

HB

1

<TARGET><BILL>HB 1</BILL><SUBJECT>HB
1</SUBJECT><COMM>HEDA29</COMM></TARGET>

ALASKA STATE LEGISLATURE



Representative Bob Herron
State Capitol Building, Room 406
Phone (907) 465-4942
Rep.Bob.Herron@akleg.gov

HB 1, "An Act declaring the Arctic policy of the state."

Sponsor Statement

Alaskans are on the forefront of new exploration and use of Arctic resources, and of new circumpolar cooperation. Providing relevant information about the reality of the emerging Arctic, understanding and communicating the critical issues that affect this frontier, and instilling confidence in the promise of safety and prosperity is essential as Alaska and America move forward to ensure both.

HB 1 is a product of the Alaska Arctic Policy Commission (AAPC). HB 1 was informed by public and expert testimony at all of the AAPC's plenary meetings, including testimony from numerous indigenous organizations. In addition, the AAPC convened work sessions and listening sessions on broad topic areas that informed its Final Report, Implementation Plan and HB 1.

Alaska's Arctic policy is designed to guide the state's initiatives and inform U.S. domestic and international Arctic policy in order to best serve the interests of Alaskans and the nation.

HB 1 states that it is the intent of the legislature that this Arctic policy: Be implemented through statutes and regulations; Not conflict with existing state policy; Serve as a guide for legislation derived from the AAPC's Implementation Plan; and Communicate the Arctic interests of the state to other governments.

HB 1 declares that it is Alaska's Arctic policy to:

- 1) Uphold the state's commitment to economically vibrant communities while maintaining a healthy environment;
- 2) Collaborate with all appropriate entities to achieve transparent and inclusive Arctic decision-making;

- 3) Enhance Alaska's security by strengthening Arctic safety; and
- 4) Value and strengthen the resilience of arctic communities and respect & integrate the culture and knowledge of Arctic peoples.

The bill also asks the state to support and encourage consideration of the recommendations in the AAPC Implementation Plan. Priority lines of effort for the state's Arctic policy include:

- 1) Promoting economic and resource development;
- 2) Addressing the infrastructure and response capacity gap in the Arctic;
- 3) Supporting healthy communities; and
- 4) Strengthening a state-based agenda for Arctic science & research.

Lastly, this bill aligns the state's definition of its Arctic boundary with that of the federal Arctic Research and Policy Act (1984). For international purposes, "Arctic" means the entirety of the state.

If passed this legislation will help Alaska to become the leader it needs to be on Arctic policy, and to more effectively partner (and contend) with the federal government on shaping a prosperous Arctic future.

ALASKA STATE LEGISLATURE



Representative Bob Herron

State Capitol Building, Room 406

Phone 907.465.4942

rep.bob.herron@akleg.gov

HB 1 "An Act declaring the Arctic policy of the state" Sectional Analysis

Section 1 Places findings and intent of the legislature related to the Arctic in uncodified law.

- a) Specifically, the legislature finds that:
 - 1) Alaska makes the United States an Arctic nation;
 - 2) All of Alaska is affected by activity in its Arctic region and vice-versa;
 - 3) Alaskans are Arctic experts;
 - 4) Climate change and increased activity present risks to the Arctic, but with appropriate expertise and pan-Arctic cooperation, economic development can be sustainably pursued for the benefit of all Alaskans;
 - 5) Environmentally conscious development is vital to the state's well-being;
 - 6) Respect for indigenous peoples is critical to understanding the Arctic;
 - 7) Other regions and nations are rapidly developing Arctic policies & strategies, so Alaska must effectively communicate its Arctic vision for safety, security & prosperity
 - 8) The state & federal government should strengthen Arctic cooperation;
 - 9) Alaska should create and maintain an official body to further develop Arctic strategies and policies;
- b) The legislature intends that this Arctic policy:
 - 1) Be implemented through statutes and regulations;
 - 2) Not conflict with existing state policy;
 - 3) Serve as a guide for legislation derived from the AAPC's Imp. Plan;
 - 4) Communicate the Arctic interests of the state to other governments.

Section AS 44.99.105 Declares a state Arctic policy.

- a) It is state's Arctic policy to:
 - 1) Uphold the state's commitment to economically vibrant communities while maintaining a healthy environment, including efforts to:
 - A. Ensure local benefit;

- B. Improve regulatory processes;
 - C. Attract investment by improving infrastructure and the investment climate;
 - D. Continue strategies for adapting to climate change;
 - E. Encourage technological innovation that focuses on emerging opportunities.
- 2) Collaborate with all appropriate entities to achieve transparent and inclusive Arctic decision-making, including efforts to:
- A. Strengthen international cooperation;
 - B. Enhance state participation in the Arctic Council;
 - C. Work to partner in the development of federal and international Arctic policies, thereby incorporating local expertise;
 - D. Strengthen communication with Arctic Council Permanent Participants;
 - E. Reiterate Alaska's support for ratification of Law of the Sea.
- 3) Enhance Alaska's security by strengthening Arctic safety, including efforts to:
- A. Enhance response to disasters, oil spills, and search and rescue;
 - B. Increase safety of Arctic maritime transportation;
 - C. Sustain and develop new infrastructure;
 - D. Work with feds to increase Coast Guard and other security presence.
- 4) Strengthen resilience of arctic communities and integrate local knowledge, including efforts to:
- A. Recognize indigenous cultures' relation to the environment;
 - B. Build science and research capacity;
 - C. Employ integrated strategic planning that considers science and local knowledge;
 - D. Safeguard the Arctic environment and its living resources;
 - E. Work to integrate local knowledge into conventional resource management decision-making.
- b) The state should support and encourage consideration of the recommendations in the AAPC Implementation Plan. Priority lines of effort for the state's Arctic policy include:
- 1) Promoting economic and resource development;
 - 2) Addressing the infrastructure and response capacity gap in the Arctic;
 - 3) Supporting healthy communities; and
 - 4) Strengthening a state-based agenda for Arctic science & research.
- c) The state's definition of its Arctic boundary aligns with that of the federal Arctic Research and Policy Act (1984). For international purposes, "Arctic" means the entirety of the state.

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 1
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB1-LEG-SESS-01-22-15
Title: STATE ARCTIC POLICY
Sponsor: HERRON
Requester: Rep Herron

Department: Alaska Legislature
Appropriation: Legislative Operating Budget
Allocation: Session Expenses
OMB Component Number: 782

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates				
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial Version

Prepared By: Jessica Geary, Finance Manager
Division: Legislative Affairs Agency
Approved By: Pamela Varni, Executive Director
Agency: Legislative Affairs Agency

Phone: (907)465-6626
Date: 01/22/2015 02:09 PM
Date: 01/22/15

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB 1

Analysis

This legislation has zero fiscal impact on the Legislative Affairs Agency.

