

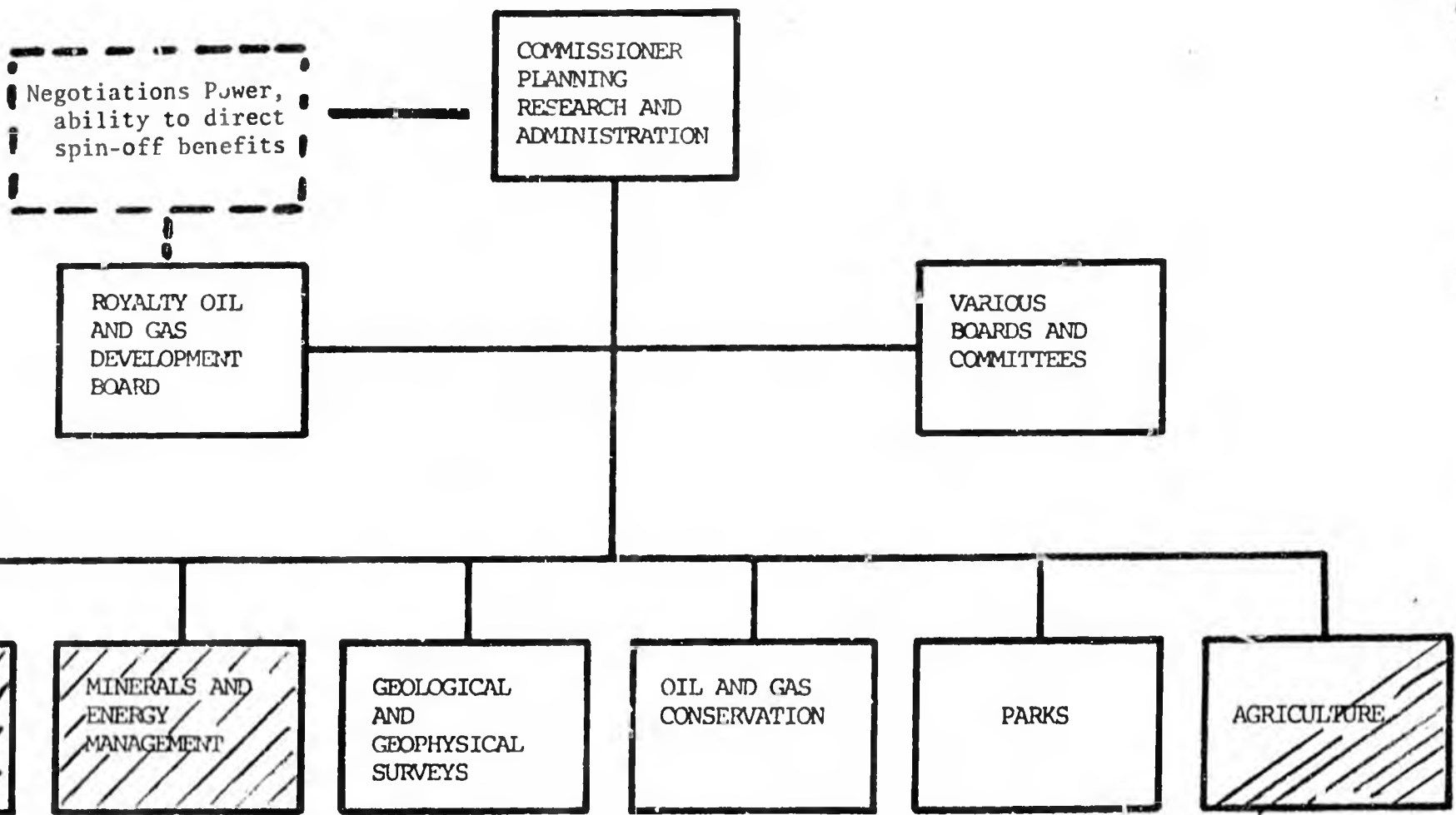
726

H CRA

HB 932

210

DEPARTMENT OF NATURAL RESOURCES

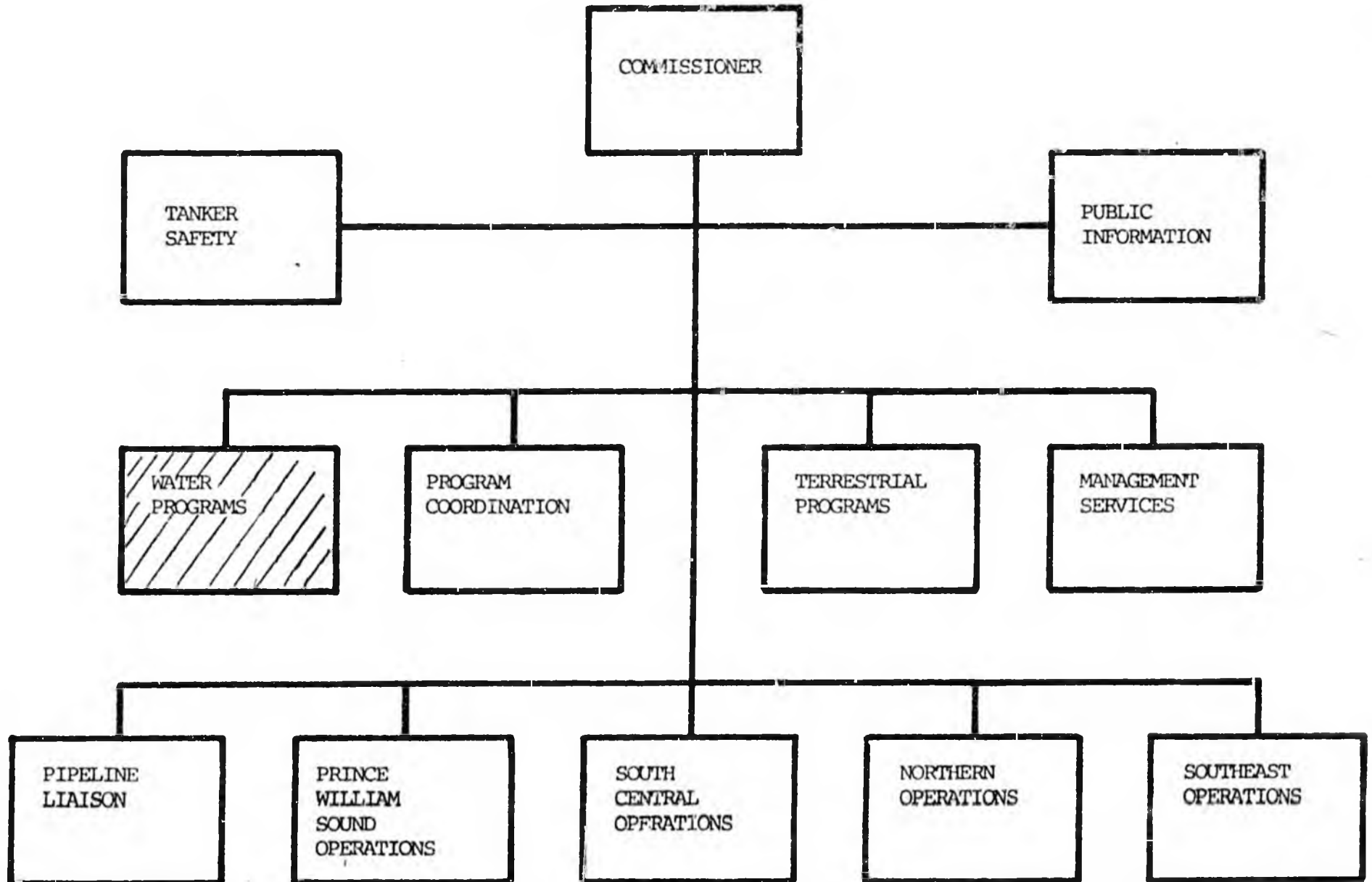


DEPARTMENT OF ENVIRONMENTAL CONSERVATION

The department is small and has responsibility for maintaining the state's environmental quality. As such DEC must be both the operator of several service programs and the state "advocate" of the environment. Such a role of advocacy would appear to prohibit to a certain extent its participation in rural economic development initiative. This is not to suggest DEC could not participate in coordination and attempts to speed consideration of a project. However, the DEC could not be expected to be THE ADVOCATE.

DEC does administrate the state's program of small community water and sewage development. Such programs are essential to rural community development, and could relate to private economic development. DEC must act as developer and policemen at times, and faces some conflicts in the sewer and water area. DEC must be the critic of systems at times to the extent that a technology is not realistic within the framework of a small rural community. The department can in such circumstances recommend the subsidy of systems, but this may reflect interdepartmental conflict since the agencies policemen role may lead to compacting its own future budget, and/or developing complicated utility projects that pull DEC into management to the extent of being perhaps undesirable and secondly the type of situation no bureaucracy will volunteer for.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION



Page Fifty One

DEPARTMENT OF EDUCATION

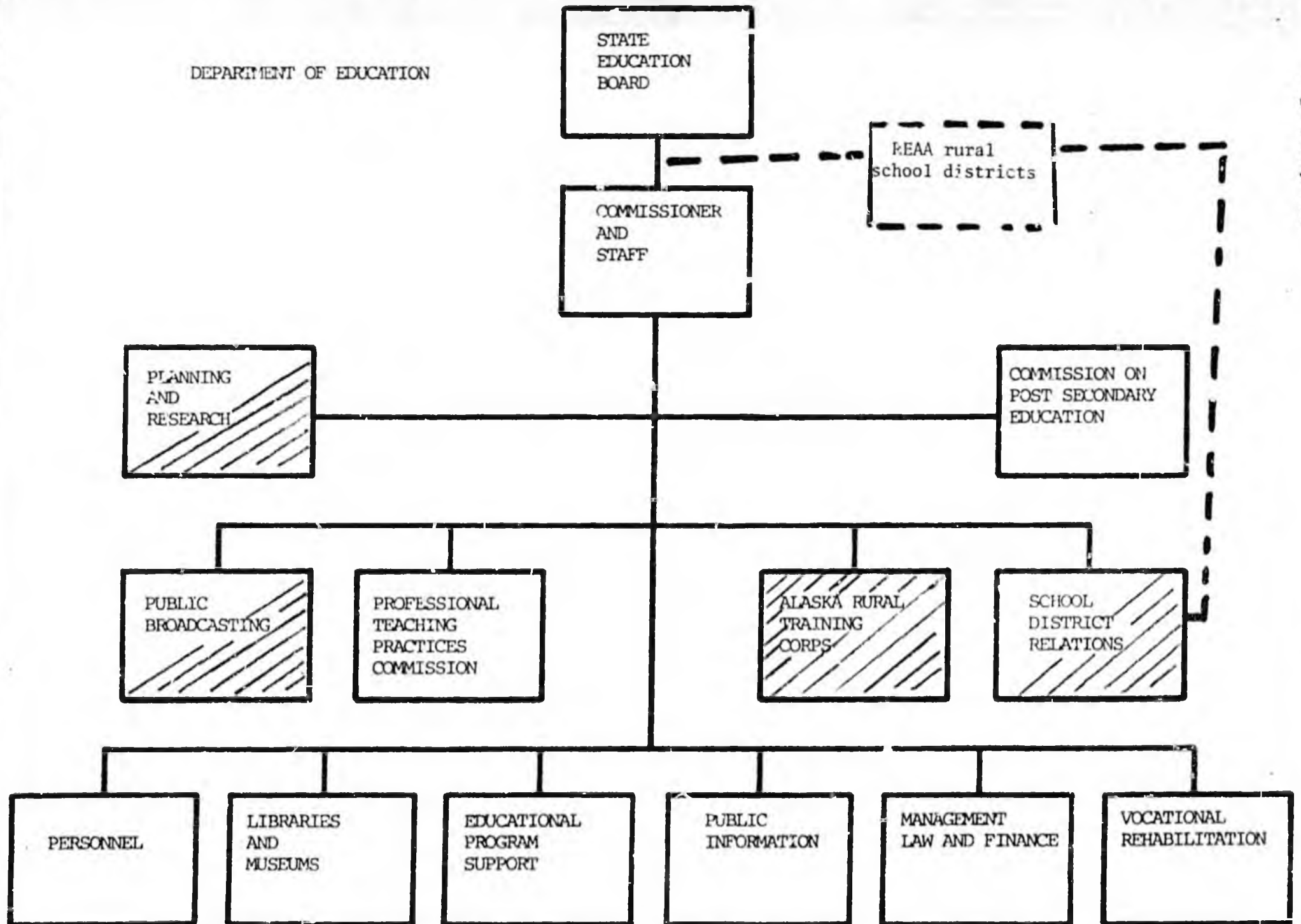
The Department of Education no longer has a direct rural field operation as it did up until the creation of rural independent school districts (although 100% state supported).

