

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 86 / 2

864 SCOM30 : CONFERENCE ON ALASKA'S FUTURE FRONTIERS 1979

Improved job development and job placement is also a priority area of the Planning Council. They have allocated \$100,000 of federal program improvement funds for FY'81 for this purpose. It is anticipated that 4-6 projects will be funded. There are two primary areas of concern that need to be addressed. First, is convincing school districts and post secondary institutions of their responsibilities to ensure that job development and job placement are an integral part of an occupational preparation program. The second, is that there should be centralization of this responsibility so that duplication of services does not occur. Currently school districts do not receive financial or other incentives to assume any responsibility for job placement and job development of their program completers.

Career and Vocational Education

(Attachment)

That the State of Alaska allocate funds for local school districts, for teleconferencing and vocational education, according to a policy other than Average Daily Membership in order that all elementary and secondary students in Alaska might be provided the option of a technical trade appropriate for the 1980's, soliciting counseling from industry.

Response:

Because ADM is an entitlement from State Foundation and block grant funding is competitive, there is guarded support for any move from Average Daily Membership (ADM) funding (categorical funding) of vocational funding to block grant funding. However, the Department of Education is supporting legislation currently being considered by the Legislature for funding the development of agricultural programs. State grant funds for specific purposes could be accommodated within the current funding and planning structure of the Department of Education. State grant funds combined with ADM funding could accommodate changing needs while entitlement maintains the continuity of funding for existing programs.

The Department of Education is assuming that by "soliciting counseling from industry" the participants at the conference meant that employers should be involved in the design and content of local vocational programs. Local school districts or post secondary institutions that use federal vocational education funds are required to have a local vocational education advisory committee. Business and industry representation is a requirement for these committees. The Alaska Vocational Education Planning Council has further required that business and industry as well as other appropriate agencies be involved in the planning and implementation of programs in new and emerging occupations supported in whole or in part with federal funds. These requirements do not now apply to state vocational foundation funds.

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

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

January 30, 1980

Copy Erik



The Honorable George Hohman
Alaska State Senator
Pouch V
Juneau, Alaska 99811

Dear Senator Hohman:

We have carefully reviewed the transcript of the "Conference on Alaska's Future Frontiers," held December 6, 7, 8, 1979, and are attaching our specific comments and recommendations.

May we take this opportunity to congratulate both you and Representative Russ Meekins, and your staffs on the manner in which this information was gathered. The meeting was most challenging, speaking from personal experience as an interested observer at the conference. Further, the representation collected there was impressive by its diversity and obvious dedication to their task.

We will follow the implementation of the resolutions from the conference with keen interest. If in that process we can be of any further assistance, please let us know.

Sincerely,

Helen D. Beirne

Helen D. Beirne,
Commissioner

DEPARTMENT OF HEALTH AND SOCIAL SERVICES
COMMENTS PREPARED JANUARY 31, 1980
IN RESPONSE TO RESOLUTIONS PREPARED BY
LEGISLATIVE COUNCIL -- STATE OF ALASKA
CONFERENCE ON ALASKA'S FUTURE FRONTIERS -- DECEMBER 1979

Helen D. Beirne, Commissioner
Department of Health and Social Services

FUTURE FRONTIER'S RESOLUTIONS

I. ALPHA RESOLUTIONS

- A. Education
- B. Child care.....DHSS Comment
- C. Transportation
- D. Communications
- E. Law and Justice
- F. Financing
- G. Oil and Gas
- H. Fisheries
- I. Timber
- J. Energy
- K. Another Future Frontiers

II. BETA RESOLUTIONS

- A. Government Services
- B. Communications
- C. Justice
- D. Finance
- E. Education
- F. Health.....DHSS Comment
- G. Energy
- H. Transportation

III. GAMMA RESOLUTIONS

- A. Political/Justice
- B. Lifestyle
- C. Transportation & Communication
- D. Development
- E. Human Resources.....DHSS Comment
- F. Education
- G. Government Structure
- H. Economy
- I. Community Development

IV. Delta Resolutions

- A. General
- B. Agriculture
- C. Fisheries
- D. Education
- E. Health & Social Services.....DHSS Comment
- F. Oil & Gas
- G. Timber

V. Epsilon Resolutions

- A. Natural Resources**
- B. Fisheries**
- C. State Lands**
- D. Tourism**
- E. Energy**
- F. Land**
- G. Government**
- H. Health & Social Services.....DHSS Comments**
- I. Transportation**
- J. Education**
- K. Law and Justice**
- L. Communications**

ALPHA GROUP'S CHILD CARE RESOLUTION

Alpha Group resolves that the legislature consider the following recommendations in the area of child care:

- 1. That the State continue to use the resources of private child-caring institutions to deliver services to children entrusted to the State's care; and**
- 2. That the State place children with child-care institutions as a good parent would, providing for prompt payment of full cost of care which includes a portion of those costs required to keep the institution ready to receive the State's children.**

The policy of the State should be that of a good parent that cares well for children for whom it has responsibility and pays its bills quickly.

DHSS COMMENT TO ALPHA GROUP'S CHILD CARE INSTITUTION

Division of Social Services:

Division of Social Services supports the appropriate use of private child-caring institutions for children in the custody of the Division. However, the Division's policy is to utilize all possible alternatives prior to institutionalization.

Division of Social Services policies and procedures require prompt payment of all substitute care billings. The Division's automated billing system initiated in September of 1978 has significantly improved the payment system.

BETA GROUP'S HEALTH RESOLUTION

Health services which include:

1. Family planning counseling; and
2. Mental/Alcoholism/Drug Abuse Health need to be made available to all areas of the State from the paramedical/nurse practitioner level in the rural areas to the fully sophisticated facilities in central urban areas. An adequate means of transportation and communication is necessary.

Expansion of the professional role of paramedics and nurses shall be encouraged at all levels of health-care delivery.

An adequate curricula be added to the school system, stressing early detection and providing training opportunities to help school children become aware of health-care needs.

Alternative methods need to be considered for future water/sewer systems to ensure the practicality of the operation from a maintenance and cost standpoint.

Catastrophic health care should be available to all Alaskans with a mandatory deductible requirement sufficient to prevent abuse.

A need state-wide is for health education in the media. Our TV, radio and newspaper should have more specific information about preventive health measures. Only when our whole community is more concerned about health will we improve our children's health and, consequently, the welfare of future generations.

DHSS COMMENT TO BETA GROUP'S HEALTH RESOLUTION

Division of Public Health:

While the counseling effort does need expansion, such expansion should also be accompanied by a greater accessibility of family planning services. There are a number of individuals and organizations which might be able to assist in making counseling and services more accessible and available including community health aides, private organizations such as women's groups and the family planning association, the native health corporations, the State Division of Public Health, the Division of Social Services as well as regional corporations or local government units. An expanded effort would undoubtedly require more trained staff, more equipment and more space as well as funds for community outreach efforts and materials for community and individual education.

It might also be worthwhile to look into common restrictions in health insurance coverage which often do not pay costs of sterilization procedures since sterilization is becoming nationally a widely accepted method of contraception. Thought might also be given to means for expanding the use of non-clinical methods of contraception such as the condom through a wide marketing effort in the public sector.

"An adequate curricula be added to the school system...":

This is a very important recommendation. The State Health Coordinating Council, the three Health Systems Agencies, the Department of Education and various school districts have been working intensively during the last year to develop a curriculum. Substantial progress has been made.

Local school districts are generally free to determine their curricular content within certain guidelines established by the state. This independence should be preserved. There is probably a good deal of interest on the part of school districts to provide health teaching if it can be integrated into the general curriculum. It seems likely that local school districts or regional resource centers might require assistance in the integration of health material into their basic teaching program. This assistance might take the form of educational materials, visual aids, lesson plans, and technical assistance in the use and integration of these materials. Availability of funds to finance such assistance would probably do a great deal to assist local school districts in providing an adequate health curriculum to their students.

"...future water/sewer systems...":

The traditional method of liquid waste disposal is to inject the waste into a piping system with transport to a central processing

point. All laws and regulations are geared to regulate this area. New methods are being developed for liquid waste disposal and some are good while others are bad. Consideration should be given in law and regulation to allow for research, study, development and testing of alternative systems with subsequent approval of systems found to be acceptable. The high cost of sewage systems, central processing plants and the necessary maintenance may soon become totally prohibitive, especially in remote areas. Pre-planning of alternative systems now may be a cost effective measure. J.P.

It is improbable that the traditional methods of water supply and distribution will vary greatly in the next years. Only the method of treatment is likely to change. Current laws and regulations appear capable of accepting any new treatment processes which may be developed. Reducing water quality standards is not an answer since this could lead to an increase in waterborne illness.

"A need state-wide is for health education in the media.":

A program of health information in television, radio and newspapers should be coordinated with service delivery programs of health departments, regional corporations and state efforts. The media portion could be expected, if well done, to increase awareness of certain types of health information and to stimulate interest on the part of the viewer to obtain additional information. It should be born in mind that the development of good media materials is a relatively expensive process. Even short public service spot announcements on television can cost well over a thousand dollars per spot if one includes the reproduction of the announcement for various outlets. Preparation of longer programs which could present information in somewhat greater depth would be correspondingly more expensive. There are resources in Alaska which can do professional preparation of quality public service announcements and programs. Because of the heterogeneous nature of the Alaskan population it may be necessary to provide some sort of grant mechanism to regional corporations to assist them in preparing information which is geographically and culturally acceptable and understandable to the viewing audience.

If interest on the part of newspapers could be stimulated to include health related information, a consortium of Alaskan health workers could probably be set up to write columns, stories, etc. Perhaps such materials could be distributed on some kind of "syndicated" basis to newspapers and magazines.

Division of Mental Health:

"A need state-wide is for health education in the media":

While broad health education is a necessary goal, we would like to encourage along with physical health education, behavioral health

education. The legislature has funded "Here's Looking at You" and there are many other models that can be utilized in the schools. "Explorations in Living", a curriculum out of Utah could be implemented cheaply with the support of the Community Mental Health Centers.

Office on Alcoholism and Drug Abuse:

1. Training: A "Manpower Development Plan for Alcoholism and Drug Abuse Personnel" has been completed by this Office which proposes to create a body of certified paraprofessional and professional alcoholism/drug abuse treatment practitioners in Alaska. Its priority target groups for training are:

- 1) Rural Native Personnel
- 2) Existing Local Alcoholism/Drug Abuse Staff
- 3) Related Health, Criminal Justice and Social Services Personnel

There is a need for money for expansion of existing programs and, a broad variety of new programs as well. Adequate documentation exists both for the need, and to describe types of programs, as well as how their effectiveness can be measured.

A "no cost" measure that could be attempted by the Alaskan State Legislature would be a joint resolution of both houses asking "the President and Congress to insist that the Alaskan Area Native Health Service develop and implement a comprehensive Mental Health, Alcoholism and Drug Abuse Prevention, Treatment and Rehabilitation program for the Alaskan Native people, in partnership with the State, not later than 1981".

The AANHS has no such plan or program. 55% of the total population in treatment in state funded alcoholism programs are Alaska Natives. Less than 1% of the AANHS budget is devoted to these problems.....

The only barrier to such a "corp" of trained personnel being brought into existence is dollar resources to implement the plan. Our FY '81 budget suggests a beginning effort at about \$90,000.00. More money gets more product. The curricula for training ranging from very basic to highly sophisticated prevention, intervention, treatment and program management skills are available.

The mechanisms for implementing a peer-based certification system for counselors at two basic professional levels is in place.

Methodical training of a limited number of rural native personnel and personnel of existing programs, began this year.

Appropriate training/education and certification of practitioners will help ensure that community based programs in the bush, especially, are staffed by competent personnel who are permanent residents of their communities, thereby enhancing the potential for both program effectiveness and stability.

2. Resources for Programs: Local Alcoholism and Drug Abuse programs have not had budget increases, beyond inflation, since 1975.

GAMMA GROUP'S HUMAN RESOURCES RESOLUTION

Gamma Group envisions a future for Alaska as one which:

- 1. The dignity and well-being of Alaskans of all ages, race, sex and economic status are guaranteed.**

Recommendations:

- a. Adequate housing, preventive and crisis medical treatment, day care and aid for the elderly are essential.**
- 2. The causes of alcohol abuse as an impediment to the full utilization of Alaska's human resource have been recognized and effectively dealt with.**
- 3. Private industry is encouraged to assume the responsibility to offset adverse development impact in the areas affected.**

Recommendations:

- a. Socioeconomic studies should be done before the fact, not after the problems occur.**
- 4. Good health is a right of the people.**

Recommendations:

- a. people should be educated about nutrition.**
 - b. funds should be made available for building suitable medical facilities in rural areas.**

DHSS COMMENT TO GAMMA GROUP'S HUMAN RESOURCES RESOLUTION

Office on Alcoholism:

2. In order for this condition to be realized, a multi-level program is necessary, minimal requirements of which include:

A) A complete revision of Title 04, the "ABC Law":

- State policy of managing sales and distribution of Beverage Alcohol within a framework designed expressly to protect public health, safety and welfare, not primarily to ensure "orderly commerce".
- Restricted number of retail licenses
- Restricted opening hours of retail outlets
- Price controls
- Drinking age raised from 18 to 21
- Ban on all advertising
- Ban on sales in Dry Areas
- Regional ABC Boards - Citizen Controlled
- Greatly expanded enforcement capability

B) Massive Public Education effort; media based; multi-lingual, regarding the causes, costs and consequences of Alcohol Abuse and Alcoholism.