FISCAL NOTE

STATE OF ALASKA
2015 LEGISLATIVE SESSION

Bill Version HB1
 Fiscal Note Number _____
 () Publish Date _____

Identifier (file name) HB1-DEC-SPAR-01-20-15 Dept. Affected Environmental Conservation
 Title STATE ARCTIC POLICY Appropriation Spill Prevention and Response
 Allocation Spill Prevention and Response
 Sponsor REPRESENTATIVE HERRON
 Requester _____ OMB Component Number 3094

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY16 Appropriation Requested	Included in Governor's FY16 Request	Out-Year Cost Estimates					
			FY16	FY17	FY18	FY19	FY20	FY21
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	16.0	0.0	16.0	16.0	16.0	16.0	16.0	16.0
Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	16.0	0.0	16.0	16.0	16.0	16.0	16.0	16.0

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003	GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004	GF	16.0	0.0	16.0	16.0	16.0	16.0	16.0
1005	GF/Prgm (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1007	I/A Rcpts (Other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1156	Rcpt Svcs (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		16.0	0.0	16.0	16.0	16.0	16.0	16.0

POSITIONS								
Full-time								
Part-time								
Temporary								

CHANGE IN REVENUES								
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Estimated SUPPLEMENTAL (FY15) operating costs 0.0 (separate supplemental appropriation required)
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY16) costs 0.0 (separate capital appropriation required)
 (discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended, or repealed? _____ Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Kristin Ryan, Director
 Division Spill Prevention and Response
 Approved by Lynn Kent, Deputy Commissioner
 Agency Environmental Conservation

Phone (907) 269-7604
 Date/Time 1/20/15 2:30pm
 Date 1/23/2015

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB1

Analysis

This legislation would require the executive branch to participate in Arctic Council workgroups and be engaged in the policies and guidance developed therein. These meetings are usually to foreign countries and average about \$4,000 per trip. There are several different workgroups. Historically, the Division of Spill Prevention and Response (SPAR) has found it beneficial to participate on the Emergency Prevention, Preparedness and Response (EPPR) workgroup as they frequently work on oil spill prevention and response issues. Workgroups meet up to four times a year leading to a \$16,000 annual funding need to fulfill this legislation.

FISCAL NOTE

STATE OF ALASKA
2015 LEGISLATIVE SESSION

Bill Version HB1
Fiscal Note Number _____
() Publish Date _____

Identifier (file name) HB1-DEC-FC-01-23-15 Dept. Affected Environmental Conservation
Title STATE ARCTIC POLICY Appropriation Water
Allocation Facility Construction
Sponsor REPRESENTATIVE HERRON
Requester _____ OMB Component Number 637

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY16 Appropriation Requested	Included in Governor's FY16 Request	Out-Year Cost Estimates					
			FY16	FY16	FY17	FY18	FY19	FY20
OPERATING EXPENDITURES								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel	16.0	0.0	16.0	16.0	16.0	16.0	16.0	16.0
Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commodities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	16.0	0.0	16.0	16.0	16.0	16.0	16.0	16.0

FUND SOURCE		(Thousands of Dollars)						
1002	Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1003	GF Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1004	GF	16.0	0.0	16.0	16.0	16.0	16.0	16.0
1005	GF/Prgm (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1007	I/A Rcpts (Other)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1156	Rcpt Svcs (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
		16.0	0.0	16.0	16.0	16.0	16.0	16.0

POSITIONS								
Full-time								
Part-time								
Temporary								

CHANGE IN REVENUES								

Estimated SUPPLEMENTAL (FY15) operating costs 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY16) costs 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended, or repealed? _____ Discuss details in analysis section.

Why this fiscal note differs from previous version (if initial version, please note as such)

Not applicable, initial version.

Prepared by Michelle Hale, Director
Division Water
Approved by Lynn Kent, Deputy Commissioner
Agency Environmental Conservation

Phone (907) 465-5135
Date/Time 1/22/15 7:50 AM
Date 1/24/2015

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB1 _____

Analysis

This legislation would require the executive branch to participate in Arctic Council workgroups and be engaged in the policies and guidance developed therein. These meetings are usually to foreign countries and average about \$4,000 per trip. There are several different workgroups. The Division of Water would participate on the Sustainable Development workgroup relating to providing safe and sustainable water and sewer services to remote communities throughout the Arctic. Workgroups meet up to four times a year leading to a \$16,000 annual funding need to fulfill this legislation.

HOUSE BILL NO. 1

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES HERRON, Edgmon, Millett, Lynn

Introduced: 1/21/15

Referred: House Special Committee on Economic Development, Tourism, and Arctic Policy, State Affairs

A BILL

FOR AN ACT ENTITLED

1 "An Act declaring the Arctic policy of the state."

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 **LEGISLATIVE FINDINGS AND INTENT.** (a) The legislature finds that

6 (1) the state is what makes the United States an Arctic nation;

7 (2) the entirety of the state is affected by the activities and prosperity in the
8 Arctic region, and conversely, the Arctic region is affected by the activities and prosperity in
9 the other regions of the state;

10 (3) residents of the state, having lived and worked in the Arctic region for
11 decades, have developed expert knowledge regarding a full range of activities and issues
12 involving the region;

13 (4) residents of the state recognize the risks that come with climate variability
14 and emerging threats to ecosystems, as well as increased maritime activity, but are optimistic
15 that the skillful application of expertise, coupled with circumpolar cooperation, will usher in a

*- No permanent frost or
coastal erosion
- Relocation of
communities
- Ocean acidification
- Fisheries? Mining*

1 new era of economic and resource development that will improve the quality of life for
2 residents of the state;

3 (5) the development of the state's natural resources in an environmentally and *Good*
4 socially responsible manner is essential to the development of the state's economy and to the
5 well-being of the residents of the state;

6 (6) respect for the indigenous peoples who have been ~~the majority~~ of the
7 inhabitants of the Arctic region for thousands of years and who depend on a healthy
8 environment to ensure their physical and spiritual well-being is critical to understanding and
9 strengthening the Arctic region;

10 (7) the United States, other nations, and international bodies, including the
11 Arctic Council, are rapidly developing Arctic strategies and policies, and therefore it is
12 essential that both the state and the nation communicate the reality, richness, and
13 responsibility that comes with being in the Arctic, including communicating the need to
14 provide safety, security, and prosperity to the region; *Poetic!*

15 (8) it is essential for the state and federal government to strengthen their
16 collaboration on Arctic issues, including coordination when creating strategies, policies, and
17 implementation plans related to the Arctic, as both continue to engage in international
18 circumpolar activity;

19 (9) the state should develop and maintain capacity, ~~in the form of an official~~
20 ~~body or bodies within the executive or legislative branch, or both,~~ to develop further strategies
21 and policies for the Arctic region that respond to the priorities and critical needs of residents
22 of the state. *Wordy*

23 (b) It is the intent of the legislature that this declaration of Arctic policy

24 (1) be implemented through statutes and regulations;

25 (2) not conflict with, subjugate, or duplicate other existing state policy; *?*

26 (3) guide future ^{Policy} ~~legislation~~ derived from the implementation strategy
27 developed by the Alaska Arctic Policy Commission;

28 (4) clearly communicate the interests of residents of the state to the federal
29 government, the governments of other nations, and other international bodies developing
30 policies related to the Arctic.