The REAAs could be treated as an offshoot of the department, but since they also represent a very significant element of region-wide locally elected government in rural Alaska, they are best treated as separate entities.

The significant divisions of the department therefore are the ALASKA RURAL TEACHING TRAINING CORPS, SCHOOL DISTRICT RELATIONS, PLANNING AND RESEARCH, and the PUBLIC BROADCASTING COMMISSION.

The Public Broadcast Commission has significant rural impact, since that agency is in charge of expanding public radio stations in the rural areas of the state. The stations provide a unique sense of community contact in rural Alaska and provide a vital communications link.

DEPARTMENT OF EDUCATION



DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

The department is a merger of the old Department of Economic Development and the Department of Commerce. The Development function has largely become the Division of Economic Enterprise, which carries out some research and keeps basic state economic data.

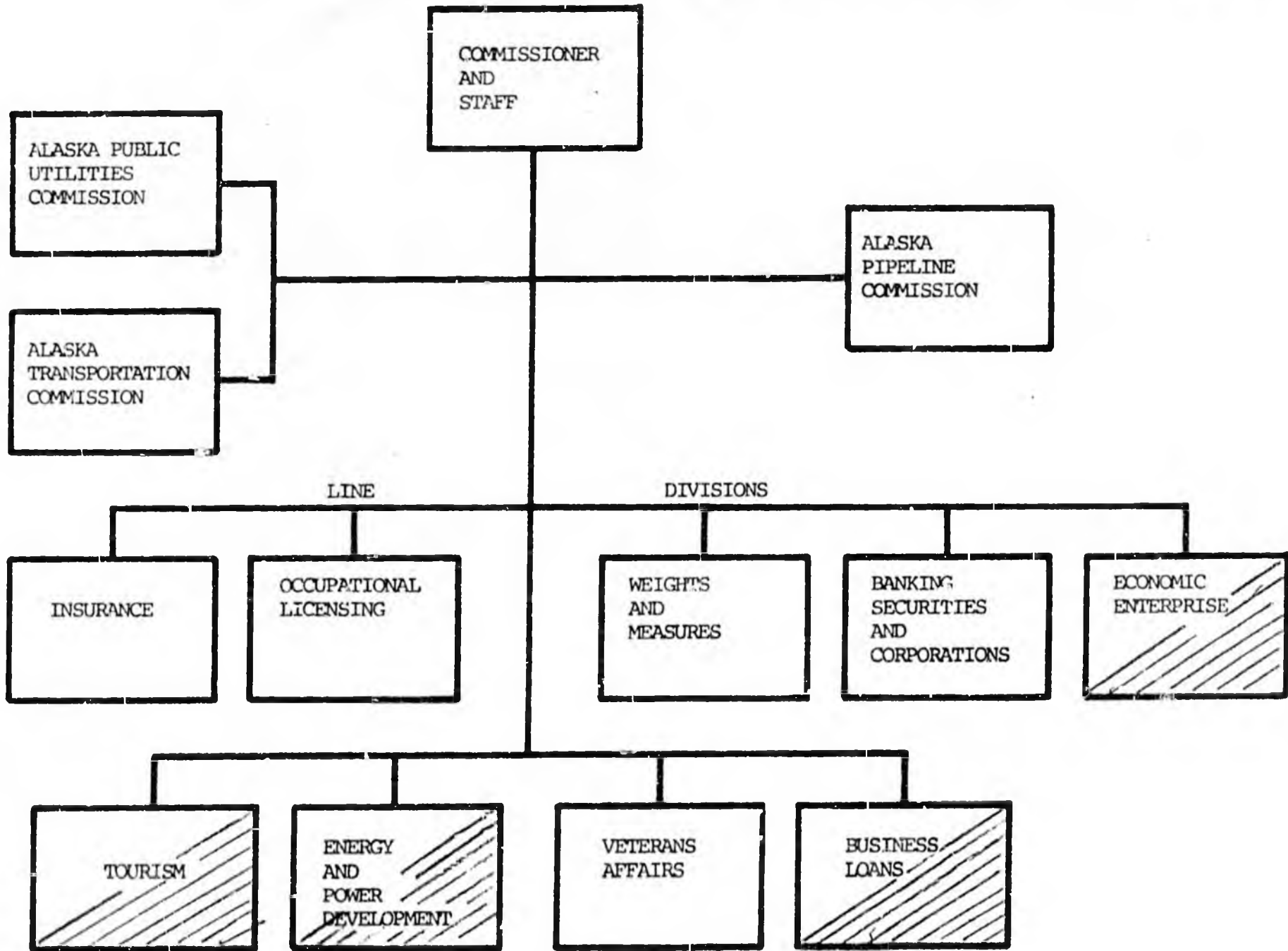
However, the department could take on substantial rural interests if the state becomes the department to which a variety of state loan programs are assigned under the current condition of excess revenue. The department already operates the state's business loan program.

The department could also take on various roles in terms of management assistance to development corporations, and could become "home" in the event rural conditions required an occasional "state corporation" to carry out certain functions.

Commerce to date has been something of a collection of state regulatory and licensing functions. However, in the future the role of the department may be well worth considering as a partner in carrying out a rural economic initiative.

Development related authorities, although more independent, tend to be attached to Commerce. Currently the Alaska Housing Authority, the Alaska Housing Finance Corporation, Alaska State Development Authority, and the Alaska Power Authority, all of rural development significance, are attached to the agency.

COMMERCE AND ECONOMIC DEVELOPMENT



OTHER STATE DEPARTMENTS

The other state departments do not carry out what might be termed either rural field operations or definitive rural policy.

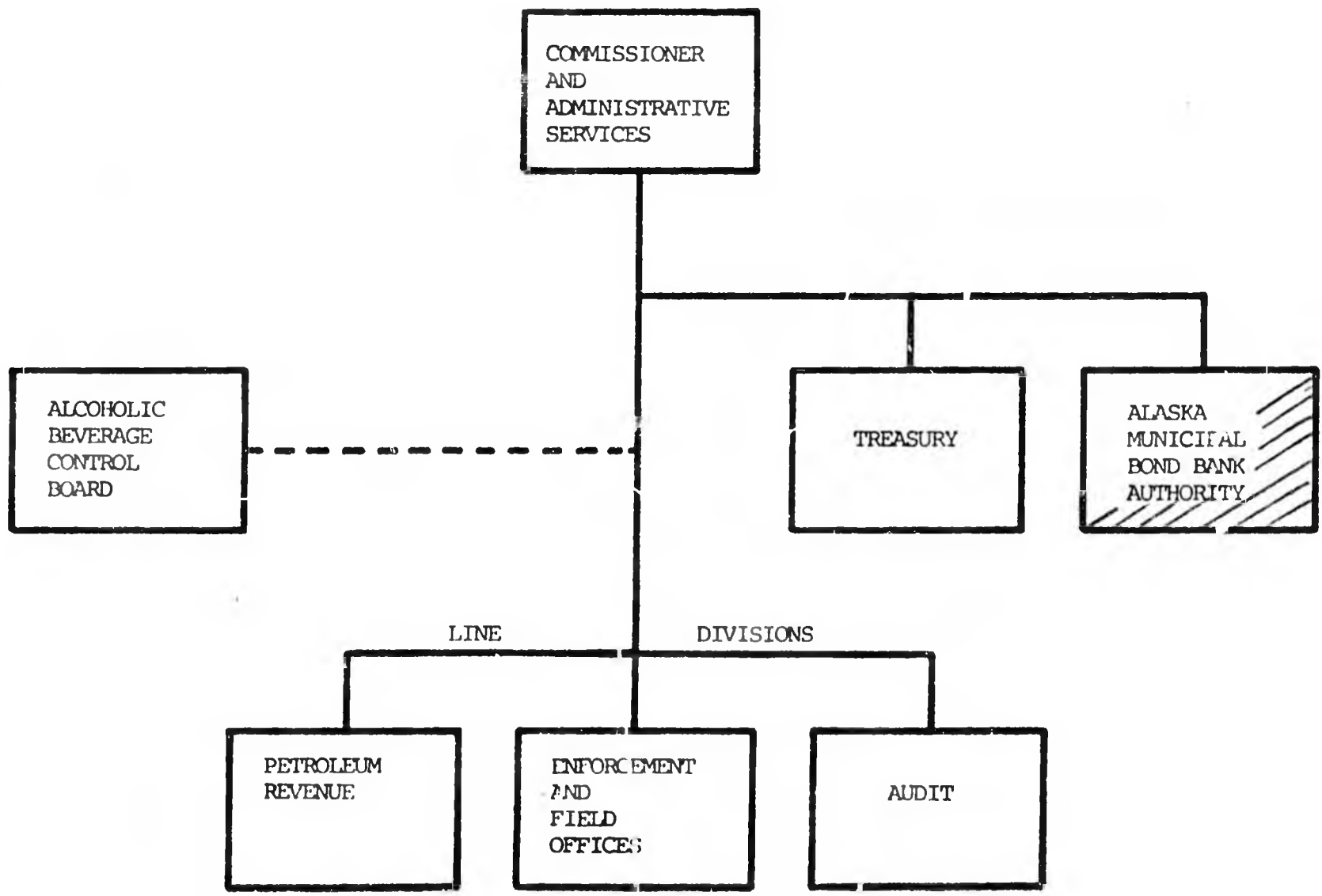
The remaining departments are the departments of:

