STAFF ANALYSIS
REEVALUATION OF 1990 RURAL DETERMINATIONS
FOR KENAI PENINSULA COMMUNITIES

February 2000

Responds to peer reviewer and ADF&G comments

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FEBRUARY, 2000

TO THE READER:

The Federal Subsistence Board (Board) decided in May 1999 that special circumstances, including new information received in public testimony and in a request from the Kenaitze Indian Tribe, warranted an out-of-cycle review of the Board s 1990 rural determinations for the Kenai Peninsula. Due to limitations of available data and the desire to make a timely decision, the Board did not endeavor to change the rural determination process the Board followed in 1990.

This document presents the staff analysis of the reevaluation of the 1990 rural determinations for Kenai Peninsula communities. A draft of this analysis was the subject of a technical peer review. Many improvements to the document were made as a result of the peer review. However, in the interest of timely Board consideration of the Kenaitze s request, it has not been possible to make all the recommended changes.

The major finding of this staff analysis recognized that there are problems in both methodology and data availability for making rural determinations. Therefore, it si the staff recommendation that no changes in the rural status on the Kenai Peninsula be made until these issues can be appropriately addressed.

The Board will hold a public hearing in Kenai on March 1, 2000, to obtain additional public testimony regarding the rural status of Kenai Peninsula communities. After considering the staff recommendation, public testimony, and other relevant information, the Board will decide if changes are warranted in the current rural status of communities on the Kenai Peninsula during a meeting in Anchorage, May 2 through 4, 2000.

Finally, the rural status of all communities statewide will be reviewed after the 2000 census data become available. It is clear from peer review comments and the staff analysis that problems in the rural determination process make it necessary to develop new methodology for the decennial review. The Board has already directed staff to address this issue so that the decennial statewide will incorporate improved methodology for rural determinations.

PREFACE - February, 2000

The Federal Subsistence Board decided in May 1999 that special circumstances, including new information received in public testimony and accompanying the Kenaitze Indian Tribe s request, warranted an out-of-cycle review of the Board s 1990 rural determinations for the Kenai Peninsula. Between May and November 1999, Office of Subsistence Management staff prepared an analysis of the Kenai Peninsula rural determinations. At the direction of the Board, the analysis did not endeavor to change the rural determination process the Federal Subsistence Board followed in 1990. The 1990 measures were used both to aggregate communities and to categorize communities as rural or nonrural; however, updated population, subsistence harvest, and socioeconomic data were substituted for the information available in 1990. After completing this exercise, the draft analysis concluded that almost all the Kenai Peninsula communities that were determined nonrural in 1990 appeared to have nonrural characteristics in 1999.

The January 10, 2000 revision was developed in response to peer reviewers comments and the Board s action on December 14, 1999. Prior to that meeting, the draft analysis was submitted for review by three anonymous peer reviewers and ADF&G Division of Subsistence. Staff Committee members, the OSM Leadership Team, and other agency staff also provided internal review comments. On December 14, the Board voted to go forward with the staff analysis as scheduled, with some revisions.

Responding to reviewers comments and discussion at the December 14 Board meeting, this preface attempts to address some of these concerns more directly, particularly those relating to the report prepared by UAA s Institute of Social and Economic Research on behalf of the Kenaitze Indian Tribe (Kruse and Hanna 1998). There was considerable consistency in the substantive comments made by three peer reviewers and the Division of Subsistence, ADF&G. Their comments focused on methodology, and particularly on aggregation. The major issues brought up by these reviewers are summarized in Appendix E and are addressed briefly below. In addition, reviewers had excellent recommendations for how the issues addressed in the analysis and in accompanying maps and tables might be better presented. They suggested adding a section on the history of the Kenai Peninsula and an explanation of municipal boundaries. In the interest of timely consideration of the proposal, however, it has been impossible to make all the recommended changes.

In this revision, only minor changes have been made to the analysis itself. The main change in the conclusion is that instead of recommending a change from nonrural to rural only for Moose Pass, as in the November 1999 draft, the revised analysis asks that the status quo be retained for rural determinations throughout the Kenai Peninsula. This change recognizes that there are problems in both methodology and data availability, and that no changes can be recommended while these problems continue. A list of the communities the Board found nonrural statewide in 1990 can be found in Appendix A (pp. 34-35).

