Public Forum was only able to conduct a regional meeting in the Interior - no town or village meetings. The Bush population was minimally represented. So this narrative should be considered predominantly the opinion of the Fairbanks area.)

INTERIOR*

Demographic Characteristics

	<u>1970 Census Information on Interior</u>	<u>Alaska Public Forum Participants Interior</u>
<u>Age:</u>		
Under 25	59%	11%
25-34	17%	35%
35-44	12%	22%
45-54	7%	19%
55 and over	5%	13%
<u>Sex:</u>		
Female	42%	26%
Male	58%	74%
<u>Occupation:</u>		
Professional-Technical	9%	39%
White Collar	20%	19%
Blue Collar	19%	23%
Not in the Civilian Labor Force	52%	19%
<u>Length of Residency:</u>		
3 years or less	-	17%
4-10 years	-	31%
over 10 years	-	52%

Total Number of Respondents: 729

* 1970 Census comparisons combine the following Census Divisions:
Yukon-Koyukuk, Fairbanks and Southeast Fairbanks.

INTERIOR

1A. How should the Permanent Fund money be invested?

Questionnaire Results

Number of Respondents: 720

- 28% Save it
- 11% Loan it to communities
- 10% Loan it for industrial development
- 36% Loan it to develop renewable resource industries
- 9% Loan it to individuals
- 6% Other:

1B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

Questionnaire Results

Number of Respondents: 752

- 30% Use it for tax cuts for Alaskans
- 7% Use it for cash payments for Alaskans
- 12% Use it for more community revenue sharing and community grants
- 4% Use it for more state services
- 10% Save it by increasing the Permanent Fund
- 2% Loan it to communities
- 4% Loan it for industrial development
- 21% Loan it to develop renewable resource industries
- 2% Loan it to individuals
- 8% Other:

2. What human needs do you think are most important?

Questionnaire Results

Number of Respondents: 747

- 10% Alcoholism
- 7% Care of Children
- 36% Education
- 7% Programs for the Elderly
- 23% Employment
- 9% Health Care
- 3% Housing
- 5% Other:

3. How should public school construction be financed in both organized and unorganized boroughs?

Questionnaire Results

Number of Respondents: 712

- 13% 100% State funding from the General Fund
- 13% 100% State funding from a statewide sales tax
- 13% Local property taxes in all areas and supplemental funding where needed
- 35% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 26% Other:

4. What should be the primary objective for managing Alaska's land?

Questionnaire Results

Number of Respondents: 753

- 4% To raise revenues for the state
- 41% To provide land for people's needs
- 25% To promote renewable resource development
- 6% To promote industrial growth and development
- 19% To preserve the natural environment
- 5% Other:

5. What should be the state's policy on future oil and gas lease sales?

Questionnaire Results

Number of Respondents: 714

- 1% It should sell leases as fast as possible to bring in a lot of money.
- 53% It should sell leases at a constant pace to assure a steady flow of income for a long period of time.
- 9% It should lease when the state needs large sums of money to meet public needs.
- 21% It should do no further leasing and make the best use of present income.
- 16% Other:

6. What is the best use of Alaska's royalty oil and gas?

Questionnaire Results

Number of Respondents: 718

- 10% The state should take its royalties in money or substance to sell for a financial gain.
- 19% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state.
- 51% The state should provide in-state residential use of the royalty oil and gas.
- 20% Other:

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

Public Forum

FIRST PRIORITY QUESTION	1 %	Rank	%	Rank	%	Rank	1A	1B
	SOUTHEAST		NORTH		SOUTHCENTRAL			
Save It	14.1	3	14.7	2	4	7	24	13
Loan Communities	5.6	5	7.4	5	5	6	13	4
Loan Industrial	4.4	6	6.6	6	17	2	13	5
Renewable Resources	32.0	1	14.7	2	3	8	35	19
Loan Individuals	4.0	7	2.2	8	11	1	9	3
Tax Cuts	16.9	2	14.0	3	9	4		31
Revenue Sharing	13.7	4	26.5	1	4	7		9
State Services	3.6	8	8.1	4	7	5		4
Other	5.6	5	5.9	7				
N=					5	6		
SC: cash payments to indiv					13	3		
increase perm. fund								

SE North SE

Community loan
New SE + State
services 22.9 38.4 17

New SE + State
- loan + 29.4 45

loan + tax cuts 20.9 16.2 34

Demographic Characteristics

(Number of Respondents = 475)

<u>Age</u>	under 25	14
	25-34	26
	35-44	20
	45-54	20
	55 and over	20
		<u>100</u>

<u>Sex</u>	Female	33
	Male	67
		<u>100</u>

<u>Occupation</u>	Prof. Tech.	29
	White Collar	24
	Blue Collar	26
	Not Labor Force	21
		<u>100</u>

<u>Length of Residence</u>	under 3 years	
	3 Years or less	18
	4-10 years	23
	more than 10 years	59
		<u>100</u>

Question No. 1

	Top Choice	
	Percent	Rank
Save it	15	4
pay to construction	7	6
make do with it	16	3
pay for services	24	1
live alone	6	7
get out of it	19	2
rentally quality	10	5
state services	3	8
	<u>100</u>	

Among Top Four	
Percent	Rank
45	6
18	3
16	3
63	1
35	7
50	2
46	5
25	8

Number of respondents: 446

Question No. 2

	Top Choice	
	Percent	Rank
education	13	3
children	6	5
education	37	1
old	6	5
education	21	2
housing	9	4
housing	5	7
education	2	8
education	1	9

Mean Score	Rank
5.0	5
4.4	4
2.8	1
5.1	6
3.7	3
3.9	3
5.1	6
7.0	8
7.3	9

Number of respondents: 355

ANALYSIS OF QUESTION 1

A. Age

Percent in each category among specific age among top 100

	425	25-34	35-44	45-54	Ass over
Save 1*	57	47	38	36	37
Loan Comm 2	45	49	49	40	42
Loan indust 3	58	35	52	37	49
Loan Renewals 4*	52	66	63	58	57
Loan Indiv 5	34	36	40	34	20
Tax Cut 6*	25	45	48	54	58
Comm Ren. Sh. 7	35	47	36	49	45
State Services 8	25	25	21	25	22

B. Sex

	Female	Male
1	44	41
2	47	44
3	45	45
4	59	61
5*	25	37
6	46	48
7*	49	40
8*	27	22

C. Occupation

	Prof-Tech	White Collar	Blue Collar	Not in Labor Force
1	39	39	43	47
2	47	47	45	42
3	44	51	41	45
4	59	57	58	52
5	33	29	36	33
6	42	51	52	42
7	44	41	41	42
8	23	23	19	26

South East (continued)

QUESTION No. 3

	<u>Percent</u>	<u>Rank</u>
General Fund 1	26	(2)
Sales tax 2	9	4
Property tax 3	17	3
Continue system 4	59	(1)
Other 7	9	4
	<u>100</u>	

What is 5102

Number of respondents = 464

QUESTION No. 4

	<u>Top Choice</u>		<u>Mean Score</u>	<u>Rank</u>
	<u>Percent</u>	<u>Rank</u>		
Private resources 1.	6	(4)	3.0	4
Public needs 2.	40	(2)	2.0	2
Private resources 3.	44	(1)	1.8	1
Industrial growth 4.	10	(3)	2.9	3
	<u>100</u>			

Number of respondents = 395

QUESTION No. 5

	<u>Percent</u>	<u>Rank</u>
negative resources 1.	5	5
moderate rate 2	60	(1)
slow hard money 3	7	(3)
no borrowing 4	22	(2)
other 7	6	(4)
	<u>100</u>	

What is 5102?

Number of respondents 468

QUESTION 6

PercentRank

financial gain 1.

37

(1)

includ. devalp. 2.

19

(3)

residence 3.

31

(2)

other 7.

13

4

100

respondents 459

ANALYSIS OF QUESTION 1 (cont'd)

D. Length of Residence

	Less than 3 years and 15	3-10 Years	over 10 years
1	40	(46)	42
2	(51)	42	45
3	42	42	(47)
4	59	63	59
5*	41	34	30
6*	40	(44)	(50)
7	(47)	39	43
8	(33)	20	22

ANALYSIS OF QUESTION 2

A. Age

		25-34	35-44	45-54	55+ over
alc.	1	5.1	4.9	5.3	4.6
child	2	4.6	4.5	4.7	4.5
educ	3	2.5	2.7	2.6	2.7
elderly	4	5.6	5.4	4.7	4.9
employ	5	3.4	4.2	3.7	3.3
young & healthy	6	3.9	3.6	4.1	4.1
working	7	4.9	5.3	5.0	5.1
inc. maint.	8	6.9	7.1	6.7	7.2
rehab.	9	7.5	7.0	7.2	7.5

B. Sex

	Female	Male
1	4.9	5.1
2	4.3	4.5
3	2.4	3.0
4	4.9	5.2
5	3.9	3.6
6	4.0	3.9
7	5.3	5.0
8	7.2	6.8
9	7.1	7.4

C. Occupation

	Prof. Tech	White Collar	Blue Collar	Not in Labor Force
1	4.7	5.1	5.3	5.3
2	4.3	4.8	4.4	4.1
3	3.1	2.8	2.5	2.7
4	5.2	5.2	4.7	5.4
5	4.3	3.5	3.5	3.4
6	3.6	4.2	3.9	4.0
7	5.3	4.7	5.4	4.9
8	7.2	6.5	6.7	7.3
9	7.4	7.4	7.2	7.1

ANALYSIS OF QUESTION 2 (CONT'D)

D. Length of Residence			
	<u>Less than 3 years</u>	<u>3-10 years</u>	<u>over 16 years</u>
1	5.2	5.0	5.1
2	4.7	4.6	4.3 ⁽⁻⁾
3	2.8	2.9	2.7
4	5.7	5.3	4.8 ⁽⁺⁾
5	4.0	4.1	3.5 ⁽⁺⁾
6	3.6	3.6	4.2 ⁽⁻⁾
7	5.0	4.9	5.2
8	7.1	6.9	6.9
9	7.6	6.7 ⁽⁺⁾	7.4

ANALYSIS OF QUESTION 3

SOUTHERN

A. Age

	<u><25</u>	<u>25-34</u>	<u>35-44</u>	<u>45-54</u>	<u>55+</u>
1	22	28	33	21	24
2	5	7	15	6	14
3	14	18	13	18	22
4	47	34	36	45	36
7	<u>11</u>	<u>13</u>	<u>3</u>	<u>10</u>	<u>4</u>
	100	100	100	100	100

B. Sex

	<u>female</u>	<u>male</u>
1	23	28
2	7	10
3	15	18
4	42	38
7	<u>13</u>	<u>6</u>
	100	100

C. Occupation

	<u>Professional</u>	<u>White Collar</u>	<u>Blue Collar</u>	<u>Not in labor force</u>
1	25	25	27	30
2	12	9	9	8
3	19	16	15	16
4	33	39	44	40
7	<u>11</u>	<u>11</u>	<u>5</u>	<u>6</u>
	100	100	100	100

D. Length of Residence

	<u>less than 3 yrs</u>	<u>3-10 years</u>	<u>over 10 years</u>
1	24	34	24
2	7	8	11
3	15	22	16
4	42	25	43
7	<u>12</u>	<u>11</u>	<u>6</u>
	100	100	100

ANALYSIS OF QUESTION 4

Percent Giving Top Choice

A. Age

	UNDER 25	25-34	35-44	45-54	55 and over
1.	4	7	7	4	12
2.	44	50	40	36	32
3.	42	38	46	50	43
4.	<u>10</u>	<u>5</u>	<u>18</u>	<u>10</u>	<u>13</u>
	100	100	100	100	100

B. Sex

	Female	Male
1.	4	8
2.	40	30
3.	48	41
4.	<u>8</u>	<u>11</u>
	100	100

Occupation

	Prof. Tech.	White Collar	Blue Collar	Not in Labor Force
1.	10	2	3	10
2.	42	34	42	40
3.	40	49	45	43
4.	<u>8</u>	<u>15</u>	<u>10</u>	<u>7</u>
	100	100	100	100

Length of Residence

	UNDER 3 Years	3-10 Years	over 10 Years
1.	4	6	7
2.	49	45	35
3.	40	42	46
4.	<u>7</u>	<u>7</u>	<u>13</u>
	100	100	100

ANALYSIS OF QUESTION 5

SOUTHEAST

A. Age.

	UNDER 25	25-34	35-44	45-54	5
1.	6	3	5	2	
2.	54	47	69	69	6
3.	11	10	2	7	7
4.	17	31	23	16	18
7.	$\frac{12}{100}$	$\frac{9}{100}$	$\frac{1}{100}$	$\frac{6}{100}$	$\frac{2}{100}$

B. Sex

	Female	Male
1.	1	7
2.	64	59
3.	8	6
4.	20	23
7.	$\frac{7}{100}$	$\frac{5}{100}$

C. Occupation

	Prof Tech	White Collar	Blue Collar	Not In Labor Force
1	7	5	5	2
2.	53	67	53	73
3.	10	9	7	4
4.	23	13	31	16
7.	$\frac{7}{100}$	$\frac{6}{100}$	$\frac{4}{100}$	$\frac{4}{100}$

D. Length of Residence

	Less than 3 years	3-10 Years	More than 10 years
1.	4	4	5
2.	46	56	66
3.	11	4	8
4.	29	28	18
7.	$\frac{10}{100}$	$\frac{8}{100}$	$\frac{3}{100}$

ANALYSIS OF QUESTION 6

SOUTHEAST

Age

	UNDER 25	25-34	35-44	45-54	55+
1.	38	39	38	39	29
2.	13	12	16	23	31
3.	30	34	36	24	31
7.	<u>19</u>	<u>15</u>	<u>10</u>	<u>14</u>	<u>9</u>
	100	100	100	100	100

Sex.

	Female	Male
1.	37	37
2.	11	23
3.	38	28
7.	<u>14</u>	<u>13</u>
	100	100

Occupation

	Prof. Tech.	White Collar	Blue Collar	Not in Labor Force
1.	39	38	30	43
2.	19	17	21	16
3.	28	32	38	31
7.	<u>14</u>	<u>13</u>	<u>11</u>	<u>10</u>
	100	100	100	100

Length of Residence

	Less than 3 Yrs.	3-10 Years	Over 10 Years
1.	33	39	30
2.	18	15	21
3.	31	33	30
7.	<u>13</u>	<u>13</u>	<u>13</u>
	100	100	100

NORTH

DEMOGRAPHIC CHARACTERISTICS (Number of Respondents = 107)

Age

Under 25	18	17
25-34	37	36
35-44	30	29
45-54	7	10
55 and over	8	8
	<u>8</u>	<u>8</u>
	100	100

Sex

Female	44	42
Male	<u>56</u>	<u>58</u>
	100	100

Occupation

Prof Tech	39	38
White Collar	26	24
Blue Collar	19	23
Not Indentified	<u>16</u>	<u>15</u>
	100	100

Length of Residence

Under 3 Years	14
3-10 Years	20
Over 10 Years	<u>66</u>
	100

QUESTION No. 1

	Percent	Top Choice Rank	Mean Top Four Percent	Rank
1.	<u>17</u> 16	<u>(2)</u>	31 30	7
2.	10 10	6	45 45	<u>(4)</u>
3.	13 "	<u>(4)</u>	47 45	<u>(3)</u>
4.	10 10	6	<u>(48)</u> 50	<u>(2)</u>
5.	13 13	<u>(4)</u>	36 35	6
6.	<u>(18)</u> 19	<u>(1)</u> : H	<u>(50)</u> 53	<u>(1)</u>
7.	15 17	<u>(3)</u>	43 44	5
8.	4 4	8	22 23	8
	<u>100</u>			

Number of respondents = ~~100~~ 133

QUESTION No. 2

	Percent	Top Choice Rank	Mean Score	Rank
1.	<u>14</u> 15	<u>(3)</u>	4.6 4.4	5
2.	3 5	7	5.0 5.1	6
3.	<u>37</u> 36	<u>(1)</u>	<u>2.1</u> 2.4	<u>(1)</u>
4.	4 4	6	5.5 5.7	7
5.	<u>(12)</u> 10	<u>(4)</u>	<u>(3.8)</u> 4.0	<u>(3)</u>
6.	<u>(15)</u> 15	<u>(2)</u>	<u>3.3</u> 3.5	<u>(2)</u>
7.	9 10	5	4.4 4.6	<u>(4)</u>
8.	3 2	7	6.6 6.6	8
9.	3 3	7	7.5 7.4	9

Respondents 104

take out all new degrees of

North Continuum

QUESTION NO. 3

	Percent	Rank
1	44 44	①
2	6 8	5
3	21 19	3
4	22 23	②
	7 6	4
Number of Respondents: 127 127	100	

QUESTION NO. 4

	Top Choice Percent	Rank	Mean Score	Rank
1.	21 18	③	2.6 2.6	3
2.	28 30	②	2.1 2.1	2
3.	44 41	①	①.7 1.8	1
4.	7 11	4	3.2 3.0	4
Number of Respondents: 100 100	100			

QUESTION NO. 5

	Percent	Rank
1.	6 5	5
2.	51 51	①
3.	12 15	4
4.	13 13	3
Number of Respondents: 126 126	13 15	2
	100	

QUESTION NO. 6

	Percent	Rank
1.	25 24	②
2.	10 11	4
3.	⑤1 53	①
7.	13 12	3
Number of Respondents: 127 127	100	

ANALYSIS OF QUESTION No. 1

A. Age

	UNDER 25	25-34	35-44	45 AND OVER
1	53	43	21	40
2	35	49	48	53
3	29	54	59	60
4	53	54	59	40
5	18	46	41	47
6	35	60	59	40
7	35	46	59	33
8	18	26	28	20

B. Sex

	Female	Male
1	39	27
2	51	44
3	39	60
4	49	56
5	34	44
6	51	52
7	37	54
8	20	29

C. Occupation

	Prof- Tech	White Collar	Blue Collar	Not in Labor Force
1	35	33	22	53
2	43	58	39	60
3	57	54	50	40
4	51	58	56	53
5	22	54	56	47
6	46	58	56	60
7	57	42	39	27
8	32	21	22	13

ANALYSIS OF QUESTION 1 (continued)

Length of Residence

	<u>10 Years OR LESS</u>	<u>Over 10 years</u>
1	41	30
2	38	52
3	47	56
4	53	52
5	34	41
6	47	56
7	53	41
8	31	21

ANALYSIS OF QUESTION 2

Age	under 25	25-34	35-44	45-55	55+ over
1	2.4	2.4	3.1	3.8	4.3
2	4.8	5.1	5.3	3.6	5.2
3	2.7	2.2	2.1	1.3	2.0
4	5.4	5.7	5.9	4.7	5.2
5	5.4	3.6	3.4	5.0	3.4
6	3.6	3.5	3.8	2.3	3.4
7	5.3	4.8	3.8	3.8	4.4
8	6.9	7.1	6.6	5.6	5.6
9	7.8	8.1	7.2	6.3	7.8

NB → N= 13 27 21 6 5

B. Sex

	Female	Male
1	2.5	3.1
2	4.9	5.2
3	2.1	2.2
4	5.9	5.5
5	4.2	3.6
6	3.0	3.9
7	4.6	4.5
8	7.1	6.6
9	7.9	7.5
N=	30	40

C. Occupation

	Prof Tech	white collar	Blue collar	Not in labor force
1	4.6	4.4	3.6	5.5
2	5.3	5.1	4.4	4.6
3	2.4	2.2	1.4	2.5
4	5.6	6.0	4.4	6.1
5	3.8	3.6	5.1	4.5
6	3.9	3.7	2.4	2.4
7	4.5	4.4	4.3	4.5
8	6.5	7.0	6.6	6.5
9	7.7	8.2	5.2	8.3

ANALYSIS OF QUESTION 2 (CONTINUED)

<u>Length of Residence</u>	<u>UNDER 3 Years</u>	<u>3-10 Years</u>	<u>OVER 10 Years</u>
1	3.0	1.8	3.1
2	4.9	5.6	4.7
3	2.8	2.2	2.0
4	5.3	6.3	5.5
5	5.0	3.3	4.0
6	3.8	4.0	3.2
7	3.6	4.4	4.6
8	7.3	6.8	6.5
9	8.1	7.9	7.5
N =	8	14	49

ANALYSIS OF QUESTION 3

Age

	UNDER 34	25- 44	45 AND OVER
1.	4	4	8
2.	46	65	68
3.	10	7	8
4.	18	12	*
7.	<u>22</u>	<u>12</u>	<u>16</u>
	100	100	100
			13

N=

49
Female

26
Male

B. Sex

1	34	49
2	3	4
3	31	16
4	29	21
7	<u>3</u>	<u>10</u>
	100	100

Prof Tech

White
CollarBlue
CollarNot in
Labor Force

C. Occupation

1	41	48	50	21
2	3	9	*	7
3	25	9	22	36
4	28	34	*	29
7	<u>3</u>	<u>*</u>	<u>28</u>	<u>7</u>
	100	100	100	100

N=

36
10 years
or less

23
over
10 years

D. Length of Residence

1	37	42
2	*	7
3	20	25
4	43	15
7	<u>*</u>	<u>11</u>
	100	100

ANALYSIS OF QUESTION 4

	<u>Under 25</u>	<u>25-34</u>	<u>35-44</u>	<u>45 & OVER</u>
1.	23	21	12	18
2.	23	24	38	35
3.	38	55	46	29
4.	16	*	4	18
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

N = 13 27 19 9

	<u>Female</u>	<u>Male</u>
1.	19	16
2.	22	36
3.	53	43
4.	6	5
	<u>100</u>	<u>100</u>

N = 24 42

Occupation

	<u>Prof. Tech</u>	<u>White collar</u>	<u>Blue Collar</u>	<u>Not in Labor Force</u>
1.	7	19	25	31
2.	33	29	30	31
3.	57	48	35	31
4.	3	5	10	7
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

N = 30 21 20 13

Length of Residence

	<u>10 Years or less</u>	<u>over 10 years</u>
1.	2	22
2.	11	23
3.	12	45
4.	*	10
	<u>100</u>	<u>100</u>

N = 25 60

ANALYSIS OF QUESTION 5

Age

	Under 34	35-44	45+ over
1.	4	4	8
2.	46	65	68
3.	10	8	8
4.	18	11	*
7.	22	12	16
	100	100	100
N=	49	26	13

Sex

	Female	Male
1.	*	8
2.	53	59
3.	11	6
4.	17	10
7.	19	17
	100	100

Occupation

	Prof-Techn	White Collar	Blue Collar	Not in Labor Force
1.	8	*	7	*
2.	45	70	46	64
3.	11	4	*	29
4.	14	9	20	17
7.	22	17	27	8
	101	100	100	100
N=	36	23	15	14

Length of Residence

	10 Years or less	More than 10 years
1.	7	4
2.	40	63
3.	17	12
4.	23	7
7.	23	14
	100	100
N=	30	57

ANALYSIS OF QUESTION 6

A. Age

	UNDER 25	25-34	35-44	45+ CUMUL
1.	18	32	25	31
2.	*	3	11	31
3.	70	54	50	15
7.	<u>12</u>	<u>11</u>	<u>14</u>	<u>23</u>
	100	100	100	100
N =	17	35	28	13

SEX

	Female	Male
1.	32	22
2.	3	14
3.	45	56
7.	<u>20</u>	<u>8</u>
	100	100
N =	40	50

Occupation

	Prof. Tech	White Collar	Blue Collar	Not in Labor Force
1.	14	35	47	29
2.	5	4	12	14
3.	57	57	24	57
7.	<u>24</u>	<u>4</u>	<u>17</u>	<u>8</u>
	100	100	100	100
N =	37	23	17	14

Length of Residence

	10 Years or less	over 10 years
1.	19	30
2.	3	12
3.	56	50
7.	<u>22</u>	<u>8</u>
	100	100
N =	32	60

Southcentral Demographics

		<u>Workshop</u>	<u>Mail-In</u>
Age	Under 25	19	7
	25-34	29	28
	35-44	20	22
	45-54	18	28
	55 and over	14	20
		<u>100</u>	<u>100</u>

Sex	Female	45	33
	Male	55	67
		<u>100</u>	<u>100</u>

Occupation	Prof Tech	37	34
	White Collar	22	23
	Blue Collar	17	21
	Officer	24	22
		<u>100</u>	<u>100</u>

Length of Residence

Years in Area	20	18
	32	27
	48	55
	<u>100</u>	<u>100</u>

Occup: 70 Stats
SE

		<u>%</u>
P-T	8873	10
WC	18274	20
BC	19593	21
Else	45798	49
	<u>92538</u>	<u>100</u>

N

		<u>%</u>
P-T	503	7
WC	607	9
BC	1310	19
Else	4518	65
	<u>8938</u>	<u>100</u>

SE

		<u>%</u>
P-T	3226	12
WC	5484	20
BC	7420	27
Else	11171	41
	<u>27301</u>	<u>100</u>

3.1a

1st choice

	<u>Anchorage</u>	<u>Harbor</u>	<u>Sea</u>
Save	23	31	29
Commun.	12	13	16
Industry	14	9	13
Review Res.	35	36	32
Indiv.	10	6	9
Other	6	5	1
	<u>100</u>	<u>100</u>	<u>100</u>

21b.

step 4

Taxation	59-	45	66
Cash	17	18	27
Rev. Share	43-	46	37-
Services	25	22	17
Save	39	39	31
Loan Communities	40-	52	42-
Industry	39	29	38-
Review Res.	66-	72	50-
Indiv.	23	28	23
Other	18	14	22

SE

Breakdown

Q2 Villages

	<u>Anchorage</u>	<u>Harbor</u>	<u>Mar-Sea</u>
Alcoholism	4.5 - 6	4.4 - 6	5.1 - 7
Child Care	4.3 - 6	4.2 - 5	4.3 - 5
Education	2.9 - 1	2.9 - 1	3.1 - 2
Elderly	4.1 - 4	4.0 - 4	3.8 - 3
Employment	3.1 - 2	3.1 - 2	2.7 - 1
Health	3.9 - 3	3.5 - 3	4.1 - 4
Housing	4.9 - 7	4.8 - 7	4.5 - 6
Other	5.8 - 8	5.8 - 8	6.2 - 8

E - 42 - 24 - 25 - 26 - 27 - 28 - 29 - 30 - 31 - 32 - 33 - 34 - 35 - 36 - 37 - 38 - 39 - 40 - 41 - 42 - 43 - 44 - 45 - 46 - 47 - 48 - 49 - 50 - 51 - 52 - 53 - 54 - 55 - 56 - 57 - 58 - 59 - 60 - 61 - 62 - 63 - 64 - 65 - 66 - 67 - 68 - 69 - 70 - 71 - 72 - 73 - 74 - 75 - 76 - 77 - 78 - 79 - 80 - 81 - 82 - 83 - 84 - 85 - 86 - 87 - 88 - 89 - 90 - 91 - 92 - 93 - 94 - 95 - 96 - 97 - 98 - 99 - 100

Q3

	<u>Anchorage</u>	<u>Kenai - Homer</u>	<u>Mat-Su</u>
income tax 1.	11	13	17
Sales tax 2.	13	17	16
property tax 3.	25	14	20
State 700 4.	31	36	26
Other 7.	<u>20</u>	<u>20</u>	<u>21</u>
	100	100	100

Q4

1.	7-5	5-5	6-5
2.	33-1	40-1	46-1
3.	26-2	23-2	28-2
4.	11-4	6-4	7-4
5.	18-3	22-3	15-3
7.	<u>5-6</u>	<u>4-6</u>	<u>4-6</u>
	100	100	100