- Increased public awareness
- Increased public understanding
- Altered public attitudes
- Reduction of public stigma toward abusers
- Reductions in per capita consumption
- Program needs to be operated for a minimum of five years, with a professional outcome evaluation component included

C) Continuation of K-12 "Here's Looking At You" public school curriculae implementation, statewide, for a minimum of five years, including a continuation of the evaluation component.

D) A basic review of economic development policy in the state: the kind, amount, scope, intensity and velocity of such development is a key determinant of rates of cultural/personal stress and the attendant problems of violence, suicide, child abuse, alcoholism, alcohol abuse, depression, etc., especially among Rural Natives (see Attachment). The economic development policies of the state and federal governments need to incorporate "behavioral health impact analyses" at a minimum. Local residents have got to be afforded maximum control over development impacting their lives. We cannot afford to continue the myth that there is no relationship between milieu and Health.

- E) Expanded early intervention/treatment programs for youth and young adults, especially those arrested on "minor consuming" or related charges, and those emerging from school classrooms asking for help, as a consequence of implementation of the "Here's Looking At You" program. (There have been many of the latter, already).

The most fundamental policy shift on the part of the government of Alaska, which must occur if anything approaching the desired condition is to be realized, is to stop letting the Licensed Beverage Industry, through its campaign contributions and lobbying activity, set Alaska's Health, Social and Criminal Justice policies.

The Abuse of Alcohol is the prime cause of all social, health and criminal justice problems in Alaska. The people, through their elected representatives must gain control over that element of their environment. If they do not do so, we are condemning large segments of future generations to increasing rates of death, disease, disability, crime, suicide, child abuse, etc., and they are already astronomically high.

Division of Public Health:

4. a) The extent of the problem created by poor nutrition is not well known but is probably significant. There appears to be a greater danger of frank under-nutrition or malnutrition in bush areas particularly as subsistence life styles change in the direction of a cash economy.

A great deal could be done in the area of nutrition education. Some of it could be accomplished through the media. Some could probably be accomplished through existing staff working in the field including food stamp worker, welfare worker, public health nurses, etc. Assistance could be provided in developing educational materials which could be used by these individuals in their contacts with the public.

Perhaps some thought also should be given to working with village cooperatives so that operators of local retail outlets could possibly have a role in community education. Some assistance either of a technical or financial nature might also be provided to cooperatives to enable them to select stock items which are nutritious and which have adequate shelf life. Local groups such as church groups, etc. might also be encouraged or provide assistance in the development and publication of nutritionally adequate recipes using foods which are available either from local stores or in the subsistence economy. Local input could also be obtained on common food practices in each area for

nutritionally vulnerable groups, particularly infants, pregnant women and lactating mothers, so that the nutrition education effort could be focused on reinforcing practices which have value and modifying practices which either has no value or are detrimental to health.

4. b) There seems to be no doubt that the ultimate responsibility for preservation of public health rests with the state. However, there would seem to be a variety of administrative arrangements which could be made with regard to the delivery of services meant to protect health. The Department is entering into discussions with the North Slope Borough to explore interest and potential and the costs which would be involved in the Borough's assumption of a broader range of health activities.

There is a lack of clarity in certain of the federal regulations governing programs in which the federal government financially participates. This is especially true with regard to the private non-profit health corporations. The Department is attempting to clarify the federal requirements.

Because of the ultimate state responsibility for public health preservation, standards of performance for health related activities would have to be mutually negotiated between the state and whatever executing agency might be chosen.

DELTA GROUP'S HEALTH AND SOCIAL SERVICES RESOLUTION

That in the spirit of underlying each of the following policy recommendations, the broad cross-section of Alaskans from every part of the state strongly urge the legislative and executive branches to encourage, whenever feasible, the adoption and implementation of health and social programs which encourage local input, provide incentives for self-help and adopt creative policies that tend to encourage human dignity.

34. Public policy as developed by the legislative and executive branches of government should shift priority as far as possible from the curative and treatment approach to health promotion, health education and disease prevention and social service programs and similar approaches recommended for problems.
35. Since disease prevention is cheaper than cure and treatment, Alaska should single out diseases which contribute unduly to the pain and suffering of citizens and lay heavy claims on public funds. Earliest attention should be given to tuberculosis, otitis media, alcoholism and drug abuse, accident prevention, and venereal disease.
36. Cost containment for all health care purchased by government should be undertaken with a minimum goal that payment and fees for services should not be allowable beyond the increases in the Consumer Price Index for the region concerned.
37. That to the extent allowable by present law and reasonable amendments thereto, health and social services delivery programs should be vested in local government and in private nonprofit corporations with mutually agreeable funding provided by federal and state governments.
38. Revenue-sharing funds made available by the State government for health services and health facilities should be made available to local governments, with the local governments determining the priorities for usage of the funds, whether for services, institutions, or facilities.
39. That public policy in Alaska include studies leading toward the possible revision of all direct service health expenditures with the emerging possibility of opting out the Medicaid program, the development of an unique and comprehensive Alaska health insurance program, or other innovative improved methods for assisting Alaskans in meeting medical costs.

40. Immediate attention should be given to an improved catastrophic illness program to bring relief to low- and middle-income wage earners, otherwise ineligible for federal and state assistance.
41. The State should consider a revised plan of reimbursement for physician services and hospitals, including strong emphasis on the free enterprise, competitive system and that as a quid pro quo the free market forces be rigidly enforced as demanded in other fields of endeavor.
42. Alternatives to expensive institutional health care (hospitals, nursing homes, residential centers) should be sought, including pilot programs and coordinated home support and health care, with services available not only from nurses but also from doctors for in-home assistance.
43. Since all forms of accidents are responsible for the highest percentage of Alaska deaths and a major portion of health care dollar expenditures, special massive attention should be given to the fundamental causes of those accidents and the relationship thereto to other social and health phenomena, and that a bold program of education and prevention be developed.
44. All third-party insurance payment mechanisms for health care in Alaska should be required to cover mental illness services in much the same way as they cover physical illness at the present time.
45. Legislative and executive branch decisions should be directed toward more extensive utilization and funding of community mental health centers and several small regional juvenile residential facilities should be provided for mentally disturbed juveniles.
46. That the legislative and executive branches provide for the detailed analysis regarding the financial impact of improving the current payment level of \$120.54 per month per recipient under the Aid to Families with Dependent Children Program. (Under AFDC, the monthly payment for mother and child is \$350 versus \$608 for two persons under the supplemental security income programs.)
47. Since \$80 per month per person for certain needy persons in the State is not sufficient to deal realistically with those eligible, a detailed study should be provided to determine the future structure and coverages under the General Relief and General Relief Medical programs.

48. The legislative and executive branches of government should attempt to influence more strongly the Federal Office of Management and Budget in order to adjust the official poverty guidelines for Alaska, to bring it in line with financial realities and remove the current discrimination against Alaska's needy made possible by the policies of the Federal Office of Management and Budget.
49. That the legislative and executive branches provide for an updated, comprehensive study of the status of Alaska's elderly population, with special emphasis on adequacies of the financial assistance provided to elderly eligibles, and with special review of the effects of inflation and the fixed income of retired persons and in connection with a proposed Older Alaskans Commission.
50. The legislative and executive branches of government in Alaska have recently provided for a comprehensive Corrections Master Plan for Alaska. After public hearings are held in affected communities only, those portions of the plan deemed to be acceptable should be strongly supported by the legislative and executive branches in order to improve both facilities and services in urban and rural areas of Alaska.
51. Limited and new programs, such as Treatment Alternatives to Street Crime and New Start Center have demonstrated efficiency and adequate rate of success in assisting in the continuing rehabilitation of ex-offenders. It is in the interest of every citizen of Alaska that such ex-offenders be assisted in developing new life patterns free of crime and deserve adequate staff and financial support to assist in that goal.
52. Even though public assistance in the form of money-transfer payment programs and social services based on counseling do not have the same goals, human service centers in various communities throughout the State should be co-located in order to serve citizens in a more efficient manner.
53. Since Alaska does not operate any social service child care institutions and only one correctional juvenile institution, revisions should be made in the "purchase of services" statutes by amendment in order to fund those privately operated programs giving care to juveniles whose care has been made a State responsibility more nearly on the basis of actual full cost of care.
54. The legislative and executive branches of government should make provisions whereby a reasonable percentage

(approximately one percent) of the human services budgets of the State could be utilized by the executive agencies for research and evaluation purposes in order that full data may be available and proper evaluations made to place sound statistical and programmatic basis under all expenditures in the field of human services.

55. Support adventure-based education on a continuing basis.
56. Continue support of Crisis Centers throughout the State.

DHSS COMMENT TO DELTA GROUP'S HEALTH AND SOCIAL SERVICES RESOLUTION

Division of Public Health:

42. This suggestion should be pursued. There is a dearth of skilled home nursing care agencies in the state. Development of such resources would probably make some savings possible. The savings could accrue to the patient, his family as well as to society in general through containment of hospital and institutional costs. Any program which is developed should be carefully integrated with the homemaker service which is now operated through the Office of Aging and the Division of Social Services. If a home health pilot project could be certified by Medicare/Medicaid, some reimbursement from those sources might help offset costs. However, a state based home health care program should not be exclusively tied to Medicare/Medicaid since their regulations are unduly restrictive. The Department would be very happy to work with any individual or group interested in this type of service.

43. This is another important recommendation. First steps which might be considered in approaching the problem would include a good epidemiologic study of accidents in the state to determine where intervention might have the best chance of success. Another early step might be the organization of a forum or committee which would include the very large number of federal, state and private organizations which are involved in one or another of the aspects of accident prevention.

Division of Social Services:

52. The Division supports this resolution.

53. The Division of Social Services supports the concept that there is a need for the revisions of the "purchase of services" statutes. In as much as this is a resolution and does not completely explain the actual amendments requested or desired by the Delta Group, it is difficult to support the recommendation in its entirety. However, the Department of Health and Social Services is reviewing the "full cost of care" statutes and making recommendations to the Governor that amendments be offered to guarantee that there will be adequate contractual arrangements with child care institutions to insure that the State is purchasing a requisite amount of available beds at a purchase price which would guarantee the financial security of the institutions providing space to the State as these beds are needed.

Office of State Health Planning and Development:

34. SHPDA supports this resolution.

35. SHPDA supports this resolution with caution. Disease and injury prevention might not be cheaper for certain conditions; priorities should include consideration of the cost effectiveness of the preventative program and degree of debilitation caused by a particular condition.

36. This could not be supported without clarification of the intent of the statement. Is the referenced Consumer Price Index the general index or the index related to health care? If for health care, it appears that payments would be tied directly to prices, which is not necessarily a desirable condition. If for the general index, the assumption is implicit in the recommendation that costs for health care were in line with costs in other cost areas at the time of establishing the base. If this implicit assumption proved inaccurate, the health care sector would unfairly be restricted in the marketplace. Current studies indicate that a significant portion of health care cost increases in the past fifteen years were in fact due to "catch-up" by the health care industry and predominantly forced catch-up (expansion of minimum wage coverage and in minimum wage levels; other governmental incentives to provide comparable employment conditions; and unionization activities). Cost containment of governmental health care purchases is definitely a matter of concern since price increases have also resulted from unneeded expansion of health care services, inadequate government reimbursement systems, and lack of sufficient competition in the marketplace. A solution is needed by any acceptable one will probably be somewhat more sophisticated than provided by the minimum goal of this recommendation.

37. SHPDA supports this resolution.

38. State revenue sharing for health facilities and services is currently categorical in nature. Consequently, a presumption may be made that the legislative intent is to reinforce selected aspects of local health programs (e.g. hospital services; hospital construction). OSHPD (SHPDA) supports the recommendation that local governments determine priorities for usage of revenue sharing funds. The Alaska Revenue Sharing Program provided by Alaska Statutes (AS43.18), as it relates to health services, hospitals, health facilities, and construction aid, should be reviewed with the possibility of revision to create a more equitable revenue sharing basis. Such review should be accomplished in conjunction with a review of other statutes for reinforcement of local health programs (e.g. AS 18.20, AS 18.25 and AS 18.26). Statutory changes resulting from such review should be consistent with State government commitments in other health program areas (e.g. AS 18.07 governing State Health Planning & Development and the Certificate of Need provisions). One other

aspect to be assessed in reviewing State revenue sharing for health services and facilities is whether such revenue sharing provides excessive incentive for initiation of government health services which might have been provided by the private sector.