- REVENUE
- LABOR
- ADMINISTRATION
- LAW
- MILITARY AFFAIRS

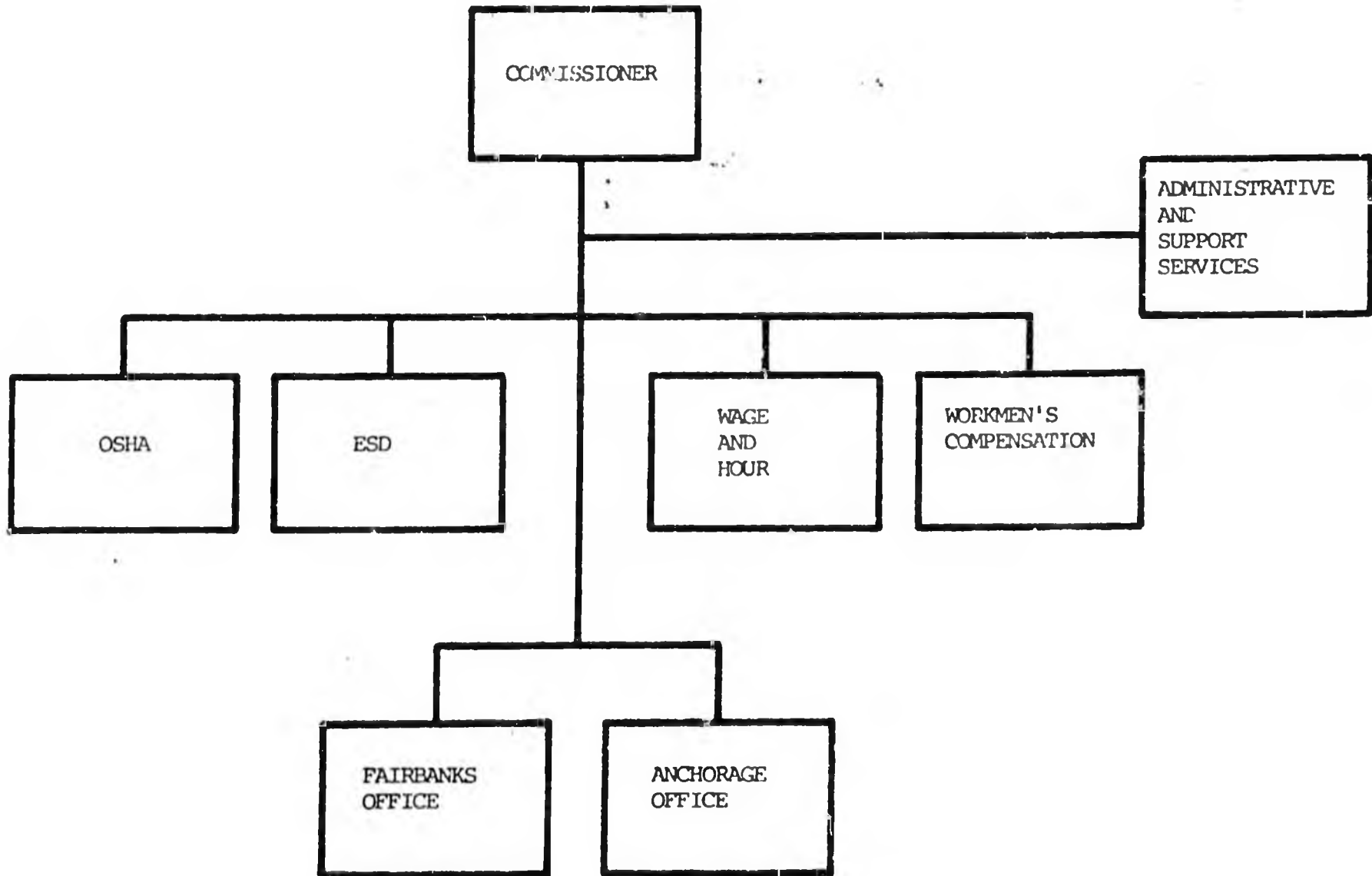
Each department has some rural functions, and several could at some point take on significance. For example, the functions discussed in relation to the Department of Commerce (loan funds etc.) might end up in revenue under new policy. Military Affairs includes the rural Alaska National Guard, and an active Department of Labor could have rural impact via innovative affirmative action programs.

It should be noted that one of the state's first corporate structures for handling a margin of excess revenues for investment, The Alaska Renewable Resources Corporation, was attached to the Department of Revenue (although independent in authority).

DEPARTMENT OF REVENUE



DEPARTMENT OF LABOR



DEPARTMENT OF LAW

ATTORNEY  
GENERAL AND  
ADMINISTRATIVE  
SERVICES

PROSECUTION  
AND  
CRIMINAL  
AFFAIRS

ANCHORAGE  
CIVIL  
SECTION

FAIRBANKS  
CIVIL  
SECTION

JUNEAU

CIVIL SECTION

NATURAL  
RESOURCES  
& ENVIRON-  
MENTAL

GOVERNMENT  
AFFAIRS  
& CONTRACTS

TAXATION  
AND  
BUSINESS

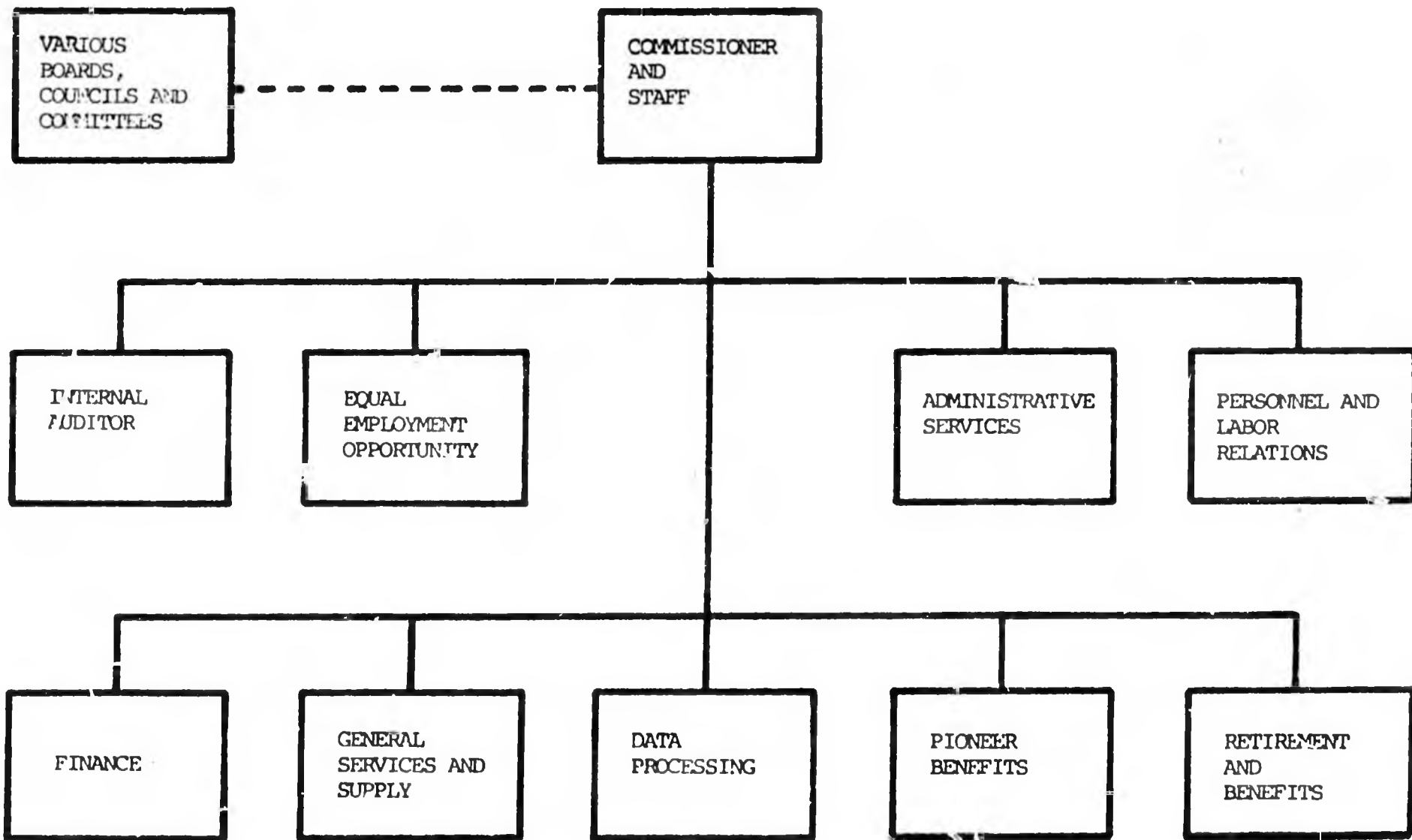
TRANSPOR-  
TATION

HUMAN  
SERVICES

SPECIAL  
LITIGATION

LEGISLATION  
AND  
REGULATION

DEPARTMENT OF ADMINISTRATION



OTHER SIGNIFICANT QUASI-STATE STRUCTURES

Two other organizations with significant rural organizations and/or impact which must be considered are:

--THE RURAL EDUCATION ATTENDANCE AREAS (REAAs)

--THE UNIVERSITY OF ALASKA (and Cooperative Extension Service)

The REAAs are significant in that they provide a framework of universal local government in rural Alaska where there previously was no such framework. The function of the REAA is education, but regardless, it represents a source of input, decision making, and even possible administration from "duly elected" representatives of the public.

This paper does not suggest requiring REAAs to necessarily function beyond the educational function. However, in the past leadership and input in rural Alaska often came from non-elected leaders since there were no comprehensive other governments. The REAA structure now DOES PROVIDE for a source of input from "elected leaders."

Additionally, on a voluntary basis the REAAs could function as an administrative organization carrying out an assigned function, contract, or providing the framework for administration of some function on to a smaller and less able rural community. In any event, the REAAs provide a basis for rural regionalization, and a basis for a possible relationship to a rural economic initiative.

The University of Alaska has also grown into a statewide institution stretching from Ketchikan to Kotzebue, and functioning in rural areas through the Cooperative Extension Service attached to the university structure. The university in Alaska is also charged with post-secondary education delivery far beyond the "classic university." The university structure could prove valuable in training, management assistance, in technical assistance to communities, and in many other respects.

#### THE PRIMARY RURAL "FIELD AND POLICY" DEPARTMENTS

This review of state function and organization reflects certain key agencies which have useful rural field organizations. Those agencies therefore "stand-out" for selection in the sense the state's rural service organizations must be coordinated in relation to a rural economic initiative.

Agencies with primary field organizations are:

- 1) DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
- 2) DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
- 3) DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Agencies with primary policy impact:

- 4) DIVISION OF POLICY AND PLANNING (Office Governor)

PRIMARY RURAL AND FIELD POLICY DEPARTMENTS (Continued)

Agencies with secondary policy impact:

5) DEPARTMENT OF NATURAL RESOURCES

6) DEPARTMENT ENVIRONMENTAL CONSERVATION

Agencies with special rural relationship:

7) UNIVERSITY EXTENSION SERVICE

8) RURAL EDUCATION ATTENDANCE AREAS (REAAs)

STATE ADMINISTRATION TASK FORCE 7

The primary state agencies listed above are essentially a "de facto" rural problem task force and rural projects coordinating group (minus University Extension Service and REAAs)

Their role is a "de facto" one that exists whether formalized or not. The inherent responsibilities of the departments mean they can either function on a less formal basis, even to the extent of coordination via destructive "turf battles," or their existence and functional relationship can be recognized in any degree from simple "mutual recognition" and agreement to appointment to some highly institutionalized structure. It is likely in most instances that policy issues or projects will affect only a limited number of the above agencies.

THE ROLE OF STATE "RURAL DEPARTMENTS"

The previously discribed "rural" oriented departments can be marshalled to provide efficient new state service programs in rural Alaska. The structure of state government is simple enough in Alaska, and the structure of the departments in question is simple enough, to achieve coordination and cooperation. However, what is meant here is relatively "established" concepts of state services.

Next, as local government is created in rural Alaska, these respective departments likely can achieve a relative successful measure or cooperation in aiding that government, and in providing a measure of "substitution" where the local government framework is inadequate. It should be remembered that the difficult natural basis for local government in rural Alaska, may make the latter (substitution) the probable route for some years to come.

Last, we should recognize that the departments are primarily "service" departments with a broad range of responsibilities. Hence, their role as a rural advocate, or moreso, as a rural development advocate, may pose many conflicts. It is therefore likely that a structure designed for economic advocacy in rural Alaska must exist outside the departmental structure. Some seperate structure must be present to act as a rural advocate, leaving the departments free to cooperate and at times to oppose projects and proposals. However, the advocate must be present to push concepts into the policy forum.

Additionally, rural problems exist because there are a special set of problems, hence a special advocate. Hence, a rural structure is needed to isolate attention to those rural problems, but by nature that institution should be temporary and likely close to the seat of political policy.

Lastly, a rural advocate charged with the problems of developing a "private" rural economy, faces a sphere outside the usual provinces of government. Crossing into that opposite sphere is difficult, is likely beyond the capacity of routine departments with a myriad of other problems and demands, and will require a continued support and awareness of the makers of political policy.