Q5

1.	2	1	2
2.	63	56	62
3.	8	7	11
4.	12	24	14
7.	<u>15</u>	<u>12</u>	<u>11</u>
	100	100	100

Q6

1.	15	16	7
2.	25	24	17
3.	39	45	61
7.	<u>21</u>	<u>15</u>	<u>15</u>
	100	100	100

Demographic Characteristics

Age	10-25	10
	26-30	29
	31-44	21
	45-50	22
	51-64	18
	<u>100</u>	<u>100</u>

Sex	
Female	36
Male	64
	<u>100</u>

Occupation	
Prof. Tech	35
White Collar	23
Blue Collar	20
Not in labor force	22

Length of Residence	
5 years or less	18
4-10 years	29
More than 10 years	53
	<u>100</u>

Number of respondents = 1633

Question 1A

	Top Choice	Rank
	Percent	
Save 1.	24	2
Loan construction 2.	13	3
Industries 3.	13	3
Reversible Resources 4.	35	1
Individuals 5.	9	5
	<u>6</u>	<u>6</u>
Other 6.	100	

N = 1633

Question 1B

	Percent	Rank
Taxcut 1.	31	1
Cash Payment 2.	5	6
Comm. Pers. Share 3.	9	4
State Savings 4.	4	8
Save 5.	13	3
Loan Comm. 6.	4	8
Loan Insurance 7.	5	6
Loan Insurance 8.	19	2
Industries 9.	3	10
Individual 10.	<u>7</u>	<u>5</u>
	100	

QUESTION 2

		<u>Percent</u>	<u>Rank</u>	<u>Mean</u>	<u>Rank</u>
Alcoholism	1.	12	3	4.5	6
Child Care	2.	6	7	4.3	5
Education	3.	26	2	2.9	1
Elderly	4.	9	4	4.1	4
Employment	5.	27	1	3.0	2
Health	6.	7	6	3.8	3
Housing	7.	5	8	4.8	7
Other	8.	<u>8</u>	5	5.8	8
		100			

N=1618

QUESTION 3

	<u>Percent</u>
INCOME TAX	12
SLES TAX	14
PROPERTY TAX	22
STATUS QUO	32
OTHER	<u>20</u>
	100

N=1633

QUESTION 4

	<u>Percent</u>	<u>Rank</u>	<u>Mean</u>	<u>Rank</u>
Raise Revenues	7	5	3.7	6
Meet Needs	34	1	2.1	1
Reversible Revenues	26	2	2.2	2
Industry	9	4	3.4	5
Preserve Nature	19	3	3.0	4
Other	<u>5</u>	6	2.9	3

N=1579

QUESTION 5

	<u>Percent</u>	<u>Rank</u>
Sell Fast	2	5
Constant Price	62	1
When I Get Money	8	4
Don't Sell	14	2
Other	<u>14</u>	2
	100	

N=1,607

QUESTION 6

Sell for Money

Percent

Paul

14

4

Sell to govt. Industry

25

2

Residential Use

42

1

Other

19

3

100

N = 1020

% of
p choice
response

	under 25	25- 34	35- 44	45- 54	55+
1.	20	24	23	23	68
2.	17	13	15	11	27
3.	9	10	14	16	47
4.	41	38	35	35	60
5.	8	9	11	9	25
6.	<u>5</u>	<u>6</u>	<u>2</u>	<u>6</u>	<u>24</u>
	100	100	100	100	100

QUESTION 1B

1.	47	51	64	61	59
2.	15	20	16	17	19
3.	46	47	47	40	37
4.	41	25	22	22	21
5.	39	47	34	34	36
6.	45	48	42	37	39
7.	24	30	38	45	45
8.	67	70	65	52	48
9.	21	25	25	24	26
10.	20	13	19	14	16

ways
p 4
times)

QUESTION 3

1.	8	17	10	10	10
2.	9	11	11	17	21
3.	20	20	24	31	16
4.	38	32	28	26	36
7.	<u>25</u>	<u>20</u>	<u>27</u>	<u>16</u>	<u>17</u>
	100	100	100	100	100

%
possible
responses)

QUESTION 4

1.	4-4	4-5	6-5	10-5	8-5
2.	23-2	36-1	34-1	35-1	39-1
3.	21-3	25-3	29-2	25-2	26-2
4.	7-5	5-4	9-4	14-3	13-3
5.	37-1	27-2	17-3	12-4	9-4
6.	<u>9-4</u>	<u>3-6</u>	<u>5-6</u>	<u>4-6</u>	<u>5-6</u>
	100	100	100	100	100

(%
of all
choice
responses)

QUESTION 5

	<u>Under 25</u>	<u>25- 34</u>	<u>35- 44</u>	<u>45- 54</u>	<u>55+</u>
1.	1	1	2	3	2
2.	52	49	65	69	75
3.	11	10	7	7	6
4.	16	23	13	9	9
	<u>20</u>	<u>17</u>	<u>13</u>	<u>12</u>	<u>8</u>
7.	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

QUESTION 6

1.	14	16	14	14	12
2.	9	16	25	33	33
3.	52	49	41	36	37
	<u>26</u>	<u>19</u>	<u>20</u>	<u>17</u>	<u>18</u>
7.	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Q1a

	Prof- Tech	which collar	Blue Collar	Not a Laborer
1.	29	25	23	26
2.	14	11	12	11
3.	11	15	14	12
4.	35	32	37	35
5.	8	8	10	9
6.	5	6	4	7
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Q2b

1.	56	61	56	57
2.	16	15	22	20
3.	47	42	40	42
4.	25	21	24	28
5.	41	34	38	34
6.	44	41	44	38
7.	35	45	32	35
8.	65	63	68	68
9.	24	25	24	23
10.	15	14	17	18

Q3

1.	14-4	9-5	11-4	12-5
2.	10-5	20-3	10-5	15-4
3.	25-2	25-2	18-3	20-3
4.	29-1	26-1	42-1	32-1
7.	<u>22-3</u>	<u>20-1</u>	<u>19-2</u>	<u>21-2</u>
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Q4

1.	6-5	7-5	7-4	7-6
2.	32-1	34-1	38-1	35-1
3.	25-3	27-2	22-2	28-2
4.	8-4	13-4	7-4	9-4
5.	26-2	15-3	21-3	13-3
6.	<u>3-6</u>	<u>4-6</u>	<u>5-5</u>	<u>8-5</u>
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

	<u>Prot.</u> <u>Tech</u>	<u>White</u> <u>collar</u>	<u>Blue</u> <u>Collar</u>	<u>Net</u> <u>Cabin Fare</u>
	2	2	1	2
1.	57-1	67-1	58-1	67-1
2.	7	7	10	8
3.	16-3	11-3	19-2	11-3
4.	18-2	13-2	12-3	12-2
7.	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

	16	14	16	11
1.	22	31	22	25
2.	44	37	41	14
3.	18	18	21	20
7.	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Q6

11 A

	<u>3 years or less</u>	<u>4-10 years</u>	<u>over 10 years</u>
1.	23	23	26
2.	13	13	12
3.	15	12	12
4.	38	40	33
5.	6	7	11
6.	$\frac{5}{100}$	$\frac{5}{100}$	$\frac{6}{100}$

21 B

1.	56	53	59
2.	16	19	18
3.	47	44	42
4.	26	28	22
5.	44	40	35
6.	43	43	42
7.	38	33	39
8.	71	70	63
9.	18	23	27
10.	16	17	15

Q3.

1.	13	11	12
2.	11	12	16
3.	20-3	26-2	21-2
4.	34-1	28-1	33-1
7.	$\frac{22-2}{100}$	$\frac{23-3}{100}$	$\frac{18-3}{100}$

Q4.

1.	7-4	5-5	7-5
2.	30-1	34-1	36-1
3.	23-3	24-2	28-2
4.	7-4	10-4	10-4
5.	29-2	24-2	14-3
7.	$\frac{4-5}{100}$	$\frac{3-6}{100}$	$\frac{5-6}{100}$

25

	<u>3 years or less</u>	<u>4-10 years</u>	<u>Over 10 years</u>
1	3	2	2
2.	56-1	57-1	66-1
3.	10	8	8
4.	17-2	19-2	11-3
5.	<u>14-3</u>	<u>14-3</u>	<u>13-2</u>
	100	100	100

26

1.	15	17	13
2.	22	20	28
3.	46	13	40
7.	<u>17</u>	<u>20</u>	<u>19</u>
	100	100	100

11a

	Female	Male
1.	27	23
2.	12	13
3.	10	14
4.	39	34
5.	6	11
6	<u>6</u>	<u>5</u>
	100	100

1b

1.	55	58
2.	17	18
3.	51	39
4.	29	22
5.	35	40
6.	45	41
7.	32	40
8.	67	66
9.	22	26
10.	14	17

Q. 3

income tax 1.	12	12
Sales 2.	15	13
prop tax 3.	21	23
State tax 4.	32	31
Other 7.	<u>20</u>	<u>21</u>
	100	100

Q4

Revenues 1.	6	7
Net needs 2.	33	36
Resources 3.	27	25
Indust 4.	7	10
Natural 5.	26	18
enviro	<u>5</u>	<u>4</u>
Other 6.	100	100

86X

Q5

	<u>Female</u>	<u>Male</u>
1.	2	2
2.	62	62
3.	10	7
4.	13	15
	<u>13</u>	<u>14</u>
7.	100	100

Q6

1.	13	15
2.	24	25
3.	45	40
	<u>18</u>	<u>20</u>
7.	100	100

SC

Q1a

	<u>Workshop</u>	<u>And In</u>
Save	26	25
Common	13	12
Industry	11	13
Renew. Res.	34	36
Indiv.	8	9
Other	8	5
	<u>100</u>	<u>100</u>

Q1b (Apr 4)

Taxent	40	62
Cash	12	20
Rev. Sh.	45	43
Stat. Serv.	20	26
Save	49	35
Community Loan	44	42
Industry	30	39
Renew. Res.	68	46
Individuals	23	24
Other	23	14

Q2

1	Alcoholism	4.2 -6	4.6 -6
2	Child care	4.2 -5	4.3 -5
3	Education	2.6 -1	3.0 -2
4	Elderly	4.1 -4	4.1 -4
5	Employ.	3.3 -2	3.0 -2
6	Health	3.8 -3	3.8 -3
7	Housing	5.0 -8	4.8 -7
8	Other	4.9 -7	6.0 -8

~345

~1080

Q6

15	14	15	14	15
26	19	26	19	26
45	31	45	31	45
14	36	14	36	14
100	100	100	100	100

Q5

2	2	2	2	2
65	53	65	53	65
9	4	9	4	9
14	17	14	17	14
10	24	10	24	10
100	100	100	100	100

10 =

1476 1356

Q4

7.5	5.6	7.5	5.6	7.5
34-1	30-1	34-1	30-1	34-1
26-2	26-2	26-2	26-2	26-2
10-4	9-4	10-4	9-4	10-4
18-3	21-3	18-3	21-3	18-3
3-6	9-5	3-6	9-5	3-6
100	100	100	100	100

Q3

12-5	12-4	12-5	12-4	12-5
14-3	12-4	14-3	12-4	14-3
22-2	23-2	22-2	23-2	22-2
35-1	21-3	35-1	21-3	35-1
17-4	32-1	17-4	32-1	17-4
100	100	100	100	100

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA GROWTH POLICY COUNCIL
ALASKA PUBLIC FORUM

JAY S. HAMMOND, Governor

Phone 276-5262
Loussac-Sogn Building
429 D Street, Suite 310
Anchorage, Alaska 99501

NEWS RELEASE

FOR IMMEDIATE RELEASE
April 7, 1977

Alaska Public Forum Presentation

The findings from the first half year of the Alaska Public Forum were presented to Governor Jay Hammond and legislators by the Alaska Growth Policy Council today at the Court House building in Juneau.

The eleven member Growth Policy Council, chaired by Lt. Governor Lowell Thomas, Jr. has spent the last five months talking to the people of the state about major state issues which now face the administration and the legislature. The findings from the first three and a half months were presented in the Mid-Year Report to decision-makers.

Council member Harold Pomeroy briefed the state leaders on the general impressions of the program and the thinking of over 2,200 people in 49 communities. Statements on each of the three regions and the summation of the findings in each were presented by Council members Frank Homan for Southeast, Leonard Lane for the North and Lidia Sellkregg for Southcentral.

Some of the major themes coming out of the Forum include to:

- Use the new oil and gas revenues to promote sound and lasting renewable resource industries and
- Provide assistance to communities whether through loans to communities or community revenue sharing and grants.
- Provide aid to all human resource areas with the emphasis on education, alcoholism, employment and health.

-more-

- Manage Alaska's land to provide for people's needs (specifically homesites) and to promote renewable resource industries.
- Lease Alaska's oil and gas lands at a moderate pace to assure a steady flow of income over a long period of time.
- Provide for in-state residential use of Alaska's royalty oil and gas.
- Recognize the local concerns of Alaskans in the areas of transportation, alternative energy sources, communications, and growing government inefficiency.

The full report from the Alaska Public Forum may be obtained from that office at 429 D Street, Anchorage, 99501.

For further information please contact Diane Burgin, Alaska Public Forum, 276-5262.



Mid-Year Report

March 1977

The Alaska Public Forum

A program of the Alaska Growth Policy Council

The people who make the Forum work

It's the people, pure and simple. It's the people who give up an evening or even a weekend to find out what the Alaska Public Forum really is, only to discover that they are the Forum.

We don't know how or why it evolves as it does. But we who are closely connected with the Public Forum have had any previous skepticism stripped away by the people who have come to work with us. They come hesitantly, cynically, reluctantly, expectantly, curiously, and sometimes late. They come to listen, to complain, to learn and to lobby.

Some come because the governor has offered to bring them to a regional center to talk to him and local legislators. Others come because they have a cause, something they want to get off their minds, in person, not through a letter.

A few people come timidly because they have rarely been out of their communities before and they don't know what they're going to say. But after all, the governor asked them, so they should go. Some people have a great deal of experience at the supermarket, gas station, and at local school meetings but have no experience with government and no idea what such things as "royalty oil and gas" mean. However, what better time to find out and maybe meet the governor and their legislators.

Whatever motivates them, and most generally from evaluation comments it appears to be curiosity, people do come to the Public Forum bringing their interests, experiences and perspectives. But even more exciting, they stay. Not for an hour or two, but for the whole day. And they come back on Sunday. They talk. First, hesitantly, but then more readily, anxious that the group understand exactly what the issues mean to their own community, or their family, or their schools. They talk with each other; they participate.

It is a remarkable experience to sit at a table and watch a fisherman, a teacher, a student, a welfare worker, a self-employed businessman, a subsistence hunter, a legislator, a bookkeeper, and a Teamster trucker exchange ideas about the future of Alaska.

And what is most important about the Alaska Public Forum is that before these people leave the table, they generally have reached a consensus about almost every issue. They might vote one way as individuals answering each question, but placed in a group where they must consider other interests and trade-offs, participants become policy-makers. Their considerations become broad; their basis for selecting answers for less personal and far more sensitive to the general good.

It is these people then, through their hard work, their commitment to the future of Alaska, their determination to give the democratic process another try, and their belief that someone is listening that has made the Alaska Public Forum's first half-year a very important experience. And, it is the people's sincerity and energy that will help us keep their opinions before decision-makers.

We begin with this report.

The Alaska Growth Policy Council
March 1977

Thank you

To the People of Alaska who have given the State their time, energy and enthusiasm through the Alaska Public Forum, reconfirming their belief in the democratic process and the future of Alaska.

And to State leaders who can respond with sensitivity to the People of Alaska through their leadership and policy decisions.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

ALASKA GROWTH POLICY COUNCIL
ALASKA PUBLIC FORUM

JAY S. HAMMOND, Governor

Phone 276-5262
Loussac-Sogn Building
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Anchorage, Alaska 99501

Alaska Public Forum friends,

What you will find on the following pages is a compilation of the suggestions for the first half year of the Alaska Public Forum program. It is the opinions and words of over 1,500 people who have attended community meetings and regional workshops representing a total of 49 communities throughout three regions — Southeast, North, and Southcentral. It is the work of three and a half months, eleven Growth Policy Council members, a fulltime staff of six, and numbers of volunteers.

When we ask people to participate in the Alaska Public Forum, we ask them what they think about some major state issues identified by the Governor, legislators, state officials, the Growth Policy Council, and people throughout Alaska. These issues have then been framed in six questions and together with a seventh "you tell us" question make up the agenda for the Alaska Public Forum.

The summary of suggestions on the questions is written from two sets of information 1) the results of the Public Forum meetings based on notes and recordings; and 2) the tabulated responses of the Alaska Public Forum questionnaires which people fill out and return after attending a meeting or retrieving the questionnaire from a newspaper insert.

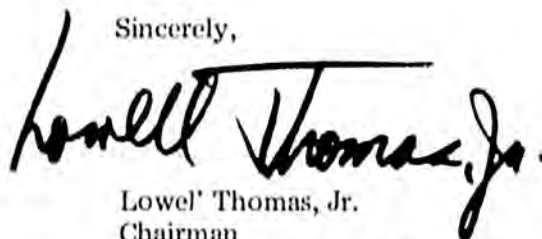
These two forms of information have the potential to provide very different responses to the questions. One of the exciting features of the Public Forum meeting is that people have the opportunity to sit together and reach a consensus on different subjects. This option is not available to the participant who fills out his form alone at home.

A second and important consideration is that a major effort has been in every regional meeting to have representatives from throughout the area attend and present their local viewpoints. The method has been to select participants at random from voter registration lists and bring to the regional meetings those that accept the invitation. From some of the comments we receive — "I've never sat down at the same table with so many different types of people before" — it appears that there is generally a good cross-section of people. This seems to be a major achievement of the Alaska Public Forum so far. Yet it also indicates that many of these participants have never been involved in anything like the Forum before. Within a short time, workshop participants receive background on the questions from the newspaper publication, the small group moderators, state resource people and often, each other. This information, with the exception of the newspaper, is not available to the participant filling out the form at home.

The base of information from which the answers spring must be considered and varying interpretations on subjects such as tax cuts, or land for public needs for example, must all go into any analysis of the findings.

Most important, what you will find are a series of comments, a grouping of statistics, an indication of what we've heard, but there is always so much more — so many innovative ideas, imaginative suggestions, sensible solutions. We've tried to weave those in but it is impossible to cover them all. And so on that note of caution, we present the first half-year of the Alaska Public Forum.

Sincerely,



Lowell Thomas, Jr.
Chairman
Alaska Growth Policy Council

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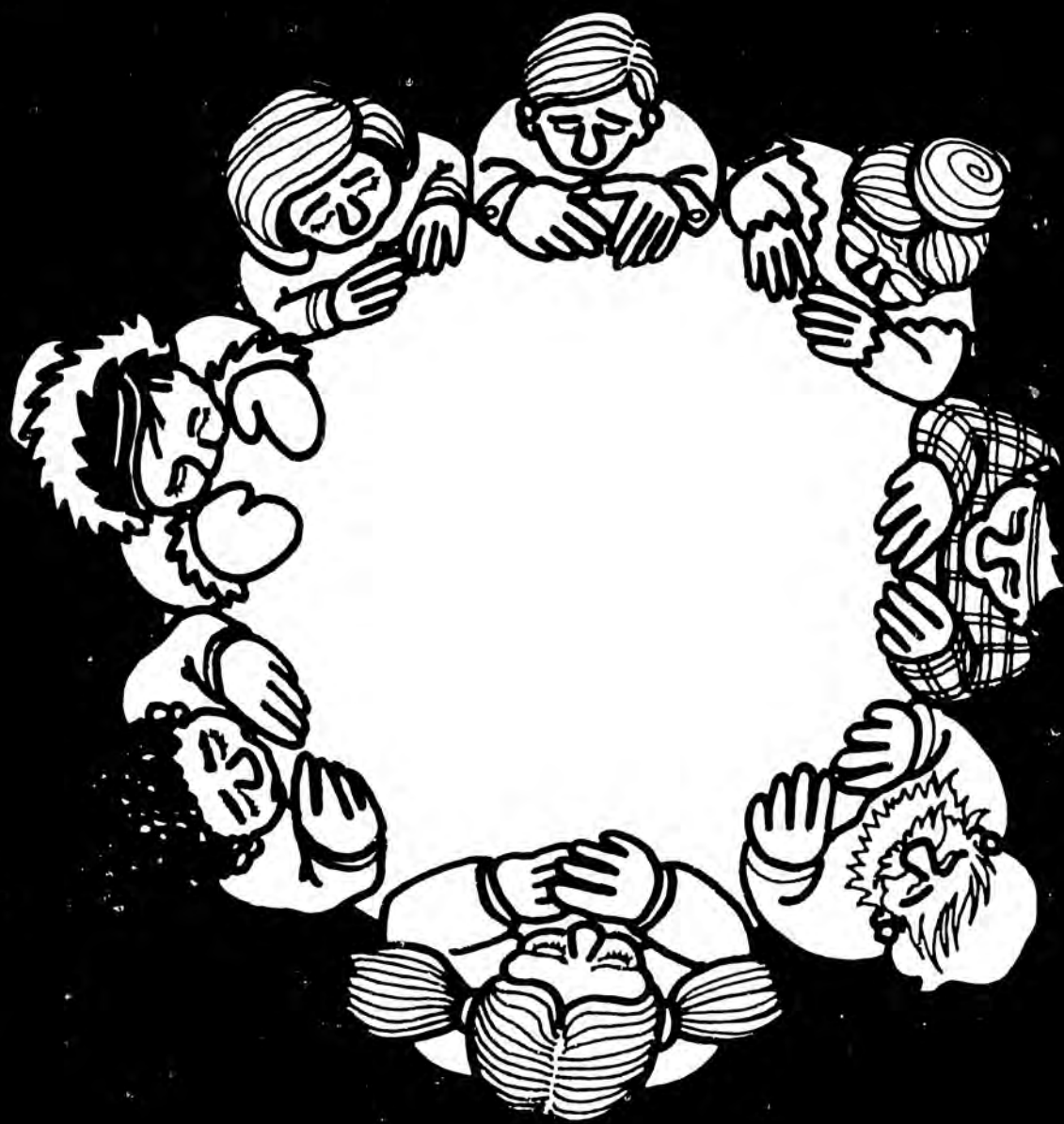
The Alaska Public Forum

A program of the Alaska Growth Policy Council

The Alaska Public Forum is the people of Alaska discussing major state issues and making recommendations on them to the Governor, legislators, and other state leaders. It is the leaders of the state listening to these suggestions and incorporating them into the decisions that will shape the future of Alaska.

The Public Forum is a program of the Alaska Growth Policy Council, and eleven-member board created by Governor Hammond to provide him with a broad range of citizen recommendations on major state issues. Through the Alaska Public Forum, the Council is taking six issues of immediate state concern to the people of Alaska and listening to a seventh issue area chosen by the people, the latter providing a regional perspective. The public makes recommendations on these seven issues through regional workshops, local community meetings, and mail-in questionnaires. Their comments are turned over to decision-makers — the Governor, legislators and state officials for action.

The overall goal of the Alaska Public Forum is to open the communications network between Alaskans and their state leaders by broadening people's participation in developing major state policy, particularly in areas that have the most serious implications for the future of all Alaskans.



Background

Determining the issues

The early months of the Public Forum were spent selecting the six major issues. The Growth Policy Council, made recommendations on a list of concerns and passed them on to the legislature and state agencies for comment.

The product of this was taken to the public, inviting suggestions through letters and a statewide meeting held in Anchorage on October 20, 1976. The Growth Policy Council then made its final recommendations to Governor Hammond based on all the above involvement.

Informing the public

Once the issues were chosen, background on them was written up in the Alaska Public Forum newspaper. The first edition was completed in time to serve as the agenda for the first regional workshop held in Ketchikan on November 13 and 14.

It should be noted that the first edition of the newspaper was tested in both the Southeast and Northern regions of the state. Problems were noted and corrected for a reprinted version used in the Southcentral and subsequent regions.

The newspaper is an educational package as well as the agenda for the Forum process. It poses a question, suggests possible options and provides background information on each issue. It defines terms such as "renewable resources" and "royalty oil and gas" and discusses previous state policy like the use of oil and gas revenues so that Public Forum participants have a framework in which to view the state's present situation.

The Alaska Public Forum newspaper is the key tool in the program so it must be distributed widely in order to get maximum participation. The principle method is to place it in local newspapers.

Then there are the meetings.

The Public Forum is the people who participate, but the outreach to spark the enthusiasm of a community is a long process. Like it or not, Alaskans are "workshopped to death." These days, reaction to a meeting is rarely more than a ho-hum. But anyone who has had anything to do with the Alaska Public Forum will support the Anchorage workshop theme — Not Just Another Boring Meeting.

The effort to explain this generally begins several months before the workshop. It begins with the enthusiasm for the Alaska Public Forum. The rest, then, becomes easier. It can include as many as two or three preworkshop trips by staff and sometimes Growth Policy Council members. It involves time aside to

appear on radio and television talk shows; creating and taping public service announcements, news stories and newspaper advertisements, endless appearances at luncheons and dinners for the Lions, the Rotary, the Chamber of Commerce; it involves presentations to

Come to the Forum*



[Not just another boring meeting]

*** The Alaska Public Forum**

Alaskans deciding Alaska Issues

Coming to Anchorage the weekend of January 15th & 16th

city councils, village councils, Native corporations — profit and nonprofit; discussions with business, school, and government officials requesting their help to notify their employees; it includes mass distribution of the Public Forum newspaper through local mailboxes, and community papers; and hours of time around town leaving newspapers on store counters and hanging posters telling people when and where; it means time aside to talk to senior citizens' lunch groups, church meetings, social service gatherings, and of course visits to Bingo games. And it means, after all this, to find out that three days earlier the school scheduled a makeup basketball game the same time as the Public Forum meeting. But the day of the workshop arrives and the people come. And once they are there, they usually become supporters.

All this activity occurs for both types of Alaska Public Forum meetings — the regional and the community meeting. However, for a regional workshop there is one added step — inviting the "randomly

selected participants." It starts by pouring over voter registration lists, mathematically counting and selecting the names of people from every area of a region. These people are then sent a letter from the Lt. Governor asking them to participate in the Public Forum as the guests of the Alaska Growth Policy Council. Other letters of invitation are sent to community leaders throughout a region but only those randomly chosen have their expenses paid by the Public Forum. In this way, people who don't usually attend meetings are invited and encouraged to participate. And after the newness of the first few hours, they generally make use of the opportunity and jump right in.

Regional Workshops

There are seven regional workshops scheduled for the Alaska Public Forum. The first three regional meetings have been held:

<u>Southeast:</u>	<u>North:</u>	<u>Southcentral:</u>
Ketchikan	Kotzebue	Anchorage
November 13, 14	December 4, 5	January 15, 16

The regional workshops are two-day meetings. On the first day, participants break into small workshop groups to discuss the six issues and a seventh which all the participants have voted their most important concern. The second day, group spokespersons report the recommendations of their small groups to a general session. At that time, people can discuss majority and minority views on each issue.

There are resource people on hand at each regional workshop and at some community meetings to provide background on the technical issues. These resource people are usually state persons familiar with all aspects of a given area, i.e., oil and gas, lands, health and social services, etc.

Community Meetings

The second type of meeting, the community meeting, is usually held in several locations throughout each region. Generally, it takes place in the evening and is three to four hours in length. This means that the amount of discussion on each issue is less detailed than in a regional meeting. It also means that an abbreviated format is used. If the participants break into small workshop groups, they only have time to discuss two or three issues and then report those back to a general session later in the evening. In some community meetings, participants only meet as one large group and discuss the options to each question in a general session.