Reviewers methodological concerns

Concerns about aggregation

Federal subsistence regulations require that Communities or areas which are economically, socially and communally integrated shall be considered in the aggregate (Appendix A, p. 34). Since the reevaluation of the determinations endeavored to repeat the process used in the 1990 determination, the analysis followed the same steps for aggregation. The reviewers asked why the three particular aggregation factors were chosen, how they were measured and weighed, and how they related to economic, social and communal integration. Like the authors of the ISER report, they pointed out that the two of the three criteria used (shared school district and daily or semi-daily shopping) are not applicable to the Kenai Peninsula, leaving commuting for work as the only valid one of the three factors. The ISER report further points out that if communities were not aggregated, no community on the Kenai Peninsula would have had a population over 7000 in 1990, and hence would not be presumed nonrural.

Concerns about categorization

Reviewers had some of the same problems with categorization of communities that they did with the aggregation step. They asked how variables such as population, income, seasonality, subsistence harvest patterns, and road access fit with one another to describe a rural or nonrural community. One internal reviewer questioned the use of single item measures to represent broad concepts of social or economic integration, saying it would make more sense to use a number of interrelated measures.

Reviewers concerns about the 1990 rural determination process

The ISER report

The ISER report, prepared in support of the Kenaitzes request for a rural determination for all Kenai Peninsula communities, questions the Federal Subsistence Board's rural determinations on the Kenai Peninsula. It begins by stating that the State and the Federal Subsistence Board have used similar criteria to determine rural status. It argues that because the *Kenaitze* decision invalidated the State's emphasis on the economic character of an area, rural areas should be defined chiefly by population size and density (Kruse and Hanna 1998:2-3). Accordingly, the authors compare persons per square mile in the Kenai Peninsula areas currently deemed nonrural with urban areas of Juneau, Anchorage, and Sitka and the cities of Saxman, Kodiak, Fairbanks, and Ketchikan. The aggregated nonrural parts of the Kenai Peninsula are much more sparsely populated than the other nonrural areas examined (Kruse and Hanna 1998:4).

The report focuses on the Board's 1990 determinations that Sitka, Kodiak, and Saxman were rural, following requests for reconsideration from these communities. Applying the population, economic, and social variables that were used as measures of rural character, it compares the Kenai Peninsula Borough with Kodiak Island Borough, Sitka Borough, Ketchikan Borough, and other boroughs. It also compares selected communities on the Kenai Peninsula with Kodiak,

Sitka, and Saxman, as well as with the road system communities such as Healy and Talkeetna. The measures of rural character applied in the report include fish and wildlife harvest levels, number of species used, participation in subsistence activities, income, unemployment, seasonal employment, diversity of services, cost of food index, cost of electricity, and transportation links. The ISER report concludes that on most of these measures, Kenai and Soldotna, or the Kenai Peninsula Borough as a whole, appear as rural as Kodiak or Sitka, if not more so. Considered in this way, the Kenai Peninsula communities also appeared as rural as Talkeetna, Healy, or other communities on the road system.

The ISER report s approach clearly differs from the one taken in the OSM s draft analysis of Kenai Peninsula rural determinations. In 1990, the Federal Subsistence Board did not declare Kodiak, Sitka, and Saxman to be rural following the same process that was used statewide. These three communities were reconsidered after initial nonrural determinations because the information submitted with requests for reconsideration, and testimony from local residents, persuaded the Board. Although the Kenaitze Indian Tribe also submitted a request for reconsideration of Kenai Peninsula rural determinations, and the Board heard public testimony supporting the request, the Board declined in 1991 to reconsider these decisions (Appendix B).

Inclusion of Kodiak, Saxman, and Sitka among rural communities

After the Federal Subsistence Board made initial rural determinations in September 1990, public testimony and other new information presented in December 1990 resulted in the Board s reversing its non-rural determinations for Sitka, Saxman, and Kodiak. Prior to the Board s preliminary determinations in September 1990, a Bureau of Indian Affairs memorandum identified special factors to consider about Sitka, Kodiak, and Saxman in making the rural determinations (Farmer 1990). The memorandum stated that all three communities had distinct and cohesive Native populations. The economies of both Kodiak and Sitka depended on extractive industries, particularly commercial fishing and the timber industry. In both, there was intensive subsistence fishing and hunting, with relatively high per capita harvests. Both Sitka and Kodiak were isolated island communities, unconnected to the road system. Their rural lifestyle had persisted despite population increases since 1980. The State had already supported a rural status for Kodiak, Sitka, and Saxman.