31 * **Sec. 2.** AS 44.99 is amended by adding a new section to read:

1 **Sec. 44.99.105. Declaration of state Arctic policy.** (a) It is the policy of the
2 state, as it relates to the Arctic, to

3 (1) uphold the state's commitment to economically vibrant
4 communities sustained by development activities consistent with the state's
5 responsibility for a healthy environment, including efforts to

6 (A) ensure that Arctic residents and communities benefit from
7 economic and resource development activities in the region;

8 (B) improve the efficiency, predictability, and stability of
9 permitting and regulatory processes;

10 (C) attract investment through the establishment of a positive
11 investment climate and the development of strategic infrastructure;

12 (D) sustain current, and develop new, approaches for
13 responding to a changing climate; *Different*

14 (E) encourage industrial and technological innovation in the
15 private and academic sectors that focuses on emerging opportunities and
16 challenges;

17 (2) collaborate with all levels of government, tribes, industry, and
18 nongovernmental organizations to achieve transparent and inclusive Arctic decision-
19 making resulting in more informed, sustainable, and beneficial outcomes, including
20 efforts to

} *Reduce*

21 (A) strengthen and expand cross-border relationships and
22 international cooperation, especially bilateral engagements with Canada and
23 Russia;

24 (B) sustain and enhance state participation in the Arctic
25 Council;

26 (C) pursue opportunities to participate meaningfully as a
27 partner in the development of federal and international Arctic policies, thereby
28 incorporating state and local knowledge and expertise;

29 (D) strengthen communication with Arctic Council permanent
30 participants, who include and represent the state's indigenous peoples;

4 of 6 all AR. Organizations

31 (E) reiterate the state's long-time support for ratification of the

- Every community in Alaska near a Waterbody
29-LS0013\E

1 Law of the Sea Treaty;

Alaska

2 (3) enhance the security of the state through a safe and secure Arctic
3 ~~for individuals and communities~~, including efforts to

4 (A) enhance disaster and emergency prevention and response,
5 oil spill prevention and response, and search and rescue capabilities in the
6 region;

7 (B) provide safe, secure, and reliable maritime transportation in
8 the areas of the state adjacent to the Arctic;

9 (C) sustain current, and develop new, community, response,
10 and resource-related infrastructure;

11 (D) coordinate with the federal government for an increase in
12 United States Coast Guard presence, national defense obligations, and levels of
13 public and private sector support; and

14 (4) value and strengthen the resilience of communities and respect and
15 integrate the culture and knowledge of Arctic peoples, including efforts to

16 (A) recognize Arctic indigenous peoples' cultures and unique
17 relationship to the environment, including traditional reliance on a subsistence
18 way of life for food security, which provides a spiritual connection to the land
19 and the sea; *not defined*

20 (B) build capacity to conduct science and research and advance
21 innovation and technology in part by providing support to the University of
22 Alaska for Arctic research consistent with state priorities; *Discipline*

23 (C) employ integrated, strategic planning that considers
24 scientific, local, and traditional knowledge;

25 (D) safeguard the fish, wildlife, and environment of the Arctic
26 for the benefit of residents of the state;

27 (E) encourage more effective integration of local and
28 traditional knowledge into conventional science, research, and resource
29 management decision making.

30 (b) It is important to the state, as it relates to the Arctic, to support the strategic
31 recommendations of the implementation plan developed by the Alaska Arctic Policy

Erosion & relocation of communities

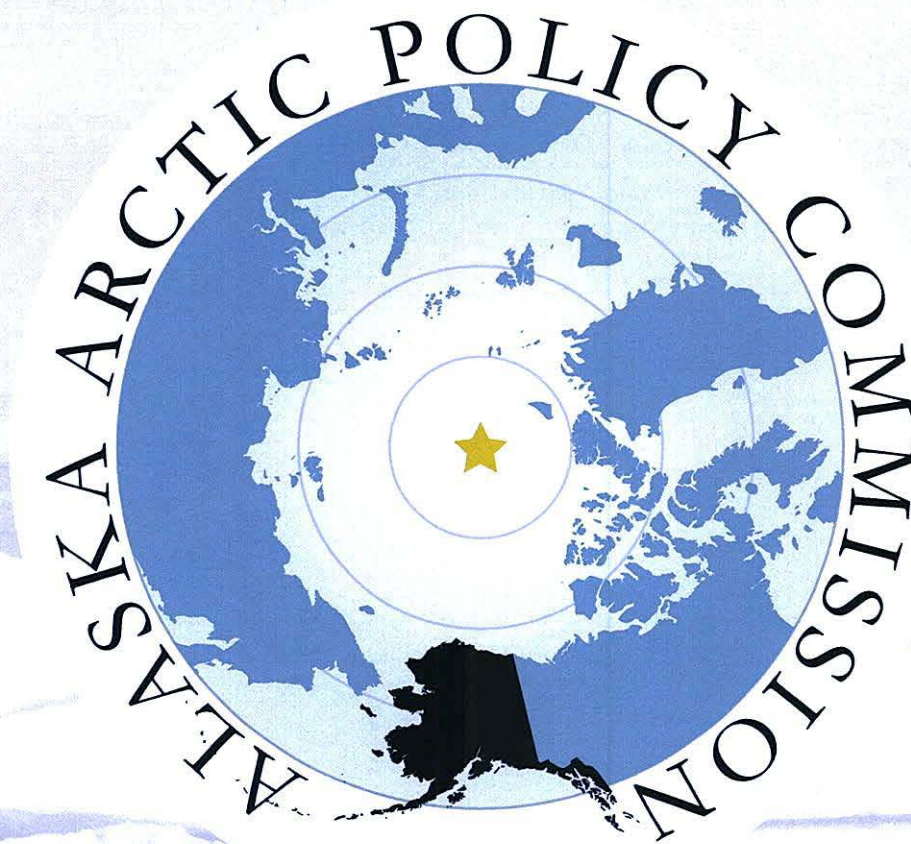
1 Commission and to encourage consideration of recommendations developed by the
 2 Alaska Arctic Policy Commission. Priority lines of effort for the Arctic policy of the
 3 state include

- 4 (1) promoting economic and resource development;
- 5 (2) addressing the infrastructure and response capacity gap in the
 6 Arctic region;
- 7 (3) supporting healthy communities; and
- 8 (4) strengthening a state-based agenda for science and research in the
 9 Arctic.