39. SHPDA supports completion of the proposed studies.

40. SHPDA supports this resolution.

41. SHPDA supports with reservations. Especially in rural Alaska, free market forces are not prevalent in the provision of, or payment for, health care services. In fact, the Certificate of Need program was predicted on the approach that monopolistic delivery of services in certain situations is the most desirable and cost efficient approach. There is a need for revision of reimbursement mechanisms and wherever possible, free market mechanisms should be incorporated.

42. SHPDA supports this resolution. The variety of providers should be broadened to include the delivery of health services that can be adequately delivered at home (as opposed to institutionalization). The key phrase is "coordinated home support and health care." Adequate staffing is only one of the problems to be considered.

43. SHPDA supports this resolution. Support should also be provided for maintenance of an emergency medical system which has a goal of reducing death and severity of injury through the improved handling of an injured person following the occurrence of an emergency situation.

44. SHPDA supports this resolution.

54. SHPDA supports this resolution.

Division of Mental Health:

42. We would like to encourage thought to alternative methods of service delivery being explored. Alaska is ripe for the case manager integrated services type model and there are great cost efficiencies to be gained by this model in Alaska.

45. The Division of Mental Health supports the recommendation. There is a growing body of research that indicates behavioral health services have significant offsetting capacity in reducing physical health costs. The primary health problems in Alaska, Alcoholism, mental illness, accidents are all behaviorally related.

Office on Aging:

49. The last Comprehensive Study on Aging is now almost ten years old and it cost over \$200,000 at that time.

We strongly recommend and urge that a similar amount of money from General Funds be appropriated to this Office to coincide with the 1980 Federal Census.

Instead of the study starting with the age of 60 or 65 (Senior Citizens) we should gather data on all adults of the age of 18 or 21, so that we can better plan for 1990's and the 21st Century.

We do not know if the present State policy of providing economic incentives such as the Alaska Longevity Bonus and tax exemptions and having a costly Pioneer Home system is either the most effective or if this is what the aging themselves want as contrasted to providing residential alternatives; in-home services; giving a tax break to a younger person to keep a "grandparent" in their home.

None of the current programs necessarily provide the kinds of family support systems required to retain the family unit in the rural or bush areas of the State. The Federal Older Americans Act is primarily fashioned for those heavier-populated cities with large concentrations of elderly. It does not lend itself to Alaskan conditions in Bethel and Dillingham or Juneau or Fairbanks.

Presently there are only 20,000 Alaskans age 60 and over, but there are over 200,000 Alaskans between the ages of 20 to 60. We must begin to properly plan for the over 50,000 Alaskans who will be over 60 years in 1995 - 2005. We are the "youngest" population at present, but we become an "older" population in twenty more years. We feel this issue must be surfaced at this time - but we must begin planning for the 1990's and the next century.

Division of Corrections:

50. We concur with Recommendation No. 50, but wish it could have been more unequivocal.

51. We concur with Recommendation No. 51. We have had only an indirect relationship with TASC, but it has helped us and we endorse its program. The New Start program is ours and we intend to expand it significantly.

53. Corrections supports Recommendation No. 53, as does the

Department. The present full-cost-of-care legislation has proven deficient so far as its purpose is concerned and has driven costs for private institutional care out of reach.

55. Corrections supports Recommendation No. 55 concerning adventure based education. We are presently arranging our second program. This approach has already been shown to be effective for some young people. We have developed a concept paper, a draft of which will be submitted to Allen Korhonen within the next day or so.

Office of Information Systems:

54. In response to Senator Hohman's proposed legislation concerning Human Services funding for the Department of Health and Social Services research and evaluation purposes, I feel that it is essential for future management of the Department that an increased emphasis be placed on both measures for program evaluation and research with which divisions can better evaluate the citizen's needs, and plan for meeting these needs. Senator Hohman's proposed legislation is an excellent step in this direction. I do feel, though, that possibly a larger percentage of funds should be set aside for this purpose. With the growing MBO emphasis in the Department, these increased funds could underwrite an excellent management research and evaluation program.

Division of Public Assistance:

36. The Division supports this recommendation, if by "region" the recommendation means "State".

39. The Division would strongly support a study which would accurately assess the feasibility of replacing the Medicaid Program, including the indirect costs, and that would clearly identify improvements which could be made with only state resources. Such a study would be time-consuming and expensive, and it should be conducted by persons with considerable expertise in the field.

40. There is federal legislation pending which calls for a national catastrophic illness program. Thus far, the Division has no evidence that the existing program in Alaska, with its apparent level of funding, is failing to meet expressed needs of low- and middle-income families for assistance in managing the costs of catastrophic illnesses.

41. The Division supports this recommendation.

42. The Division strongly supports this recommendation. Efforts have already begun to develop alternative care systems, but additional attention, staff, and funding could be devoted to the issue.

46. The Department has recommended to the Governor that he propose amending AFDC maximum payment levels to include an annual automatic cost of living increase, the percentage to be that by which Social Security increases its payments each year. The Governor has approved and the amendment will be presented to the legislature very shortly.

47. The \$80 per person limit does not apply to General Relief-Medical benefits. General Relief cash assistance paid for urgently needed subsistence items, such as rent, is paid under this statutory maximum. The Division does not believe a "detailed study" is necessary to show that this maximum, which was set in 1953, is not sufficient to meet the intent of the program in some cases.

48. Except indirectly, through the establishment of Federal Food Stamp Programs benefits levels for Alaska, OMB poverty guidelines do not restrict benefits levels of Public Assistance program recipients. The Division would support a study to determine if OMB Alaska guidelines are accurate or need upward revision. It would also support efforts to establish regional guidelines within Alaska. Such studies would help the Division work for more liberal Food Stamp benefits and would undoubtedly be helpful to other programs which address the needs of Alaska's low-income populace.

52. The Division supports the concept of co-location wherever it is financially feasible. We would also like to have the staff resources to travel to remote areas more frequently, with intake staff of related agencies, and to conduct periodic joint clients congregate. Within reasonable limits, such activities can not only increase service but also reduce administrative costs and increase accuracy. However, we would like to see co-location activities involve not just state agencies, but related federal, municipal, and native agencies.

EPSILON GROUP'S HEALTH AND SOCIAL SERVICES RESOLUTION

1. The State should establish a comprehensive health insurance program.
2. Encourage the private sector to provide health and social services in Alaska.
3. The State should emphasize the role of the family in social, health and education priorities and policies.

DHSS COMMENT TO EPSILON GROUP'S HEALTH AND SOCIAL SERVICES RESOLUTION

1. The Department has under study at this time a potentially revised health financing program, and a comprehensive health insurance program will be one alternative that will be under consideration.

2. A very substantial percentage of our health and social services are currently being provided by the private sector, especially our hospitals, nursing homes, social service child care institutions, foster care, and the vast majority of our physicians' services.

The policy of the Department of Health and Social Services is to purchase services through private, non-profit corporations, wherever possible; for example, all alcoholism and drug abuse services, all mental health clinics in the State except two. It is the Department's policy to encourage, wherever possible, the involvement of all private sectors in the delivery of services.

3. One of the primary goals of the Department has been and will continue to be programs that will strengthen the family.

Title XX strongly endorses services which preserve, rehabilitate, or reunite families.

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

STATE OF ALASKA

JAY S. HANNOFF, GOVERNOR

Department of Transportation and Public Facilities

OFFICE OF THE COMMISSIONER

Pouch Z
Juneau, Alaska, 99811
(Telex 45-328)

January 22, 1980
000H

Honorable George H. Hohman, Jr.
Co-Chairman
Alaska's Future Frontiers Conference
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator Hohman:

The Future Frontiers Conference recently held in Anchorage represents an often too rare opportunity for useful dialogue and input from the citizenry of Alaska regarding the policies and practices of all levels of government in the State. The concept of this unique approach to planning is to be applauded and the further refinement of the process to be encouraged for the future. I appreciate this opportunity to comment on the suggestions and recommendations of the five groups of delegates as they pertain to the Department of Transportation and Public Facilities.

Attached is a staff analysis of these recommendations prepared by my Planning and Research Unit. This staff analysis contains comments that first pertain to recommendations concerning statewide transportation policies and goals, then to recommendations relating to the regional planning processes, and finally, to those recommendations more specifically concerned with a particular mode or type of facility. The recommendations of each of the five groups have been addressed within this framework to avoid the redundancy of dealing with each group as a separate entity.

It is apparent from a general examination of the entire set of recommendations that there exists major incongruities between the intended horizon of outlook and the actual horizon of outlook implicit in most of the recommendations. To a large degree, it is obvious that this problem can be attributed to the lack of adequate time for deliberations and the apparent delays in circulating the series of issue papers. It appears that with the short amount of time available for deliberation, the natural inclination was to reduce the horizon of outlook from a 10-year "futures" perspective to the more immediate concern of the next session of the Legislature. It is important to verbalize this confusion with respect to the horizon of outlook to place the attached staff analysis in a more proper context. And, while there is certainly value to the recommendations even within this context, I think that with future conferences of this nature, the "futures" horizon of outlook should be better adhered to, with the organizational format structured time-wise to facilitate this concern.

January 22, 1988

Another consideration to note is the need for more direct and better coordinated involvement with the executive branch line agencies with future conferences of this nature. I understand the intent of this conference was to avoid having representatives from the various bureaucracies and the Legislature as delegates and applaud that concept. It is important that there are these kinds of opportunities available to the citizenry of Alaska to meet without the strong influence of politicians or bureaucrats. Nevertheless, I think this conference would have benefited from having invited representatives from the various agencies available as technical resource people. Many of the topics that were discussed are issues of direct interest or responsibility to people working in government. It is my understanding that several occasions arose where these people would have been helpful had they been available for consultation. This type of interaction would have been less important had the original horizon of a 10-year "futures" outlook been more of a reality at the conference. I hope this concern receives due consideration when planning future conferences.

If there are any questions concerning the attached comments, please contact me or John Bates, Acting Deputy Commissioner, Planning and Research Unit. Thank you again for this opportunity to respond to these recommendations.

Sincerely,



Robert W. Ward
Commissioner

Attachment

cc: John Bates, DOT/PF
Dennis M. Dooley, DOT/PF
Kit Duke, DOT/PF
Larry Soden, DOT/PF
Jessie Dodson, Office of the Governor

**Staff Analysis of the Recommendations
from
The Future Frontiers Conference**

prepared by
Planning and Research Unit
Department of Transportation
and
Public Facilities

January 15, 1980

This staff analysis is broken down into the following three distinct sections: (1) a general discussion of the Department's goals and how those goals interrelate with the general statewide recommendations of the five work groups; (2) a more specific discussion of the regional planning processes now underway; and (3) a quite specific discussion, by mode, of the projects and programs currently being undertaken or anticipated by the Department.

The composite of these three sections, while not addressing each and every specific transportation recommendation resulting from this conference, provides the reviewer with a sound background and a better understanding of the Department's goals, direction, programs, and projects, with a direct relationship to the ultimate objectives of the conference.

1. Statewide Transportation Policies and Goals:

A. Introduction:

The Department of Transportation and Public Facilities (DOT/PF) is charged with the responsibility to plan, design, construct, maintain and operate the intra-state transportation network of Alaska. This network includes highways, airports, ports, docks and public transportation.

The composite of this transportation network is the life line of the State for industry, commerce, tourism and the personal needs of every Alaskan. The quality of this network and its ability to meet the demand of its users has a direct impact on the quality of life in Alaska and the cost of every commodity consumed in the State.

In meeting the responsibilities of an effective intra-state transportation network, Departmental projects and programs address the following goals:

- (1) A reduction or stabilization of recurring maintenance cost impacts on the State's treasury.
- (2) The provision of transportation capital funding support for industry and commerce with a real growth potential, e.g., fisheries and resource extraction.
- (3) Encourage the development of local government structures by providing capital funding for the transportation facilities necessary to enhance local private and public sector income.
- (4) An equitable demarcation between State and local government responsibility for the provision and operation of transportation facilities and services.
- (5) To support and enhance where appropriate the maintenance of the divergent lifestyles of Alaskans.

B. Responses to Statewide Recommendations:

BETA Group - 1. Transportation systems shall minimize adverse social, cultural and environmental impacts.

The Departmental goals referenced above address this recommendation in two ways. First, the demarcation between State and local responsibilities entails that local input be made in project or system development. This local input assures that local initiatives are incorporated in project and system determination and that, impacts, both projected and potential, of those projects and systems have been weighed. Secondly, the goal of maintaining the divergent lifestyles of Alaskans entails that the Department both consider the local initiatives discussed above, as well as make special analysis of project and program impacts with respect to the question of lifestyle.

BETA Group - 2. All existing transportation facilities shall be upgraded to standards which assure traveler safety, optimal freight rates and minimal maintenance costs.