Barrow provided an exception to both the local evening meetings and the regional workshop format. In

this study, the North Slope is treated as a part of the Northern region but participants from the North Slope did not attend the Kotzebue regional workshop because of the travel expense. Instead, a special one-day meeting was held in Barrow, January 29, with representatives from six North Slope villages among the participants.

The Governor, Legislators and Growth Policy Council

The Governor has been a regular participant in the regional Public Forum meetings, as have local legislators. In Southeast, the Governor spent the second day of the weekend listening to recommendations of workshop participants. In the North, he spoke with participants on the first day of the workshop and along with legislators attended the small group discussions to watch the recommendation process evolve.

Finally, in Southcentral, on the first day, he visited small group discussions at five meetings around Anchorage. On the second day, he, along with many local legislators, listened to and discussed the results of these small meetings at a general session at the Captain Cook Hotel.

Throughout all the meetings, members of the Growth Policy Council have moderated and recorded the proceedings in order to document the recommendations and various ideas of participants. These, along with questionnaire tabulation will be formally presented by them to the legislature and the Governor through this midyear report and a year-end summary.

The Questionnaire

The third method of participating in the Alaska Public Forum is by filling out and mailing in the questionnaire on the back page of the Public Forum newspaper. This has been used by a wide range of people above and beyond workshop participants. The results of these suggestions have been tabulated and documented in this report, but because the questionnaires continue to arrive every day the information is current but not final.

Funding

The Alaska Public Forum operates on a budget of \$290,000 appropriated by the state legislature and supplemental funding of \$60,000 from the State Department of Commerce and Economic Development; \$40,000 from the State Coastal Zone Management Program and \$25,000 from the Alaska Humanities Forum.

Recommendations

People who have participated in the Alaska Public Forum have given their time, energy and enthusiasm to the process. They spend long hours analyzing every Public Forum issue. They look at the positive and the negative side, what it means to their culture, their family, their schools, their communities, their employment. They discuss the trade-offs implicit in each decision and then they vote for what they think state leaders ought to do.

Common comments on the Forum range from "Why couldn't it have been longer?" to "We'll see if anyone is really listening." But, almost everyone seems anxious that the process continue. For this reason, follow-up is very important.

Follow-up in this case means respecting the energy and the expectations of the people who have participated in the Forum. And follow-up carries with it a responsibility for two groups of people: 1) The Alaska Growth Policy Council, who, first, will see that the suggestions of participants reach the state's decision-makers; and second, keep in touch with participants so that the Forum is in fact a continuing process; and 2) State leaders who will make every effort to act on these recommendations in a serious, thoughtful manner.

The Public Forum recommendations come in two forms which make the findings unique.

First, out of the regional workshops and community meetings with more than 1,500 people, come recommendations often in the form of group consensus. These are valuable because they are the result of discussing trade-offs and often provide a balance of community and state, personal and group needs. The suggestions are generally a group's assessment of the

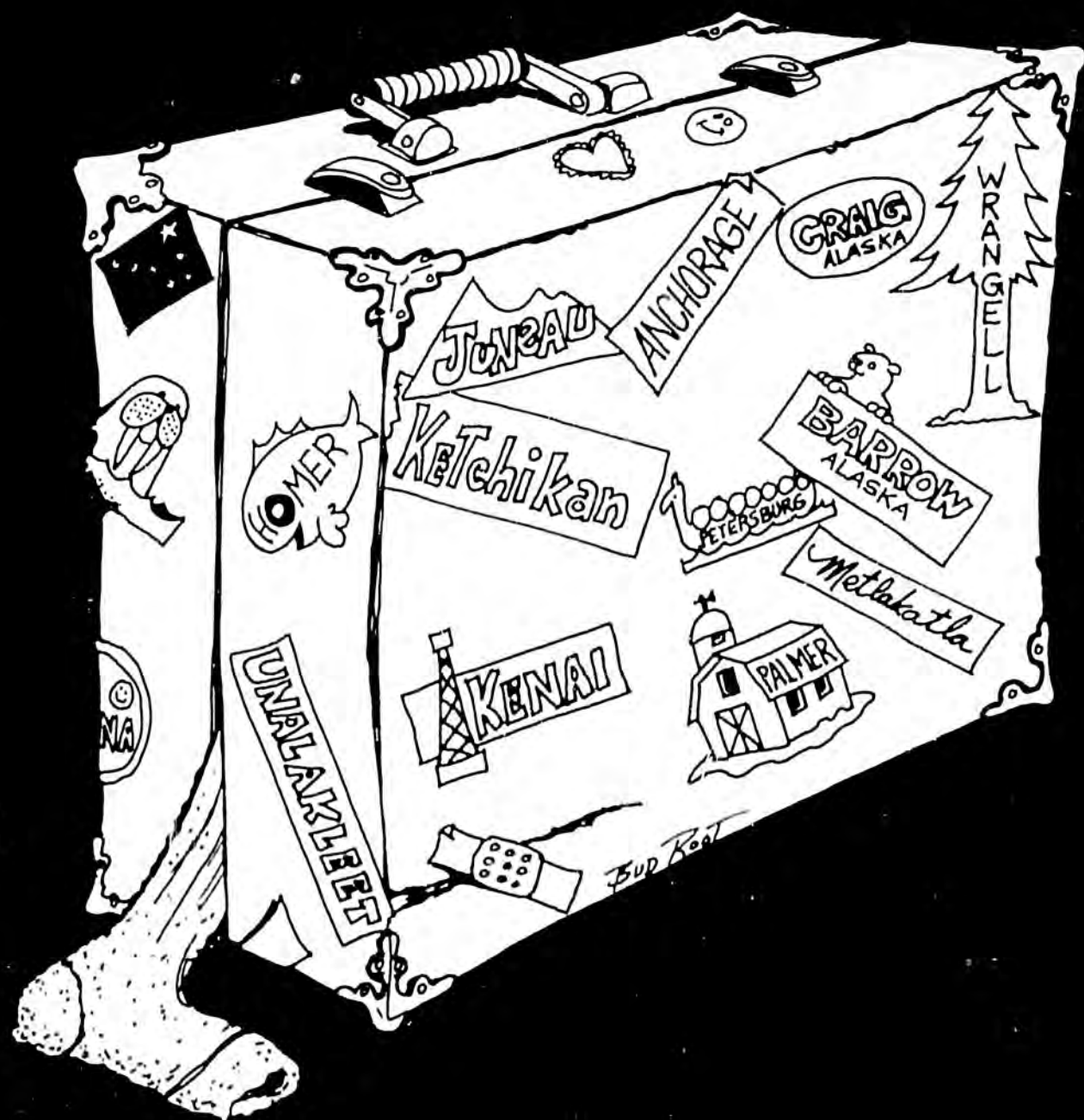
"best way to go." As one participant explained in a Letter to the Editor in the Anchorage Times:

"For those attending (a Public Forum regional meeting), it was a small taste of what our men in Juneau go through when they have so many things to learn at once and so little time in which to come up with the right answers."

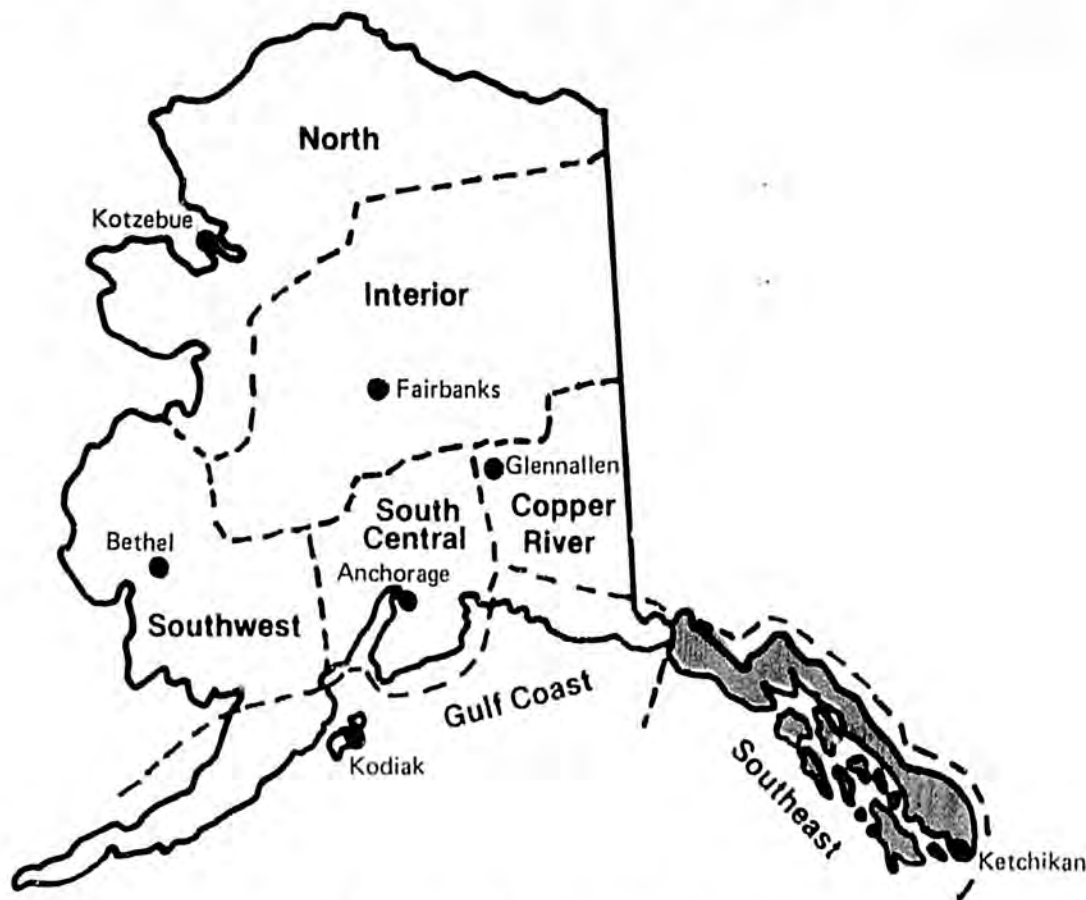
Second, the Public Forum asks both workshop participants and those unable to attend a meeting to respond to the same seven questions by filling out and returning the questionnaire at the end of the Alaska Public Forum newspaper. Over 2,200 people have participated in the Forum through the questionnaire. In Southcentral, 1,100 of the 1,633 questionnaires received were mail-ins. However, 475 questionnaires in Southeast, and 134 in the North were submitted but most of those were handed in by meeting participants.

These written suggestions have been tabulated and discussed throughout the report. The answers cut across demographic categories and indicate that Public Forum participants although not a true proportional cross-section of each region (see regional profile sections) respond similarly to the various recommendations. Where there are differences in groups, these have been noted in the text.

This report will look at both sets of responses — individual and group. It will also quote directly from the people. It is hoped that through these different methods of hearing the public, you will come away understanding both the common thread of people's hopes for the future of Alaska and at the same time their extraordinary individuality.



Southeast Regional Profile¹



The major concerns of Southeast participants in all the meetings were renewable resources, community services, land selections and transportation. A look at the region may help explain some of the comments that appear in response to the seven questions.

Southeastern Alaska has throughout its history under American rule been a center of government and trading. It is an area rich in wood, fish and minerals, all of which have kept the area bustling and kept it the focus of most outsiders' attention.

The Southeast population in the 1970 census count was 39,472 which is approximately 13% of the total state population. More than three-fourths of the people live in the five towns of Juneau, Ketchikan, Sitka, Petersburg and Wrangell. Most of the total Southeast population (71%) is white which is a slightly lower proportion of white to nonwhite than in the rest of the state where the figure is closer to 79%. The nonwhite population is made up almost entirely of Tlingit, Haidas and Tsimshian Indians with a small number of Blacks and Chinese.

The economy of Southeast has depended largely on its natural resource wealth — fish, timber and minerals which are far from depleted and may continue to provide a stable economic base in the years ahead.

Government is the largest employer in the region. However, with the plans to move the state capital and most of the federal and state services with it, a disruption will be created. In Juneau, a 1976 survey showed that government employment included 3,319

state employees, 1,158 federal employees, 719 local government employees or nearly 58% of the Juneau work force.²

Today, timber is the main economic support in the Southeast region and the third largest in the state. Fishing which has always been an economic contributor to the area, today ranks closely behind the timber industry. Tourism and recreation are third among Southeast industries and growing rapidly.

Close to 95% of the land in the Southeast region is under federal control, 73% of that is in the Tongass National Forest. Although portions of this may be selected by the state for its use or it may be made available to boroughs and cities throughout the region, not much of this has been done to date. Therefore, little land exists that may be used for homes and recreational purposes in this part of the state, which is a problem for many Southeasterners.

For the most part, people have located along waterways in small isolated communities connected to the outside world through Alaska Marine Highway system and charter plane service. There is commercial air service as well through the five larger towns, although it is often said to be inadequate by the people who depend upon it. There are few roads in Southeast.

1. Source: *Alaska Regional Profiles, Southeast Region Vol. IV*, Lidia Selkregg, University of Alaska, Arctic Environmental Information and Data Center.

2. *State and Federal Government Employment in Juneau, City and Borough of Juneau, 1976*.

Alaska Public Forum Participants:

Southeast

	1970 Census Information on Population Distribution ¹ . Southeast	Alaska Public Forum Participants Population Distribution ² . Southeast
<u>Age:</u>		
Under 25	23%	14%
25-34	24%	26%
35-44	19%	20%
45-54	16%	20%
55 and over	18%	20%
<u>Sex:</u>		
Female	47%	33%
Male	53%	67%
<u>Occupation:</u> (Civilian Population) ³ .		
Professional-Technical	27%	29%
White Collar	20%	24%
Blue Collar	12%	26%
Not in the Civilian Labor Force	41%	21%
<u>Length of Residency in Alaska:</u>		
3 years or less	—	18%
4-10 years	—	23%
over 10 years	—	59%

1. Source: U. S. Department of Commerce, Bureau of the Census, 1970, General Population of Characteristics, Alaska.

2. Alaska Public Forum Newspaper demographic information from 475 Southeast questionnaires.

3. Occupational Categories:

Professional-Technical includes:

Accountants, Engineers, Lawyers, Librarians, Doctors, Nurses, Clergymen, Social and Recreational workers, Teachers, Pilots, Technicians, Counselors, Writers, Researchers, etc.

White Collar includes:

School Administrators, Postmasters, Hotel managers, Sales personnel, Insurance agents, Real estate agents, Bank tellers, Cashiers, Bookkeepers, File clerks, Insurance adjusters, Mail Carriers, Payroll clerks, Receptionists, Secretaries, Teacher aides, Telephone operators, etc.

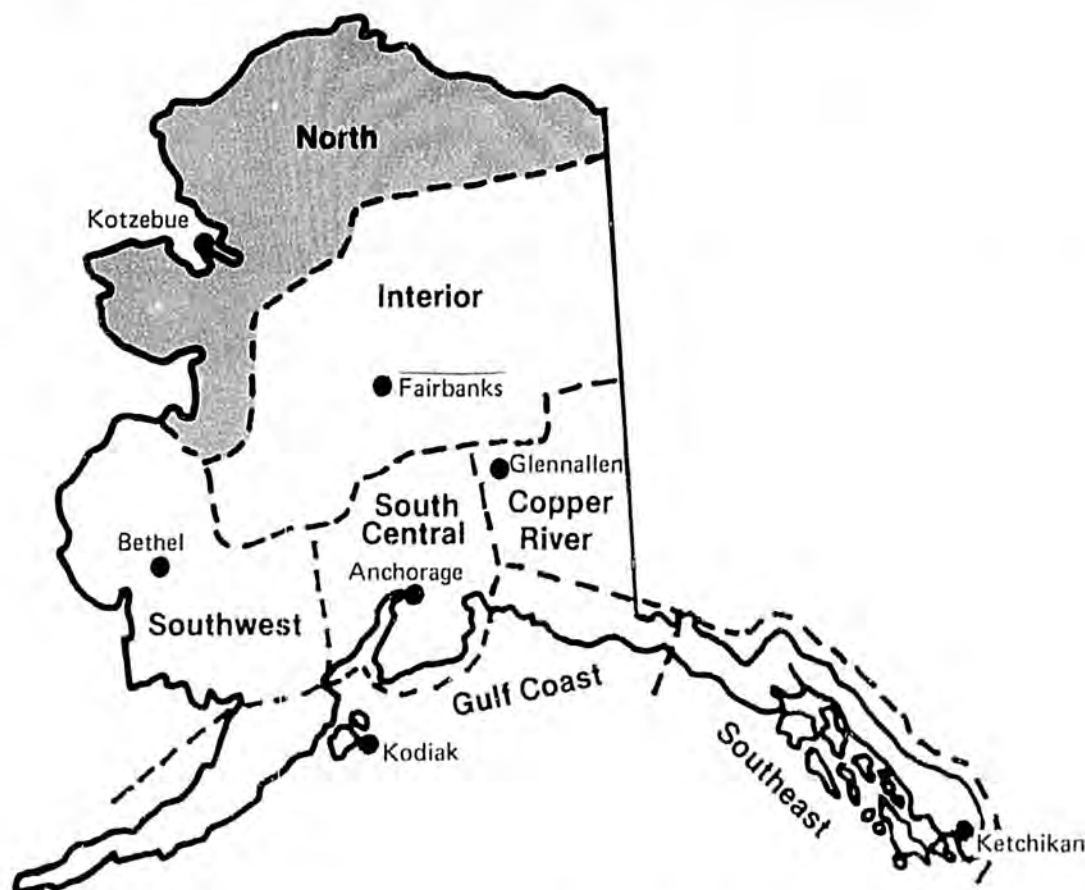
Blue Collar includes:

Carpenters, Dental technicians, Electricians, Road machine operators, Mechanics, Repairmen, Plasterers, Plumbers, Roofers, Tailors, Dressmakers, Gas station attendants, Graders, Welders, Bus drivers, Taxicab drivers, Construction workers, Fishermen, Lumbermen, Teamsters, Warehousemen, Farmers, Bartenders, Hotel maids, Cooks, Dishwashers, Dental assistants, Health aides, Airline stewardesses, Barbers, Child care workers, Firemen, Policemen, etc.

Not in the Civilian Labor Force includes:

Military, Housewives, Unemployed, Retired, Subsistence hunters, or persons for any other reason not in the labor force.

North Regional Profile



First, it should be noted that findings in the North tended to be regional in perspective. The geographic boundaries of the area the Public Forum called the North, included three distinct Native regions — Bering Straits, NANA, and the Arctic Slope. Despite the fact that the entire area is made up principally of Inupiat Eskimo people (with a generous sprinkling of whites), the thinking from one area to another was often very different.

Nome participants, to a large extent, were representative of that town's white community. Participants from this meeting made up one-third of the questionnaire sample and the statistics on them indicate that they were generally between the ages of 35-44, male and most often in the professional-technical occupation category. Although 46% of the Nome people were residents of Alaska for over 10 years, this figure is far less than the 76% in the rest of the North.

Generally, the themes coming out of the North correspond closely with those in Southeast. People expressed concern over their communities, renewable resources and the land. In the North, these three areas are closely intertwined. For example, it is often difficult to determine where concern for renewable resources as an economic factor ends and renewable resources as a subsistence need begins.

The North region of today is the product of both its traditional culture and the sometimes painful "opening up" experiences it has gone through. First with the

arrival of the whalers, then the miners, and eventually government activities whether through management of Federal Reserves like Pet 4 and the Naval Arctic Research Laboratory on the Arctic Slope or through government services throughout the region. Now the area finds itself in the middle of yet another "opening up" experience with oil and gas exploration.

The initial and most severe disruption was from the whalers. While the Eskimos exchanged gifts of baleen, caribou meat and furs with the whalers, they received in return, rifles, ammunition, liquor, flour, black tobacco, molasses and lead — not to mention, measles, smallpox, whooping cough and influenza. While disease caused the death rate to soar, at the same time there was a serious depletion of caribou herds either due to the use of firearms or the cyclical change in caribou population. Both of these factors saw populations decrease radically. For example, Barrow declined from 1,000 persons in 1828 to 309 people in 1863.

Today, the 1970 census figures show the North region with a population of 13,334 or slightly larger than 4% of the state's population. Alaska Natives make up 85% of the 1970 figure for the region. There is a much higher percentage of young to middle-aged people than old.

The economy is based on subsistence life styles but there is an involvement with a cash economy, particularly among the white population. Nonetheless, low income and high unemployment characterize the re-

gion's position. Most of the employment that exists is seasonal and includes commercial fishing, herding, limited tourism and arts and crafts. Government, pipeline and mining jobs throughout the North provide some alternatives to seasonal employment.

Although government is a major employer, it is perhaps even more so, in the North Slope area of the state which is now under borough status and has an active administrative office in Barrow, managing the services throughout its far-flung region. The rest of the North for the most part, is unincorporated and a part of the unorganized borough and looks to the state legislature to meet its local government needs.

Land in the North is largely under federal jurisdiction with large sections of it tied up in the Pet 4 and Arctic Wildlife reserves. Other sections will be released to local Natives through the Land Claims Settlement Act. All the land in this region has been and continues to be used primarily for subsistence with the exception

of natural resource exploration and development.

People generally have chosen to live in isolated, small communities along coastal and river sites favorable for subsistence activities. Only Nome owes its development to mining rather than subsistence pursuits. In more recent years however, people are beginning to move into the larger service areas of Nome, Kotzebue and Barrow, to gain access to better services and more employment opportunities. Poor transportation and communications have in the past and continue today, to hamper the delivery of services throughout the region.

**Source: Alaska Regional Profiles, Northwest Region Vol. V, and Arctic Region Vol. II, Lidia Selkregg, University of Alaska, Arctic Environmental Information and Data Center.*

Alaska Public Forum Participants: North

	1970 Census Information on Population Distribution ¹ North	Alaska Public Forum Participants Population Distribution ² North
<u>Age:</u>		
under 25	34%	17%
25-34	22%	36%
35-44	16%	29%
45-54	12%	10%
55 and over	16%	8%
<u>Sex:</u>		
Female	45%	42%
Male	55%	58%
<u>Occupation:</u> (Civilian Population) ³		
Professional-Technical	7%	38%
White Collar	9%	24%
Blue Collar	19%	23%
Not in the Civilian Labor Force	65%	15%
<u>Length of Residency in Alaska:</u>		
3 years or less	—	14%
4-10 years	—	20%
over 10 years	—	66%

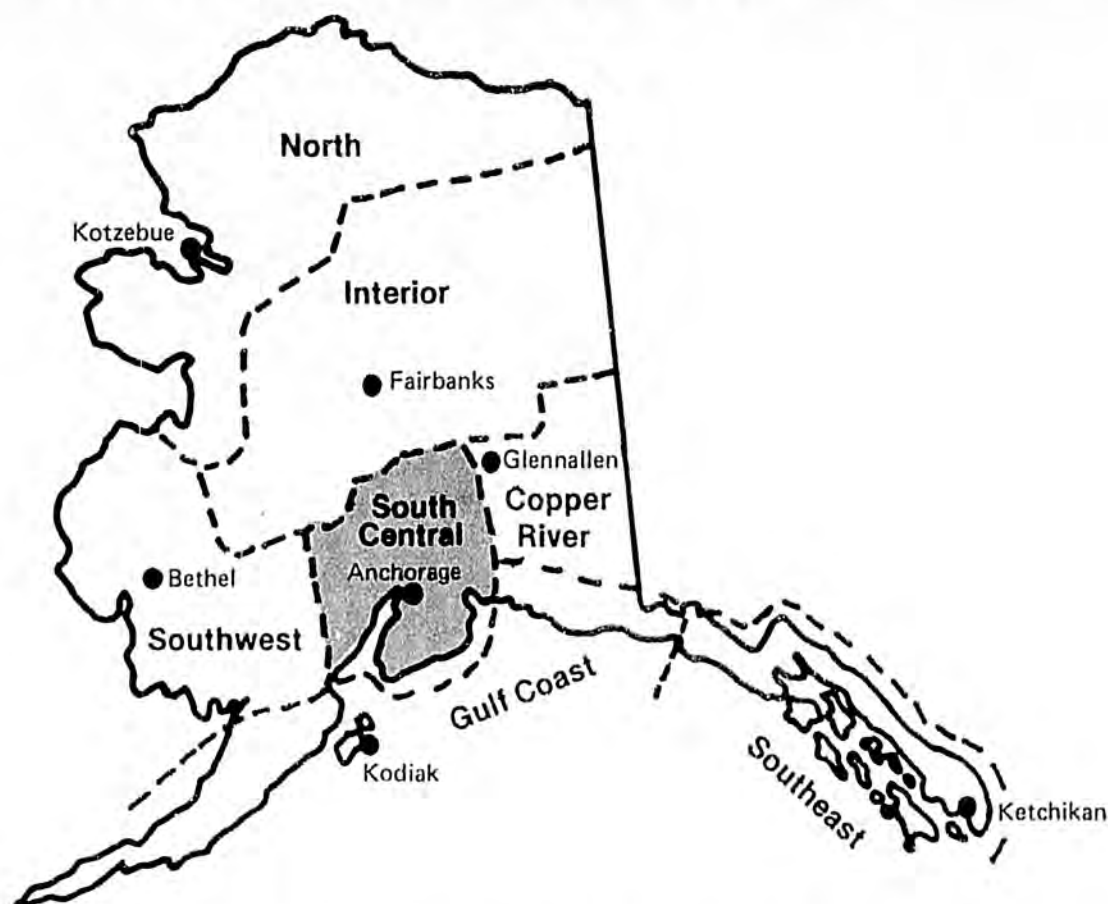
1. Source: U. S. Department of Commerce, Bureau of the Census, 1970, General Population of Characteristics, Alaska.

2. Alaska Public Forum Newspaper demographic information

from 134 North questionnaires.

3. Occupational Categories: See Southeast Section.

Southcentral Regional Profile*



The Southcentral region has the largest population in the state. However, most of those people are located in Anchorage, the state's only metropolitan area. Anchorage is more recently developed than other urban areas in Alaska, it feels the influence of the lower 48 more sharply and its population is often made up of large numbers of professional, but temporary, residents. Outside of Anchorage, the population more closely resembles other parts of Alaska. A look at the region might help put some of the Public Forum responses in perspective.

Southcentral's development is the product of a more recent history than that experienced throughout the rest of the state, and this often sets it apart from other areas of Alaska. Waves of people migrated into the region at different periods beginning with railroad construction workers at the turn of the century. Population growth continued with the arrival of the Matanuska Valley colonists in the mid-thirties, through the influx of military personnel during World War II, then into the present-day growth from oil activities in the Kenai and Prudhoe Bay fields.

In the 1970 census, Southcentral region consisted of 145,301 people, or close to 48% of the state's population. Today, it contains over half of the people in the state. Close to 90% of the 1970 population is white, much higher than the state average of 79%. Much of the nonwhite population of the region is Alaska Native — both those who have migrated to Anchorage from

around the state and the original local inhabitants, the Athapaskan Indians and Chugach Eskimo. There is a significant proportion of Blacks, Filipinos and Orientals, as well. In Southcentral a large percentage of the population is young to middle aged.

The economic base of the region has shifted as the area has grown. At first, the economy was supported by fishing and mining, with some trapping and hunting. Many people maintained a subsistence existence. During World War II, military and federal government activities became the economic base for the region until more recently when Anchorage has become the center for operations of the state's private sector. The petroleum industry is also a dominant economic force.