The BIA memorandum identified Saxman as a distinct Native community whose reliance on subsistence hunting and gathering was documented in ethnographic reports and recognized in the 1959 court decision on *Tlingit and Haida Indians v. United States* (Farmer 1990). Another source of the Board s information on Saxman in 1990 was a subsistence scoping meeting held in Ketchikan on November 13, 1990, as part of the public review of the Environmental Impact Statement prepared at the beginning of the Federal Subsistence Management Program. At that well-attended meeting (49 people signed in) there was testimony supporting a rural determination for Saxman because it is a distinct Native community, its residents are highly dependent on subsistence resources, and it is a hub of subsistence trade (OSM 1990). A memorandum from the State s Commissioner of Fish and Game supported past actions by the Joint Boards of Fish and Game to determine that Kodiak, Sitka, and Saxman were rural communities (Collinsworth 1990).

At its December 17, 1990 meeting, the Board heard testimony in support of changing the preliminary rural determinations to include Sitka, Saxman, and Kodiak. Most of the testimony was in favor of Sitka s rural status. The main points were: 1) Native people living in Sitka have harvested a large variety of resources for thousands of years; 2) Many people in Sitka and Kodiak are seasonally employed in commercial fishing, fish processing, or the timber industry. Those who stay in the community all year round are heavy subsistence users; 3) Sitka, Saxman, and Kodiak are centers of subsistence trade and barter. If nonrural determinations were made for these communities, it would inhibit customary trade with other communities that had been declared rural. There was less testimony directly concerning Saxman, but one person testified that the Cape Fox Tlingits moved from Cape Fox to Saxman s present location about three miles from Ketchikan in about 1893. The initial Federal determinations had proposed that Saxman be aggregated with Ketchikan. Information provided to the Board indicated that Saxman was a distinct Native community, separate from Ketchikan, and that Saxman residents relied heavily on fish and wildlife resources. After hearing testimony on Sitka, Saxman, and Kodiak, Board reconsidered its proposed non-rural determinations and found all three communities to be rural.

On February 14, 1991, the Kenaitze Indian Tribe submitted a Motion for Reconsideration of the nonrural determinations for the Kenai Peninsula. Members of the tribe testified in support of the motion at the Board s meeting of March 6, 1991. On May 7, 1991 the Board wrote a letter to the Alaska Legal Services, counsel to the Kenaitze Indian Tribe, denying the motion (Appendix B). Many of the arguments the Kenaitzes Motion for Reconsideration raised in 1991 were also part of the 1998 request: 1) Title VIII of ANILCA is Indian legislation as well as remedial legislation, and as such should be construed in favor of Alaska Natives when there is any doubt; 2) the Ninth Circuit Court of Appeals concluded in *Kenaitze Indian Tribe v. Alaska* that the entire Kenai Peninsula is rural; 3) the methodology used by the Federal Subsistence Board to make rural determinations was flawed because it relied on certain community characteristics but largely ignored population and population density; and 4) the Board used an approach to rural determinations that was nearly identical to that used by the State, and which had been invalidated in the *Kenaitze* case. The Board s letter disagreed with each of these points.

In 1998 and 1999, the ISER report and other information offered to support of the Kenaitze Indian Tribe s request suggested that many of the same measures of rural character were present, in Kenai Peninsula communities as in Sitka, Saxman, and Kodiak, both in 1990 and in subsequent years. In addition to their testimony at the November 1998 public hearings, Kenaitze tribal members stated both at the March 1998 and at the March 1999 Southcentral Regional Council meetings that they had fished and hunted on the Kenai Peninsula all their lives. In March 1999, one person said that there have been disruptions among the Kenaitze in the younger generation learning about harvesting fish and wildlife resources, because a lot of Natives in the older generation were sent away to school. Another said that since the beginnings of the cannery industry, the oil industry, and the tourism industry, Kenaitze culture and traditions have survived. There was similar testimony at the May 1999 Federal Subsistence Board meeting (Appendix D).

The Board was persuaded by public testimony and other information presented at its May 1999 meeting that special circumstances warranted an out-of-cycle review of the Kenai Peninsula rural determinations.