The Departmental goals above address this question as well. The support of the lifestyle of Alaskans assures that facilities be constructed so as to protect the safety of Alaskans. The provision of optimal freight rates is entailed in both the support of lifestyles and in capital funding support for industries with a real growth potential. Finally, maintenance costs of facilities is directly addressed by the goal that such maintenance costs shall be minimized as a result of capital implementation by the Department.

BETA Group - 3. Airport and port facilities in rural Alaska will be improved to assure the safety of users and provide adequate medical public safety and service support. Particular attention should be paid to improving and developing airport and port facilities and alternative transportation modes to accommodate critical economic needs, such as the transportation of fisheries products.

As shown in number 2, above, the recommendations included in this section are addressed by the goal of support for lifestyles and support for industry with real growth potential.

BETA Group - 4. When new transportation projects are proposed, full operation and maintenance costs shall be considered in the decision to implement the project.

Again, this recommendation is directly addressed by the goal of reduced or stabilized maintenance impacts on the State treasury as a result of capital improvements.

BETA Group - 5. Appropriate incentives should be given to private enterprise to develop transportation facilities in the private sector.

The incentives referenced here are entailed by the goal of support for industry with real growth potential.

BETA Group - 8. The Department of Transportation (sic) shall explore innovative and alternative transportation modes that may result in lower freight and fair (sic) costs and avoid adverse social, cultural and environmental impact. A criterion for evaluating new transportation systems in both rural and urban Alaska shall be energy efficiency.

This recommendation is endorsed and pursued through the Department's goals by supporting industry with real growth potential, by supporting individual lifestyles where appropriate, and by reducing or stabilizing

recurring impacts on the State's treasury.

GAMMA Group - 1. Aesthetic qualities are incorporated in all transportation and public facilities planning.

In addition to the statutory requirement that one percent of all funds for facilities improvements be dedicated to aesthetic improvements, the Department's goal that individual lifestyles be supported and maintained addresses this recommendation. This reasoning is built on the fact that aesthetic appreciation and interaction is primarily a personal set of activities.

GAMMA Group - 2. Any anticipated transportation development would only be implemented based on the expressed preference of the local areas to be effected.

This recommendation is addressed by the goal that capital implementation by the Department support local government structures (e.g., through selection of only those projects approved or endorsed by local policy-making bodies), by the goal of providing for a equitable demarcation between State and local government responsibility for the provision and operation of transportation facilities and services, and finally, by the goal to support the individual lifestyles of Alaskans.

EPSILON Group - 1. The State should encourage development, maintenance and upgrading of existing area transportation systems.

This recommendation is broadly addressed by the goals which support industry with a real growth potential, which encourage the development of local government structures, which encourage an equitable demarcation between State and local government in the areas of services and operation of transportation facilities, and which seeks to support and enhance the divergent lifestyles of Alaskans.

EPSILON Group - 6. Alaska should use a portion of the unanticipated revenues from the North Slope to defray the cost of intrastate transportation.

This recommendation is broadly addressed by all the goals of the Department in the sense that these goals are implemented through the DOT/PF Capital Improvement Program (CIP), and as a result of the fact that the current and projected CIPs are funded in part through these same unanticipated revenues.

II. Recommendations Relating to Existing and Proposed Regional Planning Processes:

A. Introduction:

Currently the Department is conducting or intends to conduct eight (8) regional transportation plans as follows: Western and Arctic Alaska Transportation Study (WAATS), Upper Cook Inlet Air System Study, Prince William Sound Study (PWS), Matanuska-Sustina Borough Study, Kenai Peninsula Borough Study, Southeast Alaska Transportation Study, Interior Study and Aleutian Ferry and Southwest Transportation Study. Each of these studies is an ongoing process of perception gathering, policy development, data acquisition, analysis, project and program recommendation, and presentation.

The structure of the regional studies for the purpose of conducting the work and arriving at recommendations is as follows: each of the regional studies is composed of a policy committee of regionally elected and nonelected policy-makers and a technical committee composed of local and State transportation planners and managers. Additionally, some regional studies employ consultants to perform some of the technical committee functions, so as to discourage unwarranted growth among permanent State employees. The essential work of perception gathering, data acquisition, analysis, and project and program alternative recommendation development is conducted by the technical committees and/or the consultants. Policy development and selection of one or more alternatives for subsequent resource allocation decision-making at the Statewide level is the function of the policy committee. Where multi-regional goals and objectives are in question, and where Statewide or multi-regional policy development is needed, the efforts of the Alaska Transportation Planning Council are employed.

In essence the sum total of the Department's regional planning activities equals Statewide planning activities. That is to say, the mosaic formed by the Regional studies is a Statewide study.

The point of regionalization in the study process is tied not only to the intent of the Legislature to defend divergent cultures, but also to ~~the~~ the goal enunciated in Section I of the analysis: the support of divergent lifestyles of Alaskans. With no standardized set of study tools (or perceptions) with which to begin, it is felt by the Department that any potential regional bias on the part of its planning efforts is, if not eliminated, at least reduced in probability.

What this discussion states then is that, in terms of Legislative mandate and Departmental goals, "Statewide planning" must necessarily be viewed in the terms of the regional planning processes.

Based on this reasoning, a number of conference recommendations otherwise containing Statewide language can be best addressed through these regional planning processes.

B. Specific Recommendations:

ALPHA Group - 2. Preparation and implementation of a state-wide plan for surface and air transportation.

As can be seen from the above discussion on regional planning, the presentations to policy-makers which result from the sum total of perception gathering, policy development, data acquisition, analysis, and project and program recommendation in each of the regional studies entails the existence of a "Statewide Plan." Again, the point being that the plan, given the regional emphasis, will better address the locally-derived solutions to local transportation problems.

ALPHA Group - 4. Develop a complete inventory of the entire State's transportation facilities.

It can be seen from the above discussion that the sum total of all data gathering and analysis activities in each of the regional studies will entail the existence of a Statewide transportation facilities inventory.

BETA Group - 7. As part of a regional resource planning process, the Department of Natural Resources shall undertake a thorough assessment of transportation needs in relation to development of Alaska's renewable and nonrenewable resources.

It is unclear whether this recommendation would assign lead transportation planning responsibility to DNR where resources are concerned, or whether the recommendation would place a mandate on both DNR and DOT/PF to closely coordinate resource inventories with transportation planning. It is clear, however, that the regional planning structure discussed above is able to accommodate the incidence of renewable and nonrenewable resource development and its impact on transportation facilities, existing and projected. One possible method for the consideration of resource development impacts on transportation facilities would be for planners and managers from DNR to assist with the technical committee requirements of certain regional planning efforts, as well as for policy-level personnel from DNR to have representation as required on both regional policy committees and the Alaska Transportation Planning Council. *(see also)*

BETA Group - 9. The Department of Transportation (sic) shall give immediate attention to the development of intraregional transportation systems that do not necessarily link.

Each of the regional planning processes discussed in this Section is multimodal in nature; that is to say: each of the processes is not limited to the consideration of any given mode or modes. Further more, to accomplish this multimodal thrust, the planning conducted in each of the processes is intermodal in nature; that is to say: in the course of the regional planning processes, the relative advantages of any given mode is measured against the relative advantages of other modes to achieve both effective and efficient transportation. The result of this method of planning is the ongoing consideration of not only continuous systems of linked transportation facilities such as roads and highways, but also the ongoing consideration of unlinked facilities, such as areawide roads connecting regional ports or airports.

III. Specific Responses by Mode and/or Issue:

A. Air:

ALPHA Group - 2. Preparation and implementation of a state-wide plan for air and surface transportation.

ALPHA Group - 4. Develop a complete inventory of the entire State's transportation facilities.

DOT/PF is progressing toward this goal already, through regional plans such as the Southeast Study, WAATS (Western and Arctic Alaska Transportation Study), Southwest Study, and so on. These regional studies will be the foundation of the subsequent over-all integrated State Transportation Plan. The inventory recommended under ALPHA's fourth recommendation is currently being developed as part of DOT/PF's regional planning efforts.

ALPHA Group - 3. Construction of a complete system for rural air transportation, navigation aids and facilities, relatively equivalent to present regional airport facilities.

GAMMA Group - 3. There are improved rural air transport system.

A review of the dialogue contained in the conference transcripts might show specifically what ALPHA had in mind, but for now it is assumed that the group had some interest in larger airports at some of the smaller villages. DOT/PF efforts along that line will be discussed below. GAMMA Group's recommendation is more generally concerned with improving rural air transportation. With respect to the installation of navigational aids and facilities, the State's role is primarily advisory to the Federal Aviation Administration. Traditionally, the Federal role has been to provide for the safe movement of aircraft through the air (i.e., through the certification of aircraft and operation of navigational facilities), while the State or local government provides the facilities for handling the aircraft on the ground (i.e., runways, aircraft parking and servicing areas, etc.).

BETA Group - 3. Airport and port facilities in rural Alaska will be improved to assure the safety of users and provide adequate medical public safety and service support. Particular attention should be paid to improving and developing airport and port facilities and alternative transportation modes to accommodate critical economic needs, such as the transportation of fishery products.

GAMMA Group - 3(a). Safety should have major emphasis in development of air transport systems.

DELTA Group - 12. Upgrade rural airports to make them more fully operational

and safe.

DELTA Group - 13. Expand key rural commercial center airports to provide more economical transportation systems.

BETA Group's recommendation discusses the need for safety and service. Much of our current program consists of airport reconstruction and expansion, which both contribute directly to improved safety. With respect to the economic role of airports and air transportation, DOT/PF is currently considering the possibility of creating "convertible" airports whose prime function would be to permit large cargo operations when needed at a community, without the costly obligation of snow removal and year round maintenance of the longer runways. One target of the "convertible airport" concept is the fisheries industry, wherein heavy cargo aircraft, operated only during the relatively short summer fishing season, would be provided full length runways at a number of villages. This would permit the delivery of fresh fish to a wide variety of processing locations. However, during the winter months maintenance costs on the airport would be minimized by the lighting of and snow removal from only the shorter runway length needed for routine air service to the community. These "convertible" runways could be opened in the middle of winter to permit the delivery of heavy or bulk cargo by large aircraft on an "as needed" basis. At smaller villages these flights would be infrequent. Having the longer runways available, however, could reduce the local (costly) store inventories, permit the delivery of bulk fuel on demand, and be available for emergency needs. As of mid-January, this concept is still under study.

BETA Group - 5. appropriate incentives should be given to private enterprise to develop transportation facilities in the private sector.

With respect to the recommendation, suggestions have been made that privately-owned public airports be granted some property tax relief. The average citizen may not realize the important role that a number of privately-owned airport facilities play throughout the State. Perhaps only half of the airports in Alaska are owned by the State or local government, with many of the remaining fifty percent being owned by private industry. Some of the privately-owned fields provide an invaluable public service. Several airports within the Municipality of Anchorage are the home base for large numbers of aircraft. Metro and Phillips Field in Fairbanks both accommodate many aircraft, including some scheduled and charter flights, and Bradley Sky/Ranch at North Pole serves as the primary field for that entire community.

GAMMA Group - 1(a). The State DOT/PF should avoid a standardization in highway design through incorporation of aesthetics, through a more holistic approach to planning, through employing people of various disciplines. In order to accomplish this, the State should at times seek waivers of federal standards and/or build the projects with the State monies.

It is worth noting that DOT/PF has achieved an excellent working relationship

with the FAA and regularly obtains waivers to Federal airport standards. DOT/PF has also been aggressive in obtaining waivers to Federally imposed airport operating standards, particularly those regulations associated with airport security and certification. And, many airports have been built using State money only, without Federal aid.

B. Highways:

ALPHA Group - 5. Upgrade and expand inter-community road systems, including but not limited to extension of the road to Tanana and a connecting link between the Yukon and Kuskokwim Rivers.

ALPHA Group - 6. Avoid imposing transportation intrusions on communities or regions whose residents do not want them, i.e., unwanted highways.

One of the principal objectives of any regional transportation study, i.e., Western and Arctic Alaska Transportation Study, is ultimately the rational selection of specific capital investments (projects). The basis for selection of these projects is the result of social, economic and environmental analysis. One of the principal sources of input to that analysis is public participation. Thus, from public input, ranging from individual expression to corporate interests, comes much of the information necessary to base decisions upon. Not surprisingly, public participation is considered particularly essential when analyzing local or regional inter-community roads.

GAMMA Group - 1(a). The State DOT/PF should avoid a standardization in highway design through incorporation of aesthetics, through a more holistic approach to planning, through employing people of various disciplines. In order to accomplish this, the State should at times seek waivers of federal standards and/or build the projects with State monies.

Highway design necessarily should, and does, incorporate a variety of disciplines. Design philosophies and techniques tend to be evolutionary, improving with time. Alaska's highways reflect this trend as evidenced by increased emphasis on such features as bike paths, contouring and seeding of slopes, and individually designed structures which address the aesthetic requirements of the particular site. Such considerations generally increase design costs and, until recently, was considered as somewhat of a luxury compared to the basic essential of structural integrity. In light of our current economic position, more attention is being given to aesthetic considerations.