Southcentral can boast the highest level of employment and the largest share of Alaska's total personal income. Fisheries are the oldest industry of major importance in the region but its activity has become modified by economic and biological factors. The petroleum industry, which includes secondary businesses as well as oil company activities, has recently taken the lead as the region's largest private industry. The federal government, both military and civilian, has decreased its impact on the economy slowly since World War II and its role as employer is now shared with the state and local governments. The entire region is made up of two boroughs — Kenai Peninsula, Matanuska-Susitna and the Municipality of Anchorage. Government, then, is the largest employer in South-

central followed by trade for goods and services.

Land in Southcentral has been developed in a relatively small amount. Less than 3% is privately owned and not all that is developed. Uses of the land may range from metropolitan to subsistence in close proximity.

Half the population of the state resides in and around Anchorage. To the south, Kenai Peninsula is a secondary population and commercial area within the region. The city of Kenai maintains a strong industrial base with Homer, Soldotna and Seward serving as important population centers. To the north of Anchor-

age, the Matanuska and Susitna Valleys are the agricultural bases for the region and offer extensive summer and winter recreational activities.

The Southcentral region is tied together by a complete highway system radiating out of Anchorage. The region is also an air center providing a connecting link to all parts of the state, the lower 48 and the world.

**Source: Alaska Regional Profiles, Southcentral Region Vol. 1, Lidia Selkregg, University of Alaska, Arctic Environmental Information and Data Center.*

Alaska Public Forum Participants: Southcentral

	<u>1970 Census Information on Population Distribution¹</u> Southcentral	<u>Alaska Public Forum Participants Population Distribution²</u> Southcentral
<u>Age:</u>		
Under 25	30%	10%
25-34	26%	29%
35-44	21%	21%
45-54	14%	22%
55 and over	9%	18%
<u>Sex:</u>		
Female	45%	36%
Male	55%	64%
<u>Occupation:</u> (Civilian Population) ³		
Professional-Technical	10%	35%
White Collar	20%	23%
Blue Collar	21%	20%
Not in the Civilian Labor Force	49%	22%
<u>Length of Residency in Alaska:</u>		
3 years or less	—	18%
4-10 years	—	29%
over 10 years	—	53%

SOURCE:

1. U. S. Department of Commerce, Bureau of the Census, 1970, General Population of Characteristics, Alaska.

2. Alaska Public Forum Newspaper, demographic information

from 1,633 Southcentral questionnaires

3. Occupational Categories: See Southeast Section.

Alaska Public Forum Meetings:

Southeast

LOCATION	DATE AND TIME	NUMBER OF PARTICIPANTS	COMMUNITIES REPRESENTED	ELECTED OFFICIALS	RESOURCE PEOPLE	GROWTH POLICY COUNCIL REPRESENTATIVES
KETCHIKAN Regional Workshop	Nov. 13-14, 1976 all day—both days	100	18 S.E. communities 21 random selection participants	Gov. Jay Hammond Rep. Terry Gardiner	Department of Health and Social Services Coastal Zone Management	Lowell Thomas, Jr. Frank Homan Leonard Lane Harold Pomeroy
WRANGELL	Nov. 16, 1976 evening	40	1	None	None	Harold Pomeroy
PETERSBURG	Nov. 17, 1976 evening	40	1	Rep. Ernie Haugen	None	Harold Pomeroy
JUNEAU	Nov. 18, 1976 evening	71	1	Gov. Jay Hammond Rep. Jim Duncan	None	Frank Homan Harold Pomeroy
SITKA	Nov. 22, 1976	64	1	Sen. Pete Meland	None	Frank Homan
SKAGWAY	Nov. 23, 1976	6	1	None	None	None
HAINES	Nov. 30, 1976 evening	20	(Klukwan) 2	None	None	Lowell Thomas, Jr.
CRAIG	Dec. 6, 1976	11	1	None	None	None
KLAWOCK	Dec. 7, 1976	12	1	None	None	None
THORNE BAY	Dec. 8, 1976	20	1	None	None	None
ANGOON	Dec. 9, 1976 evening	51	1	None	None	
METLAKATLA	Dec. 13, 1976 evening	12	1	None	None	None
HOONAH	Dec. 14, 1976 evening	2	1	None	None	Leonard Lane

Alaska Public Forum Meetings: North

LOCATION	DATE AND TIME	NUMBER OF PARTICIPANTS	COMMUNITIES REPRESENTED	ELECTED OFFICIALS	RESOURCE PEOPLE	GROWTH POLICY COUNCIL REPRESENTATIVES
KOTZEBUE Regional Workshop	Dec. 4-5, 1976 all day—both days	100	12 Northwest communities 15 random selection participants	Gov. Jay Hammond Sen. Frank Ferguson Rep. Leo Schaeffer	1. Div. of Land 2. Div. of Oil and Gas 3. Div. of Coastal Zone Management	Lowell Thomas, Jr. Frank Homan Leonard Lane Harold Pomeroy Herb Smelcer Diana Tillion
BARROW One-day Workshop	Jan. 29, 1977 all day	34	6 North Slope villages	Lt. Gov. Lowell Thomas, Jr.	1. Div. of Oil and Gas 2. Div. of Coastal Zone Management	Lowell Thomas, Jr. Herb Smelcer
NOME	Nov. 18, 1976 evening	68	1	Rep. Al Nakak	None	Leonard Lane
KIVALINA	Nov. 22, 1976 afternoon	20	1	Rep. Leo Schaeffer	None	None
DEERING	Dec. 2, 1976 afternoon	21	1	None	None	None
SHUNGNAK	Nov. 24, 1976 afternoon	15	1	Rep. Leo Schaeffer	None	None
KOBUK	Nov. 24, 1976 evening	6	1	Rep. Leo Schaeffer	None	None
GAMBELL	Jan. 21, 1977	30	1	None	None	None
STEBBINS	Jan. 27, 1977	28	1	None	None	None
SAINT MICHAEL	Jan. 28, 1977	15	1	None	None	None
UNALAKLEET	Jan. 31, 1977	23	1	None	None	None

Alaska Public Forum Meetings:

Southcentral

LOCATION	DATE AND TIME	NUMBER OF PARTICIPANTS	COMMUNITIES REPRESENTED	ELECTED OFFICIALS	RESOURCE PEOPLE	GROWTH POLICY COUNCIL REPRESENTATIVES
ANCHORAGE Regional Workshop	Jan. 15-16, 1977 all day—both days	Sat. 450 Sun. 520	13 Southcentral communities 30 random selection participants	Gov. Jay Hammond Sen. Chancey Croft Sen. W. E. Bradley Sen. Pat Rodey Sen. Ed Willis Rep. Mike Beirne Rep. Kris Lethin Rep. Lisa Rudd	1. Div. of Lands 2. Div. of Oil and Gas 3. Dept. of Health and Social Services 4. Dept. of Coastal Zone Management	Lowell Thomas, Jr. Mark Boesser Tim Bradner Frank Homan David Klein Leonard Lane Harold Pomeroy
KENAI-SOLDOTNA	Jan. 24, 1977 evening	42	2 Kenai and Soldotna	None	Department of Health and Social Services	Mark Boesser Harold Pomeroy Diana Tillion
HOMER	Jan. 31, 1977 evening	93	1	None	Department of Health and Social Services	Mark Boesser Harold Pomeroy Diana Tillion
PALMER	Feb. 9, 1977 evening	22	1	None	None	Mark Boesser Harold Pomeroy Lidia Selkregg
TALKEETNA	Feb. 16, 1977	45	1	None	None	Mark Boesser



Southeast

"Renewable resources will sustain the state and our emphasis should be on them. Their protection, proper use and future plans for management must be uppermost in our considerations if we're to make it over the long haul."

Petersburg

Q. How should the state use its new oil and gas money in the future?

A. Questionnaire Results

Number of Respondents: 446

- 14% Save it
- 6% Loan it to communities
- 4% Loan it for industrial development
- 32% Loan it to develop renewable resource industries
- 4% Loan it to individuals
- 17% Use it for tax cuts for Alaskans
- 14% Use it for revenue sharing and community grants
- 4% Use it for more state services and public facilities
- 6% Other: Not to move the capital, pay off bonds

Meeting Results

1. Loans to develop renewable resource industries
2. Community development either through
 - A. Loans to communities or
 - B. Community revenue sharing and community grants

Clearly, the highest priority for use of the new oil and gas money among people participating in the Public Forum in Southeast was to provide loans to promote renewable resource industries. Although a tax cut for Alaskans appears to be the second choice, it is likely that this second priority position should go to some type of community assistance option, instead. The reason for this assumption is that 1) there was resounding concern by people attending the workshops and meetings for their communities, but 2) people had trouble deciding the best way to go about this and were divided between the options of providing loans to communities or increasing revenue sharing and community grants.

Some people supported one option, others staunchly backed the other but their concern for their communities was the same. With this in mind, it is interesting to combine the two options and in so doing, community needs receive 20 per cent of the count and a slight edge over the tax cut option.

The responses to the questionnaires indicated that people between the ages of 25 and 44 voted most heavily for loans to renewable resources. Those in younger age brackets up to 25 voted to save the money and those over 45 generally were most interested in tax

cuts, even a rather skeptical 55-year-old pulp mill employee from Sitka who said: "It seems to me that I'll never, never see any of this money. But if the state were to cut its income tax, I might. That's what I want."

Loans to Renewable Resource Industries:

The enormous response to this choice as the top priority use of oil and gas revenues, set the tone for the Regional workshop and most of the meetings from Skagway to Metlakatla which were to follow in the Southeast region. As a 29-year-old fisherman from Petersburg said: "Renewable resources will sustain the state and our emphasis should be on them. Their protection, proper use and future plans for management must be uppermost in our considerations if we're going to make it over the long haul."

Loans to Communities:

This choice tied with community revenue sharing and grants for the second highest priority among Ketchikan workshop participants. Many people throughout the region preferred this method of community assistance because the state would be generat-

ing interest on loans at the same time that communities would be benefitting from the money. However, the same people tended to oppose community revenue sharing and community grants, feeling that in essence, the money would produce no return and would disappear like the \$900 million from the Prudhoe Bay lease sale.

Many participants in smaller communities such as Sitka, Petersburg, Wrangell and Skagway supported the idea of loans for communities, particularly for hydroelectric projects and small businesses.

Use it for Community Revenue Sharing and Community Grants:

This option was the other second preference of Ketchikan workshop participants for use of the state's oil and gas monies. People who selected this option usually did so because they felt that loans to communities were inappropriate for areas where there was no tax base to repay loans.

People also felt local communities could best handle their own needs. A 38-year-resident of Wrangell and a self-employed business woman commented that "cities and towns should be given the responsibility of knowing the needs of their local community — no strings attached . . . if local needs are more in one area than another, let them decide."

This option received a large amount of support in community meetings throughout Southeast. Some of the people recommending this answer also pointed out that grants were preferable to revenue sharing because the latter is distributed on a population basis, a hardship for sparsely populated communities.

This option was high among people's priorities in Haines, Angoon, Klawock, Thorne Bay, Metlakatla and Craig.

Tax Cuts for Alaskans:

Tax cuts was ranked third by participants at the Ketchikan workshop but they were not sure whether they loved the idea or hated it. Some felt that it provided a false sense of prosperity leaving the government too dependent on oil and gas revenues which would eventually run out. Others felt that a tax cut was the only way they would ever benefit from the new wealth. Yet others cautioned that this might cause people from the lower 48 to pour into the state to enjoy the tax break.

And so it was with the communities that chose tax

cuts as one of their considerations. Skagway was all for it and Metlakatla was vehemently opposed.

Save it:

This option gained support from Ketchikan workshop participants who suggested that the state save its money for a rainy day. As one Juneauite added, "In Southeast I'm afraid we'd have to do a lot of that." Petersburg supported this idea and made it their first priority. Juneau participants also agreed with this thinking but their suggestion was to increase the size of the Permanent Fund.

Loans for Industrial Development:

This answer did not receive much support among Public Forum participants. "The State *should not* encourage or subsidize industrial development," said a 30-year-old construction worker from Kupreanof who has lived in Alaska for five years. "It should allow industry to grow as needed and feasible within the industry's own ability to do so."

However, industrial development was rated high in several communities such as Haines and Craig where people are experiencing unemployment problems. It should be noted that the use of the term industrial development generally included small-scale industry to support efforts for renewable resources, i.e., lumber mills, canneries, etc.

Other:

Two notable ideas emerged under the classification of "other" suggestions. The first was no surprise. Strings of protests were leveled at the idea of financing the capital move with oil and gas revenues. "We should use our money to benefit people through education, roads, health programs, alcoholism programs, better housing," said a 36-year-old teacher and a seven-year resident of Alaska, and not spend millions or *billions* on unnecessary wasteful things like moving the capital."

Only the people in Angoon supported the move, "providing the state move the capital here," said a young Angoonian. "Otherwise forget it." Almost every community went on record decrying first the move, and second financing it with the oil and gas wealth.

The second suggestion under "other" came up in both Petersburg and Craig when the people in those communities recommended that the state use the oil and gas revenues to pay off its bonded indebtedness.

North

"If the only way to receive grants, revenue sharing funds and other sources of income requires...complying with mountains of regulations and restrictions and considerable time and expertise, then how can a small village hope to obtain its fair share when everyone is busy just trying to stay alive."

Kaktovik

Q. How should the state use its new oil and gas money in the future?

A. Questionnaire Results

Number of Respondents: 133

- 15% Save it
- 7% Loan it to communities
- 7% Loan it for industrial development
- 15% Loan it for renewable resource industries
- 2% Loan it to individuals
- 14% Use it for tax cuts
- 27% Use it for revenue sharing and community grants
- 8% Use it for more state services and public facilities
- 6% Other: Services equalized throughout state; oil-producing regions receive larger share of revenues.

Meeting Results

1. Community revenue sharing and grants often including more state services
2. Loans for renewable resources
3. Save it and tax cuts

The general response to Question One throughout the North was to use the oil and gas money for community services which is not surprising for an area as remote and with as few services as this northern part of the state. Like Southeast, the isolation of many villages throughout the North has produced a need for people to be self-sufficient. Yet the introduction of western practices disrupted the independent life style of people in this region and ultimately created a dependency on the state and federal government for new but vital services such as housing, fuel, health care and education.

Community Revenue Sharing and Community Grants:

"Make sure the revenue sharing formula includes pipeline population," a five-year-resident Alaskan from Barrow wrote on the side of her questionnaire. This category of use for the new oil and gas money received the highest rating in both the northern regional meetings and the questionnaire tabulations.

People expressed concern over local control of community programs. "The state should share its role

of providing services with local communities," said a 33-year-old Kotzebue resident. "After all, the state government is not a profit-making corporation."

Coupled with the support of community grants and revenue sharing for local communities was the criticism of revenue sharing procedures. At the Kotzebue regional meeting, people vigorously protested using population figures to determine revenue sharing allocations. "This leaves no room for community needs," commented a young school teacher.

However, a 37-year-old postmaster and mayor of Kaktovik had another complaint. "If the only way to receive grants, revenue sharing funds and other sources of income required not only for basic administration but for any type of improvement, is by complying with mountains of regulations and restrictions which require considerable time and expertise, then how can a small village hope to obtain its fair share when everyone is busy just trying to stay alive."

Participants in Barrow supported the option of community revenue sharing and grants as the best use of the new oil and gas wealth, however they echoed

the reservations, of others over methods of allocating the money. Reacting to this, people suggested that a greater percentage of oil revenues go to communities where oil has been discovered and which, as a consequence, have suffered some impact. This response was often filled in as an "other" on questionnaires from Barrow. Conversely, people in Nome often recommended on their forms that state services should be provided equally throughout Alaska.

Nome, as well as the smaller communities of Kivalina, Shungnak, Gambell, Stebbins, St. Michaels, Koluk and Deering, joined most of the region by selecting the community revenue sharing and grants option as the most important use of oil revenues.

State Services and Public Facilities:

This was often ranked as a second priority for Question one. In rural Alaska, state services are viewed as a complement to revenue sharing and grants. If the two options were combined in the above chart, it would add even more weight to the importance of community development in rural Alaska. Among the supporters of this option were Unalakleet residents who made it their first priority, and St. Michaels, Gambell, Kotzebue, Nome and Barrow people who made it either their second or third choice.

Loans to Renewable Resources:

This was the highest priority for use of oil and gas wealth at the Kotzebue workshop as people spoke up for the preservation of fish and game which participants viewed both as their renewable resource industry and their livelihood. A carpenter in Point Lay who has lived in Alaska for 22 years spoke for many when he said, "I feel more should be done about using the natural resources in the state, such as farming and fishing and it should be done now."

The importance of renewable resources, both as they preserve subsistence activities and contribute to

the growing commercial fishing and reindeer herding industries were widely supported in almost every area of the north, and this was a theme that was to recur throughout each meeting.

A young Barrow Native reaching far back into the history of North Slope people questioned the disappearance of the reindeer industry in that region. "I believe that 'loans to renewable resources' could provide the incentive needed to develop strong support for a reindeer industry in the Arctic Slope for subsistence as well as revenue," he put forth to participants.

The Kotzebue area, through the NANA Native Corporation, has recently resumed the reindeer herding industry. Their efforts drew support for herding in the Northwest from Public Forum participants.

Save it and Tax Cuts:

Save it as an option tied with renewable resources statistically although it was third behind community services and renewable resources in meeting discussion groups. Participants often chose this option out of concern that the state might repeat its experience with the \$900 million from the Prudhoe Bay lease sales.

Participants in Kotzebue generally suggested that the money be saved in banks or government bonds or wisely invested. Several workshop groups recommended that the Permanent Fund should be increased to 50% of oil and gas revenues.

Tax cuts seemed to rick up support in several smaller villages such as Unalakleet and Stebbins and it ranked high in the tabulated questionnaire responses.

Community Loans:

One note on this option. Although some Northern participants favored community loans, it generally ranked lower than in other regions because as people often commented: "In this area we have no tax base from which to repay loans."

Southcentral

"I got to thinking, what good is \$50 in a tax cut for me when all of the Mat Valley could get a hydroelectric plant, or Homer could get some more fish."

Anchorage

Q. A. How should the Permanent Fund money be invested?

A. Questionnaire Results

Number of Respondents: 1,633

- 24% Save it
- 13% Loan it to communities
- 13% Loan it for industrial development
- 39% Loan it to develop renewable resource industries
- 9% Loan it to individuals
- 6% Other: Combination of the above

Meeting Results: Anchorage

1. Loan it to develop renewable resource industries
2. Save it
3. Loan it to communities

Outside Anchorage:

1. Loan it to develop renewable resource industries
 2. Loan it to communities
 3. Save it
 4. Tax cuts
-

Q. B. How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund.)

A. Questionnaire Results

Number of Respondents: 1,633

- 31% Use it for tax cuts for Alaskans
- 5% Use it for cash payments for Alaskans
- 9% Use it for more community revenue sharing and community grants
- 4% Use it for more state services
- 13% Save it by increasing the Permanent Fund
- 4% Loan it to communities
- 3% Loan it for industrial development
- 19% Loan it to develop renewable resource industries
- 5% Loan it to individuals
- 7% Other:

Meeting Results: Anchorage

1. Loan it to develop renewable resource industries
2. Save it by increasing the Permanent Fund
3. Loan it to communities
4. Use it for more state services

Outside Anchorage:

1. Loan it to develop renewable resource industries
 2. Loan it to communities
 3. Save it by increasing the Permanent Fund
-

Permanent Fund Investment

Loans to Renewable Resource Industries:

The overall theme coming from the Southcentral Public Forum was the people's desire to see more attention placed in the area of renewable resource development. To the Homer residents, that meant using the Permanent Fund monies to rehabilitate the fishing industry and develop the area's farming potential. To the Matanuska-Susitna Valley participants, renewable resource priorities included farming. "Do something about our farmland being whittled away by real estate scalpers and make the land safe to use for long-range farming goals," said one farmer. Valley participants also pointed to game management as a renewable resource need particularly so people could resume some subsistence hunting.

Southcentral respondents who came from the greater Anchorage area, indicated that fishing was their renewable resource priority. Several wanted to see the fishing built up for sport and recreational activities. But, others were sensitive to the needs of commercial fishermen. Many Anchorage participants cited timber, farming and the management of caribou and reindeer to meet the needs of others throughout the state as their reason for supporting Permanent Fund investment in renewable resources.

There appeared to be little rhyme or reason among those who preferred certain investment or spending alternatives. But, the people who had lived in the state under 10 years, favored the investment of the Permanent Fund in renewable resource areas. Those long-time residents (over 10 years) and those over 55 years old voiced their preference for saving the Permanent Fund monies as a first option and they opted for renewable resources as a second alternative for investment.

There was little difference in the priorities selected by men and women, white collar or blue collar workers, or different age groups. However, while Permanent Fund investment for industrial development ranked lowest among the five selections presented, women ranked it lower than men did. Professional and technical people supported investment for renewable resources slightly more than those in blue collar, white collar and nonworking occupational categories.

Other:

It might be interesting to note that those people who marked off "other" generally suggested that the state offer a portfolio of all the options listed above. One Anchorage accountant and investment counselor said the state should not put all its collective eggs in one investment nest "or else we might end up with one big goose egg in our monies-received column."

New Oil and Gas Money Spending

Tax Cuts:

Of all the questions placed before the Southcentral people by the Public Forum, the spending of the oil and gas revenues provided the largest inconsistency

between the voting of people in meetings and those voting on mail-in questionnaires. While people attending the meetings in Anchorage and in the surrounding communities tended to prefer using the money for renewable resources, loans to communities and saving more of the Permanent Fund earnings, the people who sat at home to fill out their questionnaire strongly supported using that money for a tax cut.

At least 62% of more than 1,100 respondents who mailed in their newspaper questionnaires, listed a tax cut among their highest priorities, while only 40% of the 725 people who attended the meetings ranked tax cuts among their top priorities.

A 73-year-old Anchorage woman who attended the regional workshop said she had been tempted to rank the tax cut as her favorite. She went on to write on the side, back and top of her newspaper, "... then I talked with some people in my discussion group and I got to thinking, what good is \$50 in a tax cut for me when all of the Matanuska Valley could get a hydroelectric plant, or Homer could get some more fish. You know, it just didn't make much sense."

Those people who indicated a preference for tax cuts often mentioned that this was how they could touch the oil and gas wealth themselves. The people who came to the meetings, however, were skeptical of tax cuts and direct cash payments to individuals. "It's just another rip-off program where we'll spend bunches of state dollars trying to administer these programs," said a former Kenai Peninsula legislator. "Every Tom, Dick and Jane from outside will be up here to get in on the deal," said an outspoken Homer fisherman.

In defending the tax cut alternative, a Palmer doctor wrote he might be more inclined to support the railbelt's heavy financing of education in the bush, "if there were just one thing where everyone in the state got an equal crack." One young homesteader along the railbelt simply placed 16 exclamation points beside her choice of a tax cut.

Loans to Renewable Resource Industries:

When you look at those options for using the new wealth, the same priorities as those for investment of the Permanent Fund (namely renewable resources followed by saving more money, either through safe investments or greater amounts set aside for the Permanent Fund) ranked after the tax cut alternatives.

In all the local meetings as well as the two-day workshop, Question One drew the most comments and took the most time to discuss, whether the question was placed first on the meeting agenda or last. More than any other question, the participants seemed to feel that here was a control they could exercise. "I know we're talking about more money than I can even conceive of, but if I get to put my two cents' worth in regarding the investment of the state's two billion dollars, then no matter what gets done with it, I'll have the feeling it's more mine," said a retired school teacher who wrote two pages' worth of comments about the Permanent Fund question.



Southeast

"I had an idea that a tax should be put on booze so that people that have to be rehabilitated can help pay their own way. After all, it is a self-inflicted disease, just like if you chopped your toes off with an axe..."

Ketchikan

Q. What human needs do you think are most important?

A. Questionnaire Results

Number of Respondents: 355

- 13% Alcoholism
- 6% Children
- 37% Education
- 6% Elderly
- 21% Employment
- 9% Health
- 5% Housing
- 2% Income Maintenance
- 1% Rehabilitation

Meeting Results

1. Education
2. Alcoholism
3. Employment
4. Health

The top five priorities in the area of human needs remain similar throughout southeast Alaska with education consistently the number one concern. Only the second through fifth choices shift around due primarily to the various responses and reactions to the controversial issue of alcoholism.

After education, employment statistically receives the most support. But it should be noted that at meetings, alcoholism usually usurped the second priority position. Like several other Public Forum questions — i.e., land management and oil and gas leasing policies — there are some concerns that become gut-level issues and provoke a strong response at meetings. Alcoholism is such an issue. However, when a person is left to record a vote on the questionnaire, employment moves ahead of alcoholism. And by the time all nine issues are averaged, alcoholism drops to fifth place.

Nonetheless, if we look at both the questionnaire responses and meeting results, it appears safe to say that education, employment and alcoholism were among the top three concerns among the people of Southeast who participated in the Public Forum. The rest of the issues fall in behind these with health first, care of children second, followed by programs for the

elderly, housing, income maintenance and rehabilitation in that order.

It is also interesting that people had some difficulty initially sorting out priorities. Some felt that education was the key to arresting the problems of alcoholism, unemployment, health care, etc. Others felt strongly that employment provided the solution to the problems of almost all the other categories. Still others said if you're not healthy you can't be educated or work. And so it went, implying a basic interdependency — one need upon another.

It is important to point out that people discussing this question felt a need for more information. Although the question was designed to be answered within a personal frame of reference, people rejected this idea and wanted more background. Significantly, this means people generally are uninformed about state services in the area of human needs.

Education:

At the Ketchikan workshop, as in the rest of Southeast, Public Forum participants selected education to head the list of human needs. At the Juneau meeting a young biologist articulated a reason why this

might be the case when he said: "Education really provides an umbrella solution to many of the other human needs. If we start there we can cover other problems at the same time."

In Skagway, the theme switched as people discussed the need for a local university, adult and vocational education classes. Only in Wrangell did people take exception to this issue saying that because education was required by state law it should not be included on this list of human needs.

Alcoholism:

This option had a slight edge over care of children as people's second priority at the Ketchikan Regional Workshop. It was suggested that a tax be placed on alcohol to help cover the cost of rehabilitating the alcoholic. This recommendation was to be repeated over and over again at Public Forum meetings throughout Southeast and other regions around the state. As a middle-aged lumberman said: "I had an idea that a tax should be put on booze so that the people that have to be rehabilitated can help pay their own way. After all, it is a self-inflicted disease, you know, just like if you chopped your toes off with an axe, so I'm boostin' for a tax on booze to help the alcoholic."

The people of Skagway also recommended a tax on alcoholic beverages. In Craig, Public Forum participants specifically expressed the importance of rehabilitation programs, and in Wrangell people criticized efforts that place too little importance on reintegrating the recovered alcoholic into the mainstream of society. People in Petersburg, Haines, Angoon, Sitka and Juneau all placed alcoholism among their top three priorities.

Employment:

Ketchikan workshop participants stressed the need to employ people locally in Alaska, and to design vocational training programs to meet existing job opportunities in the state. Sitka participants echoed this need for realistic employment training, while in Craig, people pointed out that in their community unemployment hardships are aggravated by contractors who bring in employees from other areas to work on projects that should be employing the local people of Craig.

Participants in both Haines and Metlakatla placed employment high on their priority list based on their particular needs. In Haines, the two lumber mills, formerly the town's major employers, had recently closed, leaving many people in the community unemployed. In Metlakatla, residents have always depended on seasonal employment and at the Public Forum meeting they expressed an interest in developing some kind of year-round industry to provide more jobs.