Hence, a structure charged with rural economic advocacy will have to function separate from the service departments, will likely have to remain free of "service" attachments of its own, will have to stand "between" government and the private sector, and will have to draw on a sustained executive/legislative political support (rather than a bureaucratic support).

The advocacy of rural development on occasion will be able to deal in "marco-size development," in attempts to tailor large projects to support rural needs. But by-and-large the structure will have to face the task of "micro" development, of thinking small for small communities, in terms of a half dozen jobs instead of a thousand jobs.

A STATE "ADVOCACY STRUCTURE:"

--FOR ALASKA RURAL ECONOMIC DEVELOPMENT

January, 1980

REPORT CONTENTS

Purpose in the Broadest Sense . . . . . 1

The Special "Private" Character . . . . . 2

The Need For Special Emphasis . . . . . 3

The Measure of the Alaska "Rural Issue" . . . . . 5

Special Opportunities of the Present . . . . . 6

Cuurent Action . . . . . 7

Private Resources . . . . . 7

State Resources . . . . . 9

Alaska Difference: Length and Breadth of Commitment . . . . 10

Rural Economy: Long Run Ramifications . . . . . 13

Possible Alaska "Structures" . . . . . 14

    --Assignment to Existing Department . . . . . 15

    --Cabinet Level Office . . . . . 18

    --Rural Commission/Agency . . . . . 21

Composition and Structure Commission/Agency . . . . . 24

Kinda of Issues and Problems . . . . . 28

This report suggests several alternative policy structures for guiding a special process of encouraging private economic development in rural Alaska, and for giving that process a "sustainable" emphasis over an extended period of time.

The suggested structures ARE NOT solutions in themselves, but merely represent functional vehicles that can help develop and sustain effort to create a private economic base in rural Alaska.

The proposals inherent in this report are based on the serious conditions of the economy of much of rural Alaska. Additionally, they make a case as to why the "present" might provide special conditions, resources, and a timeliness in attacking such difficult conditions.

#### PURPOSE IN THE BROADEST SENSE

In the broadest sense, the purpose of a special structure is to shall, coordinate, and sustain existing and potential federal and private resources capable of contributing to growth of a economic base for the rural communities and regions of the state

Further, the structure should provide a single focal point for involving rural Alaska people in the process. Such a structure would be a first attempt at building a state-relationship with Alaska rural development's mosy unique partner --the native land claims corporations.

The private land, capital, and social base of the rural village corporation represents a grassroots structural resource in itself. The availability of such a field level structure in a depressed region is a most favorable circumstance of infrastructure in such general conditions of third-world economic void. However, the state has essentially ignored the existance of the corporations and any inherent state interest in their success or failure.

Any structure must also address "community development" issues basic to a private economic base. However, care must be taken that community development does not dominate the structure, or tend to divert energy from more difficult to resolve economic tasks.

The most important purpose of a special structure must be a strong "missionery dedication" to creation of private economy in rural regions.

#### THE SPECIAL "PRIVATE" CHARACTER

Two basic features of the mission of rural development in Alaska appear to justify a special structure of government, whether that structure is temporary or permanent.

First, the charge to generate a "private economic base" is not a familiar role of government. Second, responsibilities of such a policy effort tend to overlap the established categories of government programs.

#### THE NEED FOR SPECIAL EMPHASIS

Special emphasis to a problem outside the bounds of traditional government services is difficult to achieve for line-agencies. A mission may be so critical, and so varied, that indeed it MUST OPERATE BEYOND THE BOUNDARIES OF TRADITIONAL SERVICE AGENCIES. But architects of such things "beyond" the bounds of those service agencies, often fashioned as so-called "coordinators," must concede that more often than not, such creations become quickly isolated and powerless to carry out their tasks within government.

A purported "special structure" cannot hope to invade the "turf" of entrenched agencies, unless first the legislature is thoroughly convinced of the depth of the target problem, and secondly unless the state executive is equally convinced.

In order to avoid the inevitable muted-isolation of such a special structure, the construction of the unit must build-in strong political backing and involvement. Such backing is essential precisely because such a structure is being asked to INTERFERE WITH THE ESTABLISHED ROUTINES OF OLD LINE AGENCIES, or is being asked to "reach" where they cannot reach.

Page 4

Confronted by an "outside structure" charged with coordination, or the like, an established line-agency will generally take the easiest path. Generally that easiest path is to resist outside interference. Only if there is a very strong commitment in high level policy ranks, or after an agency gets its fingers slapped, will traditional agencies opt to "cooperate," since that then becomes their "easiest path." In other words, in constructing a special structure policymakers must analyze how to give a separate structure special "clout."

A special structure, in commission or agency form, and whether permanent or temporary, cannot be justified unless lawmakers are convinced of the following:

- (1) . . . that the economic problem in rural Alaska is catastrophic in scope, or lacking that extreme;
- (2) . . . that the mission does not fit traditional program agencies, or spreads beyond the bounds of a number of agencies;
- (3) . . . that the problems require a special emphasis, or perhaps are problems easy to slide off for "future action," therefore tending to submerge the mission under the day-to-day crisis of a department.
- (4) . . . that the problems are so serious and complex that a line agency lacks the "clout" to deal with the issue, or to initiate action and propose solution without special political backing.
- (5) . . . that the mission is genuinely not to "run program," but rather to coordinate and provide muscle for other existing state programs and resources, and to provide the same between government and other institutions (federal, state, local government, non-profit, private).

Additionally, inherent in many of the foregoing criteria is that a special rural development structure should be cast in the role of "advocate." The role of advocate could pose inherent conflicts within some departments, and in the case of a planning agency may compromise that agency by presupposing the outcome of careful planning work. The role of the planning agency may require a very close partnership with the advocate agency, but the planning agency may be something of an alter-ego partner, being required to occasionally criticize and oppose the more active advocacy of its alter-ego partner.

#### THE MEASURE OF THE ALASKA "RURAL ISSUE"

The measure of the problem of "rural economy" in Alaska measures very high against most of the previous criteria. Individuals may differ in assessment of degree of the problem, or in the nature of solution, but few are likely to disagree that the condition of the state's rural community economy is indeed catastrophic and has been for more than three decades.

From another view, economic events of the past several decades in Alaska have wrought tremendous growth and changes in urban Alaska. But the economic gap, as well as the sense of alienation between urban and rural Alaska, has widened. This division also tends to follow unfortunate racial lines among Alaskans.

The economic contrasts of rural and urban Alaska presents a picture of prosperous urban islands floating in a sea of rural economic depression.

Page 6

Whatever the cause or whomever, if anyone, is to blame, the economic condition of much of rural Alaska is undisputably a human tragedy and an embarrassment to our democratic economic systems.

#### SPECIAL OPPORTUNITIES OF THE PRESENT

It is difficult for our system of government to reach into the private economic sector and participate in constructing economic equity. The independence and separate dynamics of our government systems and our private economic systems do not always relate to each other. However, in critical times our systems, while perhaps slow to respond, have generally proven able to rectify glaring inequities.

Looking for the means to build a public/private relationship, a case can be made that unused federal resources are available. Additionally, it appears that federal economic policy is shifting to emphasize priority policy: . . . that only "private jobs" can resolve severe economic problems in the long run.

Present federal policy is shifting resources to rural and development initiatives that stress private development and private employment. These so-called "White House Initiatives" hold out great opportunity to those who are ready for them, for those who can put them together with other available resources, and for those like Alaska, that have a genuine underdeveloped rural base that is starved for "risk capital."

Page 7

## CURRENT ACTION

Recognizing the federal opportunity, the Alaska Legislative Budget and Audit Committee, together with the State Administration, has been working to put together a series of federal/state agreements designed to coordinate federal economic resources through a single federal lead agency, and to put that agency together with a state working counterpart.

The effort would be to coordinate federal resources of value in a rural economic initiative, to maximize those resources, and to clear federal/state barriers to development (regulatory, etc.) on a timely basis.

The state working counterpart would be WHATEVER SPECIAL STRUCTURE THE LEGISLATURE AND EXECUTIVE chooses to approve (which is the primary subject of this report).

## PRIVATE RESOURCES

A case can be made also that private resources are now available for rural development that were not present in the past.

The native corporate structure has matured and gained experience in the last eight years. The capital assets of the native corporations, and especially the village corporations represent a "resource" that should be assisted by state and federal development policy.

However, the capital of native corporations in many respects is no different than any other capital. Despite the fact such capital has a social base in the form of resident community stockholders, such capital must still find and/or develop viable projects which offer both reasonable security of the investment and adequate return. It must be stressed that under the law, the native corporations ARE NOT social welfare organizations, but are established as profit making private corporations. They have the same problems in facing high risk frontier development as other corporations, except that their personal motivation to "do it" in the face of higher risk is likely stronger. However, it is possible that the proper use of state and federal resources, in conjunction with native corporate resources, might be able to reduce risk to native capital and encourage the flow of such assets into rural development.

The current proposal to pre-pay the remainder of the state's obligation under land claims settlement will also add significantly to the financial base of native corporation capital. Such an action may be the single largest, and the simplest action, the state can take in regard to rural development.

The private land and resource base that is a part of the land claims structure is also a significant factor in rural development. The goal of a state structure should be to help assist and direct capital to grassroots rural development, regardless of whether that capital is private, state, federal, or native, and to encourage the use of state, federal, and native land and resources in a coordinated fashion in behalf of encouraging a rural private economic base.

Additionally, Alaska financial institutions are now considerably stronger and more varied than a decade ago. They have stronger ties to outside institutions, and due to such world scale developments as Prudhoe Bay, new significance of fisheries resources, a capital and resource base from land claims, Alaska commands a respect far beyond the measure of its present economic production.

#### STATE RESOURCES

The chief asset of the state is its "position" to act as a focal point in bringing together available existing resources, and to apply to an effort to construct a viable rural private economy.

The state must be, and is the natural initiator of a search for, and a marshalling of, economic resources. Obviously, federal agencies do not come seeking difficult and often risky development efforts.

The state also has basic resources of its own to offer that it did not have a decade ago. The state has the ability to act as initiator of community services related to private development, such as utilities, transportation facilities, and technical assistance. The state has the ability to participate in capital, or to attack basic private financing issues such as fire insurance in rural areas. The state has a "field network" available through program agencies, which with proper coordination, could assist in both local community development and private projects.

The state also offers a superior basic structure with which to coordinate with federal institutional participants. The Alaska structure has a strong central line of authority leading from the governor, and is vastly different than the fractured multi-elective structure that exists in many other states.

#### THE ALASKA DIFFERENCE: LENGTH AND DEPTH OF COMMITMENT

Alaska requires a long-term commitment to rural economic problems. The state's rural problems are not a result of recent economic recession, or existing sick industries, the problems are a result of more than a quarter century of economic collapse and difficult cultural adjustments. The Alaska effort may require the better part of a decade..

It is here --in length and depth of commitment-- where Alaska differs markedly from the manner in which other state's will approach the development of SPECIAL FEDERAL AGREEMENTS to enhance private economic development. A review of the few existing agreements, and potential agreements, indicates that the agreements appear geared towards one or two "priorities-of-the-day." They seem to carry a hidden presumption of temporariness about them, and lack a strong tie to "joint" executive/legislative commitment and development of intrastate mechanism to focus on more than the "issues-of-the-day." In this respect it is likely the initial motivation of Alaska is different from other states.

In reviewing the federal opportunity for both the state to command and coordinate federal resources, there appears to be a significant opportunity for Alaska to be the only, or at minimum one of the few, states to approach the agreements with a much longer range view in mind.

Alaska has the opportunity to get the federal government committed to state rural development, committed to special treatment and coordination, and to keep that commitment going for a prolonged period. However, in order to command the long-term commitment of the federal government the state must first itself be committed.