Within the Federal Subsistence Management Program, the customary and traditional use determination process has not formally addressed how to deal with enclave populations of subsistence users within a larger population of non-subsistence users.[1] The problem of enclave communities is relevant to the current request for the Kenai Peninsula. ANILCA does not provide a priority for tribal groups. Members of the Kenaitze Indian Tribe would like to have the subsistence opportunities given to rural residents under Federal law, and to be able to continue their long history of subsistence uses on the Kenai Peninsula. However, while a number of members of the Kenaitze Indian Tribe live in Kenai, they do not constitute a territorial or geographic enclave. Other members of the tribe live throughout the Kenai Peninsula, and elsewhere in Alaska and other states.

Statewide rural determination process

Regardless of the outcome of the Kenaitzes request, the rural status of Kenai Peninsula communities will be reviewed along with other communities statewide after the 2000 census data become available. It is clear from reviewers comments that problems in the review process will make it necessary to develop new methodology for the decennial review. It is hoped that data gathered for the Kenai Peninsula re-evaluation will prove useful in conducting the statewide review.

[1] An enclave population, as used here, refers to a minority cultural group living as a distinct entity within a larger group. One reviewer asked for better definitions of the terms distinct and cohesive when applied to Natives living on the Kenai Peninsula. A group might be socially or culturally distinct from the larger group without living in a distinct territory or neighborhood.

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INTRODUCTION

In 1998, the Kenaitze Indian Tribe requested that the Federal Subsistence Board reconsider its 1990 rural determinations and declare the entire Kenai Peninsula rural. Figure 1 shows the Kenai Peninsula areas the Board determined were nonrural. Rural determinations throughout the state are scheduled to be reviewed following the 2000 census, but may be reconsidered before that time if the Board recognizes special circumstances. The request stated that special circumstances warrant an out-of-cycle review of the Kenai Peninsula rural determinations. The asserted special circumstances included legal and analytical errors in the original determinations as well as new information from public testimony and a report prepared by the University of Alaska s Institute of Social and Economic Research. At its Winter and Fall 1998 meetings, the Southcentral Regional Advisory Council voted to support the Kenaitze Tribe s request. The Regional Council also conducted public hearings on this issue on the Kenai Peninsula in November 1998 and at its March 1999 meeting reaffirmed its previous recommendations. In May 1999, the Federal Subsistence Board determined that special circumstances exist, and that the 1990 rural determinations for Kenai Peninsula communities should be re-evaluated for a final decision in May 2000.