Angoon people also ranked employment high on the list of human need priorities, adding that employment could eliminate a lot of alcoholism problems. As one young woman said: "People usually drink when they

have nothing else to do and job opportunities might turn this around."

Health:

Ketchikan workshop participants centered their health care discussions around poor standards and inadequate delivery service in remote communities.

These criticisms were repeated in the general sense in Juneau, Angoon and Craig meetings, but Thorne Bay and Metlakatla participants cited specific medical care deficiencies in their communities, expressing the need for a health nurse and some kind of clinic.

Care of Children:

This was the other human need area rated second by the people attending the Ketchikan workshop. However, it did not receive as high a ranking in other Southeast meetings. Most of the concern was for more day care facilities. As a 32-year-old woman from Ketchikan commented: "18,000 children under school age in the most crucial years of their lives have working parents in Alaska. Day care should be subsidized as are the schools."

Another Ketchikan participant, a 57-year-old, eight-year resident voiced his concern for better preschools. "Having reared three children . . . we believe programs are needed to teach and stimulate those very young while they are in the age group where they are developing at least 50% of their potential I.Q. . . . our children are our main reason for surviving. We should spare nothing to expand their potential, but new thinking is required."

Juneau Public Forum participants also encouraged that more emphasis be placed on preschool activities while Sitka, Haines and Klawock expressed a concern for day care facilities, the latter stressing that there was a real need in Klawock, particularly in the summer when the cannery is open.

Beyond these areas, the comments begin to become more fragmented. There were some expressions of concern regarding programs for the elderly which if not commonly repeated are worth noting. On the tabulated questionnaire responses, it was the long-time resident Alaskans that indicated a higher priority for programs for the elderly and care of children.

Programs for the Elderly:

Petersburg participants expressed a concern that housing be made available for senior citizens in the communities in which they live so that they will not have to be moved to strange surroundings to have a roof over their heads. "Smaller rest homes for the aged is very important," said a 56-year-old Petersburg woman. "Old people feel, when they leave home and friends, they leave to die."

In Wrangell, participants discussed the independent spirit of Alaska's pioneers and recommended that this be supported by providing employment opportunities for elderly people.

North

"I go with education...I've always said you cannot force human beings but you can lead them — with understanding."

Barrow

Q. What human needs do you think are most important?

A. Questionnaire Results Number of Respondents: 104

- 15% Alcoholism
- 5% Care of Children
- 36% Education
- 4% Programs for the Elderly
- 10% Employment
- 15% Health
- 10% Housing
- 2% Income Maintenance
- 3% Rehabilitation

Meeting Results

1. Education
2. Alcoholism
3. Health
4. Employment

The overall priorities for Question Two at meetings in the North were education, health, alcoholism and employment. Alcoholism again proved to be an erratic issue always ranking high but in some instances, much higher than others.

On the questionnaire tabulations, the issue of alcoholism appears to have gathered its greatest support among younger and blue collar participants. On the other hand, middle-aged people tended to list employment higher among their concerns.

Education:

Throughout the North, education had no competition, capturing the number one priority position among human needs. An elderly Native leader in Barrow explained quietly why he thought education was so important. "I go with education," he said when asked his priorities. "I've always said, you cannot force human beings but you can lead them — with understanding."

In Kotzebue, people voiced expressions of satisfaction with the new independent school districts in the Northwest but accompanied the praise with concern that the funding was not adequate to maintain a high-quality education.

In the North as in other regions, education was viewed as the link to many other human needs. A young Native leader in Kotzebue broadened the education process explaining why it was an important issue to him. "Education is a very high priority but the part that has not been dealt with is that education can

apply to all those programs that you've listed as problems...we're dealing with these issues after the fact. Alcoholism, after the fact, health care after the fact, but with education we can learn about these problems and deal with them before they get out of hand and then, education really becomes a number one priority."

In Barrow, in the same vein, several participants had trouble separating the importance of education and employment. "I can't do it," said one middle-aged engineer. "You can't get employed without having a good education...and a lot of times, if you don't have a job other things don't follow."

In most other communities, from Nome to Deering, participants chose education as their top human need priority. However, in several cases health was listed as the number one concern.

Health:

People in Barrow along with those in Kobuk and Stebbins put health care at the top of their list of human needs. In most of the meetings, the health concerns centered around inadequate village health care, as the man from Point Hope indicated when he told workshop participants in Barrow: "I'm in more of an isolated area so I take health for one [priority] because we're about 170 miles from the Native hospital and at home we got a health aide who only can pass out aspirins and bandages."

People in Kobuk echoed the need for some health facilities for their village isolated at the end of the plane route to the far east of Kotzebue.

Alcoholism:

This was a well-discussed topic in Nome and Kotzebue but did not receive the same attention in the smaller villages with the exceptions of Gambell and Stebbins where people made it their second priority and Barrow, where it was treated as a part of health care. In Kotzebue participants felt so strongly about the issue, they repeated it as a local concern under Question Seven.

Probably the single most important recommendation coming out of the Kotzebue workshop was one suggesting that a tax be placed on alcohol to rehabilitate the alcoholic. A young, Native fisherman from Kotzebue explained his feeling on the tax. "If we had a two- or three-cent tax on a drink . . . the state could conceivably generate revenues of \$4 million in the period of a year. So if we're going to drink, we might as well not only have a tax, but know that it is contributing to alcohol problems. I only wish that we could institute it right away," he added.

There were strong pleas for more staff from people involved in alcohol rehabilitation programs in both Kotzebue and Nome. As a middle-aged woman in Kotzebue said: "Everything that is under Question Two is affected by alcohol. Children don't get to school to get a proper education; we have families that are broken up; we have illness and it is a community problem. One person can't solve it . . . When you have a total of 167 clients and you've got one counselor . . . it's just not realistic to think that one person can handle it."

A woman from Nome echoed this feeling describing the need in the Norton Sound area: "The problems that I've seen are all related to alcoholism. And not only alcoholism but drug abuse in not only Nome and Kotzebue but the outlying villages, also. Just two weeks ago there was a young boy — 13 years old — who was found frozen to death from drinking. First of all, who's selling alcohol to a 13-year-old kid and why aren't the police doing something about it? In Nome," she added, "there are only four people to deal with all these problems."

Employment:

Although this option rated third behind education and housing, the subject prompted very little discussion beyond the statement of need for job opportunities and the general concern that without employment, many people cannot meet their other needs.

Housing:

This subject on the other hand, was the topic of a great deal of discussion as both federal and state housing efforts came under fire at almost every meeting throughout the North. In Kotzebue, participants picked this as the second most important human need priority and went on to cite case after case of shoddy building and unfinished projects.

A middle-aged construction worker summed up his experience: "I hired out to Unalakleet to finish 19

homes there. I looked at the plans first in Anchorage at the ASHA office and I told them that they weren't up to the national standard building codes . . . I'd already been to Selawik and that's the disgrace of disgraces. Twenty-six houses up there and there's not one of them that anybody would ever call a house."

The problem becomes even more severe for elderly people who can't possibly maintain the ASHA houses, indicated a young woman from Nome. Further, she commented: "There's a real need for facilities for people to have some place to go when they are unable to take care of themselves anymore. They are often sent to Pioneer Homes. There they are away from their own culture and their friends. They are away from the foods they are used to. They are away from the dialect and languages they are used to. It is a terrible problem."

Other:

Although there was concern in turn with each of the issues on the needs list, it is probably more significant to note several new areas of discussion.

First, people in several of the communities brought up the problems in the criminal justice system and correctional facilities in the state. A woman in Kotzebue cited the lack of in-state facilities for offenders. "I have a son in jail and I'm very much aware of the needs that are there. How can we help rehabilitate offenders if we take them out of their element, out of their whole life style, often even out of state? They become regressed and there's no way to help them."

In Barrow, a legal aide explained the problem from his perspective. He indicated that "young delinquents are often put in jail because there is no place for them to go. People are forced to spend days in confinement waiting for a hearing and then they have to go to Fairbanks; the child advocacy program is suffering financial setbacks and the villages are in need of help but there is no one to serve them."

Another theme, was the need for efficient management of all the human need programs and more effective outreach into isolated communities. In Nome, participants were so frustrated with the poor service delivery, they repeatedly urged that local programs be managed at the local level rather than in Juneau.

"Quite often there's a lack of outreach for certain social or public assistance programs," a Barrow man observed. "If people in charge of the various programs — education, alcoholism, housing throughout the state are made aware of rural Alaska's needs, perhaps we would receive better services — or receive the services better. Let me put it this way — the problem is outreach."

A young woman in the same community working in the alcoholism program quietly reinforced this idea. On seven different occasions she was notified that employees from Juneau were coming to discuss her program. "Seven times I went to the airport to meet them. They never came and never called to tell me. The needs in rural Alaska just aren't that important to many of the people who run these programs."

Southcentral

"I don't think that there's a person here who wouldn't agree that the kids are our primary renewable resource and I'd always opt to put the dollars there."

Homer

Q. What areas of human need do you feel require the most attention?

A. Questionnaire Results Number of Respondents: 1,618

- 12% Alcoholism
- 6% Care of Children
- 26% Education
- 9% Programs for Elderly
- 27% Employment
- 6% Health Care
- 5% Housing
- 8% Other

Meeting Results: Anchorage

1. Education
2. Health Care
3. Alcoholism
4. Employment

Outside Anchorage:

1. Employment
2. Education
3. Health Care
4. Alcoholism

Education and Employment:

Employment and Education fared far better than the other human need priorities with people from throughout the area. In almost every case, young or old, men or women and one occupational group or another made little difference. These two were the top priorities.

"It's not that education needs a lot of cleaning up," volunteered a participant in the Homer meeting, "but it's from education that we can attack all of those other human needs that you outlined." The woman, a bank assistant, said, "I don't think that there's a person here who wouldn't agree that the kids are our primary renewable resource and I'd always opt to put the dollars there."

In every age group, education was the first or second priority, but the younger a participant was, the more inclined he or she was to make it a higher priority. Those over 45 generally made employment their top priority and education followed as the second choice. Also, the professional-technical workers favored education as their top priority while the blue collar, white collar and nonworkers placed employment first and education second among their choices.

The two top issues jelled for one man, a blue collar worker from Soldotna, who said, "The two of these

things should be one and the same; if you just put more emphasis on vocational education, then you would have more employment potential." Several people from Kenai voiced their concern for the lack of vocational facilities to break the substantial unemployment rate during off-work season when fishing and construction are down.

Education was the number one priority for both the Anchorage and Kenai Peninsula participants (in fact, the priorities in Anchorage and on the peninsula were exactly the same from the first priority to the last). However, the Matanuska Valley residents stressed employment as their top concern while further north in the Susitna Valley, Talkeetna residents put employment at the bottom of the list behind education, alcoholism and crime prevention.

Alcoholism:

Although people in each of the meetings heard a great deal about alcoholism as a human need, it ranked third among people's top concerns. "Sure, there isn't a person here who doesn't feel a bit ashamed about the state's alcoholism problem, but we'll probably see half of you in the bar after this, too," said one Kenai service station attendant.

"The problem is not that we're oblivious to the

situation, but pouring dollars into more rehabilitation programs doesn't strike me as the answer when the present programs aren't making much progress," he continued.

A tax on alcohol was raised independently in almost all of the Southcentral meetings as a good way to meet the increasing expenses of alcoholism programs. People in Homer wanted tighter controls on those who drink and drive, and people in Kenai wanted to put alcohol tax money into recreation and church programs to offer an alternative to drinking.

Interestingly enough, people here in the state for a shorter period of time (under 10 years) and those under 45 were more apt to rank alcoholism as a higher priority compared to older and more seasoned residents.

Health:

Health care appeared to be a major concern among people responding to the mail-in questionnaires. Only at the Homer meeting was it a strong favorite of the group. Yet, in the questionnaire responses, health ranked third, and it was the younger and older people

who gave it the highest rating. The middle-aged participants placed their priorities in other areas.

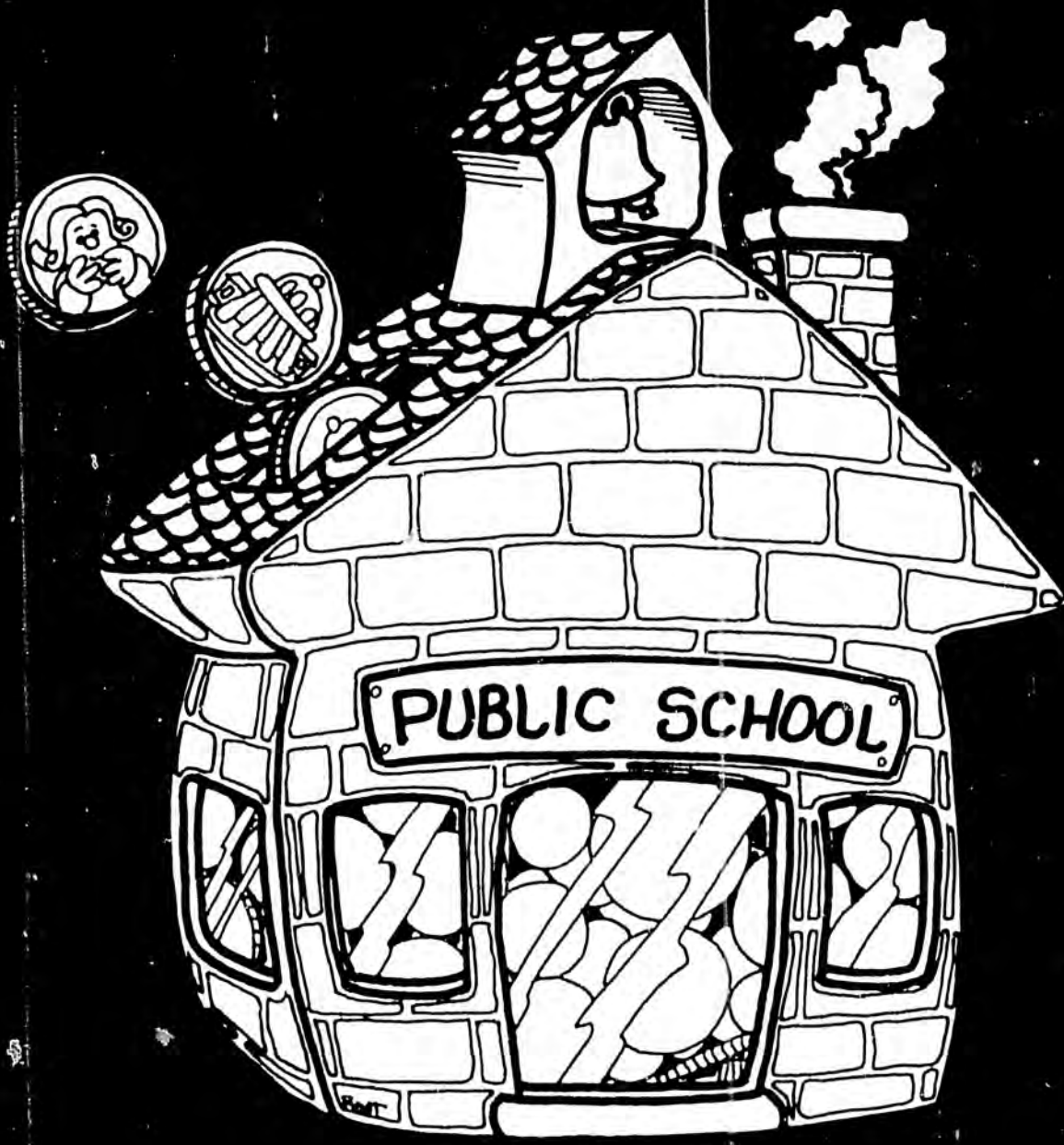
Programs for the Elderly:

Programs for the elderly were a high priority to the older-age participants. As an option it ranked fourth overall but did not fare quite so well at the local meetings where it was seldom mentioned as a priority, sparking one 67-year-old woman to comment at the Old Pioneer Schoolhouse meeting in Anchorage: "You young whippersnappers are all going to be old, someday, you know!"

At which point, a 69-year-old gentleman from Tyonek got up from across the room and retorted, "Yes, maybe that's so, but let's hope that when I get there, alcoholism and employment aren't the problems they are now!"

Other:

Of those people who took time to write out an "other," the vast majority simply put: an efficient management of all the above.



Southeast

"After all, a building is not an education."

Ketchikan

Q. How should public school construction be financed in both organized and unorganized boroughs?

A. Questionnaire Results

Number of Respondents: 464

- 26% 100% State funding from the General Fund
- 9% 100% State funding from a statewide sales tax
- 17% Local property taxes in all areas and supplemental funding where needed
- 39% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 9% Other: Local participation

Meeting Results

1. Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas.

Question Three provided interesting discussions in the meetings because generally no one seemed to care for the options offered. Although participants ultimately chose to continue the present system of financing school construction moving toward local participation whenever possible, many new ideas were brought up before making this selection. It is not clear if these ideas emerged because people didn't want to select one of the existing answers or because they did not understand the issue as it was stated.

First, as a frame of reference, it is important to note that people in Southeast towns very early created municipalities to handle community affairs at the local level. This included their schools — both the construction and operation of them. Only several small villages such as Angoon, Thorne Bay and Metlakatla still look to the state for all their operational and construction needs.

What this means in Southeast for Question Three is that with the exception of those towns just mentioned, most of the communities are paying 50% of the construction costs of their schools through local property taxes in the same way that major boroughs such as Juneau, Anchorage and Fairbanks pay for theirs.

In this light then, it is interesting to note that throughout Southeast, the two options most often chosen were first, to continue the present system and second, fund construction from the General Fund.

In Ketchikan, out of six workshop groups, three of them chose to continue the present system of financing school construction; two groups chose 100% funding from the General Fund and one group suggested that there be local participation on a sliding scale. The group spokesperson explained the latter idea this way "for those who could afford it, construction would be funded 50% by the state and 50% by the local community. This rate would change based on the ability of a community to pay and could reach funding levels of 90% from the state and 10% from the local community, if needed."

This same type of solution was recommended by participants at the Juneau meeting but there the figures ranged from 0 to 20% from the local community depending on its financial capabilities and 80 to 100% from the state. All other options were rejected in favor of the sliding scale method. "Small communities should pay for their schools and improvements on a percentage basis," a 25-year-old secretary from Juneau wrote on her questionnaire.

In Ketchikan, despite the range of options, almost every group felt that there should be some sort of local involvement but no one provided any solutions. "Perhaps in the future," said a middle-aged realtor, "rural areas will be in a better financial position to participate than they are now."

Ketchikan participants also spoke out clearly against

the statewide sales tax. This was echoed in Wrangell. However, both Petersburg and Haines suggested it as a possible second option.

Other interesting ideas came out of the community meetings in Southeast. For example, Wrangell people suggested that the state should set standards for a basic school building and pay for its construction 100%. Any additional facilities or new rooms would be paid by the community.

In Petersburg and Sitka, participants had a difficult time reaching a consensus although Sitka people did feel that the state should provide education for those communities which cannot pay for it themselves.

Conversely, Skagway felt that the unorganized borough should start assuming some of its own costs. If this couldn't be done, the boarding home method of sending students to urban areas for high school should be resumed.

In Haines, participants suggested that resource revenues could cover school construction costs, a thought brought up later in other regions. On the other hand, "School funding should be on a fair tax base," offered a Haines welder and five-year resident of Alaska. "Only 100% from the General Fund will do this. Then everybody pays equally."

From a Juneau resident, a 26-year old air traffic controller, comes the suggestion to use the capital move monies. "Are the benefits of a capital move worth the costs? The finances poured into such a project . . . the billions of dollars could build our 126 high schools we need so much."

Veering off the subject of financing methods and on to educational needs, Southeast participants proposed some interesting ideas. For example, a participant at the Ketchikan workshop opened up the possibility of improving correspondence courses as a means of limiting the number of new schools in areas with only a few children. "After all, he said, 'a building is not an education.'"

This recommendation drew comments pro and con as people jockeyed around with the merits of correspondence courses. Many women in the room had brought up their children on these courses in logging camps and although some favored the method, others seemed to feel that schooling is more than just books and homework. As one woman, formerly of Thorne Bay, commented, "School involves, among other experiences, children relating to each other."

The people in Craig also felt the building was not the important issue but went on to suggest that when school construction is necessary, it should modestly fit community needs and not try to meet inapplicable and extravagant federal standards.

Metlakatla provided another alternative to constructing new buildings, suggesting that the state make use of its satellite communications system to provide schooling for students in small, isolated communities.

However, none of these comments get to the heart of the question and when all the suggestions are put aside, the majority opinion remains to continue the present system of financing school construction, with a qualifying clause reading — until local participation becomes a realistic option.



North

"Public school operation and construction should be funded on a statewide basis equal for all areas, not unequal as it is now because of property taxes."

Nome

Q. How should public school construction be financed in both organized and unorganized boroughs?

A. Questionnaire Results

Number of Respondents: 127

Meeting Results

1. 100% Funding from the General Fund

44% 100% state funding from the General Fund

8% 100% state funding from a statewide sales tax

19% Local property taxes in all areas and supplemental funding where needed

23% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas

6% Other; oil and gas revenues

The clear majority for Question Three in the North was to provide 100% state funding from the General Fund for school construction in both the organized and unorganized boroughs. As a 16-year Alaska resident and civil engineer in Nome suggested: "Public school operation and construction should be funded on a statewide basis equal for all areas, not unequal as it is now because of property taxes."

However, it is interesting to note that on the tabulated questionnaires, newcomers to Alaska chose option 4 — continue the present system — by 43%.

100% State Funding from the General Fund:

In Kotzebue, participants at the Public Forum regional workshop urged 100% state funding from the General Fund for both construction and operation in order to provide, as one older participant said: "Equal educational programs in both urban and rural places in Alaska."

People also suggested that the state should, in the words of a young woman, "Lend an ear to the local school boards when determining the quality and specific needs for each school."

Both Nome and Barrow repeated the priorities established in Kotzebue. In Barrow, there was a great deal of discussion about the high costs involved in building schools in rural Alaska. It was pointed out that a school with a gymnasium, kitchen facilities and

a space for school health services costs about \$4.5 million for approximately 120 children in the North Slope. Participants in general were concerned that even the taxes collected by the borough from Prudhoe Bay, could not cover these excessive costs.

A young man from the North Slope Borough commented, "I would go for an educational system which is 100% funded by the state with 100% local control . . . it's the type of educational system we need 'cause we have so many cross-cultural types of experiences."

Finally, people in smaller village meetings throughout the northern regions supported the choices of people in the regional centers and in almost every instance felt that school construction should be financed 100% through state funds.

Statewide Sales Tax:

This option was discussed and dismissed as an unsatisfactory solution throughout the region. There was strong opposition to this choice in Kotzebue as participants discussed the inequities of a tax that makes no allowance for income levels. People suggested that more affluent residents often order goods from outside and these people would not be sharing in a sales tax burden.

There was also negative reaction in Nome where people commented that "village property and sales taxes would not generate enough revenue to build very

much in this part of the state."

In Barrow, a woman indicated that she would rather have an increase in her income tax than a sales tax at which point another participant recommended looking at the new wealth the state would receive from oil and gas revenues and stop thinking about taxation. (It should be noted here that most of those people in the North who marked "other" for an answer generally recommended using oil and gas revenues for school

construction.)

Continue the Present System:

This option was suggested by the people in Stebbins, St. Michaels and Unalakleet, all of whom have schools run by the Bureau of Indian Affairs. Consequently, these communities are not directly involved in the state school system or the problem of financing school construction in their communities.

Southcentral

"I have the feeling I'm paying more than my share but I don't think I've ever griped about it. Consider this fair warning that I'll be watching in the future."

Anchorage

Q. How should school construction be financed in both organized and unorganized boroughs?

A. Questionnaire Results

Number of Respondents: 1,633

- 12% 100% state funding from the General Fund
- 14% 100% state funding from a statewide sales tax
- 22% Local property taxes in all areas and supplemental funding where needed
- 32% Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas
- 20% Other; oil and gas revenues

Meeting Results: Anchorage

1. Other.
2. Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas.
3. Local property tax.

Outside Anchorage:

1. Continue the present system which provides for property taxes plus supplemental state funding in organized areas, and 100% state funding in unorganized areas.
2. Local property tax.
3. Other.

The people who did the most to influence the results of this question were the participants who mailed their questionnaires in from their own homes. A substantial 32 per cent wanted to keep things the way they are now. As one homesteader who lives in the Mat-Su Borough wrote: "I guess the present system must be all right, as I don't really remember feeling a big pinch."

The same thoughts were echoed by an Anchorage businessman on his questionnaire, "I have the feeling I'm paying more than my share, but it can't be that outrageous as I don't think I've ever griped about it. Consider this fair warning that I'll be watching in the future, however."

The people who most preferred to continue the present system of financing the cost of school con-

struction were the blue collar workers. Although every occupational group favored the present funding system — to some degree — 42% of the blue collar workers favored it, compared to 29% of the professional/technical workers and 26% of the white collar workers.

In the different age group distributions, those people under 25 and over 55 favored the present system more than other age groups.

In meetings, most people were inclined to accept the present method of funding. However, those people who were aware that the school bond approved in the last election would not cover all the new school construction costs talked of a heavier commitment on the part of the unorganized borough to bear some of these costs.

This feeling was also repeated in the Anchorage meetings where several people wrote on their forms that they would be more inclined to accept the present system of funding if there was some sort of contribution the local communities could make — even if it were only some in-kind contributions.

To follow up on the meeting results, a large percentage (32 per cent) of all meeting-goers opted for the "other" option. One recurring alternative in the "other" category was to cover the cost of construction with the oil and gas monies. One man from Eagle River wrote: "In Question One, we're all millionaires and you can't give the money to us fast enough. Now, as I read on, you're sneaking up to pounce on us for a sales

or income tax increase. What gives here? Couldn't we use some bucks from up there (arrow points to Question One) and plug it in down here?" An overwhelming 68 per cent of Talkeetna's good-sized turnout voted to use the new oil and gas revenues for building public schools.

Three of the Anchorage workshop meetings came to the same conclusion, but all reiterated the need for some kind of local control and local contribution from every community.

Property tax, including a property tax on homes in rural communities was a second option for most people no matter what their age, sex or occupational category. Very little comment was generated in support of this measure, however.

A sales tax or income tax increase was an unpopular avenue for funding school construction. Besides the familiar argument that a sales tax is a regressive tax that most affects the people who are least able to pay, several people just crossed that option out completely on their questionnaire.

In a few of the local meetings, a suggestion was voiced to make exemptions for people without children so they would not have to share the burden with people with children. Ironically, in Homer, a father of seven brought up the idea at which time he was answered by a 45-year-old woman who was married and had no children. She simply said, "Children are one resource we all will have to live with in the future whether I choose to have them or not."



Southeast

"Alaskans are really no different than many people in other states—they want all the amenities of life at the front door and wilderness at the back door."

Juneau

Q. What should be the primary objective for managing Alaska's land?

A. Questionnaire Results Number of Respondents: 395

- 4% To raise revenues for the state
- 40% To provide land for public needs.*
- 44% To promote renewable resource development
- 10% To promote industrial growth and development
- 2% Other: Multiple Use
- * See Appendix

Meeting Results

1. To provide land for public* needs.
2. To promote renewable resource development.

Southeasterners led the way for the rest of the state in selecting land for public needs and renewable resource development as the two most important land management schemes for Alaska.