As previously stated, economic initiatives under our separate public and private policy systems require a deep commitment to bridge the gap. In Alaska this means a commitment of the executive and the legislature, and further a broadbased commitment within the legislative body. Oddly, the effort must command the commitment of the urban legislator and the perception that the effort is also vital to the urban economies of the state.

Commitment of rural policymakers to such an effort is something to be taken for granted, with some exceptions. However, rural backing and rural development as a "rural issue, can isolate the effort as a regional issue, and one therefore eligible to be pushed, shoved, cut, threatened, bargained, and generally politically played-out in the precarious wars of short-term legislative policy. Unfortunately, long term issues requiring a breadth and depth of commitment, issues needing an expectation of sustainability over time, do not always fare well in the battles of more immediate political pie-cutting.

However, the commitment of urban legislators could provide the commitment to rural development the sustainability it needs. Urban lawmakers have an interest of their own in an expanding and healthy rural economy.

Previously Alaska was described as a series of urban economic islands floating in a sea of economic depression. Whether that picture is overstated can be argued, but the lesson of the portrayal cuts both ways. The picture not only reflects a non-existent rural economy, and all which that infers, but equally a precariously isolated urban economic structure.

The picture is one of precariously narrow urban economies based primarily on government spending, cycles of construction and singular resource development booms, and one of urban communities failing to develop themselves as broad commercial centers serving a growing economy far beyond their own borders.

In other words, for the state's narrow based and isolated urban economies, rural development is "urban development." It is not only urban development, but offers a strongly stabilizing ingredient for the urban economic structure. It is almost impossible to undertake development in most rural areas of the state that does not benefit the urban commercial centers. However, the converse is not true, since urban development may hold no benefits for rural communities.

Urban policymakers may also consider the long-range ramifications of continued neglect of a rural economy:

- (1) . . . that the urban/rural economic contrast is both a serious ethical and functional problem for Alaska.
- (2) . . . that the end-results of continued rural economic poverty tend to become urban social and economic problems due to out-migration into urban areas.
- (3) . . . that in future general economic constrictions, urban unemployed will tend to outmigrate from the state, but that the rural unemployed, represented mostly by native Alaskans, are unlikely to outmigrate except to urban areas due to deep cultural ties.
- (4) . . . that while Alaskan urban economies have grown dramatically over the past several decades, those economies remain narrow.
- (5) . . . that in order to develop a stable commercial center, the center must have an economy to serve "elsewhere."
- (6) . . . that rural development promotes both direct, and indirect economic activity for urban centers.
- (7) . . . that rural development expands opportunity for larger scale rural resource development, since expanding economic benefits will increase confidence of both urban and rural parties that that such "development" can be managed for mutual benefit.

There must also be an awareness that rural Alaska needs a scale of development we might term "micro development." However, urban interests tend to key on "marco-development" scale projects, projects on a scale where it is often simply assumed that there is enough "economic fall-out" to benefit everyone. However, this is not necessarily true, and especially so for non-urban areas.

Carefully managed "marco-scale" development may be made to pay some dividends to rural Alaska. But what rural Alaska does need is micro-development, development that is small, not nearly so exciting and romantic to advocate for policymakers, but which fits the needs and the life-style of rural communities. In a sense, a structure charged with rural economic advocacy will need to learn to "think small," and it will take some adapting on the part of policymakers to think in terms of thousands of dollars, tens of jobs, and etc., instead of on sweeping scales of billions of dollars, world scale resources, and thousands of jobs.

#### THE POSSIBLE ALASKA STRUCTURES

The purpose of creating a structure is to provide a functional vehicle for policy focus, and to put the label "special" on the structure. Such labeling tends to put the structure, and the policy community, "on notice" that they intend to do something, and to invite scrutiny if they show a lack of performance. A special structure also tends to isolate itself sufficiently to invite participation of interested parties.

Three types of structures appear possible:

- (1) A SPECIAL COMMISSION, responsible to the Governor, and working out of the Office of the Governor.
- (2) AN OFFICE created within the Office of the Governor. A small agency essentially part of the executive staff.
- (3) Assignment to an existing agency with related interests, either creating a new unit thereto, or reorganizing an existing unit.

The basic alternative "settings" for a structure will be discussed in terms of the least viable first.

#### Assignment to Existing Department

The assignment of the task of rural development advocacy and coordination to an existing department immediately relegates the issue to whatever is the status of that agency.

If the agency is a sub-unit of an existing division, of an existing department, then it is likely the federal government would view the state effort in much the same manner of other states --that the structure has one of two priorities and little other interest.

It is not the intent here to be critical of the ability of any one of several possible agency operators, but rather to suggest that it is asking alot of a sub-component agency to be able to become not only an interagency coordinator among state agencies, but also between state and federal governments and between government and the private sector.

As a sub-component within a line-department, a rural economic development initiative would first have to command its fair share of attention by department heads from among the "daily crisis" of regular operating programs.

Next, since such a rural effort would reach beyond departmental confines, not only would the rural effort have to battle for survival among competing demands within the department, but also it would have to survive among competing demands outside the department. Such a program would constantly require the department chief officer to run interference in coordinating problems with other departments, as well as with key players in the governor's office and with other institutions. The sub-departmental assignment can be made to look good on an organizational chart, but likely asks a line-agency chief, already besieged with enough operational problems, to unrealistically wear thin their welcome in "unhappy" interdepartmental "turf" battles, much less to provide the "extra-energy" to provide leadership to draw together federal, state, and private interests.

The fact remains, that programs are just that, they are designed to deliver an established service in a beneficial manner and with a minimum of bureaucratic boat-rocking both "within and "without" the departmental organization. A department may well prove the exception, especially if it is new and must find its policy niche, when there is exceptional political backing, or when there is unusual leadership.

However, in viewing something as complex as a rural development effort involving multiple departments, governments, and other institutions, the process appears to supercede the primary "operations" role of a state line-department.

The structure must be capable of:

- FIRST, capable of refining its charge to projects which can be accomplished. The structure must participate in selecting rural priority efforts.
- SECOND, it must determine who, if anyone, is presently charged with a needed function, must encourage rural responsibilities be assigned departments, and give backing to departments in carrying out their rural functions.
- THIRD, the rural structure must be capable of some leeway in independent articulation. It cannot be just the state administration's spokesmen, since one of its purposes will be to inject "unfinished ideas" into the"
  - executive policy forum
  - legislative policy forum
  - private policy forum
  - and the public forum
- FOURTH, the rural structure must plow new ground in that it should not be a GOVERNMENT PROGRAM, but must be a facilitator of private effort. It must strike a respectful partnership with the "private policy" sector.
- FIFTH, the structure must be cast in a role of "advocate" for rural initiative --for rural action.

Last, there is always the very real problem of the tendencies in an operational department to convert potential of a popular effort into gain for its own agency budget needs.

If a departmental placement for structure is to be considered, there are a number of potential candidates with rural field organizations. Key among them would be the Department of Community and Regional Affairs, and the Department of Transportation and Public Facilities.

Additionally, the Division of Policy and Planning (DPDP) in the Office of the Governor, would serve as a home for such a structure, either as an integral part of the division, or as a more defined sub-component like the Office of Coastal Zone Management. However, there could also be conflicts of fundamental roles. The rural effort needs the partnership, the resources of DPDP, and DPDP should be encouraged to build a strong rural planning component. But DPDP also may need to be the alter-ego of the rural structure, as it functions as rural advocate. It would appear DPDP's planning role should be to put the product of advocacy into a larger scheme, and as alter-ego be the necessary critic of the much more activist rural advocacy agency.

#### A CABINET LEVEL AGENCY

The creation of a special agency in the Office of the Governor is perhaps the simplest creation. Such an office would be small and it is likely its ability to function, and command policy attention within that framework, would be largely dependent on the capability of the person heading such as office.

The office could serve well enough as the focal point for state interaction with the federal/state interagency agreements. And, in terms of carrying out the intrastate functions of the federal/state agreements, such an office would probably be able to carry out its task of state department coordination.

Page 13

However, open to question is whether such an office could carry out the "expanded" mandate of a significant rural development initiative. Since rural Alaskans, and legislators, would not be on the inside of such a construction, it is likely the tendency would be for those interests to become critics of actions, lack of actions, or both.

It is also doubtful that such an office left simply in that form, could be the injector of unfinished ideas into various forums, or if so, that the injection would tend simply to be into the executive policy forum shielded from the dynamics of more public policy forums. Additionally, circumstances would tend to make the office "spokesmen" for the state administration on rural economic issues, limiting the dynamics of the structure.

If a simple agency structure is selected, then effort will be required to give the office high prestige, and to provide it with staff. The dimensions of the office might be expanded by merging the function with the Private Industries Councils created federal Title VII, thereby providing the agency with a rural private outreach and some dynamics of rural "input." However, at this point the Office begins to take on the posture of the commission/agency form of structure.

Under conditions of other times a modified Office structure could suffice, but today the senior policy structure of the state is virtually besieged by "macro-issues," such as d-2, OCS, bottom fishery, gas pipeline, gas liquids development, excess revenue policy, Beaufort Sea development, and many others.

The heavy burdens of Alaska policy going into the 1980s would appear to suggest that a long-range rural policy structure must be given "something extra" to program it for survival.

#### STRUCTURAL SETTING

The structural setting of a cabinet level office would be much like the other "offices" of the governor, except that a portion of its responsibility would face "outward" from state government to interface with the federal interagency agreements and the federal/state joint function. In many respects the structural arrangement of the rural structure need not be much different if developed in a "commission" form.

The special office could be flanked on one side by the Private Industries Council (PIC), which could act as an advisory group, even to the extent of merging staff functions. The office should also be flanked by the Division of Policy and Planning (DPDP), which could beef up its own rural planning capability and establish direct liaison with the rural office.

It is preferable under the Alaska strong executive concept that the office be clearly responsible to the governor, and that the governor in the final analysis be responsible for the rural office. The purpose of attaching other involvements is not to erode or substitute for executive responsibility, but to provide some of the special elements previous described. Such features could add political strength by tapping legislative input, involve input from rural advisory features, and achieve status by the involvement of a key political officer such as the Lt. Governor.

However, such features added to a cabinet level office transcends into the third alternative structure, essentially which seeks to construct involvement of other key interests without diluting the final "executive" responsibility of the office

#### A RURAL COMMISSION/AGENCY STRUCTURE

The third alternative structure initially appears the most complex. However, the appearance of complexity is derived largely from trying to name the main components of the rural structure, and determine their basic purposes. In a sense naming such a structure merely formalizes what likely exists in a "de facto" sense anyway.

The concept of the commission structure would simply be to draw together in one place the "key parties" with rural roles, and then to balance out that more institutional group with a balance of rural field representatives. The structure should remain firmly within the executive framework. The policy group would bring together the following components.

- INSTITUTIONAL REPRESENTATIVES, not necessarily limited to state officials.
- LEGISLATIVE REPRESENTATION, providing a balance against administration.
- RURAL PUBLIC REPRESENTATION, providing for non-institutional balance from the rural field areas.
- PRIVATE SECTOR REPRESENTATION, providing representation from private business, possible finance.

The group would be a commission capable of acting as a "whole," but it would also be a commission capable of acting in the form of its natural "parts," the basic components of these subcommittees being drawn from the sectors they represent on the commission:

--DEPARTMENTAL COORDINATING SUBCOMMITTEE

--RURAL ADVISORY SUBCOMMITTEE

--PRIVATE SECTOR SUBCOMMITTEE

In order to allow the commission to function more efficiently it is suggested the governor name an executive committee of five:

- One agency representative
- One Legislative Representative
- Two rural representatives
- The chairman (of the commission)

The structure would be designed to allow, when appropriate, each subcomponent to operate on its own in special areas of concern and assignment. However, at the request of the subcommittees, or the direction of the chairman, the subcommittees would overlap depending on the problem being addressed. Additionally, legislators would be considered members of any of the subcommittees. The system would allow for each subcommittee to specialize in its natural area, with rural representatives minimizing rural outreach and input

The function of the executive committee would be to also operate as the key component in facing the federal government, and in efficiently dealing with the smaller issues of implementing the federal/state inter-agency agreements.