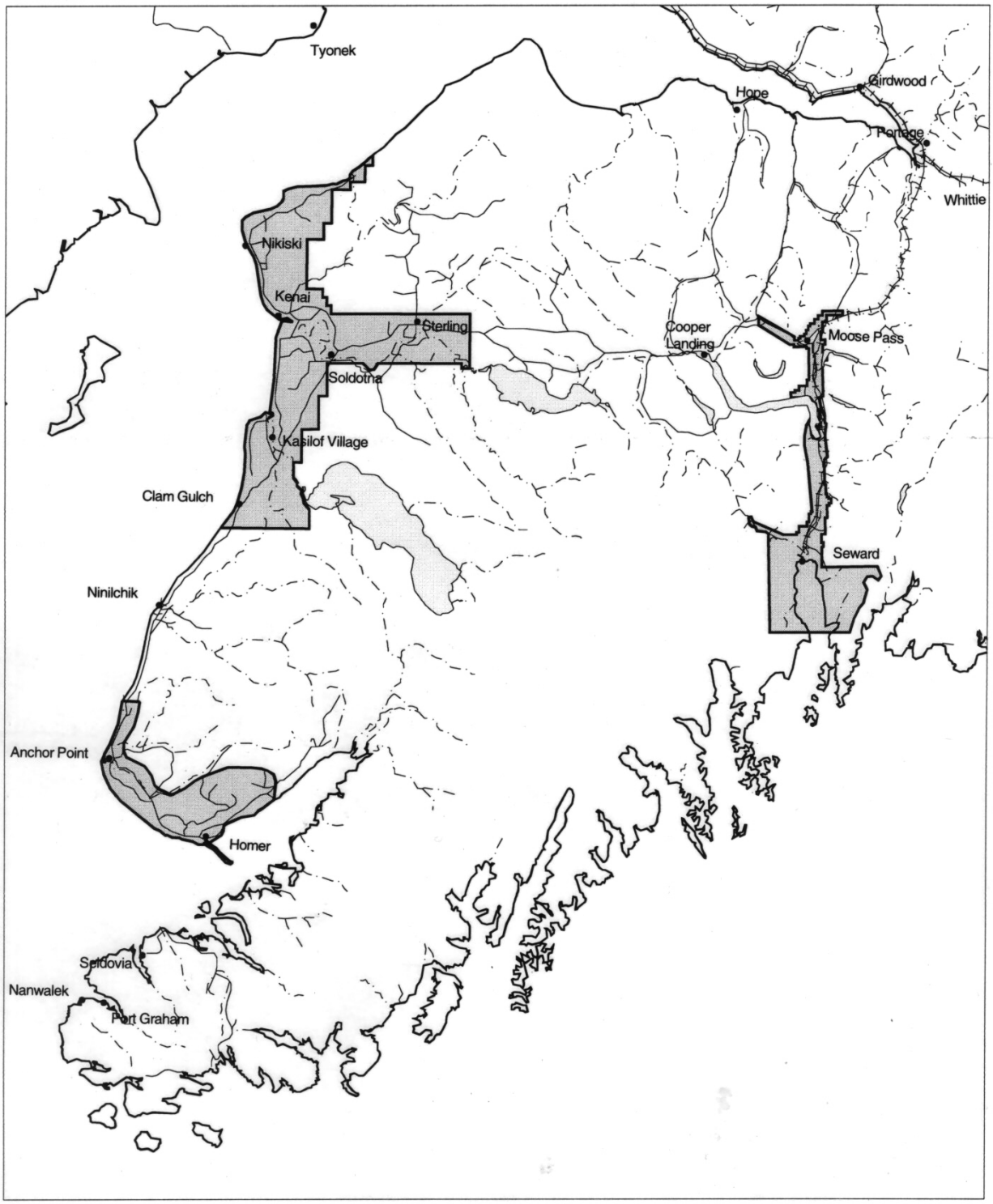
This analysis was prepared following the Board s decision to respond to the Kenaitze Indian Tribe s request. It applies the rural determination process outlined in the 1991 regulations for the Federal Subsistence Management Program, using the most current data available in 1998-1999. Whatever the outcome of the Board s out-of-cycle consideration of the Kenai Peninsula Rural determinations, the scheduled review of rural determinations after the 2000 census will include the Kenai Peninsula along with other areas of the state.

Following a brief outline of the history of the issue and a description of the process of making rural determinations, this analysis revisits the process that was used in 1990 to make the Kenai Peninsula rural determinations. It applies the data that were available in 1999, using the Federal regulations in place in 1990 as guidelines. Guided by regulation, this approach goes through the steps of aggregation and categorization to see if errors were made in the original determinations and whether a different decision is justified.

Historical background

The 1989 *Kenaitze* decision concluded that rural needed to be redefined in State statute. The State defined a rural community as one where non-commercial, customary and traditional use of fish and game for personal or family consumption is a *principal* characteristic of the economy. While Title VIII of ANILCA does not explicitly define rural, the *Kenaitze* decision found that the term rural has a common meaning, referring to sparsely populated areas of the country. The court found that the State definition was overly narrow, denying the benefit of the subsistence priority to some communities and areas wrongly classified as non-rural. Later in 1989, the *McDowell* decision and subsequent Federal management of subsistence pre-empted any action by the State regarding its definition of rural.

Kenai Peninsula Nonrural Areas



bke_nonrural_view 8/97

Figure 1

The State made rural determinations on the Kenai Peninsula, Kodiak, and Southeast Alaska in the late 1980s. In November 1986, the Joint Boards of Fish and Game determined that Kodiak was rural. In 1987, the Joint Boards classified Ninilchik as nonrural, along with all the road-connected portions of Unit 15, i.e. most of the Kenai Peninsula. In neighboring Unit 7, Hope was also classified as non-rural. Also in 1987, the State found Juneau and Ketchikan the only non-rural areas in Southeast Alaska. The other areas, including Sitka, were determined to be rural. The Joint Boards followed the local fish and game advisory committee s recommendation to treat Saxman separately from Ketchikan and to give it rural status (OSM 1990).