Land to a Southeasterner is a very valuable commodity. Small and large communities alike are surrounded by the waterways of the Inside Passage and mountains covered by national forests. They are locked in and there is no room for expansion. But that is what they want; not tremendous growth or development, but personal expansion. As a young teacher at the Ketchikan workshop put it in a question to the governor: "I'm asking the basic question, when am I and fellow people, fellow 'I's' going to get five acres to raise chickens and a garden on? We don't want a handout. We don't want to be subsidized. I'll buy it. When can I count on buying it?"

Despite the extremes in Southeast geography, there is some land that can be used for homesites. This land presently belongs to the U. S. Forest Service. However, the state, through the Statehood Act, has the right to select acreage in these forested areas and this indeed would solve much of the problem that participants outlined at the Public Forum. Consequently, it is not surprising that one of the recurring themes throughout most of the Southeast meetings was to get on with state land selection in Forest Service areas.

Maybe it should be noted at this point that the results of the tabulated questionnaires differ only slightly, but they do differ from the results of meeting discussions. Renewable resource land management was selected as the first choice of people filling out questionnaires; however, land for public needs was the preference of people at meeting after meeting.

Land for Public Needs:

At the Ketchikan workshop, most of the participants favored managing Alaska's land to meet public needs. In many cases, people marked "other" and wrote in "multiple use." They then went on to define multiple use as largely homesite and recreational land uses, reiterating the issues in the option to manage the land to meet public needs.

Here, as in most of Southeast, participants went on to decry the lack of lands for homesites, the slowness of state land selection in the region and the state's failure to rid the public of land speculators. This last was a major concern as an outspoken 55-year-old legal assistant protested: "Large real property investors from the lower 48 should be precluded from buying up tracts of land, developing it and selling it back to us for huge profits. Let's keep our land for Alaskans."

The people in Wrangell suggested that land be sold at a reasonable cost, but that length of residency be

required as a safeguard against speculation and a rush of people from outside.

In Petersburg, people echoed this theme recommending that land should be set aside specifically for resident Alaskans.

With the exception of Juneau, Haines and Metlakatla, every Southeast community chose lands for public needs as their first option, further indicating the need for land on which to build a home. The most emphatic cry came from Sitka, where the problem has been severe for some time. Angoon participants suggested that if land were available for public needs, there might be fewer complications over the lands set aside for Natives through the Land Claims Settlement Act.

Thorne Bay people had difficulty relating to this question. The community is a logging camp and a company town whose land is under lease from the U. S. Forest Service. Although people expressed a real interest in buying a piece of the land for a homesite, there appear to be many obstacles along the way.

Land for Renewable Resource Development:

The second option chosen by workshop participants in Ketchikan was the management of lands for renewable resources, referring generally to fishing, timber and tourism, the renewable resource industries that are the economic mainstays in Southeast.

The people in Juneau indicated that renewable resource management was their first priority because as a participant said: "Local resources are, in fact, also public needs."

Most of the communities in Southeast chose this option as their second choice in meetings although as already mentioned, they voted for it as a first priority when filling out the questionnaire. Although the people of Angoon suggested this should be a third priority for land management after raising revenues for the state, they did urge that subsistence needs be protected

in conjunction with the development of renewable resources.

Land for Industrial Development:

This option prompted the most controversy. In Ketchikan, there was a minority concern that the state promote industry which immediately stirred up those people who insisted on preserving the traditional Alaskan way of life.

So it went throughout much of Southeast, several people supporting the opinion of a 56-year-old, 14-year Alaskan resident who makes her living through rentals. "There is the need to open up more land for additional industrial development," she said. "Alaska is such a large state with such a small population, that all living costs are higher than in the South 48. More people would generate more money in the economy thereby lowering the cost of living."

Conversely, others supported the thinking of the 36-year-old Juneau biologist who has lived in Alaska for nine years. "Why industrial development?" he asked. "It benefits few Alaskans for a short time and cheats all of us who came here to escape the environmental destruction and population expansion that is absolutely inevitable with it."

People attending Public Forum meetings in the communities of Craig and Haines supported industrial development among their top choices. Both groups stressed the need for more employment opportunities and suggested this could be done by developing renewable resources industries and diversifying their local economies.

The issue of land management was perhaps the most important to people attending the Public Forum in Southeast and their direction is fairly clear. However, as a 17-year Alaska resident from Juneau said, "Alaskans are really no different than many people in other states — they want all the amenities of life at the front door and wilderness at the back door."



North

"Industrial development? Sure we're in favor of it—in Anchorage."

Kotzebue

Q. What should be the primary objective for managing Alaska's land?

A. Questionnaire Results
Number of Respondents: 100

- 18% To raise revenues for the state
- 30% To provide land for public needs.*
- 41% To promote renewable resource development
- 11% To promote industrial growth and development

* See Appendix

Meeting Results

1. To promote renewable resource development.
2. Land for public needs.*

Generally, the tabulated responses on questionnaires supported the meeting discussions which, in both instances, indicated a preference for managing state lands to promote renewable resource development and to meet public needs.

In the North, these two categories are very similar. Renewable resources provide an income for people who fish commercially during the summer or herd reindeer, but more important in this area, the fish, reindeer, the caribou and sea mammals are the food — subsistence for most people. That makes it not only a livelihood but a "public need."

Here it is interesting to see that among the people responding to this question, long-term residents gave 45% of their vote to the renewable resource option whereas newcomers to the state gave the same answer only a 12% vote.

Land for Renewable Resource Development and Public Needs:

The dual role of renewable resources and public needs was stressed by participants at the Kotzebue workshop. It was further pointed out that "Native life styles must be considered with land use." One local resident reported that his group felt: "The land belongs to the individuals of the state and, it should be treated as theirs by concentrating primarily on renewable resources. This can be done in the areas of agriculture, reindeer herding and such things that would not necessarily damage the land and then, the

same land could be enjoyed and used by the public."

On the issue of public needs, a familiar comment, and one reminiscent of Southeast, was made by Kotzebue workshop participants. "It's ridiculous to have so much land available and not be able to build a house on one little portion of it," protested a young social worker.

In Nome, participants were fairly evenly divided between using the land for renewable resource development and using it for public needs. In Barrow, however, participants rated managing the land for public needs slightly higher than renewable resource development which they placed second. Repeatedly, Barrow people referred to public needs as the preservation of a subsistence life style.

In several of the smaller meetings, the options were the same. In Stebbins, people recommended that the first priority for managing state lands should be to provide for public needs and its second concern should be for renewable resource development. Unalakleet selected the same two priorities but in reverse order.

Land for Industrial Development:

This issue was brought up at several meetings throughout the North. There were two divergent views coming out of the Kotzebue workshop. A long-time Alaskan and teacher in the Northwest indicated: "I was very emotional about this and I carried the group along with me. We could have industries for tanning of hides, mineral development, oil from belugas, making

dog and cat food. These items could be hauled back with every carrier that leaves here empty and it would make it cheaper for the items coming up here," he added.

A second group at the same workshop wanted it known they vehemently opposed industrial development. Or, as one middle-aged man said: "Industrial development? Sure, we're in favor of it — in Anchorage."

These sentiments were echoed in Barrow by a young subsistence hunter who was concerned that industrial growth could be a "conflict of interest with our subsistence form of hunting and the type of pollution industrial development provides has a natural habit of wiping out our game and their habitat."

On the other hand, people in the communities of Gambell and St. Michaels recommended that the land be managed for industrial development which more closely translated to public works projects, i.e., people in St. Michaels were anxious to build a connecting road between that village and neighboring Stebbins.

Other:

Several other interesting suggestions came out of the discussions on land. In Nome, participants suggested

that the state promote cooperative management of lands with federal interests as long as many federal priorities will impact heavily on state policies.

This idea was repeated in Barrow only the perimeters were extended to include Native landowners. Here, participants encouraged a cooperative arrangement between state, federal and Native interests.

In Nome there were a series of suggestions included under "other" which ranged from creating a land bank to preserving game areas and included promoting tourism as well as leaving the land alone.

In Barrow, a sense of regionalism prevailed that was particularly evident in this question. The comments included one from a concerned woman who asked, "Is it possible that after you're [the State] through mining or whatever, you can give the land back . . . to local governments?"

Another participant expressed concern that revenues from the land would go into an amorphous state General Fund and the region that produced the wealth for the state would not have its needs met when the money came out the other side of that fund. Her solution? "My priority would be to use the lands both in an economic way and in a land use way that would promote regional private enterprise."

Southcentral

"It would be such a waste to see Spenard Road extended through state lands from the Anchorage Borough to the Mat Valley Borough through the new capital and beyond."

Anchorage

Q. What should be the objectives for managing Alaska's land?

A. Questionnaire Results

Number of Respondents: 1,579

- 7% To raise revenues for the state
- 34% To provide land for people's needs
- 26% To promote renewable resource development
- 9% To promote industrial growth and development
- 19% To preserve the natural environment
- 5% Other: Multiple Use

* See Appendix

Meeting Results: Anchorage

1. To provide land for* people's needs
2. To promote renewable resource development
3. To preserve natural environment

Outside Anchorage:

1. To provide land for* people's needs
 2. To promote renewable resource development
 3. To preserve natural environment
-

Land for People's Needs:

"With all this land in Alaska, why is it that we can't have any of it to build a home or to use for ourselves?"

This question tells the story on the land issue for almost every meeting and most of the questionnaires. People in different parts of Southcentral may have had varying definitions of how they would use the land for "people's needs," but meet that need was the resounding answer, regardless of the participants' location, age, occupational classification, sex or length of residency within the state.

To the people in the Anchorage area, people's needs meant getting a piece of the state to be able to build a home and raise a family. "But, we need some insurance that this disbursement of state land does not end up in the cutthroat real estate market where the land gets speculated out of our means. Now, I don't mean I want a giveaway program or free land. I'd be willing to pay for it," stated a 38-year-old pipeline worker who has been in the state for eight years.

The Palmer people wanted to look into the possibility of agricultural homesteading, which would combine the first and second priorities listed above. Both Palmer and Talkeetna respondents criticized the "Hippy Homestead Bill" designed to give small tracts of two acres to Alaskan citizens: "Fat load of farming you can do on two acres," chided one Talkeetna farm man as the crowd guffawed in agreement. To some at the Kenai meeting, "people's needs" meant some small park land tracts and land for bike trails.

One person who attended the Dimond High School meeting in Anchorage said he sat beside a few environmentalists "who, to my surprise, weren't arguing for preserving the natural environment. They seemed to believe that a lot of the federal withdrawal lands were going to be used for that, so they, too, opted for people's needs first," he said.

Land for Renewable Resource Development:

Renewable resources was also a familiar response for people throughout the area. Every age group, except those under 25, favored renewable resources as the second alternative for use of the lands. Blue and white collar workers, as well as those in the nonworking category ranked this second.

Land to Preserve the Natural Environment:

The people under 25, especially those who were professional or technical workers favored preserving the natural environment as their second choice. There also was a direct correlation between how long one had been in the state and how strongly she or he felt about preserving the natural environment. Those who were in the state less than three years ranked preserving the natural environment as their second priority by 37%. Those in the state from four to 10 years gave 24% of their support to preserving the natural environment. And those who have been here more than 10 years gave 14% of their support to environmental preservation.

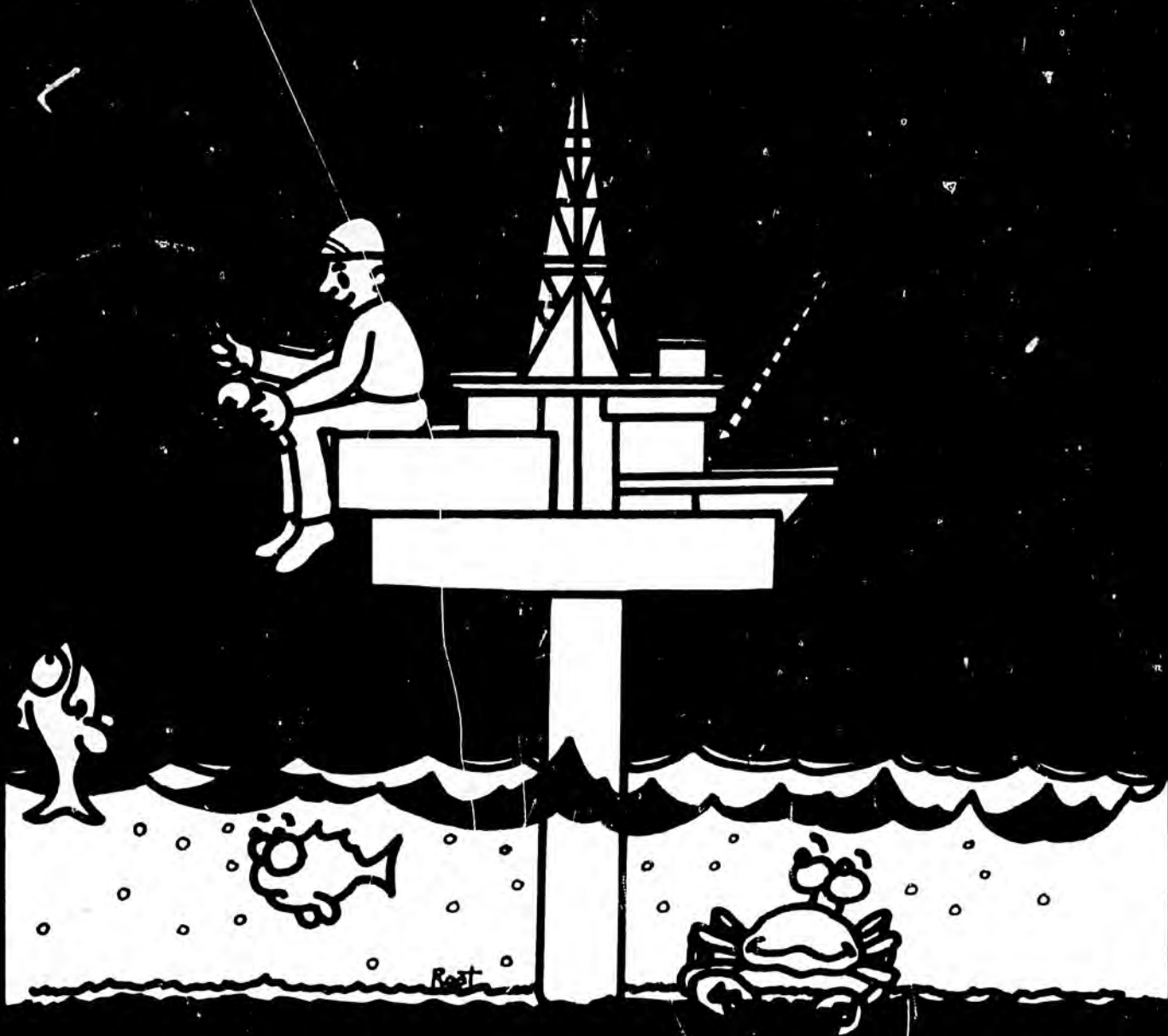
In Homer and Talkeetna, preserving the environment was a major priority. Those who attended the meeting in Homer also voiced their concern over offshore oil and gas activity. Talkeetna protested being "capital-ized and dam-ized to death" (the capital move and Devils Canyon Dam), as one local government employee put it. The people explained that time and effort should be taken to insure the land is kept environmentally sound — no matter what the future might bring.

Land was a sensitive issue at the Matanuska Valley meeting. Several people voiced their opposition to the State decision not to transfer lands over to the borough immediately. "How can you come up here and ask us what we want the State to do with the lands," asked the Borough Mayor, "when the State won't give us what we are already entitled to?"

Other:

The majority of people who voiced an option of "other" wrote or talked about using the land in multiple use schemes.

Several people who wrote comments on their questionnaires specifically mentioned the need for regional planning and a statewide land-use plan. "With the impending capital move, it will become more important than ever to have some definite state land plans that stretch over the borders of one borough to another," said an Anchorage dentist. "It would be such a waste to see Spenard Road extended through state lands from the Anchorage Borough to the Matanuska Valley through to the new capital and beyond," he said.



Southeast

"Do Alaskans really have any choice or say in the oil or gas policies or will Federal demands and monetary gains by industry override citizen's desires?"

Sitka

Q. What should be the state's policy on future oil and gas lease sales?

A. Questionnaire Results Number of Respondents: 468

- 5% It should sell leases as fast as possible to maximize its oil and gas revenues
- 60% It should sell leases at a moderate rate to assure a steady flow of income for a long period of time.
- 7% It should lease when the state needs large sums of money to meet public needs
- 22% It should do ~~no~~ further leasing and make the best use of present income
- 6% Other: Environmental and community safeguards

Meeting Results

1. It should sell leases at a moderate rate to assure a steady flow of income for a long period of time.

The overwhelming choice in Southeast meetings and questionnaire responses for Question Five was to sell leases at a moderate rate to assure a steady flow of income over a long period of time. Here, as well as almost every other region, this answer was given with some reservation for the most part related to community and environmental impacts. In Southeast, people also felt that some of the resource wealth should be saved for future generations.

From the tabulated questionnaires, it appears that these secondary concerns were very important to some of the people and could explain in part the number of participants who supported the option to do no further leasing but make the best use of present income. The tabulations also point out that younger people between the ages 25-34 were most in favor of doing no further leasing while people in the age brackets of 35 and over heavily supported moderate leasing.

Sell Oil Leases at a Moderate Rate:

Although this option was selected as a top priority in both the workshop and community meetings, it did not happen without much discussion. In Ketchikan people defined the term "moderate rate." As a middle-aged lodge owner from Admiralty Island summarized: "We want to keep the oil flowing for 50 years and with

it a moderate rate of income figured for the same 50-year period . . . we want all to see some left for future generations, but we still want to get a moderate rate over 50 years."

Some participants wanted it made clear that they felt moderate rate should mean minimizing the negative aspects of development. As one participant said: "We do not want another Prudhoe Bay situation where great numbers of people come in and upset the life style."

Although people who attended community meetings supported the Ketchikan results, there were several additional comments worth noting on the subject of selling at a moderate rate.

In Wrangell, people thought this would be the best solution for overcoming Alaska's history of boom or bust. In Petersburg, participants urged cooperation between federal and Native leasing policies adding that the state should have more of a say in federal leasing decisions affecting Alaska. This was part of the same concern for a nurse in Sitka who asked on the Public Forum questionnaire: "Do Alaskans really have any choice or say in the oil or gas policies, or will federal demands and monetary gains by industry override citizens' desires?"

People in Skagway suggested that the state should

base its policy on national needs as well as what's best for Alaska, but went on to support gradual leasing.

Sell Leases to Maximize Revenues:

In the Ketchikan workshop, in Juneau, in Metlakatla, and to some extent in Skagway, people indicated a preference for maximizing revenues but deleted the part of the option referring to the rate at which this is done. In Juneau, participants specifically recommended that the state minimize hazards and sell when the market is right.

Do No Further Leasing:

This option was an undercurrent throughout all the meetings in Southeast. Sitka participants alone made it

their priority, but added that if the state must lease they should work closely with and respect the needs of local communities.

An 83-year-old halibut fisherman from Petersburg explained his feelings on his questionnaire: "One of the world's richest fisheries must remain undamaged in this global exploding population increase."

Lease Only When the State Needs Revenues:

This option was not well received in meetings and fared only slightly better on the questionnaire responses. One of the major concerns over this leasing method was that if the state waits until it needs the money, it might very well sell in a panic and receive less than the land was worth.

North

"The social impact of oil development on native peoples has reached deep into their lives to an extent not seen or readily accepted. Due to the differences in environment past and present, cultures and 'sudden' change, the true natives of rural Alaska are unheard. Please listen. Subsistence living is a way of life that we wish to continue with."

Barrow

Q. What should be the state's policy on future oil and gas lease sales?

A. Questionnaire Results
Number of Respondents: 126

- 5% It should sell leases as fast as possible to maximize its oil and gas revenues
- 51% It should sell leases at a moderate rate to assure a steady flow of income over a long period of time
- 15% It should lease only when the state needs large sums of revenue to meet public needs
- 13% It should do no further leasing and make the best use of present income
- 15% Other: (Community and Environmental impact)

Meeting Results

1. Sell leases at a moderate rate to assure a steady flow of income over a long period of time with maximum safeguards against impact on communities and fish and game.
2. Above all, involve local communities at all times.

As the issue of land in Southeast was an intensely personal concern to the people of that region, so it was with the issue of oil exploration to the people attending Public Forum meetings in the North.

In both the Nome and Barrow meetings, participants singled out aspects of leasing and exploration activities

that concerned them most and listed them as separate items under regional issues in Question Seven.

Although the overwhelming preference of people in the North was to pursue a moderate leasing policy, the following information appeared in the tabulated responses. It appears that more men than women

prefer to lease rapidly, while older individuals seem more interested in leasing moderately than younger people. (Those over 45 years of age prefer moderate leasing by as much as 68 per cent while those under 34 only tallied 46 per cent.) A moderate leasing policy is also more heavily supported by people who have lived here for longer periods of time.

Lease Only When the State Needs Revenues:

A small group of Kotzebue workshop participants supported this option, unlike Nome participants who specifically cautioned against selling leases only when the state needs money. "If we sit back and wait for a time when the state is damned near broke," protested a middle-aged construction worker in Nome, "and have a lease sale then, we end up with no money from it because it's going to go right in the [General] Fund and be spent immediately."

Do No Further Leasing:

On this option, Barrow participants added the phrase "until technological and environmental impacts have been studied." The village of Unalakleet also recommended that the state do no further leasing and make the best use of present income, while the village of Gambell suggested that the state lease only after safeguarding environmental concerns.

Other:

The participants at Barrow recommended an option unique to that region suggesting that the state follow a policy of leasing on shore rather than off shore. This response came very clearly from people who rely heavily on the harvesting of sea mammals for their livelihood. If these mammals are placed in jeopardy, the people of the North Slope will suffer the consequences. As one Native man observed: "I think that would be the best deal (to drill on shore rather than off shore) because when you drill in the water, you're going to lose the mammals that we've had for centuries. They have already been disrupted now — we've seen that this fall. We didn't see any small whales. All we saw was big ones and we had to go so far out, we couldn't even save the meat. By the time we got in here, they got bloated."

Barrow participants also proposed the idea that the state function as an oil company itself to break its dependency on the industry and keep 88% of the money instead of the 12½% royalty share. This same thought was brought up and dismissed by Southeast and Southcentral participants who felt that the state

had enough trouble managing its services now, and certainly would find the oil industry a difficult area to manage.

Question Five caused concern in several small community meetings. Specifically, the communities of Shungnak, Kobuk and Kivalina felt unprepared to answer this question until they had more information on what actually happens to a community once a lease is sold.

Sell Oil Leases at a Moderate Rate:

Generally, people were in agreement that the state should lease its oil and gas lands at a moderate rate but participants went on to add a series of cautions. Most of these recommended that the local communities be involved in all activities, that there be provisions for local hire and that every effort be made to see that fish, wildlife and other subsistence needs are not disturbed by the process . . . if it's not too late.

A 27-year-old subsistence hunter from Barrow made his plea on the questionnaire he sent to the Public Forum: "The social impact of oil development on Native peoples has reached deep into their lives, to an extent not seen or readily accepted. Due to the differences in environment, past and present cultures, and 'sudden' change, the true Natives of rural Alaska are unheard. Please listen. Subsistence living is a way of life that we wish to continue with."

At the Kotzebue workshop, most of the participants favored selling leases at a moderate rate. There were a number of recommendations to study affected areas and work with the communities who would suffer the most impact from leasing activities. One group suggested locating all support services in a separate area, away from any villages so that the disturbance to local life would be minimal.

In Kotzebue people recommended that local persons be trained for jobs in the oil industry if development is to take place on their doorstep.

In Nome, although participants agreed that the state's policy should be to sell leases at a moderate rate, they stressed their concern for local communities affected by these activities. Nome urged that studies and planning activities for the Norton Sound area begin as soon as possible to offset any severe impact from outer continental shelf exploration scheduled for shortly after 1980. As a middle-aged businessman said: "We need impact help now to move smoothly through some rough times ahead. We can't wait till Front Street in Nome becomes another Second Avenue in Fairbanks. And it will be just the same if we don't look ahead and get some help now."

Southcentral

"There's got to be some local control over these sales. We have to live with the impact before, during and long after the damn oil rigs are in place."

Seldovia

Q. What should be the state's policy on future oil and gas lease sales?

A. Questionnaire Results
Number of Respondents: 1,609

- 2% It should sell leases as fast as possible to bring in a lot of money immediately.
- 62% It should sell leases at a constant pace to assure a steady flow of income for a long period of time
- 8% It should sell leases when the state needs large sums of money to meet public needs
- 14% It should do no further leasing and make the best use of present income
- 14% Other: Involvement of impacted communities

Meeting Results: Anchorage

1. It should sell leases at a constant pace to assure a steady flow of income over a long period of time.
2. It should do no further leasing.

Outside Anchorage:

1. It should sell leases at a constant pace to assure a steady flow of income over a long period of time.
2. It should do no further leasing.

A moderate leasing plan that would take into account Native and federal leasing programs polled strongest throughout the Southcentral area — regardless of whether the participant was young or old; male or female; a white collar or blue collar worker; short-term or long-time Alaska resident, in both urban and rural settings.

"In fact, I rather thought this question was like 'when did you stop beating your wife?'" explained a librarian from Anchorage. "Of course, the most rational plan is to do it at a moderate, constant pace."

Anchorage residents along with the Matanuska Valley participants opted for a leasing plan that would stretch for many years. But, while the Anchorage and Valley residents tallied over 62 per cent majorities for a constant leasing pace, the people on the Kenai Peninsula and Susitna Valley wanted the pace to be slow to none at all. And, in fact, at the meetings held in Homer and Talkeetna, a majority of the people preferred to end leasing altogether.

Generally, those under 35 years of age, while supporting a moderate leasing schedule, preferred it by a smaller margin than did those over 35. A growing

number wanted to stop the leasing for at least the time being.

Many people throughout the region mentioned plans by the Native corporations and the federal government to begin oil exploration within the next few years. One federal employee in Anchorage explained his idea of cooperation with the federal and Native leasing plans: "The cooperation should mean that we cooperate and sell our leases next to the feds and Native leasing platforms whereby we should place our drilling straws into the adjoining oil they are trying to siphon off of us."

Almost every person who took time to write a suggestion regarding this question mentioned the need for community involvement long before the date of the actual lease sale. Several people wanted the state to hold off leasing any tracts until the local communities could sign off and approve the sale. "There's got to be some local control over these sales. We have to live with the impact before, during and long after the damn oil rigs are in place," a Seldovia woman wrote.

The vast majority of participants had little use for either a fast leasing schedule or one that implied panic selling whenever the state needs money.



Southeast

"The best use of Alaska's royalty oil and gas would be to use whatever portion is necessary to make Alaska independent from the rest of the country (world) regarding fuel oil and gas..."

Gustavus

Q. What is the best use of Alaska's royalty oil and gas?

A. Questionnaire Results

Number of Respondents: 459

- 37% The state should take its royalties in money or substance to sell for a financial gain
- 19% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state
- 31% The state should provide in-state residential use of the royalty oil and gas
- 13% Other: Combination of option 1 and 3

Meetings Results

1. The state should take its royalties in money or substance to sell for financial gain.

Sell Royalties for Financial Gain:

Southeast people in general, chose to use the oil and gas royalties for financial gain and by selecting this response they differed from Public Forum participants in other regions of the state. Southeasterners often put forth this recommendation supported by the comment of a 45-year-old bartender that "None of that oil and gas will get down to this part of the state anyway."