The executive committee would be the state salesperson in the federal market place, seeking to maximize federal resources.

An innovation in the executive committee structure might be to call the legislative representative the "Legislative Co-Chairman." The suggestion is that the legislative co-chairman would not have the same management prerogatives of the chairman, but could be used to maximize the presence of the commission by carrying to the federal level the power of legislative position as well as being charged with rural leadership as (Legislative) Co-Chairman. In considering the latter suggestion, it should be remembered that there is a difference between the "elected" leaders and the agency representatives reception in Washington offices. The elected representatives has no constraints in skipping middle-management, or in the unquestioned right of calling on Washington level political support and in involving them in deliberations. The posturing of the legislative co-chairmanship would solely to an attempt to sustain the rural effort by tapping political power and political presence as the state structure faces Washington D.C. Equally, the Lt. Governor might be used to be the Chairman of the state structure, thus again tapping the political strength and presence of the elective leaders.

The goal of tapping the state's political power structure is to . provide a strong and unified executive/legislative policy face towards Washington D.C. (such policy links also facilitate federal links to the state).

In terms of executive functions on the internal Alaska level the legislative position should not violate the integrity of the traditional Alaska executive system. In this area the position of legislators would be that of members.

In terms of the policy structure reaching out for input into rural Alaska, here the legislators could again play a stronger role, perhaps even facilitating common outreach efforts between legislative committees and the commission effort.

#### MEMBERSHIP

The Commission shall be composed of not more than 14-members, with four being institutional members, two being legislators, two being members of the private economic community, and six being members from rural areas.

Legislators could be appointed by the governor, or by the presiding officers of each chamber.

Legislation should provide for the membership of the director of the University Cooperative Extension Service on the commission as one of the four institutional members.

The legislation should name state departments with key rural field and/or planning responsibility, requiring the Governor to name two as institutional members. The legislation should state that other chief administrators shall serve ex-officio at the request of the Governor or Lt. Governor.

The legislation should name the Lt. Governor as an institutional member and name the Lt. Governor as Chairman of the Commission unless he chooses not to serve on the commission. In such event the Governor shall name another Chairman from any of the membership.

Two private economic community members should be appointed by the governor, representing private business and/or financial expertise.

Six members should be appointed who live in rural areas. It is suggested that these members be drawn from a list of nominations from the boards of the Rural Education Attendance Areas (REAA's). Requested should be first nomination of REAA board members willing to serve, and preferably with private business experience in rural areas, and second for nominations other than board members. The intent is to move towards using the state's only region-wide elective rural officers for public input in state policymaking affecting their communities. The legislation should ask that the governor's appointment from those nominations recognize the various rural regions of the state as much as is possible commensurate with a small number of members to be appointed.

AGENCY DIRECTOR AND STAFF

The Legislation should provide for the appointment of the Director of the rural structure by the governor.

The gubernatorial appointment makes clear the primary executive loyalty and nature of the structure. Additionally, the act of inviting legislators into a titular role of an executive commission denotes a certain amount of trust between the two branches of government on rural advocacy. As a practical matter, the governor may be well advised to consult with the commission in selecting a director, while making it very clear that the director has the support and confidence of the governor. In this regard, it should be considered that the director will have to function among other department heads in coordinating rural functions. If it is not clear that the director is the "governor's person," then the functionality or the ability to coordinate and cooperate with other agencies is open to question. Without executive recognition, the director is likely to quickly become the underling of whatever key administration official on the commission DOES HAVE THE GOVERNOR'S CONFIDENCE.

The legislation should also provide for commission staff within the provisions of legislative budgeting. The nature of the commission may also mean that some staff can be provided by federal grants. In staffing expertise should be split between employees with practical rural awareness and staff that has expertise in working within government and private agency structures.

Page 21

AGENCY/COMMISSION DESIGN

The design of the commission appears complex. It is in reality quite simple. The appearance of complexity comes from trying to arrive at a design of any unit whereby the pieces of the unit can remain separate when necessary (or when working on issues and problems which need not involve the other components of the commission)

- The design allows for the federal government to design whatever cooperating unit it desires and attach it to the state creation.
- Whatever federal working unit could 1) function separately, and 2) be part of a unified state/federal working council, depending on working goals and conflicts. And, 3) a federal designee (likely of the federal designated lead agency under interagency agreements), could be a federal vice-chairman of any combined unit.
- The state executive committee could function as a separate state unit in direct Washington lobby efforts.
- The state executive committee is designed to simplify the federal interface and internal state interagency coordination.
- The full state Rural Development Commission is designed to function as a whole in dealing with problems, policy, and projects.
- The State Rural Development Commission is designed to function in its natural "parts" in 1) attacking problems unique to those parts, and 2) in trying to fulfill obligations to have an "outreach and input" to and rural areas of the state.
- The State Rural Development Commission in its "parts" will also be able to accommodate overlapping between those parts based on the "overlap" of problems and the "overlap" of the individual "interest" of members.
- The state/federal structure at the top will be able to direct the function of state/federal subunits who actually exist in, and have practical field knowledge of, rural Alaska regions.
- In keeping with establishing a line of authority, the State Rural Development Agency would work under the "direction" of the Governor through the offices of the Lt. Governor acting as Chairman. The commission would provide the carry-through on rural issues.

THE KINDS OF ISSUES AND PROBLEMS

The kinds of issues and problems the rural structure will handle will be varied. The central theme of the commission at any period in "time" will depend on what is possible within the historical circumstances of that time period.

--The development of a private economic base in terms of "specifics" will in part depend on practical economics --practical potentials of "what's" possible "where," and "when."

--The structure may address the issue of "what the state should do" in helping prevent failure and default of smaller native/private corporations actually located in rural areas.

--possible maintenance of a village management assistance effort like attempted by Alaska Native Foundation (through CRA, or by contract).

--State potential in encouraging native capital investment in rural areas, and in participating in the "security" of front-line rural investments.

--The development of state loan instrumentalities, and state bonding authorities, in such a manner as to be practically useful for potential rural investors.

--Identification and resolution of other rural "blockages" to private investment.

--fire insurance.  
--bonding availability.  
--utility infrastructure.  
--transportation  
--training Assistance

--An advocate to "tailor" large "macro" economic projects, whether a major petroleum project, or an applicant for state industrial bonds, to respond not just to such things as generalized affirmative action, but more specifically to the "micro-economic" needs of more remote rural communities (if an employer can rotate an employee from Anchorage or Texas, it is possible to rotate an employee from a rural village.

THE WHITE HOUSE

WASHINGTON

December 26, 1979

MEMORANDUM FOR FEDERAL REGIONAL COUNCIL CHAIRPERSONS

FROM: JACK WATSON *Jack*

SUBJECT: Implementation of the President's Small  
Community and Rural Development Policy

As you know, the President announced his Small Community and Rural Development Policy on December 20, 1979. The Federal Regional Councils are being called upon to play an important role in its implementation.

Several copies of the President's policy statement are enclosed (additional copies are available on request). As you will note, the policy articulates a set of general goals and policy principles, identifies over 100 specific action steps to be taken during the year to address pressing rural needs, and provides the institutional capacity needed to enable us to develop programs, solve problems, and translate a continually evolving "action agenda" into concrete results. Elements of this implementation strategy include:

- o Creation of the position of Undersecretary of Small Community and Rural Development at USDA. The Undersecretary will assist the Secretary of Agriculture in carrying out his mandate, under the Rural Development Act of 1972, to coordinate rural development activities throughout the Administration.
- o Formation of a Working Group on Small Community and Rural Development to provide a continuing assessment of priority rural needs and to design, coordinate, and implement responsive policies and programs. This Working Group will be made up of high-level federal program managers and will be co-chaired by the new Undersecretary and me.
- o Establishment by the Secretary of Agriculture of an Advisory Council to monitor implementation results and advise him and the Working Group on needed federal actions. The Council will be composed of elected officials from the major public interest groups, representatives of community-based organizations and private interest groups, representatives of the financial community and others.

- o An invitation to the nation's Governors to establish State Rural Development Councils as a mechanism for ensuring effective coordination in joint federal-state rural development efforts
- o A Presidential directive to the Secretaries and Heads of Agencies to review relevant agency policies and programs in terms of their adequacy in embodying the policy principles and to designate a senior official to be responsible for monitoring implementation of this policy within the agency, serving as a rural advocate, and acting as a point of contact for small community and rural leaders seeking information and assistance.

Building on steps that some of you have already taken, the implementation strategy also calls for creation of rural development task forces by the FRCs to assist the State Rural Development Councils in implementing joint federal-state rural development plans.

Since USDA and particularly FmHA will play a key role government-wide in implementing the President's policy, I request that you designate the appropriate FmHA Area Coordinator in your region as Chairman of the FRC Rural Development Task Force. Each should be backed up by a State FmHA Director. I am instructing Gordon Cavanaugh, FmHA Administrator, to have his Area Coordinators contact you in this regard.

Please feel free to call on Berry or me to answer any questions you may have as you move ahead with your plans to help implement the President's policy.

Warm regards and best wishes for the new year.

THE WHITEHOUSE

WASHINGTON

December 26, 1979

Dear Ed:

On December 20, 1979, President Carter announced the Administration's Small Community and Rural Development Policy. In recognition of the essential role played by the states within our federal system, the President has, as part of his policy, invited the nation's Governors to establish State Rural Development Councils as a mechanism for ensuring effective coordination in joint federal-state efforts to implement state and local rural development priorities. Furthermore, he is directing the Federal Regional Councils to establish rural development task forces to assist state efforts, and is instructing federal field personnel within the states to participate directly on the State Rural Development Councils when invited to do so by the Governors.

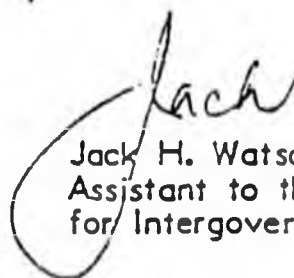
I want to add my voice to this invitation and assure you that I will work closely with you to help implement those programs and projects which are given high priority within your state.

Several copies of the President's policy statement are enclosed. As you will see, it articulates a set of general goals and policy principles, identifies over 100 specific action steps to be taken during the year to address pressing rural needs, and provides the institutional capacity to enable us, in a partnership effort, to develop programs, solve problems, and translate a continually evolving "action agenda" into concrete results. Besides inviting the Governors to establish State Rural Development Councils, a key feature of the policy involves the creation of an Under Secretary for Small Community and Rural Development within the Department of Agriculture. The new Under Secretary and I will co-chair a Working Group on Small Community and Rural Development, a group made up of principal federal program managers here in Washington.

Please feel free to call on me or Berry Crawford of my staff to answer any questions you may have as you move ahead with your state's rural development plans.

Warm regards and best wishes for the new year.

Sincerely,



Jack H. Watson, Jr.  
Assistant to the President  
for Intergovernmental Affairs

The Honorable Ed Herschler  
Governor of Wyoming  
Cheyenne, Wyoming 82002

Enclosures

THE WHITE HOUSE

WASHINGTON

January 29, 1980

Dear Fob:

Several weeks ago I sent you copies of the Administration's Small Community and Rural Development Policy and joined the President in inviting you to establish a State Rural Development Council.

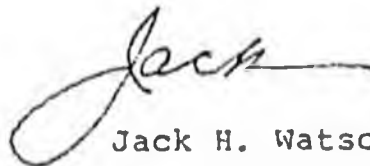
The State Rural Development Councils will play a key role in a Federal-state-local partnership to expand opportunities for rural and small town development. To provide ideas on how you might organize and operate your council, I am enclosing a copy of a working paper jointly prepared by the National Governors' Association and U.S. Department of Agriculture staff. You may have suggestions beyond the contents of this paper which we would be happy to discuss with you. We simply want to build on any successful organizational efforts you may have under way.