The Federal Subsistence Management Program began with the publication of temporary subsistence management regulations on June 29, 1990. The temporary regulations outlined the process of making rural determinations, taking the Kenaitze ruling into consideration. The temporary regulations were replaced by final subsistence management regulations on May 29, 1992, and the rural determination process prescribed in the temporary regulations was revised slightly in the final regulations. The final regulations provided for reviews of rural determinations to be made on a ten-year cycle, following each decennial national census. The U.S. Census and the Alaska Department of Labor were identified as the sources of population information to be used in determinations. The regulations also provided for out-of-cycle review if warranted by special circumstances. The rural determinations now in effect for the Kenai Peninsula, like other determinations statewide, are scheduled to be re-evaluated after the census data from the year 2000 become available.

At its September 26, 1990 meeting, the Federal Subsistence Board made preliminary rural determinations, including nonrural findings for Sitka, Saxman, Kodiak, and some communities on the Kenai Peninsula. According to those proposed determinations, the rural communities on the Kenai Peninsula included Ninilchik, Seldovia, Port Graham, Nanwalek, Hope, and Cooper Landing. Nonrural communities or areas on the Kenai Peninsula included the Kenai area, including Kenai, Soldotna, Sterling, Nikiski, Salamatof, Kalifonsky, Kasilof, and Clam Gulch; the Homer area, including Homer, Anchor Point, Kachemak City, and Fritz Creek; and the Seward area, including Seward and Moose Pass (FSB 1990*a*). The State s comments on the Federal Subsistence Board s preliminary non-rural determinations for Sitka, Saxman, and Kodiak supported their rural status, consistent with the Joint Boards earlier findings. At its December 17, 1990 meeting, the Board finalized its rural determinations. After considering public testimony at the meeting, as well as public comments received at public hearings in response to the proposed determinations, the Board determined that Sitka, Saxman and Kodiak were rural (FSB 1990*b*). The determinations were published in the Federal Register on January 3, 1991. On February 14, 1991, Alaska Legal Services filed a Petition for Reconsideration on behalf of the Kenaitze Tribe, asking that the Board change its non-rural determination for the Kenai Peninsula (FSB 1991). The Board denied the request and explained its action to the proponents in a letter dated May 7, 1991 (Appendix B).

In June 1995, eight public hearings were held on the Kenai Peninsula to gather testimony on the proposed customary and traditional use determinations for moose in Units 7 and 15. The

determinations establish which rural residents of the Kenai Peninsula could hunt under Federal subsistence regulations. Although rural determinations were not the focus of those hearings, many of those who testified indicated their dissatisfaction with the rural determinations previously established by the Board (OSM 1995).

In September 1995, the Southcentral Regional Council met in Anchor Point and, in response to the public testimony received that summer and at its meeting, developed a recommendation to the Board that the entire Kenai Peninsula be considered rural. Council members spoke to the divisiveness of the current rural determinations, problems with the process used to aggregate and separate communities in the 1990 determinations, and the importance of fishing and hunting to residents of the Kenai Peninsula. A dissenting minority of Council members felt that not all the communities on the Kenai Peninsula could be characterized as rural (Southcentral Regional Council 1995:83-117). When the Board subsequently met to discuss the recommendation, it decided the most appropriate course of action was for the Regional Council to hold public hearings on the Kenai Peninsula to allow for public comment on the proposal. At the next Regional Council meeting in February 1996, a motion to hold hearings failed, and no meetings were held.

In January 1998, the Institute of Social and Economic Research issued a report commissioned by the Native American Rights Fund on behalf of the Kenaitze Tribe, assessing the rural character of Kenai Peninsula areas determined by the Board to be nonrural (Kruse and Hanna 1998). The ISER report compares the characteristics of Kenai Peninsula communities, especially Kenai, Soldotna, and Homer, with Kodiak, Sitka, and Saxman, communities determined by the Board to be rural. The report found that on measures of rural character such as population density, seasonal employment, and levels of harvest, the Kenai Peninsula is similar to one or more of the areas the Board designated as rural. Only on the indicators of employment growth and diversity, according to the report, did the Kenai Peninsula not exhibit characteristics comparable to communities classified as rural.