Participants in Ketchikan, concerned over the limited access they have to the state's oil and gas, suggested that Southeast consider getting its gas from northwest Canada rather than Alaska through British Columbia. "It might be cheaper," recommended a middle-aged accountant from Wrangell. This same concern appears in Question Seven when participants looked into alternate energy sources for Southeast.

There was also much support for the option to provide oil and gas for in-state residential use and many people chose this by checking "other" where they penciled-in "a combination of options (a) and (c)."

A young fisherman from Gustavus explained his thinking this way: "The best use of Alaska's royalty oil and gas would be to use whatever portion is necessary to make Alaska independent from the rest of the country [world] regarding fuel oil and gas. The remaining royalty oil or gas could then be sold to provide money for the state's General Fund."

Most of these participants in Ketchikan and in other community meetings went on to recommend that whether the oil and gas stays in-state or is sold outside,

it should provide some financial gain.

Other comments on the issue of oil and gas royalties ranged from using the revenues to develop alternate energy sources, an idea coming out of the Ketchikan and Craig meetings, to support of the all-Alaska gas pipeline by Thorne Bay participants.

Royalties for Industrial Development:

There was some support for the idea of using the royalty oil and gas for industrial uses, particularly in the community of Haines, but this appeared to be a reflection of the current employment crisis and people's interest in diversifying the local economy in that town.

Other communities vehemently opposed the use of oil and gas for industrial development, specifically the people of Sitka. Although Sitkans supported residential in-state use of royalties, they were very much opposed to the industry which might accompany this in-state use. This thought was broadened by the people in Wrangell and Petersburg, who hesitated to approve the use of the royalties for in-state use at all, claiming that the industry necessary to refine the crude oil was not worth the gain by the state or its residents. As a participant in Wrangell said: "It could seriously affect the quality of life here in Alaska."

Some communities such as Juneau reached no consensus. Juneau participants ended by recommending a combination of all the concerns while expressing a caution against unwanted industrial growth.

North

"If pipelines can replace oil barges they may pay for themselves in short order."

Nome

Q. What is the best use of Alaska's royalty oil and gas?

A. Questionnaire Results

Number of Respondents: 127

- 24% The state should take its royalties in money or substance to sell for financial gain
- 11% The state should use its royalty oil and gas primarily for the purpose of promoting industrial development in the state
- 53% The state should provide in-state residential use of the royalty oil and gas
- 12% Other: Combination of the above

Meeting Results

1. The state should provide in-state residential use of the royalty oil and gas

As the chart above indicates, participants at Public Forum meetings provided the same solution to Question Six as those who responded through the questionnaires. This issue was particularly significant in the northern communities because of the high prices people pay for fuel. Generally, participants discussed oil and gas royalties as a method of reducing the price of oil in rural Alaska. A 32-year-old Native leader from Nome suggested: "If pipelines can replace oil barges, they may pay for themselves in short order."

Sell Royalties for Financial Gain:

Despite the regional findings, however, Kotzebue Public Forum participants selected residential in-state use of royalties as their second choice. Instead, people leaned toward the option of selling the royalties for financial gain as their first priority, often indicating that the state should not encourage the industrial development connected with the petro-chemical industry. The people in Stebbins also recommended using the oil and gas to sell for financial gain.

A Northwest resident and civil engineer suggested the following use for the royalty oil and gas. "Why not model it after the Alaska Native Claims Settlement Act and give each Alaskan 100 shares for a certain portion of the royalties and establish a corporation," he said. "Give each Alaskan 10% in cash."

Royalties for In-State Residential Use:

Kotzebue workshop participants indicated that they might find this option acceptable if the state could do something about the present inequities in the cost of fuel oil. It was brought out that the people in Shungnak must pay \$83 for a drum of oil and that people in Anchorage pay something closer to \$25 a drum. Participants suggested that the state might equalize the prices by using its royalty shares, and by subsidizing the cost of its transportation.

In Nome, participants recommended using royalty oil and gas for all three of the options with preference for in-state residential use and then in-state industry, i.e., to aid some of the mining activities in the Nome area. They suggested the state sell the remainder, if there is any, at the highest market price.

In Barrow, participants also chose to use the royalty oil and gas for in-state residential use, indicating a preference for the state to distribute the oil and gas at the regional level where it could then be further allocated by the regional government based on the needs of the people.

In the smaller communities of Shungnak, Gambell and St. Michael, comments supported the idea that the state should use its oil and gas royalties for in-state residential use. In Unalakleet, people suggested the state use the royalties to meet all in-state residential needs and sell whatever was left over.

Southcentral

"...I think it's important to cut us into that oil and gas market directly—even if the price doesn't go down. At least we'll have the resource."

Kenai

Q. What is the best use of Alaska's royalty oil and gas?

A. Questionnaire Results

Number of Respondents: 1,620

- 14% The state should take its royalties in money or substance to sell for financial gain
- 25% The state should use its royalty oil and gas primarily for promoting industrial development in the state
- 42% The state should provide in-state residential use of the royalty oil and gas
- 19% Other — combination of the above with environmental considerations

Meeting Results: Anchorage

- 1. In-State use
- 2. Other

Outside Anchorage:

- 1. In-State use
- 2. To make money

The preference among participants of what to do with the state's 12½% of royalty oil and gas was clearly to use the petroleum products within the state. The first priority was to use the oil and gas for residential use.

The younger the participant, the stronger the preference to use the oil and gas for residential use as opposed to promoting industrial development which was more heavily supported by older participants.

"You would think," said a worker from the Kenai Cook Inlet oil fields, "that if we mandated the oil and gas stay within the state, that would mean that your and my gas and oil prices would go down. That's probably not necessarily so. But, in any event, I think it's important to cut us into that oil and gas market directly — even if the price doesn't go down. At least we'll have the resource!"

A borough assemblyman from Talkeetna opted for increasing the royalty cut for Alaska to somewhere between 40 and 65 per cent "as the Arab states do." Nearly 70 per cent of the meeting-goers agreed and added the stipulation — with "in-state use."

Where the Greater Anchorage Area people wanted to make sure the oil and gas stayed within the state for residential use, they were not as sure as the people from the Matanuska Valley and the Kenai Peninsula. Anchorage came up with only a 39% preference compared with the Valley's 61% in favor of residential use.

Peninsula people tallied a 45% preference for in-state use.

The questionnaires filled out by participants in their own homes favored the in-state residential use. But, in the meetings, where several innovative plans were discussed, the majority opted for the "other" alternative.

Other:

Some of these plans indicated there should be a "mixed-bag" policy of using the oil and gas royalties. If just the railbelt were to profit in lower prices through development and refining of oil and gas, then Southcentral participants felt there should be some compensation for other parts of the state which did not have ready access to the refined products.

There were words of caution, especially by people in the Homer area, that without assurances of lower oil and gas prices, development and refineries should not be allowed.

Almost everyone who checked the "other" category asked that stringent environmental precautions be taken before development began on any refinery.

"It sounds enticing to us all to be really independent and produce our own products from our own resources, but if we become just another conduit for big oil production with little control or benefit, then we really won't accomplish much at all," said one economist working in Kenai.



Southeast

"That ferry system is our road to the south and you keep reading in the paper about the profit it's making or money that they're losing. There ain't no talk about the profits they're making or how much money that they're losing on the roads into Anchorage and Fairbanks."

Ketchikan

Q. What other state problems do you feel should be considered?

A. Questionnaire Results

1. Renewable Resources
2. Health and Social Services
3. Land and the Environment
4. Alternative Energy
5. Nonrenewable Resources
6. Transportation
7. Communications
8. Government Operations
9. Economic Issues
10. Capital Move
11. Alaskan Life Styles
12. Education

Meeting Results

1. Transportation
2. Fisheries Rehabilitation
3. Alternate Energy Sources
4. Communications

The three local issues Ketchikan workshop participants chose to discuss were transportation, fisheries rehabilitation and alternate energy sources. These concerns remained consistent at most of the smaller community meetings throughout Southeast and only communications stood out as a new topic to be added to the Ketchikan list.

Transportation:

This subject proved to be the major concern among Southeasterners. At the Ketchikan Public Forum, participants discussed the ferry system in some depth and road and air service as secondary transportation problems. A number of criticisms were leveled at the Marine Highway system, among them inappropriate schedules and unacceptable sanitary standards. More than this, participants repeatedly echoed the sentiments of a middle-aged logger who said: "That ferry system is our road to the south and you keep reading in the paper about the profit it's making or how much money you're losing. There ain't no talk about the profit they're making or money that they're losing on the roads into Anchorage and Fairbanks. I think that this ferry system is our road and it should be treated that way and people should stop talking about the profit and loss."

This theme was repeated throughout Southeast in Sitka, Wrangell, Petersburg, Skagway, Haines and others. Metlakatla participants explained their problem with the Marine Highway. "We've got nothing but that little Chilkat ferry coming in here four days a week," explained a middle-aged fisherman. "It carries up to 40 people and with one full van on it there's no room for cars."

In Skagway, people continued the criticism of the ferry system. As a young teacher said, "We have four or five ferries a week in the winter and that sounds real good, but three of them are on Sunday." At the meeting in Thorne Bay participants added the recommendation that the state look into the use of hydrofoils to transport people and goods throughout the region. People in other areas of the region suggested the use of hydrofoils as well.

There were comments on the inadequacies of air transportation and particularly the need to upgrade the navigational aides at the Southeast airports. On the subject of roads, people in several areas thought that smaller communities might be better serviced if there were some connecting roads between them. Thorne Bay and Klawock participants added the need for improving those small roads that already exist. Several people suggested that logging roads might be upgraded

and incorporated into the public highway system. Additionally, people in the Petersburg-Wrangell area were anxious that the state complete the road linking them to Canada.

A final note on transportation was the wide sweeping concern that local communities be included in any transportation plans that will affect them.

Fisheries Rehabilitation:

On the issue of fisheries, there was a reaffirmation of the region's commitment to rehabilitate the struggling industry through more planning, research and technical assistance.

There was support for hatcheries. "We have a pattern of destroying and then trying to build after the damage is done. Why can't we use sensible management now?" demanded a frustrated Craig fisherman. "I don't think that there's a fisherman in this country that wouldn't pay his fair share. I personally have signed an agreement with the Aquaculture Association to take three per cent of my catch next year and put it into hatchery rehabilitation . . . but what I'm trying to say is that it's my job to catch fish; I want to go on and do my job, but I also want to make sure . . . someone isn't going to point a finger at me 20 years from now and say, 'that guy was a fisherman and he used to catch lots of fish, but the fish are gone because he caught them all.'"

There was criticism of the Department of Fish and Game. Said another long-time Southeast fisherman, "I want to know that when the Fish and Game are telling me I can go fish that they're right and I can leave something for posterity — myself and my children."

A final, quiet appeal of an Angoon fisherman for the fishing industry in his village, left the Ketchikan workshop audience visibly moved. "You know, the Fish and Game, they spend a lot of money to print their regulation books for us fishermen to go by. Now, at the Fish and Game they got the areas, Sitka, Ketchikan, Juneau, and so forth. But some of our fishermen . . . went out fishin' and they are really fishing legal according to the book. But the Fish and Game in that area, they say it was closed and they arrested three boats. They went to court twice and Fish and Game Department are asking them to plead guilty but they are not guilty and their case is still in

the air and this is bad.

"Now when we want to go and fish, the state sells us our gear, license, boat license, commercial license and makes us sit on the beach and watch the fish go by . . . you know, to me it's a bit of discrimination. We've been hollerin' but it seems like Angoon is just forgotten."

There was great concern over the rapidly disappearing herring runs, important because the herring is the primary food of the sought-after salmon. "Do you know what they (Fish and Game) do?" questioned an outspoken Ketchikan fisherman. "They go out all over the State of Alaska and sell these herring with the eggs to Japan. What are you going to feed the fish when you get rid of all the herring? You're going to have less fish and the ones you got will be smaller . . ."

At the Angoon meeting, participants discussed the abuse of herring fishing in the waters off their village. The conversation was long and heated and ended with a petition to the Governor. (This petition was subsequently honored and herring fishing in the Angoon area has been stopped.)

Alternative Energy Sources:

On the subject of alternative energy sources, Southeasterners at the Ketchikan workshop voiced a strong concern that the state begin to work on hydroelectric power to service the region. There were suggestions of tidal and wind power research but hydroelectric power was recommended most often. New energy sources for local use was also the subject of meetings in Craig, Klawock and Juneau.

Other Concerns:

In Juneau, people provided a list of concerns with the capital move at the head. They went on in turn to discuss the need for long-range comprehensive state planning; problems with transportation, fisheries, boom and bust economy, communications, and maintaining the Alaskan quality of life. In several meetings, communications was mentioned as a problem for Southeasterners. "Develop a state-owned communications network system to bring Alaska's people together!" suggested a 35-year old systems analyst who has lived in the state for eight years. In Metlakatla and Haines, the participants recommended that the state expand its Telecommunications system.



North

"We've got to plan now. We've got to make sure that the facilities they put in are high quality so that we know we won't be left with a pile of junk when everybody pulls out."

Nome

A. What other state problems do you feel should be considered?

Q. Questionnaire Results

1. Oil and Gas Exploration
2. Renewable Resources
3. Alcoholism
4. Land and the Environment
5. Alternate Energy Resources
6. Communications
7. Government Responsiveness
8. Economic Issues (Cost of living, taxation, industrial development)
9. Alaskan Life Styles (subsistence)
10. Education

Meeting Results

1. Renewable Resources & Subsistence Living
2. Oil and Gas Exploration
3. Transportation
4. Community Development
5. Alcoholism

Throughout the meetings in northern communities, several important themes emerged in the areas of oil and gas exploration impact, and state outreach to isolated rural communities. It is not surprising then that most of the comments both on the questionnaire and at meetings focus on these areas. Beyond these, three other major concerns surfaced: transportation, communications and alcoholism.

Alcoholism, Communications, Fisheries:

At the Kotzebue workshop, participants elected to discuss the issues of alcoholism, transportation, communications and fisheries. They went over these at length, recommending that a tax be placed on alcoholic beverages to rehabilitate the alcoholic (also see Question Two — the North). This suggestion was repeated throughout other regions of the state, but it was perhaps the most urgent recommendation made by the 100 participants in Kotzebue.

Other comments were brought up by Northwest people at the regional workshop. One young Native man suggested there is a lot of need for education on alcoholism, not only on the part of the state, but local communities have through statutes such as limiting the hours a bar may be open. With enough pressure, "perhaps," he suggested, "Municipalities would close the bars at two o'clock, rather than five."

On the issue of communications, participants indi-

cated the need for more than one phone in a village and the desire to have television expanded to bush communities. They also discussed the flow of information as a communications problem to people living in isolated areas. One participant said in December, "I'm still receiving election news and at last count Carter and Ford were running head to head."

Finally, on the issue of fisheries, there was discussion of developing fish hatcheries to insure a regular harvest of fish. As a middle-aged Northwest resident outlined the problem: "I get out in these villages and I see there's no salmon coming up streams and that they should be full of salmon. This should be eliminated, but there has to be some planning and some effort and some money spent. This money is returnable when the fish come in. It will create jobs. There can be a percentage or a price-per-pound of fish that come back to repay the money spent to develop a hatchery in the first place."

Transportation:

This was selected as a major concern at the Kotzebue, Nome and Gambell meetings.

Kotzebue criticism was leveled primarily at the air service and the apparent abuse of freight and mail delivery. Specifically, participants voiced concern over airport maintenance in the smaller villages, citing that second-hand, inoperable or nonexistent equipment in

villages can mean weeks without plane service when the air strips are icy or muddy. Others went on to criticize the location of the air fields, indicating that planes often have to land and take off in dangerous cross-winds. Further, people mentioned the need for runway lights to expedite medical evacuations.

People in the Nome area also indicated that air freight was a major concern and participants felt the state should play a major role in solving this problem. Air schedules and routing drew fire as people protested that there is no direct flight to Anchorage. "A poor patient," said one participant, "is left laying in the plane for three or four hours at a time when they should be right in Anchorage at the medical center."

A 42-year-old laborer from Gambell reiterated the needs of that community. "We very much need transportation and mail service like freight and packages at Gambell."

Oil and Gas Exploration Activities:

In Nome, Public Forum participants expressed concern over the social, cultural and economic impacts of outer continental shelf exploration on Norton Sound communities. They echoed many of the statements made by people discussing the state's oil and gas leasing policies (please see Question Five). Chief among their concerns was that Nome, as well as other affected communities, receive impact aid as soon as possible so that they can anticipate and offset any environmental and social disruptions. Participants urged careful study before any leasing is done and further recommended that the local communities participate in the leasing and exploration process to every extent possible.

"We've got to plan now," said one construction worker. "We've got to make sure that the facilities they put in are high quality so that we know we won't be left with a pile of junk when everybody pulls out."

A final concern voiced by the people in Nome centered around the proper management of fish and wildlife. People felt that some control should exist to make sure that there are always resources for those on subsistence. "If the animals are hurt, the villages are hurt," said a Nome participant.

In Barrow, the major concerns of the people centered around the distribution of oil and gas revenues and fear of offshore leasing impacts. Most often people questioned what further leasing might mean for them, "Now it seems our land is producing that money — \$3

billion," said an elderly Native man. "I guess we would like to know what percentage of that money we might be getting."

In response to this point, participants urged that the state give more of its revenues to regions that actually produce the oil to offset the costs they incur from exploration impact. Another Native Barrow resident posed a second problem: "As time goes on, we will have our taxes so high to pay that we will run out of money and eventually (Native lands) will revert to state or federal lands . . . why should we lose our land on which we are producing the biggest money?" From this point came the recommendation that oil money should go to local governments to reduce property taxes of landowners.

The participants recommended that the state try to minimize the impact of oil and gas development in Pet 4. Further, they suggested that the state lease onshore rather than offshore to save the sea mammal population for subsistence needs, but added if there was offshore exploration, the state should research the effects of OCS activities on sea mammals first. (See Question Five.) Barrow participants went on to recommend that the state work to coordinate its outer continental shelf development with Canada, which has already begun work in the Beaufort Sea. And, finally, participants urged that local people be more involved in game management, particularly in determining the number and distribution of caribou permits, if the state continues to limit caribou hunting in the future.

Community Development:

Another major concern for people in the north involved community development issues. People in several villages such as Barrow and Deering raised this issue. They discussed unemployment, poor quality of health care and the need for sewer systems in the villages. All communities recommended that the high cost of living be considered in revenue sharing formulas.

The people of Deering talked of the need for a seawall to protect the village and that community, along with others, urged that state officials respond to the problems of isolated communities, "Weeks and often months go by with no word on grant or information requests," advised the city clerk, "We can't do anything."

Southcentral

"There's just too many new people coming up here and getting a free ride; normally, I wouldn't mind, except it appears that I'm the one that has to provide some of the free transportation."

Homer

Q. What other state problems do you feel should be considered?

A. Questionnaire Results
Number of Respondents: 546

1. Government Efficiency
2. Economic Growth Throughout Alaska
3. Transportation
4. Land and Environmental Issues
5. Crime and Judicial System
6. Health and Social Service Problems
7. Education
8. Capital Move
9. Renewable Resources
10. Alternative Energy Sources
11. Labor Issues and Control
12. Natives and Subsistence Life Styles
13. Nonrenewable Resources
14. Housing

Meeting Results: Anchorage

1. Government Efficiency and State Growth
2. Transportation
3. Criminal Justice System

Outside Anchorage:

1. Government Efficiency
2. Alternative Energy
3. Transportation

Government Efficiency:

The growth of state government and the efficiency of its operation were the most popular new questions brought out by the Southcentral participants. "Government's just getting too big," was a comment written over all the question boxes on a few of the questionnaires. The old attitude of government stepping in and doing more than the people think it should be doing, "just goes against what I thought Alaska was supposed to be all about — a little bit of independent freedom," wrote a railroad worker from Palmer.

"I look around me and see two pages of state offices here in Anchorage in the telephone book and yet I just want to find out where to get an income tax form and nobody can help me," said a 35-year-old woman from Spenard.

At all of the meetings, government inefficiency was a topic people kept coming back to, whether the groups were discussing what to do with the Permanent Fund or what their human need priorities were. A Kenai eye doctor cautioned that nothing be done with the Permanent Fund until the state sets a limit on how

many new people would be hired to take care of the fund. "I hate to suggest any new and needed programs because it would only add another level to the bureaucratic structure," a Susitna Valley grocer objected.

State Growth:

The growth of the state — whether its economy or its population — was mentioned as the region's second priority in this open field of questions.

"There's just too many new people coming up here and getting a free ride; normally I wouldn't mind that, except it appears that I'm the one that has to provide some of the free transportation they get," said one old-time barkeeper from Homer.

Several people expressed concern over how to best control growth so that it doesn't get out of hand. The Matanuska Valley and Kenai Peninsula residents often wrote on their questionnaire that limits should be placed on the new people that would be allowed to settle here, "especially if they're just going to take jobs away from Alaskans or land on the unemployment rolls," offered a grocer from Anchorage.

Transportation:

The potholes in front of a participant's home, the lack of ferry service to Anchorage, the question of whether or not to open the North Slope haul road, expansion of the present road system and upgrading other roads were all concerns Southcentral people had about transportation. In fact, most people who identified more than one problem under Question Seven, wrote down one that was transportation-related. Miners from the Valley wanted new roads into the mining-rich areas there; Anchorage Sand Lake residents wanted to be able to get to work in the morning in less than 40 minutes, and Kenai-area people wanted more off-the-beaten-track accesses.

"It just galls me that there appears to be so much money going to come into the state with the oil pipeline and yet I can't get the roads sanded for weeks at a time," said one trucker from Anchorage.

Transportation planning and more mass transportation were touched on, but mostly people just wrote "Transportation — a big problem."

Land:

Land issues which included homesiting, land speculation problems, air and water pollution and fish and game management were all voiced as issues by participants. People on the Kenai Peninsula cautioned about spending so much time talking about oil and gas-related issues. They were more concerned about preventing pollution from the development. Anchorage-area people concerned about the environment mentioned air quality frequently. They also referred to their concern over the rising cost of land which was speculated out of their reach.

Criminal Justice:

Within the Anchorage area, crime, criminal justice and the general operations of the judicial system were key topics at all the Anchorage workshop meetings. However, especially in those areas that do not now have police powers (i.e., outside the old city limits and Spenard), people were concerned about the lack of police protection and the enforcement of penalties imposed on criminals.

One man simply stated that he thought the judicial system was breaking down with "a lot of the hardened criminal types either not being prosecuted or getting off with an easy sentence and then getting back on the streets to strike again."

Other:

Health and Social Services problems included a need for more and better child care with an extra effort directed at enforcing the present-day care standards. Alcoholism, which was also detailed in Question Two, was mentioned again in this open question. Drug abuse and control of drugs were discussed, some by older participants. Welfare abuses and a need for more vocational training programs to get people off the welfare rolls was also a recurring topic under this question.

Education, especially reforms in post-secondary education including the University of Alaska, was highlighted in a few questionnaires. A few people at the Anchorage meetings voiced the need for making education a more relevant force in the community through vocational education, updated curricula and quality rather than expensive programs.

Only about 50 people mentioned the capital move as an issue they thought should have been discussed at the Public Forum meetings. Of that group, 29 people wanted to get on with the move and eight opposed it. The rest of the people provided comments like those of one participant who offered, "Wouldn't it be nice to sit down and talk to neighbors like this from the Peninsula and the Valley about what kind of a capital we all want to see here in Willow?" Only Talkeetna voted unanimously to abort that move, claiming it threatens their desired life style.

Renewable resource concerns of timber, fishing, agriculture, herding, tourism and wildlife were spotlighted by a majority of the participants as was alternative energy resource development. For example, many people in Homer wanted to see a percentage of money made from nonrenewable resources go to research efforts for other energy methods such as solar, tidal and wind energy.



Summary

Alaska Public Forum participants were asked to come up with answers to seven questions on major state issues. They were provided with six questions chosen by the Governor, legislators, state officials, people throughout the state and ultimately, based on all these suggestions, the Alaska Growth Policy Council. (The Alaska Public Forum is a program of the Alaska Growth Policy Council, an eleven-member citizen participation group set up by Governor Hammond.) Participants in the program then choose a seventh question — an area of state concern that they wished to discuss. All the questions (except 7) have a number of proposed choices, from which participants

may choose an answer. They may also select "other" and provide their own answer.

What follows is a summary of question recommendations from the first half year of the Alaska Public Forum program in Southeast, the North and Southcentral. The information is based on the comments and suggestions recorded at meetings as well as the answers provided in the mail-in questionnaires. Since the base of background information and time spent on each choice is different in every case, it is strongly recommended that you consider both the meeting summaries and the questionnaire statistics before reaching any conclusions.

Question 1

"I know we're talking about more money than I can ever conceive of but if I get to put my two cents worth in regarding the investment of the state's two billion dollars, then no matter what gets done with it, I'll have the feeling it's more mine."

Anchorage

QUESTION 1 — OIL AND GAS WEALTH

SOUTHEAST

Uses of the oil and gas revenues

- Renewable resources
- Community development
 - a) Loans
 - b) Grants and revenue sharing
- Save it and tax cuts

NORTH

Uses of the oil and gas revenues

- Community grants and revenue sharing
- Renewable resources
- Save it

SOUTHCENTRAL

A. Investment of Permanent Fund

- Renewable resources
- Save it

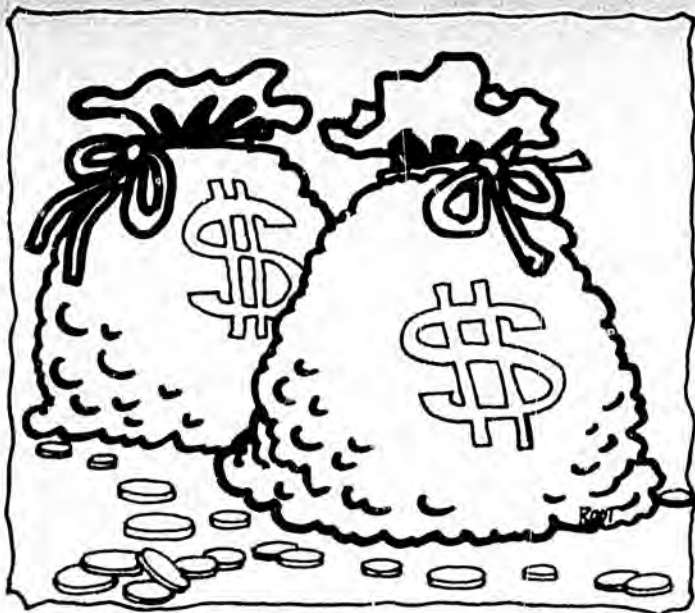
B. Uses of surplus revenues

- Tax cuts
- Renewable resources

The first question asked, "How should the state use its new oil and gas money in the future?" The options were to: Save it; Loan it to 1) communities 2) industrial development 3) renewable resource industries, 4) individuals; Use it for 1) tax cuts, 2) community revenue sharing and grants 3) more state services; and other. Common to all three regions were the recommendations to promote renewable resource in-

dustries with oil and gas revenues and to save the money with Southeast and the North recommending community assistance efforts ahead of the suggestion to save.

For the Southcentral region, the question was divided into two parts because of some confusion in Southeast and the North over the role of the Permanent Fund in the original question as stated above.