It would be helpful if you would designate a member of your staff, or an agency head, with whom we can follow up to tailor a Federal response which will best meet the needs of Alabama. Your designee will be contacted by the Chairperson of the Federal Regional Council serving your state to begin implementing the partnership effort contemplated in the President's policy.

As always, please feel free to call on me or Berry Crawford of my staff to answer any questions you may have. In addition, your staff may wish to contact Bill Bivens, NGA's Senior Policy Fellow for Rural Affairs and a principal staff liaison with my office. His number is (202) 624-7734.

I look forward to working with you as implementation of the Small Community and Rural Development Policy proceeds.

Sincerely,



Jack H. Watson, Jr.

The Honorable Forrest H. James, Jr.  
Governor of Alabama  
Montgomery, Alabama 36104

Enclosure

NGA-USDA Staff Working Paper

STATE RURAL DEVELOPMENT COUNCILS:  
FOCUS FOR THE SMALL COMMUNITY  
AND RURAL DEVELOPMENT POLICY

On December 20, 1979, President Carter formally announced his Administration's Small Community and Rural Development Policy. In outlining his strategy to develop the institutional capacity needed to solve problems on an ongoing basis and assure the effective implementation of the policy principles, the President announced that he is:

Inviting the nation's Governors to establish State Rural Development Councils as a mechanism for ensuring effective coordination in joint federal-state efforts to implement State and local rural development priorities.

The President further stated that:

The Federal Regional Councils will be directed to establish a rural development task force to assist state implementation efforts, and the Secretaries and Heads of Agencies will direct federal field personnel to participate on the State Rural Development Councils if a governor so desires.

Both of these steps are particularly relevant to the President's direction to the Secretaries and Heads of Departments and Agencies that, "to the maximum feasible extent," they administer their programs to "make federal investments in ways that complement state-local development plans and priorities."

## Responsiveness to Governors

Clearly, the President's Small Community and Rural Development Policy is in significant measure a response to the Governors' call for a state-federal partnership in community and economic development.

Late in 1977, the National Governors' Association Task Force on Urban Policy proposed that a national urban policy be derived from state comprehensive growth strategies. In mid-1979, the NGA articulated its latest "Comments on the Development of a National Rural Policy," which stated in part that "a state development strategy for rural areas ought to be used as the primary guide for the funding decisions of EDA, EPA, FmHA, and HUD in most small cities and rural areas." The Presidential response has been positive.

## Framework for Partnership

In presenting a set of principles to guide federal program administration, the President's rural policy recognizes the need for a strong partnership among all levels of government and between the public and private sectors. Each of the more than 100 specific actions to be taken requires some level of inter-governmental and interagency cooperation in planning and implementation.

The policy provides for an improved federal institutional structure and capacity to help realize the state-federal partnership. An interdepartmental Working Group for Small Community and Rural Development, co-chaired by the President's Secretary to the Cabinet and the soon-to-be-created Under Secretary

for Rural Development at USDA, will be responsible for ensuring that the President's policy is fully and actively supported by all relevant federal agencies. The direct involvement of the President's Assistant for Intergovernmental Affairs and Secretary to the Cabinet makes clear the Administration's commitment to making this arrangement work effectively.

In the field, the federal institutional focus for the policy will be centered in a Rural Development Task Force established under each of the ten Federal Regional Councils (FRCs), which have been reinvigorated by the Administration. These task forces will serve as communications conduits between the national-level Working Group and federal field officials. They will coordinate federal responses to rural development needs and priorities and will serve as sources of information and assistance to State Rural Development Councils. An important function will be to help promote and maintain federal sensitivity to rural needs and circumstances and state and local rural development priorities.

#### Governors' Rural Development Councils

To foster the state-federal partnership at the State level, the President's policy recognizes and underscores the vital role of the Governor as the master link in the intergovernmental chain. The President's invitation to Governors to create State Rural Development Councils reflects a deep understanding of the central role of Governors in coordination of federal as well as state programs. It recognizes that only Governors have the authority and capacity to organize effective coordination efforts, with the necessary political and bureaucratic balance to allow all

parties to reach agreement on mutually supportive development strategies and implementation procedures. It emphasizes that program implementation takes place at other than the national level by directing attention to state-local plans and priorities as well as local priorities and decision-making.

Thus, the President's policy reflects a federal desire to be a more willing and effective partner in state and local development efforts. To pursue this objective, the President is directing federal agencies to increase the effectiveness of their programs by working closely with state and local governments, as well as with each other.

Given a policy that federal investment decisions should consider and support state and local development priorities and efforts to the maximum extent possible, the State Rural Development Councils can:

- o provide the Governor a forum for identifying opportunities for joint investments targeted to shared rural development concerns and priorities;
- o provide the Governor an institutional vehicle for conducting broad-based assessments of rural conditions and progress toward accomplishment of rural development goals;
- o provide the Governor an organizational base for identifying and addressing interagency and inter-governmental procedural obstacles to timely implementation of mutually desirable resource allocations;
- o facilitate coordinated leadership of rural development efforts and agreement on complementary roles and relationships among state and federal agencies and other participants;
- o stimulate and facilitate the formulation of joint investment strategies which go beyond a project-by-project approach and support their implementation.

## Policy Implementation Linkages

The purpose of the President's invitation to the Governors is not simply to erect new institutional structures, but to suggest a workable mechanism for pursuing joint goals. The invitation offers an opportunity to help change federal agency perspectives and practices in line with the principles that the President articulated:

- o recognition of local priorities and facilitation of local decision-making by federal program managers;
- o investment of federal resources in ways that complement state-local development plans and priorities;
- o use of federal assistance to help leverage private sector investments in rural development;
- o accordance of high priority to the targeting of federal assistance to disadvantaged persons and distressed communities;
- o reform of federal programs to make them more accessible, better suited to rural circumstances, more streamlined administratively, and better coordinated; and
- o provision of assistance to rural citizens and leaders, to promote effective community decision making and development efforts.

\* It is expected that Governors will find it useful to include key state legislators from rural districts, representatives of rural local governments, rural private sector leaders, and rural citizen group representatives on their State Rural Development Councils, to assist the federal and state agency representatives in identifying priorities for joint attention. Inclusion of such grass-roots representation may be particularly valuable in helping to sensitize federal officials to rural circumstances and needs in the state.

Experience in the few states where Governors have established

development councils indicates above all the need for flexibility. States differ significantly in the number of federal agencies represented in each, the level of authority of on-site federal field office heads, the way state government is organized and how it relates to local governments, economic and demographic patterns, and type and severity of development needs.

In the more effective existing councils, representation includes virtually all state agencies active in rural and small community development, all development-oriented federal departments with offices in the state, and state associations of local governments and/or their inter-local planning and development district agencies. State legislative membership varies, \* as does representation of the state land-grant university systems. Experience has also shown the importance of having a full-time staff support group for the councils. In view of this, the federal Working Group will pursue the possibility of federal financial support for a staff component to State Rural Development Councils.

possible sources:  
 { Sec. 111 (USDA)  
 { Sec. 302 (HHS)  
 { Sec. 701 (EDA)

Governors' development councils appear to work best when established as state-level coordination devices aimed at resolving identifiable issues involved in strategy implementation. While councils may discuss development policy needs, as well as policy coordination, it is not appropriate for the federal participants to assume to advise the Governor on state policy matters. Rather, they should communicate policy recommendations based on state concerns to federal agency officials.

Much of the work of the more active councils has been

focused on specific issues and has been conducted through  
functionally oriented task forces or committees. Economic \*  
development, health, housing, and transportation have been  
common topics for specific actions. Governors may wish to  
organize the work of their Rural Development Councils around  
state-specific rural issues so as to avoid generalized discussions  
which may not contribute to tangible actions to solve rural  
problems.

Each state is faced with numerous feasible organizational  
options for structuring its way of working with federal agencies.  
It may, in fact, already have an effective state rural develop-  
ment committee which can be further strengthened. The precise  
choice is not nearly as important as the fact that the federal  
government is inviting the states to play the key intergovernmental  
role in rural development. The states are being offered an  
opportunity to help determine how, where, and when federal pro-  
gram dollars will be spent for rural development purposes.

STATE RURAL DEVELOPMENT COUNCILS

State Contacts

Arizona

Governor Bruce Babbitt  
Office of the Governor  
State House  
Phoenix, Arizona 85007

Ronnie Lopez  
Executive Assistant

Larry Landry, Director  
Office of Economic Planning &  
Development

South Dakota

Governor William J. Janklow  
Executive Office  
State Capitol Building  
Pierre, South Dakota 57501  
(605) 773-3212

James R. Richardson  
Commissioner  
State Planning Bureau  
(605) 773-3661

Hawaii

Governor George R. Ariyoshi  
Executive Chambers  
Hawaii State Capitol  
Honolulu, Hawaii

David C. Slipher  
Spec. Asst. for Housing  
Honolulu, Hawaii  
(808) 548-2848

Idaho

Governor John V. Evans  
Office of the Governor  
State Capitol  
Boise, Idaho 83720

Daniel T. Emborg, Administrator  
Division of Economic & Commu-  
nity Affairs  
Governor's Office  
State Capitol Bldg.  
Boise, Idaho 83720  
(208) 334-2309

Ohio

Governor James A. Rhodes

John M. Stackhouse, Director  
Ohio Dept. of Agriculture  
65 South Front Street  
Columbus, Ohio 43215

Indiana

Governor Otis R. Bowen, M.D.  
Office of the Governor  
Indianapolis, Indiana 46204

William T. Ray  
executive staff member  
Office of the Governor  
Indianapolis, Indiana 46204

South Carolina

Governor Richard W. Riley  
Office of the Governor  
P. O. Box 11450  
Columbia, South Carolina 29211

David Reid, Exec. Asst. for  
Energy, Economic Development &  
Natural Resources  
(803) 758-7115

Oklahoma

Governor George Nigh  
Office of the Governor  
Oklahoma City, Oklahoma 73105

Robert White, Liaison Officer  
to the Ozarks Regional Com.  
4024 N. Lincoln Blvd.  
Oklahoma City, Oklahoma 73105  
(405) 528-5032

Alabama

Governor Fob James  
Governor's Office  
Montgomery, Alabama 36130

Bobby A. Davis, State Admini-  
strations Officer

Bill J. Starnes, State Planning  
Director  
(205) 832-6400

Utah

Governor Scott M. Matheson  
Office of the Governor  
Salt Lake City, Utah 84114

Reed T. Searle, Exec. Dir.  
Dept. of Community & Economic  
Development  
231 E. 400 South, Suite 100  
Salt Lake City, Utah 84111  
(801) 533-5396

Michigan

Governor William G. Milliken  
Office of the Governor  
Lansing, Michigan

Lt. Governor Brickley

Delaware

Governor Pierre S. Du Pont  
Legislative Hall  
Dover, Delaware 19901

Ms. Nancy Olson, Coordinator  
Legislative Hall  
Dover, Delaware 19901  
(302) 678-4101

Virginia

Governor John N. Dalton  
Office of the Governor  
Richmond, Va 23219

Mr. Maurice B. Rowe  
Secretary of Commerce &  
Resources  
Office of the Governor  
P. O. Box 1475  
Richmond, Virginia 23212  
(804) 786-7831

Washington

Governor Dixy Lee Ray  
Governor Office  
Olympia, Washington 98504

Mr. Dean Cole, Director  
Planning & Community Affairs  
Agency  
400 Capitol Center Bldg.  
Olympia, Washington 98504