At the March, 1998 meeting of the Southcentral Regional Council, the Kenaitze Tribe requested that the entire Kenai Peninsula be made rural. The request asserted that special circumstances are present which warrant making this determination without waiting for the review of all rural determinations that is scheduled to occur following receipt of data from the 2000 census. The Board again suggested that the Regional Council hold public hearings on the Kenai Peninsula. The Regional Council voted to do so at its Fall 1998 meeting. Public hearings were held in November 1998 in Seward, Homer, and Kenai. In March 1999, after hearing the report of the public hearings and further testimony from members of the Kenaitze Tribe and their attorneys, the Southcentral Regional Council again recommended that the Board approve the Kenaitze request to reconsider its 1990 non-rural determinations and declare the entire Kenai Peninsula rural in light of the special circumstances identified.

The Staff Committee recommendation was to wait until after the 2000 census data were received to make any further determinations, because better demographic and economic information on

the communities would be available at that time. The Staff Committee further stated that the administrative record and supporting documentation on the Board s 1990 decisions is sketchy and difficult to follow. A dissenting opinion was written by the Bureau of Indian Affairs, supporting an out-of-cycle re-evaluation of the Kenai Peninsula determinations.

At its May 1999 meeting, after hearing further public testimony, the Federal Subsistence Board voted unanimously to support reconsideration of the Kenai Peninsula communities (FSB 1999).

Since May, new information was acquired from ADF&G Division of Subsistence surveys of 1998 harvests in Ninilchik, Nikolaevsk, North Fork Road, Voznesenka, and Fritz Creek East, all areas currently considered rural in the Federal subsistence program. Staff also had an opportunity to examine testimony and other information offered to the Federal Subsistence Board in response to the Kenaitze Indian Tribe s request.

Rural determination process

The methodology used for making rural determinations on the Kenai Peninsula involved two steps: *aggregation* and *categorization as rural or non-rural.* The regulations describing this process (50 CFR 100.___ and 36 CFR 242.___) are in Appendix A. The first step was to aggregate communities that were socially, economically, and communally integrated. The criteria used to aggregate communities, developed in consultation with the Alaska Department of Labor, the Municipality of Anchorage, and UAA s Institute for Social and Economic Research, were: 1) Fifteen percent or more of the employed people commute from one community to another; 2) the two communities share a common school district; and 3) daily or semi-daily shopping trips are made from one community to another. The intent of aggregation was to combine bedroom communities with nearby, usually larger, communities.

Next, communities or aggregations of communities were categorized by population size. Communities with fewer than 2500 people were presumed rural; communities with a population between 2500 and 7000 could be either rural or non-rural; and those with 7000 or more people were presumed non-rural. Socioeconomic and subsistence harvesting indicators were developed to characterize communities with populations between 2500 and 7000 as rural or non-rural. For example, non-rural communities were presumed to harvest an average of under 100 pounds of wild resources per capita annually, while rural communities were presumed to harvest an average of more than 100 pounds of wild resources per capita. A non-rural community would have an extensive road system, while a rural community s roads would usually be very limited. Population was relatively transient in non-rural communities, which also might possess educational facilities beyond secondary school. Additional potential criteria were evaluated but found to be of little utility because either the data were not reliable or there was minimal correlation with rural or non-rural status.

Population size alone was not always an adequate indicator of rural or non-rural status. Communities with a presumptive determination could receive a different determination if they

exhibited opposite community characteristics. For communities falling into the middle category, further criteria were used to evaluate their rural status. These included use of fish and wildlife, diversity of economy, transportation, community infrastructure, and the level of education available in a community.

Revisiting the 1990 process used on the Kenai Peninsula, using 1998 data

Some of the aggregations and categorizations done during the 1990 rural determination process were included in the Federal Subsistence Board s materials when the final determinations were made in 1990. A large spreadsheet table illustrated differences in demographic, economic, and subsistence harvest indicators among the communities (Figure 2). For this analysis, Tables 1-6 reproduce the demographic, economic, infrastructure and subsistence harvest information available in 1990, and compare it to the information available in 1998. In 1990, the most recent detailed census data on unemployment and income came from the 1980 census. Similarly, in 1998 the 1990 detailed census data were the most recent available to gather such information.