Then, Question 1A asked, "How should the Permanent Fund money be invested?" and the options were the same as the first five mentioned above. Question 1B is the one asked in Southeast and the North — "How should the state use its new oil and gas money?" and the options were also the same nine with the inclusion of using the new wealth for cash payments to Alaskans or increasing the amount in the Permanent Fund. It is incorrect, however, to compare the second part of Question One in Southcentral with the question used in the first two regions despite the same wording because people in Anchorage and surrounding communities accurately viewed the answer to the second part of the question as surplus or extra oil and gas monies. People in Southeast and the North were more reluctant to do so and provided answers which reflect a concern for investments and future security more in tune with

solutions to the Permanent Fund issue.

Interestingly, whether people were specifically investing in the Permanent Fund, or using the new oil and gas wealth, there was across-the-board concern for the future of the *renewable resource industries* — fishing, timber and agriculture with tourism and varying combinations of the above spread throughout the three regions.

The option of using the new oil and gas money for *community revenue sharing and community grants* was the first choice of people in the North with *renewable resources* close behind. In Southeast, participants supported community assistance as their second choice although they were divided between using *community revenue sharing and grants* for this purpose or providing *loans to communities*. In Southcentral, an area with far fewer isolated, rural communities this option which rated so high in the Southeast and the North fell to fourth position.

Southcentral participants chose instead, to *save* the Permanent Fund money by investing in safe securities with guaranteed returns, or by increasing the size of the Fund itself. They also thought that the state should provide *tax cuts* with the new oil and gas wealth once the concern for renewable resources was met. Although tax cuts received a clear majority, largely as a result of Anchorage mail-in participants, most of the same people chose renewable resources as their first option for Permanent Fund investment and gave it second priority for uses of new oil and gas money. This would appear to give added weight to the renewable resource issue.

Save it as an option for investment of the Permanent Fund question in Southcentral received a great deal of support. It was also selected as a third priority for using oil and gas money in both Southeast and the North, indicating statewide support.

Question 2

"You can't get a job without a good education...and a lot of times if you don't have a job other things don't follow."

Barrow

QUESTION 2 — HUMAN NEEDS

SOUTHEAST

- Education
- Employment
- Alcoholism

NORTH

- Education
- Alcoholism
- Health

SOUTHCENTRAL

- Employment
 - Education
 - Alcoholism
-

The second question asked, "What areas of human need do you feel require the most attention?" The options were alcoholism, care of children, education, programs for the elderly, employment, health, housing, income maintenance, rehabilitation, and other. The



responses to these were similar in all three regions. Both *education* and *alcoholism* appeared a priority in each region. *Employment* also ranked among the top three choices in Southeast and Southcentral but was replaced by *health care* in the North.

Education received the highest ranking in Southeast and the North and generally younger people were more

concerned about education than older Public Forum participants. Employment ranked first in Southcentral. There, as well as Southeast, it was usually chosen by participants in the occupational categories of white collar and blue collar workers and those not in the labor force, but not as often by professional-technical people.

Alcoholism sparked the most discussion and comment. It ranked very high among people's top choices in both meetings and questionnaire tabulations, although when it was averaged with all seven human needs, its ranking fell. Perhaps the one consistent thought coming out of Public Forum meetings was the recommendation that an added tax be placed on alcoholic beverages to pay for the cost of rehabilitating alcoholics. A secondary suggestion encouraged local control and management of alcohol rehabilitation programs.

Health care was an important concern for people living in isolated communities in the North. There, lack of medical assistance in villages and extreme distances from hospitals and clinics, were repeatedly brought up as major concerns. Health was ranked fourth in Southeast and Southcentral.

The other human needs areas were generally the same throughout all three regions, with care of children, and programs for the elderly falling in behind the four issues mentioned above. In the North housing was high among people's needs and tied with employment as a fourth priority in that part of the state. It should be mentioned at this point that most of the choices for this question received very close ratings, perhaps supporting people's contention in meetings that it was difficult isolating one concern from another.

Question 3

"Children are one resource we all will have to live with whether I chose to have them or not."

Homer

QUESTION 3 -- FINANCING SCHOOL CONSTRUCTION

SOUTHEAST

- Continue the Present System

NORTH

- 100% funding from the General Fund

SOUTHCENTRAL

- Continue the Present System

Question Three asked, "How should public school construction be financed in both the organized and unorganized boroughs?" The answers included an increase in the state income tax, a statewide sales tax, local property taxes throughout the state, to continue

the present system or fund entirely out of the General Fund. Behind the question is the requirement to build a number of schools throughout rural Alaska in the near future and the Public Forum options try to suggest methods of financing this construction.



Initially, Southeast and Northern participants were presented with the option of financing school buildings

through the General Fund. This option was later dropped in Southcentral and subsequent regions because it did not specify a method by which the General Fund will get the money to build schools.

Both Southeast and Southcentral chose to *continue the present system which provides for property taxes plus supplemental state funding in organized boroughs and 100% state funding in the unorganized borough*. Interestingly enough, to continue this method places a heavier financial burden on organized boroughs such as those found throughout Southeast and Southcentral.

The North on the other hand chose to *fund school construction from the General Fund*. With the exception of the North Slope Borough, most of this region has its school buildings financed entirely by the state. Nonetheless, they chose to recommend that the state pay for not only their needs but the needs in organized boroughs (such as Southeast and Southcentral) as well.

In each region, the top choice was recommended by a 10 to 20 percent margin. Suggestions of other financing methods such as a statewide sales tax or an increase in the state income tax were generally received unfavorably.

Question 4

"I'm asking the basic question, when am I and fellow people, fellow 'T's' going to get five acres to raise chickens and a garden on. We don't want a handout. We don't want to be subsidized. I'll buy it. When can I count on buying it?"

Ketchikan

QUESTION 4 — LAND MANAGEMENT

SOUTHEAST

- Renewable Resources
- Public Needs

NORTH

- Renewable Resources
- Public Needs

SOUTHCENTRAL

- People's Needs*
- Renewable Resources

**Language change a result of questionnaire revision. (See Appendix)*

Question Four asked: "What should be the objectives for managing Alaska's land?" The options included to raise revenues for the state, to provide for public or people's needs, to promote renewable resource development, to promote industrial development, to preserve the natural environment and other. In every region the responses were the same — *promote renewable resource development and manage the land to meet people's needs.*"

In Southeast and the North, people supported the option of *renewable resource development* for land management as their first choice. In both regions, renewable resources were explained as the economic mainstay of the area and in the North, a chief food source. In Southcentral, the people of that region gave renewable resources a strong second priority position.

Land for people's needs was a favorite topic in all three regions, particularly land poor Southeast, but it



was Southcentral participants who ranked it as their first priority. In all areas, people generally spent a great deal of time discussing the need for more land for homesites at less expensive rates and with built-in safeguards against speculators.

In the North, the subject of people's needs was often interwoven with subsistence and renewable resource concerns as participants indicated that fish and game resources were the people's needs. There was some support among the non-native population in the North for homesite land under this option.

In Southeast and the North, there were recommendations to *preserve the natural environment* which was often written in as an *other* suggestion. In Southcentral, where it was listed as an option, natural environmental preservation ranked third behind people's needs and renewable resource development.

Question 5

"We need impact help now to move smoothly through some rough times ahead. We can't wait till Front Street in Nome becomes another Second Avenue in Fairbanks. And it will be just the same if we don't look ahead and get some help now."

Nome

QUESTION 5 - LEASING OIL AND GAS LANDS

SOUTHEAST

- Sell leases at a moderate rate

NORTH

- Sell leases at a moderate rate with safeguards

SOUTHCENTRAL

- Sell leases at a constant pace*

**Language change a result of questionnaire revision. (See Appendix)*

Question Five asked, "What should be the state's policy on future oil and gas lease sales?" The options were to sell leases as fast as possible to make a lot of money, to sell at a moderate rate for a steady flow of income, to sell when the state needs a large sum of money, to do no further leasing, and other. The response throughout all three regions was the same — *sell leases at a moderate rate to assure a steady flow of income for a long time.*

Despite the large response to the option to lease at a moderate rate, participants from every region felt the need to tack on addendums to their answers. In almost every case, their attachments expressed concern over environmental and community impact stemming from oil exploration activities. Participants urged state lead-

ers to involve the local community in any leasing activities and train local people for petroleum-related jobs. Over and over again, people from communities in Southeast, the North and Southcentral recommended that monies be made available in advance of severe impact. Further, they urged that the lives of people, and the preservation of the state's fish, game and environmental resources be given priority over the revenues to be gained from leasing activities.

There was some sporadic support for the option to *do no further leasing* but not enough to make much of a dent in the majority opinion discussed above. Finally, participants thought the state should steer away from *leasing only when it needs money* which, people felt, could only lead to panic selling.

Question 6

"It sounds enticing to us all to be really independent and produce our own products from our own resources, but if we become just another conduit for big oil production with little control or benefit, then we really won't accomplish much at all."

Kenai

QUESTION 6 – ROYALTY OIL AND GAS

SOUTHEAST

- Sell it for financial gain

NORTH

- Provide in-state residential use

SOUTHCENTRAL

- Provide in-state residential use
-

Question Six asked, "What is the best use of Alaska's royalty oil and gas?" The options were to sell the royalties to make money, to use them for promoting industrial development in-state, to provide in-state residential use, and other. The responses in the North and Southcentral proved similar — use it to provide in-state residential use of royalty oil and gas. In Southeast, people recommended that the state sell it for financial gain.

In the two regions, the North and Southcentral, where there is a better likelihood that oil and gas royalties can be used for individual needs by residents, this option was the top priority. Southeasterners, however, because of their physical separation from the main body of the state often felt that it would be too expensive to get the oil and gas to them and it would make more sense for the state to sell its royalties for financial gain instead. However, there was a good deal of secondary support throughout the region for using the oil and gas to meet individual needs within the state.

Many participants in all regions indicated a preference for several of the options, specifically, to use what is needed in-state and then sell the rest.

There was also widespread concern over the inequities in the price of oil within the state today and many participants, particularly in the North, suggested

using the royalty oil and gas to equalize prices by subsidizing transportation or selling shares of the royalties throughout the state.

Many felt that any revenues to be derived from the royalty oil and gas sales or the refining of the product should go to develop alternative energy resources, especially solar, tidal and wind energy.



Question 7

"....What I'm trying to say is that it's my job to catch fish; I want to go on and do my job, but I also want to make sure someone isn't going to point a finger at me 20 years from now and say 'that guy was a fisherman and he used to catch lots of fish, but the fish are gone because he caught them all.'"

Craig

QUESTION 7 - REGIONAL CONCERNS

SOUTHEAST

- 1) Transportation
- 2) Fisheries (renewable resources)
- 3) Alternate Energy Sources

NORTH

- 1) Transportation
- 2) Oil and Gas Exploration
- 3) Subsistence/Renewable Resources

SOUTHCENTRAL

- 1) Government Efficiency
- 2) Transportation
- 3) State Population and Economic Growth

Question Seven provided the opportunity for Alaska Public Forum participants to discuss subjects they wanted recognized as problem areas. The question asks: "What other state problems do you feel should be considered?" The one concern that all three regions shared in common was *transportation*. Beyond this, the focus in the different regions varied.

Transportation spanned all three regions as a major concern, but in each area the needs were different. In Southeast, participants directed their criticism at the ferry system requesting that schedules and service be improved and that no attempt be made to run the Marine Highway system as a profit-making venture. Southeasterners voiced the secondary concern that air service schedules and airport maintenance be improved throughout the region.

Air transportation was also the focus of much discussion in the North. Criticism was leveled at federal regulations which limit service in that region to one air carrier company and complaints of poor freight delivery seemed to head everyone's list. There was also concern over the poor maintenance of air fields in small communities which can isolate a village for weeks at a time.

Transportation in Southcentral was largely an issue of road improvement whether in front of people's homes or on major highways outside of the city of Anchorage. People also discussed transportation planning, the North Slope haul road, and the possibility of extending the existing highway system as secondary transportation problems.

In Southeast, people went on to discuss methods of *rehabilitating the struggling fishing industry* and *developing hydroelectric power* for the region.

In the North, Public Forum participants discussed their growing concern over "oil and gas exploration impact" in that area — whether it was Norton Sound or the Beaufort Sea. Their needs, while largely the same as those itemized in Question Five, were important enough for participants to repeat in this question.

Closely tied in with this were the reactions through-

out the North that "fish and game management" be handled carefully and with local involvement to protect subsistence activities and renewable resource interests.



In Southcentral, participants in almost every area of that region decried the extravagant size of state government and its less-than-effective performance. There were concerns of people who didn't know where to turn for help and those who felt state government has become inefficient. Tied into this theme was the concern over rapid state growth and the fact that too many people are arriving, ill-equipped to participate in Alaska's life and end up supported by the state.

There were many other concerns brought up in each region and for a more complete discussion, please see the section on Question Seven. However, these appear to be the major problem areas voiced by Alaska Public Forum participants.

Secondary Suggestions

In this last section, we have attempted to capsule the thoughts and recommendations of all the people who have participated in one way or another in the Alaska Public Forum in three regions of the state — Southeast, the North and Southcentral. If we suggested at the beginning of the report that some imaginative ideas might slip by for the sake of brevity, this is even more true for the summary of recommendations.

In an attempt to fit in a few more pieces before we end, we set forth some secondary concerns brought up by many of the Public Forum participants. Some of these suggestions are already being met through existing programs or legislation. We repeat them nonetheless because we heard them from the people of the state. Other concerns may be new and again, because we heard them, we thought you too might want to know.

- Place an added tax on alcoholic beverages to pay for the cost of rehabilitating alcoholics.
- Provide land for homesiting with safeguards against speculators.
- Review fish and game management patterns and include more local involvement on policy decisions from opening and closing of fishing seasons to caribou hunting permits.
- Provide for Outer Continental Shelf impact assistance *before* the leases are finalized.
- Establish means now of involving local communities in oil and gas exploration activities.
- Provide job training for employment on oil and gas exploration projects.
- Provide an emergency fund for oil spills and have it available *before* the spill so that it may be put to use immediately if needed.
- Take steps to improve government sensitivity and outreach to rural areas of the state.
- Improve transportation:
 1. the ferry system and air service in Southeast;
 2. air service and airport maintenance in the North;
 3. road improvements and upgrading in Southcentral and wherever roads exist
- Encourage local involvement both financially and educationally in schools around the state and move toward equal educational opportunities for all areas.
- Develop hydroelectric power for Southeast and reassess the Devils Canyon Dam project in Southcentral.

Evaluation

All participants at regional workshops were asked to respond to a series of evaluation questions about the Alaska Public Forum. A form was designed to allow members of the Growth Policy Council and the staff to identify areas where the workshops could be improved. We would like to share some of the most representative comments with you.

Was the workshop beneficial to you? If so, in what way?

"It gave me a chance to evaluate Alaskan problems with many different points of view and draw from it. It was gratifying that people were able to speak and be listened to." (Ketchikan)

"Helped bring my ideas on the issues into focus." (Ketchikan)

"We'll see what comes out of it." (Kotzebue)

"Wonderful to have state government interested in both urban and rural Alaska and especially rural Alaska." (Kotzebue)

"Yes, the workshop gave me a lot of information that I normally would not have had. It gave me the opportunity to meet people I normally wouldn't have known." (Anchorage)

"It was a diversion, but I'm cynical enough to doubt that it will have any effect." (Anchorage)

"Being a student I have learned the reasoning that goes into the more conservative school of thought." (Anchorage)

"To know that the executive branch of the state government wants my opinions has been beneficial to me so that I feel important in the overall state decision-making process." (Barrow)

"Education on fundamental issues in Alaska." (Barrow)

What did you expect from the workshop? and Were your expectations met?

"More commitment from Governor that results will become reality. I did not expect, really, that the Governor would listen to the public and he has not done so (nor will he)." (Ketchikan)

"At worst — little." "Wait and see." (Kotzebue)

"Nothing. I was surprised. The Public Forum people really seem interested in our input." (Kotzebue)

"Unknown. But hoped we could influence the way our state is managed. Only time will tell" (Anchorage)

"Yes and even more so. It was exciting to me that the

Governor, Lt. Governor and representatives took the time to listen to each person's ideas, no matter how off-the-wall some seemed to be, and then to *respond*. I have left the workshop with a renewed interest in doing something personally to see that the state is wisely led through the growth and changes it is going through, and even more important, the feeling that I can help and do count as an individual in terms of state policy." (Anchorage)

"Unknown. I had no information other than the date and time and place prior to the meeting. That depends on whether my opinions will be incorporated into the plan." (Barrow)

Other comments.

"It will be interesting to see what effect, if any, these workshops have on governmental policies. Would it be possible to have same people on follow-up next year to evaluate year's progress and do another projection?" (Ketchikan)

"Forum must be ongoing with follow-up. If there is government implementation of forum recommendations then the public will be more encouraged and utilize forum more: A self-reinforcing process of education-input-action. Good out-of-town attendance — keep it up." (Ketchikan)

"I think this is an excellent idea and I was happy to have participated. State government is often unresponsive to *ordinary* people and this is a step in the right direction. I hope it has direct results in state policy." (Kotzebue)

"Come again from time to time." (Kotzebue)

"Well-run workshop. Please listen to our recommendations or we will vote you out of office." (Anchorage)

"Sunday morning is a busy time to hold the wrap-up session for those of us who have a basic religious conviction we wish to honor." (Anchorage)

"You need to show people their participation is to be used if you expect to motivate people to participate." (Anchorage)

"I thought the choices presented were too narrow — Do you want to die by fire or drowning, etc. For instance, who will fund, not who will control or what kinds of lands, not whether we want state-controlled lands at all." (Barrow)

"For a place like Barrow, so distant physically from centers of government and financial power; such a forum is a great way to exchange information on public issues. The question is, will policy-makers remember to act on what they have heard . . . ?" (Barrow)

Appendix

Question Change

Question 1

Question 1 experienced the greatest change between the first and second printing of the newspaper. Originally the question asked: "How should the state use its new oil and gas money in the future?" This proved to be too open-ended and respondents were unsure whether the question included Permanent Fund monies or simply the surplus oil and gas wealth. Therefore, the issue was broken into a two-part question for the second newspaper. It now reads: 1A "How should the Permanent Fund money be invested? and 1B "How should the state use its new oil and gas money? (All revenues except those invested in the Permanent Fund)." It was hoped that by discussing the Permanent Fund directly, the confusion would be eliminated.

Additionally, in the first printing of the newspaper, the boxes in which participants indicated their recommendations were slightly out of alignment. Because of this, Question One was recoded for the Southeast and Northern regions to verify the percentages. On this second run, only the top priority was coded. Whenever a potentially ambiguous code was found, responses to Questions Two-Seven were read and a response consistent with the total questionnaire was chosen. For example, if Question One could have been either industrial development or renewable resources, responses to Question Four and Question Five and Question Seven usually pointed to a meaningful choice for Question One. The tabulated responses to Questions Four and Five measured against Question One further supported this check.

QUESTION 1 Old Newspaper

The Question:

How should the State use its new oil and gas money in the future? (Please select your four choices; rank them 1 through 4, with #1 most important.)

1.

- | | | | |
|--|--------------------------|---|--------------------------|
| Save it | ☐ | Use it for tax cuts for Alaskans | ☐ |
| Loan it to communities | ☐ | Use it for community revenue sharing and community grants | ☐ |
| Loan it for industrial development | ☐ | Use it for more State services and public facilities | ☐ |
| Loan it to develop renewable resource industries | ☐ | Other _____ | ☐ |
| Loan it to individuals | ☐ | | ☐ |

QUESTION 1 New Newspaper

1.

The Question:

A.

How should the Permanent Fund money be invested? (Please rank your choices 1 through 4, with 1 the most important)

- ☐ a. Save it
- ☐ b. Loan it to communities
- ☐ c. Loan it for industrial development
- ☐ d. Loan it to develop renewable resource industries
- ☐ e. Loan it to individuals
- ☐ f. Other _____

B.

How should the State use its new oil and gas money? (All revenues except those invested in Permanent Fund.) (Please rank your choices 1 through 4 with 1 the most important)

- ☐ a. Use it for tax cuts for Alaskans
- ☐ b. Use it for cash payments to Alaskans
- ☐ c. Use it for community revenue sharing and community grants
- ☐ d. Use it for more State services
- ☐ e. Save it by increasing the Permanent Fund
- ☐ f. Loan it to communities
- ☐ g. Loan it for industrial development
- ☐ h. Loan it to develop renewable resource industries
- ☐ i. Loan it to individuals
- ☐ j. Other _____

Question 2

This question in the first newspaper asked people to prioritize nine areas of human needs and rate the effectiveness of the state's service. It seems significant that people repeatedly informed us that they didn't have enough information to make the program evaluation so the latter portion, part (b), was dropped in the

second printing. Therefore, in the following discussion, we will deal only with part (a) to achieve consistency.

Similarly, two items, rehabilitation and income maintenance were dropped in the second newspaper questionnaire because the terms were confusing.

QUESTION 2 Old Newspaper

The Question:		a. What human needs do you think are most important? (Please rank your answers #1 through #10 in order of importance, with #1 as the most important need.)				
b. And how would you rate the present State efforts in these same areas of human needs? (Check the appropriate box)						
	Priority (1-10)	Adequate	Poor Quality	Needs Expansion	Not Necessary	I Don't Know
2.	Alcoholism	☐	☐	☐	☐	☐
	Care of Children	☐	☐	☐	☐	☐
	Education	☐	☐	☐	☐	☐
	Programs for the Elderly	☐	☐	☐	☐	☐
	Employment	☐	☐	☐	☐	☐
	Health	☐	☐	☐	☐	☐
	Housing	☐	☐	☐	☐	☐
	Income Maintenance	☐	☐	☐	☐	☐
	Rehabilitation	☐	☐	☐	☐	☐
	Other	☐	☐	☐	☐	☐

QUESTION 2 New Newspaper

The Question:		What areas of human need do you feel require most attention? (Please rank your answers #1 through #8 in order of importance with #1 as the most important need.)	
Priority (1-8)			
2.	☐ a. Alcoholism	☐ e. Employment	
	☐ b. Care of Children	☐ f. Health care	
	☐ c. Education	☐ g. Housing	
	☐ d. Programs for the elderly	☐ h. Other	

Question 3

Question 3 experienced a major change as well. One option — "100% state funding from the General Fund" — was dropped in the revised newspaper because it did not answer the question of *how* the General Fund would get the additional money to fund school con-

struction. Unlike the other options this one provides no source of revenue to cover building costs.

When the question was revised the option to increase the state income tax was included in place of the above alternative.

QUESTION 3
Old Newspaper

The Question:

How should public school construction be financed in both organized and unorganized boroughs? (Please check the appropriate box)

3.

100% State funding from the General Fund. ☐

100% State funding from a statewide sales tax. ☐

Local property taxes in all areas and supplemental funding where needed. ☐

Continue the present system which provides for land taxes plus supplemental State funding in organized areas, and 100% State funding in unorganized areas. ☐

Other _____ ☐

☐
☐
☐

QUESTION 3
New Newspaper

The Question:

How should public school construction be financed in both organized and unorganized boroughs? (Please check the appropriate box.)

3.

☐ a. 100% State funding through an increase in the State Income tax.

☐ b. 100% State funding from a statewide sales tax.

☐ c. Local property taxes throughout the State and supplemental funding where needed.

☐ d. Continue the present system which provides for property taxes plus supplemental State funding in organized boroughs and 100% State funding in the unorganized borough.

☐ e. Other _____

Question 4

The revised newspaper added a fifth option to the question on land — "To preserve the natural environment." It also changed the second option from "public needs" to "people's needs." This option is explained in the text as land that "could be set aside for homesites, for future hunting and fishing use, for public access

and parks and recreation areas. The interest would be determined by the people and the management would provide for the greatest use by all Alaskans. Here state profits would take second place to people's needs." The other answers remain unchanged.

QUESTION 4
Old Newspaper

The Question:

What should be the primary objective for managing Alaska's land? (Please rank your choices #1 through #4 with #1 most important)

4.

To raise revenues for the State. ☐

To provide land for public needs. ☐

To promote renewable resource development. ☐

To promote industrial growth and development. ☐

Other _____ ☐

☐
☐
☐

QUESTION 4
New Newspaper

The Question:

What should be the objectives for managing Alaska's land? (Please rank your choices 1 through 5, with 1 the most important.)

4.

- | | |
|---|--|
| ☐ a. To raise revenues for the State | ☐ d. To promote industrial growth and development |
| ☐ b. To provide land for people's needs | ☐ e. To preserve the natural environment |
| ☐ c. To promote renewable resource development | ☐ f. Other _____ |

Question 5

This question experienced several word changes. Based on participants' dissatisfaction with the words "moderate rate" in option b, they were replaced by

the words "constant pace." Subsequent use of the newspaper indicates that now people often cross out the word "constant" and pencil in "moderate."

QUESTION 5
Old Newspaper

The Question:

What should be the State's policy on future oil and gas lease sales? (Please check the appropriate box.)

5.

- | | |
|---|---|
| ☐ It should sell leases as fast as possible to maximize its oil and gas revenues. | ☐ It should do no further leasing and make the best use of present income. |
| ☐ It should sell leases at a moderate rate to assure a steady flow of income over a long time. | ☐ Other _____ |
| ☐ It should lease only when the State needs large sums of revenue to meet public needs. | |

QUESTION 5
New Newspaper

The Question:

What should be the State's policy on future oil and gas lease sales? (Please check the appropriate box.)

5.

- | | |
|---|--|
| ☐ a. It should sell leases as fast as possible to bring in a lot of money immediately. | ☐ d. It should do no further leasing and make the best use of present income. |
| ☐ b. It should sell leases at a constant pace to assure a steady flow of income for a long period of time. | ☐ e. Other _____ |
| ☐ c. It should lease when the State needs large sums of money to meet public needs. | |

Question 6

The first option in Question Six was simplified from "The state should take its royalties in money or substance to sell for financial gain" in the first news-

paper to "The state should sell its royalties to make money" in the second edition of the Public Forum paper.

QUESTION 6 Old Newspaper

The Question:		What is the best use of Alaska's royalty oil and gas? (Please check the appropriate box).	
6.	☐ The State should take its royalties in money or substance to sell for financial gain.	☐ The State should provide in-state residential use of the royalty oil and gas.	☐
	☐ The State should use its royalty oil and gas primarily for the purpose of promoting industrial development in the State.	Other _____	☐

QUESTION 6 New Newspaper

The Question:		What is the best use of Alaska's royalty oil and gas? (Please check the appropriate box).	
6.	☐ a. The State should sell its royalties to make money.	☐ c. The State should provide in-state residential use of the royalty oil and gas.	
	☐ b. The State should use its royalty oil and gas primarily for promoting industrial development in the State.	☐ d. Other _____	

Question 7

Question Seven has been included in the Public Forum agenda so that people may discuss what the state is or is not doing that concerns them personally, locally, or regionally as the participant chooses. In regional meetings, Question Seven usually consists of three or four concerns selected by the participants as a group dealing with subjects above and beyond those discussed in Questions One through Six.

The tabulated questionnaires, however, seem to

indicate that people responding alone often chose to use the space to reinforce their thoughts on something in Questions One through Six, rather than to list new concerns. This could explain the wide range of responses to Question Seven when filled in on the questionnaire. In meetings, this part of the agenda usually includes no more than three or four issues and they are "new" concerns.

Behind the Scenes

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Justin Osteen — *Research*
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Alaska Sound Labs — *Audio*
Institute of Social and Economic Research — *Research and Analysis*
Snow Goose Productions — *Print Matter*

*This report was written and edited by Diane Burgin.
The Southcentral portion was written by Cathy Allen.*

Layout by Snow Goose Productions.

*Tabulation and analysis of questionnaires by Jack Kruse, Institute of
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