Arkansas

Governor Bill Clinton  
Office of the Governor  
Little Rock, Arkansas 72201

Mr. Steve Smith  
Office of the Governor  
Little Rock, Arkansas 72201

New Hampshire

Governor Hugh J. Gallen  
Office of the Governor  
Concord, New Hampshire 03301

Mr. Ronald Poltak, Director  
Office of State Planning  
2½ Beacon Street  
Concord, New Hampshire 03301  
(603) 271-2155

Mr. Jimmy E. Hicks, Principal  
Planner  
Office of State Planning  
2½ Beacon Street  
Concord, New Hampshire 03301

STATE OF ALASKA  
THE LEGISLATURE

POUCH 17, STATE CAPITOL  
JUNEAU, ALASKA 99811

SENATE

Senator Sturgulewski  
Chairman, Senate C/RA

TO Marge Larsuch Hs. C/RA

REMARKS:

*These came to our office by  
mistake - but copies have been  
made for our file*

FROM lj/la DATE 4-8-80

LAA 25-5

*Susan*

*Please give me one  
copy and send this  
copy on to Marge Larsuch  
Have made Buck slip for  
Track. You.*

*T*





# TELECONFERENCE HEARINGS



SUBJECT: *HB - 932*

COMMITTEE: *Joint House & Senate Community & Regional Affairs*

DATE: *3/28/80*

TIME: *11:30*

SITES PARTICIPATING: *All*

CONFERENCE MODE: *Audio*

LOCATION: *Seldotna*

MODERATOR: *Rhoda Eady*

NOTES:

CONFIRMATION OF CONFERENCE

CENTER: \_\_\_\_\_

PUBLICITY:

Invitational - *Committee made*

	Date	Quantity
PSAs	_____	_____
News releases (local)	<i>KBBI</i> <i>KSRM</i>	<i>radio</i>
News releases (outlying media)	<i>Chukcho</i> <i>Clarion</i>	<i>N. papers</i>
Direct mail	_____	_____
Phone contacts	_____	_____
Other:		

NUMBER IN ATTENDANCE   2    
NUMBER TESTIFYING   1



# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

PARTICIPATION FORM

NAME James E. Fisher

Here to Testify \_\_\_\_\_

REPRESENTING \_\_\_\_\_

Here to Observe X

MAILING ADDRESS 2221 E. No Lights, Suite 126 Zip 99504

TELEPHONE NUMBER 276-7741

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:

James E. Fisher  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? Yes If so, how many? 5-6

How did you learn about this hearing?  
LTN schedule

Would you have participated in this hearing if the network were not available? NO

If yes, did you use the network  
in addition to ~~instead of~~ travel  
\_\_\_\_\_ instead of phone conversations  
\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? \_\_\_\_\_

DATE \_\_\_\_\_ SUBJECT \_\_\_\_\_ LOCATION \_\_\_\_\_

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME FRANK MICHAEL WATNEY Here to Testify   
REPRESENTING KENNA PENINSULA Here to Observe   
BOZOVAN ECONOMIC DEVELOPMENT COUNCIL  
MAILING ADDRESS Box 850, Soudon, Alaska zip 99664  
TELEPHONE NUMBER 262-4441

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:

Frank Michael Watney  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? No If so, how many? \_\_\_\_\_

How did you learn about this hearing?

ADVISED BY BOZOVAN MAYOR'S OFFICE

Would you have participated in this hearing if the network were not available? YES

If yes, did you use the network

\_\_\_\_\_ instead of travel

instead of phone conversations

\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? YES

DATE FURTHER INFORMATION SUBJECT HB 932 LOCATION Soudon

# TELECONFERENCE HEARINGS



PACIFIC STANDARD TIME

TELECONFERENCE CONTACT SHEET

TAKEN BY HEED

TOPIC: H.B. 932

CREATING OFFICE OF RURAL DEVELOPMENT & RURAL DEVELOPMENT COUNCIL

COMMITTEE: House / SEN. C.D.R.A.

CONTACT JWYLA OR MANTORJE

PHONE 3712 3824

DATE SCHEDULED 3/19

DATE: ~~#~~ 3/28

DAY: FRI

LOCATION \_\_\_\_\_

TIME: ~~1:30~~ 1:30 -

SCHEDULED DURATION: 2 HOURS

MODERATOR \_\_\_\_\_

SITES PARTICIPATING: ALL

CONFERENCE MODE: Audio  Video \_\_\_\_\_

PUBLICITY:

PERSONS PARTICIPATING

SITE

ALL

Invitational

Committee making contacts

PSAs TO BE PROVIDED  
date quantity

News Release  
date quantity

Summary to be provided

Text to be provided

Quotes to be provided

Direct Mail  
date quantity

Phone  
date quantity

SPECIAL NOTES:

Post at Info. Office

Post other local locations

JUNEAU LOCATION:

GOV'S CONFERENCE ROOM

POST-TELECONFERENCE NOTE:

Participants 2

Observers \_\_\_\_\_

Total 2



# TELECONFERENCE HEARINGS



PACIFIC STANDARD TIME

## TELECONFERENCE CONTACT SHEET

TAKEN BY FRED

TOPIC: H.B. 932

CREATING OFFICE OF RURAL DEVELOPMENT & RURAL DEVELOPMENT COUNCIL

COMMITTEE: House / SEN. C.D.R.A.

DATE: ~~3/26~~ 3/28

DAY: FRI

TIME: ~~11:30~~ 11:30

SCHEDULED DURATION: 2 HOURS

SITES PARTICIPATING: ALL

CONFERENCE MODE: Audio  Video

PERSONS PARTICIPATING

SITE

ALL

CONTACT TWILA OR MARTORJE

PHONE 3712 3824

DATE SCHEDULED 3/19

LOCATION Mat-Su

MODERATOR Mary

### PUBLICITY:

- Invitational
- Committee making contacts
- PSAs TO BE PROVIDED  
date quantity
- News
- Release                       
date quantity
- Summary to be provided
- Text to be provided
- Quotes to be provided
- Direct Mail                       
date quantity
- Phone                       
date quantity
- Post at Info. Office
- Post other local locations

SPECIAL NOTES:

JUNEAU LOCATION:

GOV'S CONFERENCE ROOM

### POST-TELECONFERENCE NOTE:

Participants	<u>1</u>
Observers	<u>0</u>
Total	<u>1</u>

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME ELSIE M. O'BRYAN

Here to Testify

REPRESENTING CITY OF HOUSTON

Here to Observe

MAILING ADDRESS SR Box 2727 - HOUSTON WASHINGTON Zip 99681

TELEPHONE NUMBER 892.6438

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:

Elsie M. O'Bryan  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? \_\_\_\_\_ If so, how many? \_\_\_\_\_

How did you learn about this hearing?  
\_\_\_\_\_  
\_\_\_\_\_

Would you have participated in this hearing if the network were not available? \_\_\_\_\_

If yes, did you use the network

\_\_\_\_\_ instead of travel

\_\_\_\_\_ instead of phone conversations

\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? \_\_\_\_\_

DATE 3/29 SUBJECT AB 932 LOCATION Mat-Su

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME ALAN M. MOEN

Here to Testify \_\_\_\_\_

REPRESENTING \_\_\_\_\_

Here to Observe X

KODIAK ISLAND BOROUGH OEDP COMMITTEE

MAILING ADDRESS P.O. Box 1246 - KODIAK, ALASKA Zip 99615

TELEPHONE NUMBER 486-5736

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:

Alan M. Moen  
(signature)

EVALUATION: have you participated in other legislative teleconferences? YES If so, how many? 1

How did you learn about this hearing?

BOROUGH MANAGER

Would you have participated in this hearing if the network were not available? NO

If yes, did you use the network

\_\_\_\_\_ instead of travel

\_\_\_\_\_ instead of phone conversations

\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? \_\_\_\_\_

DATE 3/28/80 SUBJECT HB 932 CREATING AN OFFICE LOCATION KODIAK  
AND RURAL DEVELOPMENT COUNCIL

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME Bob Peterson Here to Testify

REPRESENTING Kodiak Area Public Association Here to Observe

MAILING ADDRESS PO Box 172 Zip \_\_\_\_\_

TELEPHONE NUMBER 486-5725

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below;

Bob Peterson  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? \_\_\_\_\_ If so, how many? \_\_\_\_\_

How did you learn about this hearing?  
\_\_\_\_\_  
\_\_\_\_\_

Would you have participated in this hearing if the network were not available? No

If yes, did you use the network  
X instead of travel  
\_\_\_\_\_ instead of phone conversations  
\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? No

DATE 3/28/80 SUBJECT HB-932 LOCATION KODIAK

# TELECONFERENCE HEARINGS



PACIFIC STANDARD TIME

TELECONFERENCE CONTACT SHEET

TAKEN BY FRED

TOPIC: H.B. 932  
CREATING OFFICE OF RURAL DEVELOPMENT + RURAL DEVELOPMENT COUNCIL

CONTACT TWYLA OR MARTOZZE  
PHONE 3712 3824

COMMITTEE: House!  
SEN. C.D.R.A.

DATE SCHEDULED 3/19

DATE: ~~#~~ 3/28 DAY: WED

LOCATION \_\_\_\_\_

TIME: ~~11:30~~ \_\_\_\_\_ SCHEDULED DURATION: 2 HOURS

MODERATOR \_\_\_\_\_

SITES PARTICIPATING: All

CONFERENCE MODE: Audio  Video \_\_\_\_\_

PUBLICITY:

PERSONS PARTICIPATING SITE  
ALL

\_\_\_\_\_ Invitational  
\_\_\_\_\_ Committee making contacts  
 PSAs TO BE PROVIDED  
date quantity

\_\_\_\_\_ News Release  
date quantity

\_\_\_\_\_ Summary to be provided

\_\_\_\_\_ Text to be provided

\_\_\_\_\_ Quotes to be provided

\_\_\_\_\_ Direct Mail  
date quantity

\_\_\_\_\_ Phone  
date quantity

SPECIAL NOTES:

Post at Info. Office

Post other local locations

JUNEAU LOCATION:

GW's CONFERENCE ROOM

POST-TELECONFERENCE NOTE:

Participants	<u>4</u>
Observers	<u>4</u>
Total	<u>8</u>

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME JEFF HIATT

Here to Testify \_\_\_\_\_

REPRESENTING CEDC of ALASKA

Here to Observe

AK Rural Development Council

MAILING ADDRESS 1011 E TUDOR Rd Ste 710 Zip 99503

TELEPHONE NUMBER 907/279-4551

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:.

J. Hiatt  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? yes If so, how many? ONE

How did you learn about this hearing?  
called by House Comm 3 Regional Affairs

Would you have participated in this hearing if the network were not available? WKN

If yes, did you use the network  
\_\_\_\_\_ instead of travel  
\_\_\_\_\_ instead of phone conversations  
\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? yes

DATE 2-28-80 SUBJECT HB 932 LOCATION AK

# TELECONFERENCE HEARINGS



Please Print.  
To be returned to Teleconference Moderator.

## PARTICIPATION FORM

NAME BOB BRADLEY

Here to Testify \_\_\_\_\_

REPRESENTING CEDC

Here to Observe X

MAILING ADDRESS \_\_\_\_\_ Zip \_\_\_\_\_

TELEPHONE NUMBER 279-4551

BROADCAST CONSENT: This proceeding may be broadcast live or recorded for later broadcast by radio or television stations. Please indicate your consent by signing below:

\_\_\_\_\_  
(signature)

EVALUATION: Have you participated in other legislative teleconferences? YES If so, how many? MANY

How did you learn about this hearing?  
JEFF HIATT

Would you have participated in this hearing if the network were not available? NO

If yes, did you use the network  
\_\_\_\_\_ instead of travel  
\_\_\_\_\_ instead of phone conversations  
\_\_\_\_\_ instead of mailed testimony?

Are you also providing written testimony? NO

DATE 3/28/80 SUBJECT Rural Dev. Council LOCATION Ind.