10 (c) In this section, "Arctic" means the area of the state north of the Arctic
 11 Circle, north and west of the boundary formed by the Porcupine, Yukon, and
 12 Kuskokwim Rivers, all contiguous seas, including the Arctic Ocean, and the Beaufort,
 13 Bering, and Chukchi Seas, and the Aleutian Chain, except that, for the purpose of
 14 international Arctic policy, "Arctic" means the entirety of the state.

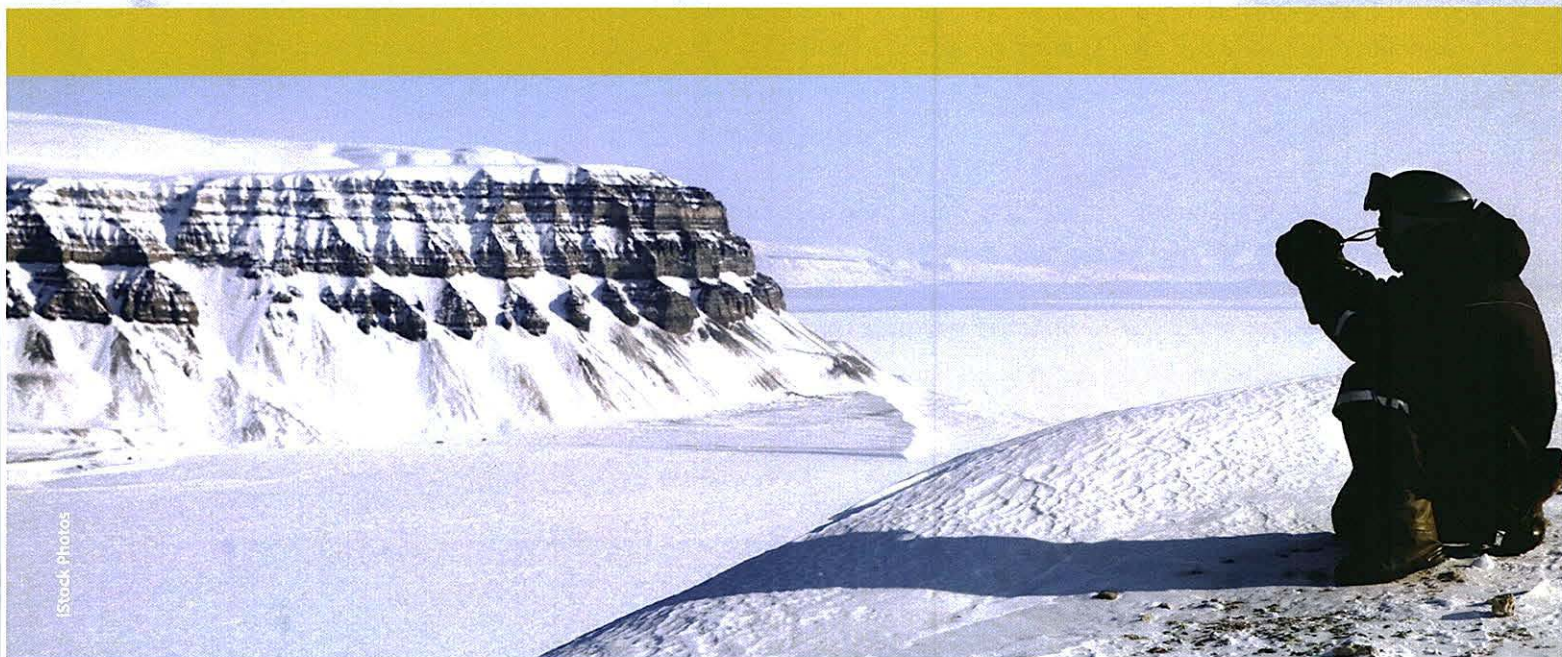
to support the

Redundant



Preliminary Report
to the Alaska State Legislature

Executive Summary





Alaska Arctic Policy Commission

Co-Chair: Senator Lesil McGuire, Anchorage, 907.465.2995

Co-Chair: Representative Bob Herron, Bethel, 907.465.4942

January 30, 2014

Dear Alaskans,

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

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

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

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

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

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

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

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

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

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

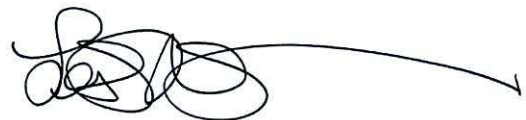
Our fellow Commissioners, and many other Alaskans who have provided input, deserve our gratitude for their hard work and patience as together we have crafted this document. We look forward to 2014 when we will be gathering more public input, finalizing this report, seeking your "Arctic" appreciation,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

Sincerely,



Representative Bob Herron

Sincerely,



Senator Lesil McGuire

Alaska Arctic Policy Commission



Senator Lesil McGuire
Anchorage
Commission Co-Chair



Representative Bob Herron
South Bering Sea
Commission Co-Chair



Senator Lyman Hoffman
Bethel



Senator Gary Stevens
Kodiak



Senator Cathy Giessel
Anchorage



Senator Donny Olson
Golovin



Representative Alan Austerman
Kodiak



Representative Beth Kerttula
Juneau



Representative Mark Neuman
Big Lake



Representative Bryce Edgmon
Dillingham



Nils Andreassen
Institute of the North
Executive Director
International Arctic
Organization Representative



Dr. Lawson Brigham
Distinguished Professor
University of Alaska
Fairbanks
University Representative



Peter Garay
American Pilots
Association Delegate
Marine Pilots Representative



Chris Hladick
Unalaska City Manager
Local Government Representative



Layla Hughes
*Conservation Group
 Representative*



Mayor Reggie Joule
*The Native Village of Kotzebue
 Kotzebue IRA
 Tribal Entity Representative*



Stephanie Madsen
*Executive Director
 At-Sea Processors Association
 Fisheries Representative*