On the other hand, a considerable effort has been made in the past to maximize construction dollars by designing, where appropriate, to less than "Federal standards." For instance, Alaska has probably recycled more used bridges than any other State. Again, now that we are beginning to enjoy an increase in State revenues, we are in an even better position to optimize construction dollars by exercising the option of Federal vs. State funding.

DELTA Group - 16. Improve maintenance and upgrade present State Highway system.

The State has every intention of improving maintenance capability and upgrading the existing highway system, as evidenced by the proposed capital and operating budget increases.

C. Marine Highway System:

ALPHA Group - 1. Expand and upgrade the marine highway system throughout the entire state, including but not necessarily limited to the Alaska Peninsula-Aleutian communities, Yukon-Kuskokwim and tributary system and other areas as later selected.

DELTA Group - 7. Expand and upgrade the Alaska Marine Highway System.

Comprehensive intermodal regional transportation studies are now underway in Southeast, Prince William Sound, Aleutian/Southwest, Western/Arctic which will include recommendations for expansion and upgrading services of the Marine Highway System. The Western/Arctic Regional Transportation Study will include development of alternatives for transportation services for the Yukon-Kuskokwim and tributary system. Some \$79.4 million expenditures for Capital Improvements on the Marine Highway System will be requested in the Fiscal Year 1981-1982 biennium budget to the Legislature.

D. Marine/Ports:

ALPHA Group - 7. Improve and expand river-loading facilities.

GAMMA Group - 4. There is improved and expanded marine transportation, including support facilities, throughout Alaska.

EPSILON Group - 2. And should further develop programs to expand public harbor and port facilities, with a view of expanding the fishing and maritime industry in Alaska.

EPSILON Group - 4. The State should pass legislation enabling the establishment of port authorities with full taxing powers.

The Western and Arctic Alaska Regional Transportation Study will investigate the needs for improving/expanding or locating new river-loading facilities on the Yukon-Kuskokwim and tributary river system, as well as port development along the Coastal area from Bethel to Barrow, including the Canadian McKenzie River Waterway. The State has contacted the U.S. Army Corps of Engineers to solicit their expansion of the National Waterways Study Program to include the rivers/waterways of Alaska.

Other Regional Transportation studies will include port development needs in the Southeast, Southwest and Aleutian Chain.

As an adjunct to the State's Northern Development Program, marine port infrastructure development is being actively pursued cooperatively by the Departments of Transportation and Public Facilities and Community and Regional Affairs. A parallel effort is underway by the Federal government through the Economic Development Administration, U.S. Department of Commerce, to determine the financial support required for ports and community infrastructure development to assist the growth of Alaska's fisheries industry. The U.S. Army Corps of Engineers is completing a port development and maritime commerce study of Southwest Alaska to scope the needs for Federal support on harbor construction.

A Port Authority study being undertaken by the Department of Transportation and Public Facilities will examine the institutional mechanisms, including legislation, for port authorities in Alaska.

Some \$42.6 million expenditures for Capital Improvements of ports and harbors statewide will be requested in the Fiscal Year 1981-1982 biennium budget to the Legislature.

E. Public Transportation and Paratransit:

BETA Group - 6. The State of Alaska shall assist in the immediate improvement and development of mass transit systems in urban Alaska.

Currently, there are five (5) public transportation systems of the classic variety in the State: Barrow, Fairbanks, Anchorage, Juneau and Ketchikan.

The State has in the past and continues to assist these systems with the planning necessary to determine what capital improvements are necessary to make the systems more effective and what operational improvements are needed to make the systems more efficient. Additionally, the State has planned for and assisted in obtaining Federal grants for a total of forty vehicles (specially equipped vans and minibuses) for use in specialized, demand-responsive (or "paratransit") systems, operated according to local choice by twenty private, nonprofit organizations in fifteen communities Statewide.

Within the FY81-82 Capital Improvement Program (CIP), the Department recommended for the first time an ongoing State presence in meeting the fiscal requirements of transit and paratransit development and expansion Statewide. The Governor's Budget Review Committee passed on to the Legislature, based on this recommendation, a request for \$10 million in capital assistance and technical assistance to be administered by the Department over the two-year life of the CIP.

EPSILON Group - 3. The State should research and encourage alternative transportation systems, including mass transportation in the urban areas.

As stated above, the Department's efforts in this field have now culminated

in the recommendation of the Legislature that the State directly assist with the capital needs of new and existing transit systems throughout the State.

Additionally, the Department this year has signed a contract with the Alaska Municipal League for the purpose of conducting a Statewide transit management assistance program and needs assessment. Under the terms of the contract, the League will assist new and existing operators and policy-makers in both developing alternative resource allocation strategies, and in making cost effective operational adjustments. A second portion of the contract will assist the State in determining and fine-tuning its ongoing role in transit by making available to State policy-makers and planners a data base which demonstrates Statewide perceptions on transit from policy-makers, operators and private citizens.

EPSILON Group - 5. The Department should hold local public hearings and the legislature provide funding for both inter- and intrastate transit systems on a community-to-community basis as desired locally.

As discussed above, the Department is implementing this recommendation in part through the Alaska Municipal League, and has recommended to the Legislature the involvement alluded to in the second portion of the recommendation.

With respect to locally desired transit development and the related public hearings, in addition to the contract with the Municipal League, the Department also administers Federal transit planning funds for the development of Transit Improvement Programs (TIP's) in communities desiring such projects. A required portion of the TIP (or TDP, the "Transit Development Program") is the public hearing. Essentially, these documents are intended to serve as a basis for local decisions on the existence or nonexistence of a transit system, and subsequently as the basis for both the amount of resources to be devoted to the system as well the operational characteristics of the system.

Finally, with respect to intercity services, the Department now administers the FHWA Section 18 Program (capital and operating assistance for transit in nonurbanized areas). Under this program intercity carriers are eligible recipients, and, while no existing intercity carrier applied for funding during the first program year, one new service applicant was recommended for funding to initiate a service between Manley Hot Springs and Fairbanks, with a potential connection to Nenana.

F. Rail:

Although there were no specific recommendations or suggestions enunciated by any of the five groups of delegates at the conference with respect to the rail mode, the issue of the Alaska Railroad and a transcontinental rail link through Canada was discussed by most of the groups. This latter topic was also the focus of Mr. Red Swanson's issue paper on Alaskan Railroad Systems, mailed to the delegates prior to the conference.

of Alaska's existing rail system, with strong interests expressed to further examination of the potential of a rail link through Canada. In light of this activity, there are certain issues with respect to the rail mode that warrant mention within this analysis.

The State of Alaska is vitally interested in exploring the potentials of the rail mode as an essential element of the State's evolving transportation infrastructure. With the exception of a few random task-specific rail studies conducted over the last several years in Alaska, there has been virtually no in-depth study and analysis of the rail mode with a perspective to statewide importance. Section 803 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended, authorizes the Secretary of the U.S. Department of Transportation to make available Federal financial assistance to eligible States for certain types of rail service programs. As a prerequisite to receiving the operational portions of the local rail service assistance funds, States must successfully complete rail planning activities.

The availability of these Federal monies presents the State with an excellent opportunity to conduct extensive study and analysis of the existing rail network and the future potentials and liabilities of the rail mode with respect to the over-all transportation infrastructure. The Department of Transportation and Public Facilities, Planning and Research Unit, has been designated by Governor Hammond as the State agency responsible for coordinating, administering and implementing a rail planning program for Alaska. In early September 1979, DOT/PF applied for a \$100,000 Federal rail planning assistance grant, matched by \$25,000 of State in-kind benefits, to begin this rail study. On September 26, 1979, the Federal Railroad administration awarded the State of Alaska this grant. These funds are being used to collect necessary rail data, to identify rail needs in connection with other modes of transportation and to analyze major railroad proposals. The work performed under this Federal grant will provide the foundation for the preparation of Alaska's State Rail Plan.

The two major objectives of this rail study are the development of a railroad planning capability and the assembling of transportation information and data for future use in developing commerce opportunities for Alaska's resources. The accomplishment of these goals will enable the State to make more rational decisions on the future utilization of Alaska's railroads. It is anticipated that the work to be performed under this rail planning assistance grant will produce the following two measurable products: (1) a second, more detailed and technical Planning Work Statement for the next fiscal year funds; and (2) a Preliminary Project Analysis of the existing rail system and major railroad proposals.

The Federally-owned and operated Alaska Railroad, the major existing rail system in the State, is participating directly in the performance of this work. DOT/PF and the Alaska Railroad co-chair the Rail Technical Work Group, which is responsible for technical expertise and work direction throughout the rail planning process. This type of Federal/State cooperative planning is particularly important in Alaska where much land is under Federal control and long-range uses are not as yet identified. The Rail Technical Work Group also consists of one representative from the Federal

Highways Administration (representing the Federal Railroad Administration), the Department of Commerce and Economic Development, the Department of Environmental Conservation, and the Department of Natural Resources. This organizational format reflects the desire by DOT/PF to include all relevant agencies at an early point in the rail planning process, thereby hopefully resolving differences within the planning process and avoiding conflicts over recommendations from the finished products.

Policy direction and input comes from the Alaska Transportation Planning Council and the Interdepartmental Transportation Planning Group, an ad-hoc task force composed of the respective Commissioners of the four State agencies mentioned above. Both of these groups have direct lines of communication with the Governor and DOT/PF.

Currently, it is anticipated that the completion date for all of the above-outlined activities will be May 1980. It is imperative that other line agencies and the Legislature be fully aware of these rail planning activities under DOT/PF, coordinating all related activities and proposals accordingly. Over the last several years, there appears to have developed a great deal of polarization of viewpoints with respect to issue of a rail link through Canada. A growing perception in the minds of many is that those analysts who concentrate on the economic considerations of the issue are opponents, while those analysts who stress the values of development are proponents. It is unfortunate that there has developed this type of perception with respect to the issue. A project of this magnitude, with only rudimentary analysis to date, can ill afford this constraint to the constructive dialogue necessary to the satisfactory analysis of the issue.

DOT/PF is by statute the State's lead agency responsible for transportation planning. In firm recognition of these duties, DOT/PF is committed to performing the in-depth analysis of the potentials of the rail link proposal. However, DOT/PF intends to perform this analysis within the context of the statewide rail planning process currently underway. It would be premature for the State to make any solid commitment to this project before additional information is available. Nor is there any overwhelming impetus that requires urgency for State action. Most of the data and information needed will certainly be available by no later than the beginning of the next Legislative session. An intelligent approach through a rational and coordinated rail planning process must be encouraged and supported if the State of Alaska hopes to employ efficient use of the rail mode in its transportation infrastructure.

G. Telecommunications:

1. Single State Toll Area:

DELTA Group - 11. Create a single toll area for the entire state for telephone communications.

ALPHA Group - 2. Efficient telephone systems with a single toll area spreading the costs throughout the State.

The increasing use of satellite communications has made the costs of intrastate telephone calling less affected by distance and helps make the case for single-rate intrastate toll service. Recognizing that telephone rate design is a complicated matter affecting the revenues of more than 20 local telephone companies, Alascom, and virtually every citizen, the State should request the Alaska Public Utilities Commission to consider distance-insensitive toll rates in its deliberations on rate design.

2. General Policy and Program Management

BETA Group - 1. Broadcasting of state government activities shall be under the control of an independent public board with regional representation.

Currently, all program material being submitted to rural television broadcasting is approved by an independent rural television program and policy council. The council, commonly referred to as the Rural Alaska Television Network (RatNet), is composed of seven rural representatives from across the State. In addition, the council has village contacts in most of the 79 rural communities receiving satellite television programming. A number of rural village governing bodies have not responded to the RatNet request for local village contacts. State government does select instructional television programming through the Department of Education. This programming material is first screened by rural educators and only broadcast if it meets their criteria for instructional television. Other state television programs are offered to the private commercial television stations for their use and the decision to broadcast this material is solely that of the commercial station.

BETA Group - 7. The University of Alaska shall provide the means and directive to provide education throughout the state via telecommunications.

Currently, the University of Alaska, through the Office of the President, is investigating the feasibility of providing educational programs via telecommunications. The President of the University is committed to instructional telecommunications as a means of improving and expanding rural educational opportunities. In addition, Senate Concurrent Resolution #35 and House Concurrent Resolution #28 have directed the Alaska Public Broadcasting Commission, the Department of Education and the Department of Transportation and Public Facilities to conduct a study into the feasibility of providing statewide educational television. Due to the nature of education within the state, the University of Alaska is taking a vital role in the study. This study will be completed by mid-February and delivered to the Legislature for legislative action.

BETA Group - 2. Any expansion or improvement of public communication must be preceded by a careful evaluation of the ongoing as well as start-up costs and of who is going to "pick up the tab."

This is a laudable statement and an excellent reminder to all since the ongoing costs are often the heavy burden and are not always easy to

determine. Another point worth noting is that with the increasing competitiveness of the providers of telecommunication equipment and services a reassessment of current state policies may be in order to insure that the State obtains the most from the money it spends to improve communications.