Denise Michels
*City of Nome Mayor
 Coastal Community
 Representative*



Liz Qaulluq Moore
*Senior Director, Community &
 Government Affairs
 NANA Regional Corporation
 ANCSA Corporation Representative*



Stefanie Moreland
*Special Assistant to Governor
 Sean Parnell
 Governor's appointee*



Lisa Pekich
*Director of Village Outreach
 ConocoPhillips Alaska
 Oil & Gas Industry
 Representative*



Pat Pourchot
*Special Assistant to the
 Secretary of the Interior
 Federal Government
 Representative*



Steve Scalzo
*Foss Marine Holdings COO
 Marine Transportation &
 Logistics Representative*



Stephen Trimble
*President
 Trimble Strategies
 Mining Industry Representative*



Jake Adams
*Board Member
 Arctic Slope Regional
 Corporation*



Kris Norosz
*Government Affairs Director
 Icycle Seafoods, Inc.*

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

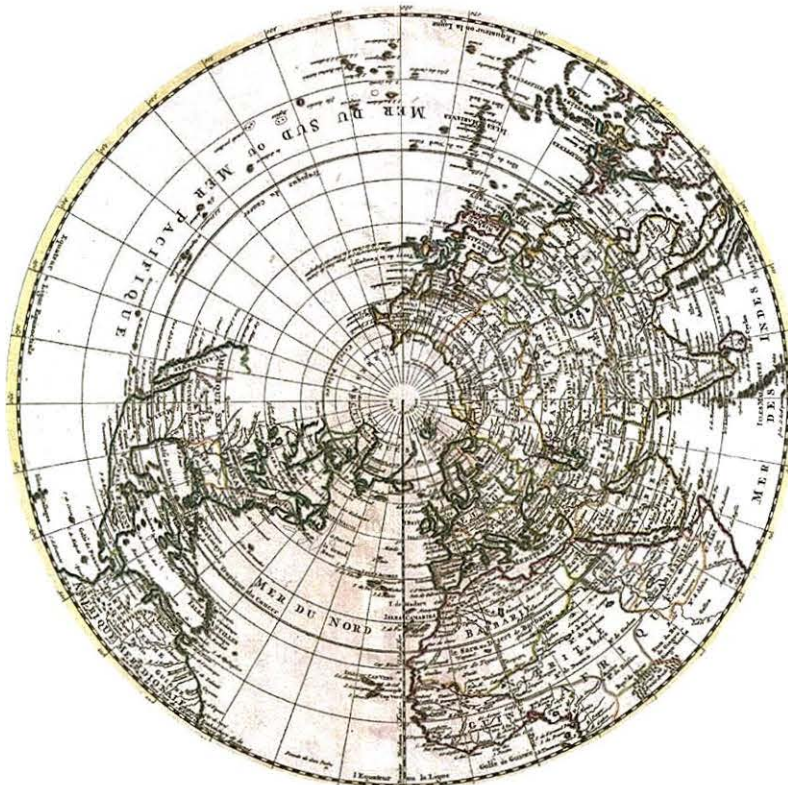
Arctic Boundary as defined by the Arctic Research and Policy Act (ARPA)



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

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

Northern Hemisphere by Coven's and Mortier (1741)



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

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

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

Introduction

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

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

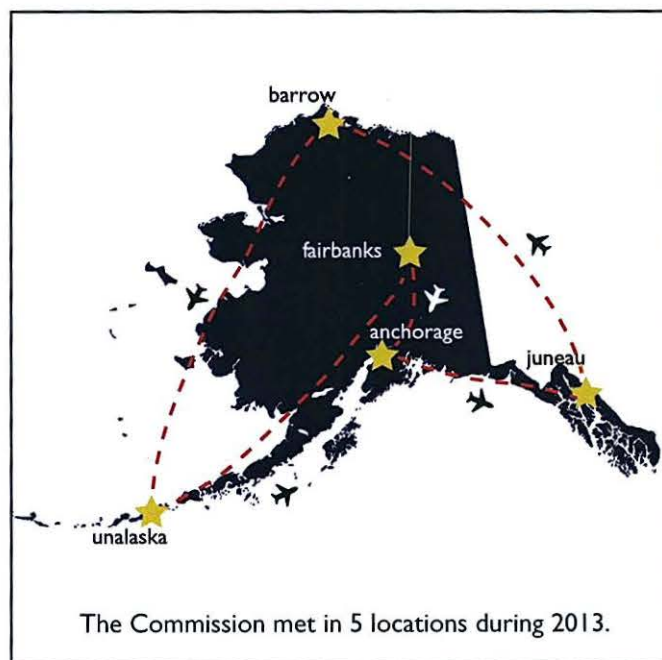
Leaders in Norway, Denmark, Sweden, Finland, Iceland, Russia and Canada - and even non-Arctic nations like Singapore and China - all see the value of the Arctic. Meanwhile, many Americans still do not realize that the United States is an Arctic nation. Providing relevant information about the reality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



The Alaska Arctic Policy Commission

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

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





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

The Alaskan Arctic

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

Increased Global Attention

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

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

Seeking Cohesive Policy in the U.S.

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

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

Scope of Issues Addressed by the Commission

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



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

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

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

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

Alaska's Arctic Policy

The Alaskan Arctic Vision Statement

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

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

Therefore, the state of Alaska envisions an Arctic that:

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



- Advances Economic Development and a Healthy Environment
Alaska will continue its commitment to economically vibrant communities sustained by development activities that recognize the need and our responsibility for a healthy environment.
- Ensures Public Safety and Security
Alaska will provide a safe and secure Arctic for individuals and communities, and coordinate with federal agencies on national defense obligations to enhance Alaska security.
- Incorporates Transparency and Inclusion into Decision Making
Alaska will collaborate with other levels of government, industry, non-governmental organizations, and tribes to achieve transparent and inclusive Arctic decision making that results in more informed, sustainable and beneficial outcomes.





Agnew, Beck Consulting

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

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

Strategic Recommendations

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

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

Governance and Indigenous Perspectives

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



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

Science and Research

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





Planning and Infrastructure

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

Oil, Gas, and Mineral Resources

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

Security and Defense

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

Marine Transportation

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

Response Operations:

Search and Rescue/Oil Pollution

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

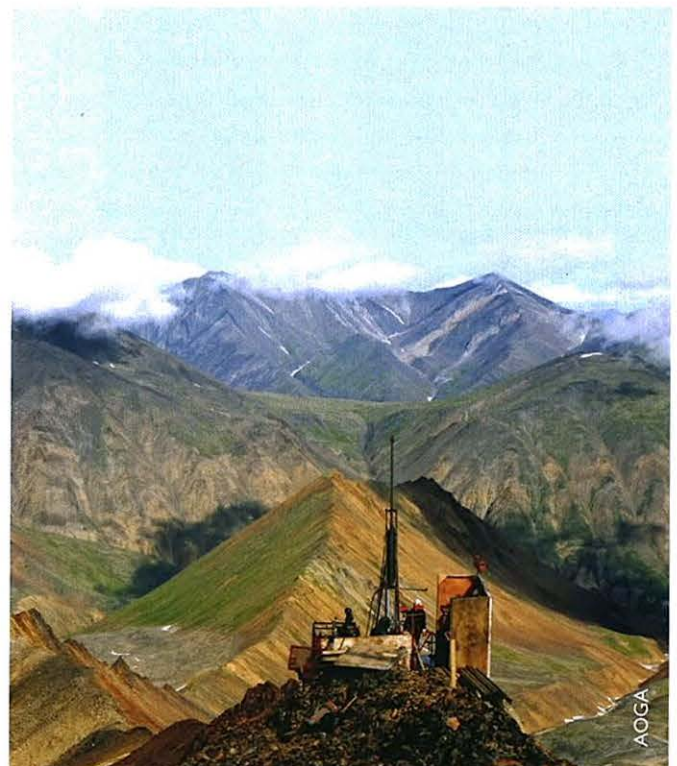
- Support the Department of Environmental Conservation's ongoing communication with the U.S. Coast Guard in reviewing alternative compliance program development and applications.

Energy and Power

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

Fisheries and Wildlife

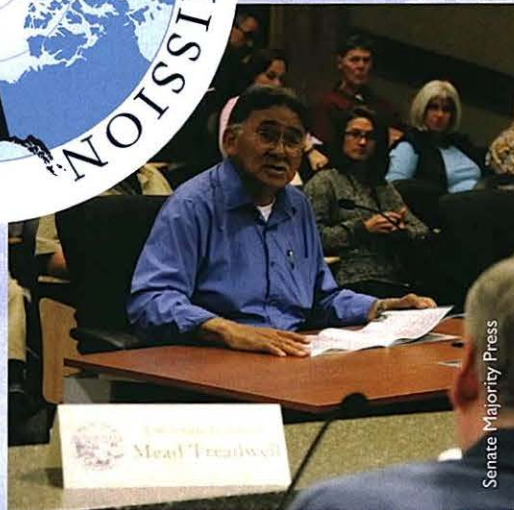
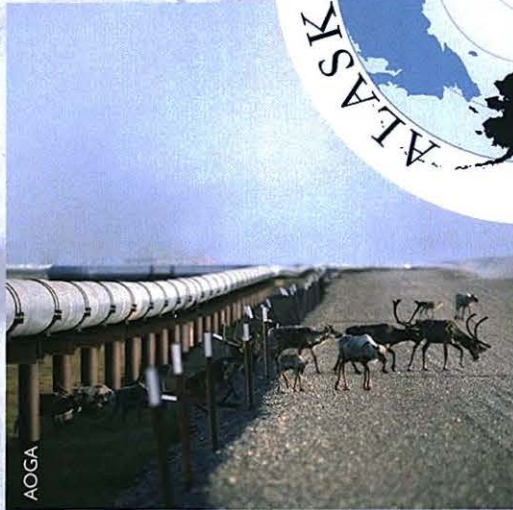
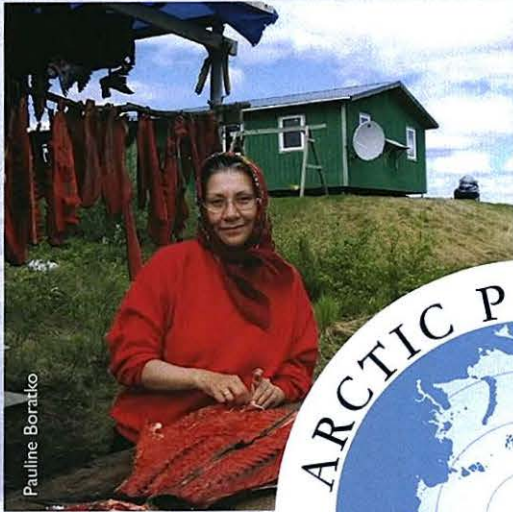
- Develop an assessment and monitoring program in support of strategies for fish and wildlife management that enhances food security for Arctic residents.
- Develop new and improve existing public education and awareness programs that result in a more informed public who understand the multi-faceted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





Values community sustainability & thriving cultures

Ensures public safety & security



Advances economic development & a healthy environment

Incorporates transparency & inclusion into decision making

Co-Chair Senator Lesil McGuire, Anchorage
Co-Chair Representative Bob Herron, South Bering Sea

www.akarctic.com

Open the Bill to Committee Discussion

Assuming you want to move the Bill:

The chair would entertain a motion to move HB 1 from committee.

- version number (as amended) with individual recommendations and attached zero fiscal notes

Please remind members to sign the committee report

Discussion of Final Report (Nils may chime in somewhere here too)

- Letter from co-chairs
- Introduction
- Info about the AAPC
- Review of AK Arctic- Foundation that rests upon Resource Development
- Conclusion
- Early Version of HB 1
- Executive Summary of Implementation Plan
- National and International Interests
- AAPC member list

Discussion of Implementation Plan

Nils Andreasson helped develop the Imp. Plan and is very familiar with it – he will lead up though the Imp. Plan.

BTW, It is the Chairman's hope that legislative members of the EDA Committee will be thinking about which part(s) of the Implementation Plan they consider a priority and will take responsibility for trying to implement. Implementation may take the form of legislation, or possibly of working with the Administration to enact policies consistent with the Plan.

32 recommendations organized by the four lines of effort.

Nils?

Note: rec. 1C, top of P. 12 is a typo. Should read as 1 C reads on P. 6.