BETA Group - 3. Government shall not interfere in program availability.

We agree with this statement. State or Federal government should not be involved in anyway in censoring or determining program content. Neither should government establish priorities for airing or transmitting one program before or in place of another. However, if there is a greater demand for transmission time than is available, some mechanism must be established for making such decisions. This task has been handled during the Television Demonstration Project by the AFN Telecommunications Committee, which consisted of one representative from each of the twelve native regions. It has been replaced by the Rural Alaska Television Network which is a committee having non-native representatives included in its make-up. These two groups have set priorities for programs to be transmitted to the rural areas. The broadcasters have selected the commercial programming that has been brought into the urban areas.

BETA Group - 4. Development of communication systems shall be sensitive to the resulting social and political effects.

The initial reaction after reading this statement is likely to be enthusiastic support. However, after a more careful reading and some serious thought we would suggest a qualification or two. The bringing of increased communications to any community certainly has the potential for impacting on the social and political life of the individuals living there. However, it is not always possible to know what that impact will be. Even if it is determined to be negative, the question arises as to whether it is the government's right or responsibility to refuse service to a community on the basis of it being "bad" for them. The Television Demonstration Project is a good example. The results of several studies have been published that deal with the harmful effects of commercial television programs on the people who watch them, especially young children. These studies could be construed as adequate justification for not adding any new communities to the system or for eliminating the service to the existing ones. Anyone familiar with the situation at all knows that this is not a viable alternative. The citizens of these communities would insist that they have the right to decide for themselves.

Ideally, the citizens of a community should be presented with as much information as is available regarding the positive and negative aspects of adding or reducing communications services. After they have had an opportunity to consider the alternatives they should make the decision as to what level of communication services they desire.

BETA Group - 5. Highest priority shall be given to upgrading communications

between rural communities and the rest of the world.

This has been and is a continuing priority within the State as evidenced by the fact that practically every community in the State has telephone service. There are presently 140 single telephone communities. The major need and emphasis presently and in the future will be to increase and improve service.

BETA Group - 6. Career education shall be provided in the field of communications.

This is a plausible sounding recommendation. We would suggest that a research effort be funded to determine what areas within the field of communications should be given priority for establishing this type of training program.

3. Microwave System:

GAMMA Group - 5(a). Improved UHF/VHF microwave systems.

BETA Group - 8. VHF and microwave systems shall be developed as a supplement to satellite communications.

The thoughts behind these recommendations are not clearly understood. The referenced UHF/VHF/Microwave systems could be those operated by common carriers providing service in the State or those operated by the State itself.

In general, telephone service is provided via terrestrial radio systems where those systems were in place prior to the availability of satellites, or where distance from a community to telephone network access points makes a terrestrial tie-in an economical alternative to a satellite link. Where service through terrestrial systems is demonstrably inadequate to meet user needs, the State should pursue what means available to ensure that the carrier takes the steps necessary to bring service to an acceptable level.

The State (DOT/PF Division of Communications) currently operates microwave systems in the Southcentral and Fairbanks areas with long-range plans to extend microwave links along the Interior highway system. These microwave circuits are primarily for communications with Public Safety and Highway agency units, but could be expanded to provide administrative telephone and data circuits for other State agencies.

4. Improved Telephone Service:

GAMMA Group - 5(b). Improved telephone communications.

DELTA Group - 10. Legislature should mandate that the top priority of

the telecommunications system be the installation of emergency and medical telephone in every village in Alaska.

The one hundred small earth stations now in place throughout the State have resulted in achievement of the goal to provide telephone service to every community of 25 or more persons. The reliability of the small earth stations has been a problem, but equipment and operating improvements has resulted in a steady increase in reliability. A limiting factor, however, has been the reliability of local power in many communities. Power failures have resulted in loss of telephone service for periods of a few hours to several weeks. The problem of adequate local power is one which must be solved in many communities before telecommunications services can be expanded or improved.

The original one hundred small earth stations were each equipped to provide one telephone and one emergency telephone circuit. However, the 87% increase in interstate tariffs which was implemented by Alascom in 1978, resulted in the Alaska Area Native Health Service canceling installation orders for 35 communities. There are currently 57 communities with access to the emergency medical system.

A first step in planning for the implementation of a statewide emergency and/or medical telecommunications system should be discussions with appropriate representatives of the Alaska Area Native Health Service to determine if a cost and service sharing arrangements can be worked out to take advantage of the equipment which is now available.

5. Regional Uplink Capability:

DELTA Group - 9. Regionalize the telecommunications system so that regional centers can broadcast via an uplink system regional news, entertainment, public affairs and educational television.

GAMMA Group - 5(c). Improved uplink systems from regional centers on satellite systems.

The capability of uplinking video through Alascom earth stations exists in Anchorage, Barrow, Fairbanks, Nome, Kodiak, Bethel, Kotzebue, and Juneau. However, permanent originating facilities and links to uplink earth stations are available only in Anchorage, Fairbanks, and Juneau.

A possible problem with regional program origination lies in the fact that if, as at present, only one transponder on a satellite is available for State television service, only one regional center will be able to uplink at any given time to rural viewers. It should be noted that uplinking would pre-empt existing television service to rural communities.

6. State Funding:

EPSILON Group - page 52. The State should participate in funding both the existing and newly developed systems of communications, so that those expenses are not part of the consumer service charges for improved

communications networks, including the utilization of advanced and expanded telecommunications technology.

For two years, the State has been participating in proceedings of the Federal-State joint board on the matter of Alaska and Hawaii separations procedures. It is hoped that through these efforts, a separations policy which will equalize telephone costs in Alaska with those in the rest of the country will be realized.

DOT/PF is preparing a report to the Legislature on alternatives to State subsidization of television (as directed by the 1979 Legislature in the appropriations bill, FCCSSB 53). There is a possible contradiction in between EPSILON Group's recommendation and the intent of the Legislature as expressed in FCCSSB 53.

H. Public Facilities and Energy:

EPSILON Group made the following recommendations on energy issues (pages 47-49):

1. "The State should invest funds for the development of appropriate energy source(s)." (Page 47, Line 8). Agree. The Fairbanks research section is involved with several energy projects which relate to energy sources such as the lighting of remote airfields. However this statement is probably intended to apply to commercial or community scale energy source. Our perception is that the need for community energy systems which are more "appropriate" than diesel fuel is the greatest energy requirement at this time, and is not being addressed adequately at this time by legislation, policy or funding. We advocate immediate funding of the development of appropriate energy sources particularly as they may be appropriate to remote areas. We propose the investigation of the production of hydrogen in the short term from gasification of ore and/or heat and in the long term from solar and wind power.
2. The second proposal, that "the State should look into grants or subsidies for the development of alternative energy sources for marine transportation" (Page 47, Line 10), also should address the potential of hydrogen. State ferries which currently use electric motor drives could be retrofitted with hydrogen fuel cells without the development of any new technology. The State should investigate the economic feasibility of creating its own hydrogen by electrolysis using excess Snettisham power.
3. The third proposal is for cash prizes for "Energy efficient" structures (Page 47, Line 13). There is conflict between this incentive and the legal mandates of energy efficiency suggested elsewhere. An obstacle to implementing this idea is a definition of "energy efficient." I would suggest that if the State were to legislate energy requirements for residences that they require new dwelling units to make available the estimated annual energy use expressed

in equivalent gallons of fuel oil. Such a rating would be similar to the EPA mileage rating for autos.

Also relevant to this proposal is the promulgation of national energy performance standards for all new construction currently underway at the Department of Energy. These standards would require public and private structures to comply with what appear at this time to be rather rigorous "energy budgets" thus making cash prizes superflous.

4. The proposal to "upgrade existing State buildings" is currently planned for by a six-year capital improvement request for over 200 million dollars. This request will provide for technical energy audits of facilities and for capital expenditures for those items which the audits show will have the greatest return to the State.
5. A proposal is made that future State facilities be designed in accordance with ASHRE 90-75A by 1985. State facilities are currently being designed to meet or exceed this standard.

STATE OF ALASKA THE LEGISLATURE

FOURTH FLOOR - STATE CAPITOL
JUNEAU, ALASKA 99811
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LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

January 8, 1980

SUBJECT: Future Frontiers Proposals

TO: Senator George H. Hohman, Jr.
ATTN: Eric Eckholm

FROM: Kenneth E. Vassar
Legislative Counsel 

The following are my rough notes taken while considering the proposals presented by the groups of the Future Frontiers Conference. My consideration of the proposals was for the purpose of determining the possibility of their use as bases for legislative drafting. My notes follow in the order in which the proposals were presented in the booklet "Legislative Council, State of Alaska: Conference on Alaska's Future Frontiers."

ALPHA GROUP

Education

1. Alaska has several scholarship, loan and grant provisions for education. Perhaps the most widely used is at AS 14.40.-751 - 14.40.806. I do not see anything in this suggestion that differs significantly from that act or that offers any specific ideas on how to improve the act.

2. This could be prepared as an amendment to the Public School Foundation Program (AS 14.17); however, we need more information. How much money should go to each district? What, if any, formula should be used if ADM is not used?

Child Care

1. This does not appear to be a request for legislation.
2. This is probably taken care of in AS 47.10.230 - 47.10.260.

Transportation

1. This could be accomplished either by amendment to AS 19.-60.010 or by temporary law. We would need some guidance on which communities in particular should be connected up to the system. Has DOTPF done any study on this?
2. There are requirements already in existence for statewide highway construction planning in AS 19.10.140 and 19.10.150. In addition, AS 44.42.050 requires a "comprehensive, intermodal, long-range transportation plan for the state." *when is it?*
3. AS 02.15.160 allows the DOTPF to construct, maintain and operate rural airstrips adequate to meet rural needs with or without financial contribution by local interests. Possible additional legislation could be prepared to require the department to do more; but it is difficult to know what the group means by "relatively equivalent to present regional airport facilities." This may involve an appropriation or substantive law.
4. The department could be directed to accomplish this by temporary law. Are we talking only about state-owned transportation facilities or private as well?
5. This could best be accomplished by appropriation with reference to the specific roads to be upgraded and expanded.
6. This could be accomplished by requiring public hearings in those communities where roads would be built followed by a vote in those communities. Amendment would probably be to AS 44.42.
7. See 5. Check with DOTPF.

Communication

1. Insofar as teleconferencing for legislative purposes, the legislature has taken substantial steps to accommodate this request already. As for education purposes, this could tie in with #2 under "Education" above or as a mandate to the University of Alaska.
2. This might be accomplished by an instruction to the APUC somewhere in AS 42.05 (maybe AS 42.05.381).

3. Insufficient data.

Law and Justice

1. a. and c. These could perhaps be accomplished through the budget bill by working in conjunction with the judicial branch.

1. b. This would appear to be a matter exclusively within the control of the courts through the Administrative Rules.

2. The state offers aid to cities and boroughs for police protection under AS 43.18.010(a). This could be increased by amendment. I am not sure what CETA has to do with it.

Financing

1. This is accomplished through various loan programs in the state. In addition, there is a permanent fund bill which would provide funding.

2. This is accomplished by AIDA, ASDC, and the Small Business Development Corporation.

3. See 1 above.

Oil and Gas

Needs more direction. Possibly form a committee to study the issue further?

Fisheries

1 - 4. Need more specific information.

Timber

Need more specific information.

Alternate Energy

The powers and purposes of the Alaska Power Authority could be amended (AS 44.56.070 and 080) to accommodate this suggestion.

Future Frontiers

This could be accomplished by temporary law or appropriation.

BETA GROUP

Future Frontiers

See same subject under "Alpha Group."

Government Services

1. Need more specific information.
2. Revenue sharing could be increased by an amendment to AS 43.18, but we need more information as to what is meant by "no strings attached."
3. Need more specific information.
5. The history of durational residency requirements in the courts is not a good one; I do not think it can be done.
6. This is a matter subject to constitutional standards. Little can be done about it.
7. This is established in AS 14.11.010 (Chapter 86, SLA 1979).

Communications

1. Would require amendment or repeal of AS 44.19.080 - 110. Might be able to put it in Public Broadcasting Commission (AS 14.58.010 - 14.58.090). Need more information. What kind of control? What kind of broadcasting? What kind of activities? Any standards? What is the purpose?
2. Need more specific information. Expansion or improvement by whom? Evaluation by whom?
3. Is there any indication that it does interfere now? What is the point of this request?

- January 8, 1980
4. How do we implement this?
 5. Isn't this a matter of budgeting?
 6. This needs to be answered by the University of Alaska, I would assume.
 7. This appears to be a matter for budgeting unless you want to go by way of special appropriation, in which case we need to know how much you have in mind.
 8. Developed by whom? Is this a subject for industry to consider or government?