29-LS0013\P
Nauman
2/3/15

CS FOR HOUSE BILL NO. 1()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES HERRON, Edgmon, Millett, Lynn

A BILL

FOR AN ACT ENTITLED

1 **"An Act declaring the Arctic policy of the state."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
4 to read:

5 **LEGISLATIVE FINDINGS AND INTENT.** (a) The legislature finds that

6 (1) the state is what makes the United States an Arctic nation;

7 (2) the entirety of the state is affected by the activities and prosperity in the
8 Arctic region, and conversely, the Arctic region is affected by the activities and prosperity in
9 the other regions of the state;

10 (3) residents of the state, having lived and worked in the Arctic region for
11 decades, have developed expert knowledge regarding a full range of activities and issues
12 involving the region;

13 (4) residents of the state recognize the risks that come with a changing climate
14 and emerging threats to ecosystems, as well as increased maritime activity, but are optimistic
15 that the skillful application of expertise, coupled with circumpolar cooperation, will usher in a

1 new era of economic and resource development that will improve the quality of life for
2 residents of the state;

3 (5) the development of the state's natural resources in an environmentally and
4 socially responsible manner is essential to the development of the state's economy and to the
5 well-being of the residents of the state;

6 (6) for thousands of years, indigenous peoples have made up the majority of
7 the inhabitants of the Arctic region, and their physical and spiritual well-being depends on
8 protecting the bountiful lands, rivers, and seas of the Arctic region;

9 (7) it is essential for the state and federal government to strengthen their
10 collaboration on Arctic issues, including coordination when creating policies and
11 implementation plans related to the Arctic, as both continue to engage in international
12 circumpolar activity;

13 (8) the state should maintain an official body authorized to further develop
14 strategies and policies for the Arctic region that respond to the priorities and critical needs of
15 residents of the state.

16 (b) It is the intent of the legislature that this declaration of Arctic policy

17 (1) be implemented through statutes and regulations;

18 (2) not conflict with, subjugate, or duplicate other existing state policy;

19 (3) guide future policy derived from the implementation strategy developed by
20 the Alaska Arctic Policy Commission;

21 (4) clearly communicate the interests of residents of the state to the federal
22 government, the governments of other nations, and other international bodies developing
23 policies related to the Arctic.

24 * **Sec. 2.** AS 44.99 is amended by adding a new section to read:

25 **Sec. 44.99.105. Declaration of state Arctic policy.** (a) It is the policy of the
26 state, as it relates to the Arctic, to

27 (1) uphold the state's commitment to economically vibrant
28 communities sustained by development activities consistent with the state's
29 responsibility for a healthy environment, including efforts to

30 (A) ensure that Arctic residents and communities benefit from
31 economic and resource development activities in the region;

1 (B) improve the efficiency, predictability, and stability of
2 permitting and regulatory processes;

3 (C) attract investment through the establishment of a positive
4 investment climate and the development of strategic infrastructure;

5 (D) sustain current, and develop new, approaches for
6 responding to a changing climate, and adapt to the challenges of coastal
7 erosion, permafrost melt, and ocean acidification;

8 (E) encourage industrial and technological innovation in the
9 private and academic sectors that focuses on emerging opportunities and
10 challenges;

11 (F) maintain a strong, sustainable fisheries industry and
12 increase fisheries research and monitoring;

13 (2) collaborate with all levels of government, tribes, industry, and
14 nongovernmental organizations to achieve transparent and inclusive Arctic decision-
15 making, including efforts to

16 (A) strengthen and expand cross-border relationships and
17 international cooperation, especially bilateral engagements with Canada and
18 Russia;

19 (B) sustain and enhance state participation in the Arctic
20 Council;

21 (C) pursue opportunities to participate meaningfully as a
22 partner in the development of federal and international Arctic policies, thereby
23 incorporating state and local knowledge and expertise;

24 (D) strengthen support for and collaboration with Arctic
25 Council Permanent Participant organizations that include indigenous peoples
26 of the state;

27 (E) reiterate the state's long-time support for ratification of the
28 Law of the Sea Treaty;

29 (3) enhance the security of the Arctic region of the state and, thereby,
30 the security of the entire state, including efforts to

31 (A) enhance disaster and emergency prevention and response,

1 oil spill prevention and response, and search and rescue capabilities in the
2 region;

3 (B) provide safe, secure, and reliable maritime transportation in
4 the areas of the state adjacent to the Arctic;

5 (C) sustain current, and develop new, community, response,
6 and resource-related infrastructure;

7 (D) coordinate with the federal government for an increase in
8 United States Coast Guard presence, national defense obligations, and levels of
9 public and private sector support; and

10 (4) value and strengthen the resilience of communities and respect and
11 integrate the culture and knowledge of Arctic peoples, including efforts to

12 (A) recognize Arctic indigenous peoples' cultures and unique
13 relationship to the environment, including traditional reliance on a subsistence
14 way of life for food security, which provides a spiritual connection to the land
15 and the sea;

16 (B) build capacity to conduct science and research and advance
17 innovation and technology in part by providing support to the University of
18 Alaska for Arctic research consistent with state priorities;

19 (C) employ integrated, strategic planning that considers
20 scientific, local, and traditional knowledge;

21 (D) safeguard the fish, wildlife, and environment of the Arctic
22 for the benefit of residents of the state;

23 (E) encourage more effective integration of local and
24 traditional knowledge into conventional science, research, and resource
25 management decision making.

26 (b) It is important to the state, as it relates to the Arctic, to support the strategic
27 recommendations of the implementation plan developed by the Alaska Arctic Policy
28 Commission and to encourage consideration of recommendations developed by the
29 Alaska Arctic Policy Commission. Priority lines of effort for the Arctic policy of the
30 state include

31 (1) promoting economic and resource development;

1 (2) addressing the infrastructure and response capacity gap in order to
2 support the Arctic region;

3 (3) supporting healthy communities; and

4 (4) supporting existing and fostering new science and research that
5 aligns with state priorities for the Arctic.

6 (c) In this section, "Arctic" means the area of the state north of the Arctic
7 Circle, north and west of the boundary formed by the Porcupine, Yukon, and
8 Kuskokwim Rivers, all contiguous seas, including the Arctic Ocean, and the Beaufort,
9 Bering, and Chukchi Seas, and the Aleutian Chain, except that, for the purpose of
10 international Arctic policy, "Arctic" means the entirety of the state.

ALASKA STATE LEGISLATURE



Representative Bob Herron
State Capitol Building, Room 406
Phone (907) 465-4942
Rep.Bob.Herron@akleg.gov

HB 1, State Arctic Policy
Explanation of Changes From Version (E)cho to Version (P)apa

Page 1, line 13 INSERTED "a changing" BEFORE "climate" and deleted "variability"

Page 2, lines 6-9: DELETED ALL and INSERTED: "for thousands of years, indigenous peoples have made up the majority of the inhabitants of the Arctic region, and their physical and spiritual well-being depends on protecting the bountiful lands, rivers, and seas of the region;"

Page 2, line 9: DELETED ALL: ~~the United States, other nations, and international bodies, including the Arctic Council, are rapidly developing Arctic strategies and policies, and therefore it is essential that both the state and the nation communicate the reality, richness, and responsibility that comes with being in the Arctic, including communicating the need to provide safety, security, and prosperity to the region;~~

Page 2, line 10: DELETED "strategies;"

Page 2 lines 13-15: DELETED ALL and INSERTED "the state should maintain an official body authorized to further develop strategies and policies for the Arctic region that respond to the priorities and critical needs of residents of the state;"

Page 2, line 19 DELETED "legislation" INSERTED "policy"

Page 3, lines 6-7 INSERTED "and adapt to the challenges of coastal erosion, permafrost melt, and ocean acidification" AFTER "changing climate"

Page 3, line 11 INSERTED "(F) maintain a strong, sustainable fisheries industry and increase fisheries research and monitoring;"

Page 3, line 15 DELETED "resulting in more informed, sustainable, and beneficial outcomes," AFTER Arctic decision-making

Page 3, lines 25-26: Capitalized "permanent" and "participant", DELETED "~~who include and represent the state's indigenous peoples,~~" INSERTED "organizations that include indigenous peoples of the state;"

Page 3, lines 29-30 CHANGED TO "enhance the security of the Arctic region of the state, and, thereby, the security of the entire state, including efforts to:"

Page 5, lines 1-2 INSERTED "in order to support the" BEFORE Arctic region

Page 5, lines 4-5 CHANGED TO "supporting existing and fostering new science and research that aligns with state priorities for the Arctic"

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 1
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB1-LEG-SESS-01-22-15
Title: STATE ARCTIC POLICY
Sponsor: HERRON
Requester: Rep Herron

Department: Alaska Legislature
Appropriation: Legislative Operating Budget
Allocation: Session Expenses
OMB Component Number: 782

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial Version

Prepared By:	Jessica Geary, Finance Manager	Phone:	(907)465-6626
Division:	Legislative Affairs Agency	Date:	01/22/2015 02:09 PM
Approved By:	Pamela Varni, Executive Director	Date:	01/22/15
Agency:	Legislative Affairs Agency		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2015 LEGISLATIVE SESSION

BILL NO. HB 1

Analysis

This legislation has zero fiscal impact on the Legislative Affairs Agency.

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 1
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB1-DEC-FC-02-02-15
Title: STATE ARCTIC POLICY
Sponsor: HERRON
Requester: HOUSE ECON. DEV., TOURISM & ARCTIC POLICY

Department: Department of Environmental Conservation
Appropriation: Water
Allocation: Facility Construction
OMB Component Number: 637

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates				
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

--	--	--	--	--	--	--	--

Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Updated to reflect discussion with sponsor.

Prepared By: <u>Michelle Hale, Director</u>	Phone: <u>(907)465-5135</u>
Division: <u>Water</u>	Date: <u>01/22/2015 07:50 AM</u>
Approved By: <u>Lynn Kent, Deputy Commissioner</u>	Date: <u>02/03/15</u>
Agency: <u>Environmental Conservation</u>	

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2015 LEGISLATIVE SESSION**

BILL NO. HB1

Analysis

This legislation directs the executive branch to participate in Arctic Council workgroups and be engaged in the policies and guidance developed therein. There are several different workgroups. The Division of Water would participate on the Sustainable Development workgroup relating to providing safe and sustainable water and sewer services to remote communities throughout the Arctic. Workgroups meet up to four times a year.

The Division of Water does not have sufficient funding in its FY2016 budget to allow for additional travel related to participation with Arctic Council workgroups. Per conversation with the sponsor, additional travel is not required or anticipated under the legislation. If additional travel is required, alternate sources of funding would be required.

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 1
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB1-DEC-SPAR-02-02-15
Title: STATE ARCTIC POLICY
Sponsor: HERRON
Requester: HOUSE ECON. DEV., TOURISM & ARCTIC POLICY

Department: Department of Environmental Conservation
Appropriation: Spill Prevention and Response
Allocation: Spill Prevention and Response
OMB Component Number: 3094

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates				
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
OPERATING EXPENDITURES	FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Updated to reflect discussion with sponsor.

Prepared By: Kristin Ryan, Director Phone: (907)269-7604
Division: Spill Prevention and Response Date: 01/20/2015 02:30 PM
Approved By: Lynn Kent, Deputy Commissioner Date: 02/03/15
Agency: Environmental Conservation

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2015 LEGISLATIVE SESSION**

BILL NO. HB1

Analysis

This legislation directs the executive branch to participate in Arctic Council workgroups and be engaged in the policies and guidance developed therein. There are several different workgroups. Historically, the Division of Spill Prevention and Response (SPAR) has found it beneficial to participate on the Emergency Prevention, Preparedness and Response (EPPR) workgroup as they frequently work on oil spill prevention and response issues. Workgroups meet up to four times a year.

The Division of Spill Prevention and Response does not have sufficient funding in its FY2016 budget to allow for additional travel related to participation with Arctic Council workgroups. Per conversation with the sponsor, additional travel is not required or anticipated under the legislation. If additional travel is required, alternate sources of funding would be required.

Fiscal Note

State of Alaska
2015 Legislative Session

Bill Version: HB 1
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB001-DHSS-HSS-02-05-15
Title: STATE ARCTIC POLICY
Sponsor: HERRON
Requester: House Econ Development, Tourism & Arctic Policy

Department: Department of Health and Social Services
Appropriation: Departmental Support Services
Allocation: Commissioner's Office
OMB Component Number: 317

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2016 Appropriation Requested	Included in Governor's FY2016 Request	Out-Year Cost Estimates					
			FY 2016	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues							
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Estimated SUPPLEMENTAL (FY2015) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2016) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By:	Sana Efir, Assistant Commissioner	Phone:	(907)465-1630
Division:	Finance and Management Services	Date:	02/05/2015 08:00 AM
Approved By:	Sarah Woods, Deputy Director	Date:	02/05/15
Agency:	Health & Social Services		

FISCAL NOTE ANALYSIS

**STATE OF ALASKA
2015 LEGISLATIVE SESSION**

BILL NO. HB001

Analysis

This bill asks the state to support and encourage consideration of the recommendations in the Alaska Arctic Policy Commission (AAPC) Implementation Plan. Priority lines of effort for the state's Arctic policy include: (1) promoting economic and resource development; (2) addressing the infrastructure and response capacity gap in the Arctic; (3) supporting healthy communities; and (4) strengthening a state-based agenda for Arctic science & research.

If this bill passes, several DHSS Divisions would likely be required to assist with implementation, as it pertains to supporting healthy communities and strengthening a state-based agenda for Arctic science and research. Some of the major public and behavioral health impacts that need to be addressed will pertain to environmental contaminants, subsistence food resource changes, climate change, cultural changes in communities, changing infectious and chronic disease patterns, access to medical care, and emergency response capacity. Until more specifics are known, the department is unable to predict the cost, if any, to implementing the policy recommendations. Therefore, this is a zero fiscal note.