Justice

1. How? Note AS 43.18.010(a).
2. See Article IV, sec. 10, state constitution.
3. The public defender agency is established in AS 18.80. It could be beefed up through the budget or through appropriation.
4. This could be done through creation of a committee similar to the Minority Sentencing Committee (Chapter 42, SLA 1979).
5. This would hopefully be the case without legislation; if not, will legislation change it?
6. See #5.
7. How?

Finance

This idea for the use of permanent fund income has been reflected already in one or more of the permanent fund bills introduced in the legislature.

Education

- Policy.
1. This has been done. See AS 14.40.751 - 14.40.806.

2. Autonomy from the University? I think there have been bills introduced in the past for this purpose.

3. How?

Program.

1. More specific directions needed. Special education program at the University of Alaska?

2. and 3. Same as #1. More specific information needed.

Funding.

1. Can be accomplished by amendment to AS 14.17 accompanied by appropriation.

2. See Article VII, sec. 1, state constitution.

3 and 4. See #1.

Amendments.

1. Assuming request relates to income of the permanent fund. Could be incorporated in permanent fund bills. What are "long-term educational needs"?

2. High school level? University level? Both? Who is responsible for "employment prediction needs" and "improved job development and placement"?

3. See AS 14.40.751 - 14.40.806.

4. Is the assurance of housing a prerequisite to the implementation of the program?

Health

Availability of Services in Rural Areas. This has been testified to by Health and Social Services with regard to mental facilities. I would suggest discussing the matter with them. They designate facilities. It may simply be a matter of money.

Expansion of Professional Role of Paramedics. This seems to be a matter for the private sector.

January 8, 1980

School System Curricula. See AS 14.30.360 and 370. Schools are encouraged to develop such programs. Programs are evaluated by the Department of Education.

Water and Sewer. Needs more specificity.

Catastrophic Health Care. See AS 47.08. How does this need to be improved?

Media. Preparation by the state for distribution to the media? Anything beyond that?

Energy

Conversion to Renewable Resources. As a general goal this has been recognized in some legislation. I am not sure how this would translate into a bill standing on its own though. Note AS 45.88.010 - 040 (Alternate Energy Revolving Loan Fund).

Tax Incentives: There exist federal and state programs for this.

1. Property tax is levied by municipalities under the authority and guidelines of AS 29.53.010 - 29.53.180 and 29.53.400 - 29.53.410. An amendment to these sections could accomplish the proposal.

2. This could be done as a mandate to DOTPF or another department. The councils would be purely fact-finding with no regulatory or quasi-judicial authority I assume.

3. By whom?

Assistance to Rural Alaska to Pay for Diesel Fuel. We need more information.

Transportation

Regional Councils. These could be established under DOTPF. What are the regions? How are councils established? What are their powers and duties?

1. See AS 44.42.050 -- Long-range plan requiring consultation with local officials. This language could be included in the statute.

2. Same as #1.
3. Same as #1.
4. Amendment to Title 24 and to the Executive Budget Act.
5. What incentives?
6. Loan funds? Revenue sharing? Grants?
7. Amend duties of DNR.
8. Temporary law or appropriation bill.
9. Does this mean checking to find out why they do not link and trying to link them or creating new modes which do not link?

GAMMA GROUP

Political/Justice

1. Cannot be done constitutionally.
- 2.a. Revenue sharing provides funds for this. For areas ineligible for revenue sharing, it would be helpful to talk with Public Safety to determine how law enforcement is provided and what can be done to improve it.
- 2.b. More money?
- 2.c. Public Defender and Alaska Legal Services.
- 2.d. AS 39.25.150 -- competitive examinations; Article XII, sec. 6, state constitution.
- 2.e. Too vague.
- 2.f. Too vague.
- 2.g. Too vague. (Note existence of Minority Sentencing Committee).

2.h. Too vague. How is the state failing to do this now?

Lifestyle

1 - 3. Not really a legislative suggestion.

Transportation and Communication

1. Too vague -- not really a legislative suggestion.

2. Regional councils? Votes? Override?. What if the plan is statewide? Can one region knock it out?

3. See #1 "Transportation" Beta Group.

4. This is a matter for budgeting, appropriation or a bond issue. In any event, more detail would be needed to implement the suggestion. In what way does this group envision "improved and expanded" marine transportation?

5. "Improved" how? See #4.

Development

1. Isn't this the current situation?

2. Too vague.

3. See Beta Group "Energy," "Conversion to Renewable Resources."

4. Too vague.

5. "Justifiable" has no meaning standing on its own in this case. What would be "justifiable"? See Article VIII, sec. 12, state constitution, for question of requiring approval of coastal resource service areas. Unlawful delegation of authority?

Human Resources

1 - 3. Too vague.

January 8, 1980

4.a. See Beta Group "Health" "School System Curricula".

4.b. How much? Where in particular? Bonding? Revenue sharing?

Education

1.a. What languages? Could be mandate to Department of Education.

1.b. Too vague.

1.c. Mandate to Department of Education. More details needed.

1.d. Mandate to Department of Education.

2.a. AS 14.20.020. What kind of cultural knowledge? Should the University of Alaska be required to establish such a program for teachers? Could it be implemented on a continuing education basis?

2.b. See Beta Group "Health" "School System Curricula".

3. Too vague.

4. Hopefully this is being done. There is nothing here to suggest how to improve the state's efforts.

5. Continuing education is being provided.

6. I do not know if it is 100 percent now, but the state does provide money through the school foundation program in AS 14.17.

Governmental Structure

1 - 2. See Article X, state constitution.

Economy

1. Does not contain any concrete recommendation on how to do this. See, SBA, AIDA, ASDC, loan programs.

Community Development

1. No concrete suggestions. Leases and exchanges are under AS 38.50. Sales are under AS 38.05.
2. See revenue sharing program. As for mass transit, perhaps a mandate to DOTPF or an amendment to revenue sharing or giving money to communities in other ways.
3. This appears to relate to the authority of the Alaska State Housing Authority in AS 18.55 or of the Regional Native Housing Authorities created in AS 18.55.996 or of the Alaska Housing Finance Corporation in AS 18.56. Perhaps these criteria could be included in their duties.

DELTA GROUP

1. How? By investment of surplus funds? What specific requirements? Investment of surplus funds is provided for in AS 37.10.070, some of which would go to local banks. However, I think this suggestion would call for new legislation and an appropriation.
2. See AS 18.55.390 and 18.56.090(1). What else should be done?
3. Veterans' loans are in AS 26.15. As to survivors' benefits, they are already eligible under AS 26.15.130(a)(2) and AS 26.-15.160(2). As to "reinstate and fund", this looks like an appropriation. How much? If not by appropriation, how?
4. Note AS 43.58.200 providing for payment of \$500,000,000. Repeal this section and appropriate the rest?
5. No notes.
6. I think this means do not change anything.
7. How?
8. The law, at this point, requires a bond election for all bondable costs. Introduce another bond issuance as in 1978? Appropriate to the CSPC? How much?

9. How? Who is responsible for doing this? What do they need in terms of money, gear, equipment and personnel? What regions? State or private program?
10. What telecommunications system? RCA? State?
11. See Alpha Group "Communications" #2.
12. Which rural airports? Whose job is this? Is there a state department responsible?
13. How? Which rural commercial center airports are "key"?
14. Is there an attempt in existence?
15. See Alpha Group "Law and Justice" #1a and c.
16. Increased budget? Better talk to DOTPF about this.

Agriculture

17. Does this mean not to change any existing law or program?
18. This has been introduced as a bill -- HB 274.
19. How?
20. Agriculture Loan Act is in AS 03.10. How much?
21. What kind of incentives? Credit? Deduction? Capital gains/losses? How much? For what?

Fisheries

- 22.a. In existence as to fishermen (AS 16.10.310 and AS 44.54). Processors could be included in either of these or in a separate program. What may loans be used for? How much may be lent to each processor? What interest and repayment provisions?
- 22.b. What ports? What harbors? How much?
- 22.c. "Promoting"? Does this mean creating a state agency to do this? What kind of membership and powers would such an agency have?

23. What quality standards should apply? Who will enforce them?

24. There is an enormous difficulty involved in just finding out what the level of foreign ownership is. The Department of Commerce and Economic Development apparently has not been able to keep satisfactory records of this. I think there is very little the state can do, at any rate, to constitutionally limit foreign ownership.

25. Joint Resolution. What is the purpose?

Education

Opening Remarks. Free tuition could be accomplished through amendments to AS 14.40.

26. Does this require any action now?

27. How?

28. How much? To whom?

29. Who runs the program? Who may participate? What does the state have responsibility for?

30. Community schools are in AS 14.36. What change is needed there?

31. By the public school foundation program? By appropriation to school districts?

32. What is "adequate"? What are "basic literacy projects"?

33. By direction to Department of Education? Appropriation to school districts?

Health and Social Services

34. See Beta Group "Health" "School System Curricula". This kind of program could be carried out of the schools into public programs conducted by the Department of Health and Social Services using analogous language to the school program. See AS 47.30.470(3) and (5).

Page 14
January 8, 1980

35. These could be specifically included under the program laid out in #34.

36. Does this mean health care paid for exclusively by the state without federal aid? What programs meet this description?

37. Which programs?

38. To a certain extent, this is already provided in AS 43.-18.010(h). What change is needed?

39. This might best be accomplished through creation of a special legislative committee.

40. See AS 47.08. How does this need to be improved?

41. What does this mean?

42. This should be checked out with Health and Social Services to see if any such programs exist. There may be models from other states, such as California.

43. This could be included in #34.

44. No notes.

45. Talk to Health and Social Services about this. See AS 47.30.350 and 47.30.340(3) and (4). Why hasn't the department already made such designations? See also AS 47.-30.520.

46. See AS 47.25.320. To determine the financial impact of increasing these benefits, we would need to know how much they would be increased. Looks like something for Health and Social Services to prepare and report on.

47. See 46.

48. This perhaps calls for a resolution. What are the specific policies of FOMB which offend? Why should they be changed?

49. Is there an office on aging in the governor's office. Maybe a resolution to the governor requesting that he direct

the office on aging or Health and Social Services to conduct this research?

50. Need a copy of the plan and designation of those parts "deemed to be acceptable".

51. What are these programs? How can legislation help them?

52. Which services?

53. Purchase of services is in AS 47.40. AS 47.40.040(b) excludes certain costs. Does this suggestion go toward these exclusions?

54. This looks like one for the budget. Perhaps an amendment to the Executive Budget Act.

55. See AS 47.21 and AS 14.30.500.

56. Does this call for action or inaction?

Oil and Gas - Energy

57. Exploration by whom?

58. See AS 44.37.040 and AS 41.35.070.

59. How?

60. What other considerations?

61. This will require a fairly extensive consideration by the Resources Committees or other legislative committees. It is not the kind of request that can be drafted until this reasearch has been done.

62. See 61.

63. Can they be "inventoried"? I suppose the known resources could be. What "capital projects development plan"? Include the inventory in the plan? With what purpose?

64. What is "renewable energy"? Solar? Hydro? Geothermal?

65. What incentives?

66. "Excellence"? What are the matters that pertain to the resources of the northern latitudes?

67. Encourage how?

Timber

68. See AS 41.20.395.

69. See AS 41.17.010.

70. How? By allowing each resident a quota? By opening certain areas to public use? By direction to DNR?

71. Create a committee?

72. "Quantitative"? Who produces the report?

EPSILON GROUP

Natural Resources

1. How shall it consider regional interests? The CZM plan is being put together. How much longer will it take?

Fisheries

Increasing our jurisdiction to 200 miles is not a matter of state control.

State Lands

1. Does any disposal program preclude agricultural use? Does this refer to oil, timber and mining leases? What does it mean? Does it mean that when the state sells land it should not limit title to prevent agricultural use? Or does it mean the state must sell a quota of agricultural land with each sale of other land?

2. How? Like a King Crab Quality and Control Board? Some of this is going on in the private sector isn't it? Is the main concern the local cost? Look at transportation rates? Looks more like a resolution than a bill.

3. How? Augment Agricultural Loan Program? Set up new loan categories? Appropriation? Standards for facilities to produce these things? Should it be done by law or administrative action?

4. This is being done now in the private sector. Tesoro in Kenai. What is the problem? There should be plenty of fertilizer here.

5. There is a program where we allow municipalities to assess farm land cheaper. See AS 29.48. Does this need improvement?

Tourism

Local Employment. This would create grave constitutional problems.

Local and Regional Input. See AS 44.33.230.

Expo 84. See "Local and Regional Input" above. What specific changes are needed?

Energy

Investment of Funds. What funds? How much? Through what vehicle?

Grants. See AS 44.19.181 (Council on Science and Technology). Expansion of its powers and duties?

Energy-efficient Structure. See "Grants" above.

In-state Processing. How?

Maritime Museums. Amend state museum act.

1. No notes.

2. Perhaps an amendment to AS 38.05.

3. See #2.

4. This could be incorporated in the duties of DOTPF.

Land

1. No notes.
- 2 - 3. Isn't this done under AS 38.05?
4. How?
5. I do not know what "the joint consideration process" is.

Government

1. A five-year program for what?
2. Geographical considerations may not be taken.

Health and Social Services

1. Who, what is covered? How is it operated?
2. How?
3. How?

Transportation

1. We need specific areas for upgrading in specific ways with specific dollar amounts.
2. Which harbors and ports? Expand how?
3. Direction to DOTPF?
4. Unconstitutional except as provided in Article X, sec. 5, state constitution.
5. Direction to DOTPF?
6. By establishing a state-owned transportation system?
Airlines? Motor vehicles?

Education

These comments have all been addressed under earlier groups.

Law and Justice

1. I believe this is already being done.
2. This has been addressed in a previous comment.
3. Such a program could be created.

Communications

What "newly developed systems of communications"?

KEV:jdn

SCOMM

#30:24

**Legislative Council
State of Alaska**

Presents

A Conference on Alaska's



Future Frontiers

Sheraton Anchorage Hotel

December 6,7,8 1979

Senator George H. Hohman, Jr.

Representative Russ Meekins

Co-Chairmen

This conference, **FUTURE FRONTIERS**, is a continuation of a process begun ten years ago with the convening of the Legislative Council-Brookings Institution Conference on the Future of Alaska. Then, as now, Alaskans were asked to determine their State's most pressing needs and to provide guidance to the Legislature regarding allocation of North Slope oil revenues.

Many problems identified by the 1969 conferees have been addressed and substantially corrected by legislative action since that time, but there is still much to be done.

The issue of how to utilize the Permanent Fund monies, the development of efficient transportation systems and the economics of the fisheries industry are obviously linked. Similarly, the educational needs of the State and a modern, high speed, low-cost communications network are closely tied together. And, among the many issues to be deliberated here, most relate directly to petroleum production monies and State fiscal policy to be developed over the next few years.

Obviously, our work is cut out for us, but we believe that Alaskans, working together with their elected representatives and the technical experts assembled here, can chart courses and order priorities for the next decade. As Alaska's **FUTURE FRONTIERS** expand through trade and cultural exchange with the neighboring states of the Pacific and Polar rims, we stand to share an exciting and productive future!

Our most sincere **WELCOME!**

Senator George Hohman
Representative Russ Meekins

This conference is dedicated to Gene Guess

Alaska State Legislature

A Conference on Alaska's

Future Frontiers

Planning for the next 10 years

WEDNESDAY, Dec. 5th

12:00 noon	Registration of Delegates	Yukon Rm.
thru 4 p.m.	Material Distribution	Yukon Rm.
	Delegate Room Assignment	Yukon Rm.
	Alpha Group	Room 311
	Beta Group	Kuskokwim East
	Gamma Group	Kuskokwim West
	Delta Group	Yukon Rm.
	Epsilon Group	To Be Annncd.

THURSDAY, Dec. 6th

8:30 a.m.	Delegate Breakfast Convocation & Welcome Remarks by Senator Hohman Representative Meekins & Ed Merdes	Howard Rock Ballroom
10:00 a.m.	Assignment of Group Leaders and Editors	Kuskokwim Rm.
10:30 a.m.	Work Groups: Alpha Group Beta Group Gamma Group Delta Group Epsilon Group	Room 311 Kuskokwim East Kuskokwim West Yukon Rm. To be anncd.
11:30 a.m.	Public Press Conference	2nd Floor Foyer
1:00 p.m.	Lunch	
2:00 p.m.	Continue Work Group Discussion & Comment Solicitation Alpha Group Beta Group Gamma Group Delta Group Epsilon Group	Room 311 Kuskokwim East Kuskokwim West Yukon Rm. To be anncd.
6:00 p.m.	Adjournment	
7:00 p.m.	No Host Cocktails	Howard Rock Ballroom
8:00 p.m.	Banquet	Howard Rock Ballroom

Keynote Speaker:
R. Buckminster Fuller

FRIDAY, Dec. 7th

9:00 a.m.	Continuation of Work Groups Alpha Group Beta Group Gamma Group Delta Group Epsilon Group	Room 311 Kuskokwim East Kuskokwim West Yukon Rm. To be anncd.
12:00 Noon	Lunch	

Alpha Group
Beta Group
Gamma Group
Delta Group
Epsilon Group

Room 311
Kuskokwim East
Kuskokwim West
Yukon Rm.
To be anncd.

6:00 p.m. Recess
8:00 p.m. Resume Work Group
Organization of Comments
Alpha Group
Beta Group
Gamma Group
Delta Group
Epsilon Group

Room 311
Kuskokwim East
Kuskokwim West
Yukon Rm.
To be anncd.

SATURDAY, Dec. 8th

9:00 a.m. Summary of Delegate
work reports
12:00 noon Press Conference on
Findings
1:00 p.m. Conference Conclusion

Howard Rock
Ballroom
Howard Rock
Ballroom

The Legislative Council of the State of Alaska

In association with.

The Brookings Institution

A CONFERENCE ON THE FUTURE OF ALASKA

[1969]

The Legislative Council of the State of Alaska

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A CONFERENCE ON THE FUTURE OF ALASKA

SEMINAR ONE

"THE FINANCIAL FOUNDATIONS FOR FUTURE ALASKA"

Reports of Policy Planning Sections

Alpha

Beta

Gamma

Delta

While complete agreement has not yet been reached, most members of Discussion Group Alpha concur that monies from both the principal fund of \$900 million and its interest should be used to solve urgent social and economic needs of the state.

Though few priorities were attached to these needs, many definite areas for concern were cited. Prominent among those was expansion and upgrading of educational facilities throughout the state. Of special concern were the following items: there are practically no vocational training provisions; no kindergarten and an inadequate secondary school system for rural Alaska; urban enrollment outpaces existing physical plants, and only a low percentage of natives are college graduates.

Additionally, many would like to see well-funded research institutes which would develop marine, forestry, and polar scientific applications and which would set the pace for development in the north.

A second important consideration covers the area of health and welfare needs. Discussing the first, we hear that medical services in rural areas are deficient. Problems of safe water supplies and inadequate waste disposal methods compound the situation. Additional problems center around mental health needs, alcoholic rehabilitation, drug misuses, and shortcomings in preventive medicine practices. Expanded hospital or clinic services were also discussed. The answer for rural Alaska, some felt, might be in mobile medical and dental teams.

In the matter of general welfare, the concept of a minimum living standard was explored. Roughly, this would mean adequate housing, food, power, and communications for all families. Disagreement exists regarding the establishment of

such standards, however. The idea of regional, local, or individual action may be an alternative. Another course would see FHA loans and matching funds utilized for community improvement projects or regional programs.

Other general welfare programs might provide for facilities for unwed mothers and problem children. Better programs for child care and economic relief to the elderly were considered.

Currently, many of these programs are supported by private institutions which are struggling under increased financial burdens.

An enlarged and improved transportation network is one more priority consideration. More and better roads seem to be generally desired. Appropriate evaluation should be made for increased ferry systems and drydock service. A similar evaluation of air transportation facilities might be in order.

Rehabilitation of the fishing industry combining research and special development procedures is needed. Also, protection of the state's fish resources by extension of the coastal plains (territorial limits) is required.

The subject of industry encouragement brought cautions from some members. Most felt that unless monitored, heavy industrialization might create an unfavorable impact on the state. There was a question as to whether industrial growth and the "Alaskan way of life" could ever be compatible. (The "Alaskan way of life" is defined as "a style that affords the conveniences of technological innovation combined with the opportunity and values of living as close to nature as possible.") Most agreed that well-enforced, proper regulations could achieve that compatibility.

A minority urged industry incentive program, although no priority was attached here. Some feel that industrial activity will improve the unemployment picture while others feel it will not.

More attention should be given to the management of renewable natural resources. Perhaps certain developmental programs are in order.

Special needs in the conservation area appear to be a wide concern. Now that Alaska is no longer a poor state, it was felt that the state should utilize its land selection program to choose land with the long-range aims of creating a state park system, adequate recreation areas, and other goals while continuing to select land for its commercial value.

A call for full-time, paid, legislators was made. Indications are that more and more time is demanded of current part-time legislators who find it difficult to handle both legislative duties and personal careers. Lack of staff assistance, committee inputs, and travel funds are further complications. Most discussants agreed that funds for staff work, travel and communications should be appropriated soon. However, some felt that part-time legislators are more responsive.

One discussion member presented the idea of conducting legislative sessions in different parts of the state.

The concept of a trust fund using a large part of the monies received some discussion. Primarily, the trust would be designed for the benefit of future generations. One objection indicated that the state's constitution forbids assignment of special funds in perpetuity. Further comments suggested advisory boards be created to assist in use of the funds. Several asserted that advisory boards are not as responsive as legislators.

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A segment of the group disapproved of any use of the \$900 million principal, fearing this would lead to ultimate dissipation of the amount.

Bonus monies should be utilized to maximize returns to the state and the people as a whole. In this regard, it was agreed that the state ought not to enter into the banking business--that existing private system be relied upon.

Also, existing collateral regulations should be altered so as to make it possible for banks to receive state funds in a manner which would make long term loans available. At issue, also, was the question of bank profits from such loans. Some agreed that banks should be given the opportunity to follow traditional methods to the end that existing interest levels would be reduced. If this does not occur, then suggested guidelines might be set forth and appropriate controls established.

General consensus was reached on the matter of taxation. This was as follows: that a cautious approach should be assumed toward reduction of taxes. Possible elimination of small nuisance taxes and a "retrogressive gross business tax" may be positive steps. And revenue sharing with political subdivisions might help to reduce the tax burdens on individual citizens.

Members of the editorial team and policy planning chairmen agreed that delineation of any policies at this point may be premature.

* * *

Editor: Jan Erickson

Continuing the Alaska life-styles was the total goal of participants in Seminar Beta. Most felt that careful and schooled-use of the oil resource wealth would excite this life-style, adding a new dimension of opportunity. And it is this opportunity that gives Alaskans a unique choice: they can now, without doubt, build the mold for the future shape of the state.

There were two human elements apparent in the conference: (1) The initial first day reactions to the subject matter, to the other people in the conference, to the way the workshop was being conducted, and (2) the second reaction when the process of the conference itself began to boggle our minds.

Just the idea of defining the Alaska life-styles through the limited view of our own frames of reference was at first appalling. But slowly, almost as if there were some outside power at work, the thinking began to take a new shape and Seminar Beta went to work.

What is it that we want Alaska to be like? Mostly, members of the workshop want Alaska to remain much the way she is today. They wish to preserve their own life-styles, recognizing that the quality of life in Alaska is unique. They wish to set up safeguards or programs that will maintain this quality and enhance its value. But Alaska can be defined in thousands of different ways, depending upon the background of the speaker and his home region. Even languages differ among the native groups, adding further difficulties to the massive problems of communications.

Seminar Beta members attempted--within the governing circle of the conference--to establish policy that would affect the future use of oil wealth, and in so doing begin to shape the pattern for life-styles in the future, 1980 and beyond.

But even the impact of millions of dollars in spendable revenues, readily available, will not in itself overcome Alaska's problems. The program, if it is to surface with any success, must be daring and it must be willing to take new looks at old paths.

For instance the group felt that the settlement of native land claims will not write the end to poverty among native people. Rather it will be a beginning that will take many years to have a total effect.

But the objectives of the seminar, "Financial Foundations for Future Alaska" can be achieved by proper utilization of our oil revenue in a balanced investment in both our ^{social} capital and economic development.

(An assumption of isolating the bonus money allowed the following discussion and deliberation.) The \$900 million bonus "windfall" and subsequent revenues was aimed at three major investment areas.

A--Investment to bring the greatest monetary return to the state.

B--Investment in the development of the natural resources.

C--Investment in human resources.

Plan A was favored by those who felt that non-recurring bonus receipts are a trust and it is their yield that can be used to fund other investment areas.

Plan B looks ahead to the day when oil revenues decline and other new resource will be needed to maintain a viable economy.

And, although Plan C cannot easily be translated into financial terms, perhaps it offers the greatest net return to the state.

Still working in broad strokes, the seminar members urged (1) a research-survey program and (2) offered the following breakdown of ingredients.

1. Regional Surveys

- a. Health, education, welfare
- b. Land classification
- c. Communication
- d. Economics
- e. Cultural

2. Statewide surveys, planned to coordinate regional surveys

3. Establish continuing seminar programs for considering priority items.

4. Estimate date of receipt and amounts of oil royalties, taxes and other expected state income and determine priority.

And finally the workshop members expressed a faith in the "continuing conversation" of the conference entity. However, it was suggested that this was the first session of a four-session conference and even the ideas expressed here may change as participants react to the continuing stimulation of the conference process. Although the ideas are not categorized in neat stacks, the members of this workshop have experienced a new searching, a reaching out--often painful--in the effort to begin to begin.

(The group reviewed many pockets of concern and felt conclusions premature during this aspect of the conference. However, for the purpose of record areas discussed are listed in raw form in the attached appendix.)

* * *

Editor: Herb Adams