Aggregation. In 1990, three areas were aggregated on the Kenai Peninsula and were recommended to be non-rural. These were the Kenai Area, the Homer Area, and the Seward Area (Tables 1-3). The Kenai Area, with a 1988 estimated combined population of about 14,800, included Kenai, Soldotna, Sterling, Nikiski, Salamatof, Kalifonsky, Kasilof, and Clam Gulch. The Homer Area included Homer, Anchor Point, Kachemak City, and Fritz Creek. The Seward Area included Seward and Moose Pass. The aggregation step was also followed elsewhere in the state, particularly with reference to the Anchorage, Fairbanks, and Juneau areas. Ketchikan and Saxman were aggregated. Kodiak was aggregated with the Coast Guard Station and Chiniak, while the Sitka Area referred to the contiguously developed area and the maintained road system.

The Homer and Seward areas are (with Valdez and Adak) among only four communities or areas with populations between 2,500 and 7,000 which the Federal Subsistence Board determined to be nonrural (OSM 1990:3). An issue paper explaining the reasoning behind the Board s actions, states that at that time Homer and Seward have moderate to highly developed economies and are believed to have relatively low reliance on fish and game use (OSM 1990:8). No harvest data were available for Seward, and only one household harvest study had been conducted in Homer, in 1982. The same paper describes Ninilchik s economy as minimally developed, adding that there is no data to indicate it is a non-rural area. Although an ADF&G Division of Subsistence household harvest study had taken place in Ninilchik in 1982, no household harvest data were available in 1990 for Hope or Cooper Landing.

Attachment B	Proposed Status	COMMUNITY/AREA		ECONOMY					FISH AND 7/ GAME USE			COMMUNITY INFRASTRUCTURE	TRANSPORTATION			EDUCATIONAL INSTITUTIONS
	RURAL=R NON-RURAL=N		1998 1/ Popltn Est	Wage 2/ Employment	1998 3/ Unemplymt %	1985 4/ Taxable income	Diversity 5/ of Services	1988 6/ Cost of Food Index	Variety Used (species/Hh)	Degree of Participants (% of Hh)	Levels of Harvest (Aver #/cap)	1988 Aver. 8/ Cost of Elec ($/KWH)	Variety of Means	Predominant Means	Road System (Miles)	
		A. > 7,000														
	N	Anchorage Area	222,950	Hi Yr Round	7.6	25,855	High	102	---	---	10	.08	Rail, Air Barge, Road	Rd/Air	Unlmtd	K-12 University (2) Comm. College
	N	Fairbanks Area	72,361	Hi Yr Round	12.2	25,464	High	114	15	---	---	.10	Rail, Road Air	Rd/Air	Unlmtd	K-12 University of AK Comm. College
	N	Wasilla Area	30,000+	Hi Yr Round	16.4*	24,296	High	117	---	---	17	.10	Rail, Road	Road	Unlmtd	K-12 Mat-Su Coll. Private (1) Voc-ed
	N	Juneau Area	24,621	Hi Yr Round	5.8	25,871	High	120	---	---	---	.12	Air, Ferry Barge	Air/Ferry	50	K-12 University of AK
	N	Kenai Area	14,789+	Mod-Hi Seasonal	14.5*	27,166	High	113	5.1	81%	37	.09	Daily Air Barge, Road	Road	Unlmtd	K-12 Comm. College
	N	Ketchikan Area	12,296	Mod-Hi Seasonal	8.7	23,008	High	120	---	---	---	.08	Air, Ferry Barge	Air/Ferry	25	K-12 Univerisity of AK SE
	N	Kodiak Area	8,495	Mod-Hi Seasonal	6.1	20,837	High	130	11.9	100%	143	.16	Daily Air Barge, Ferry	Air	154	K-12
	N	Sitka Area	8,257	Mod-Hi Seasonal	6.9	22,589	High	111	31	60%	150	.07	Air, Ferry Barge	Air/Ferry	25	K-12 University
		B. 2500-7000														
	N	Homer Area	5,577	Mod Seasonal	---	20,052	Hi-Mod	124	8.8	86%	90	.09	Road, Ferry Daily Air	Road	Unlmtd	K-12 plus Voc. Ed.
	R	Bethel	4,390	Mod Seasonal	8.7	23,041	Mod	182	29	---	---	.19	Air, Barge	Air	16	K-12 Comm. College
	N	Adak	4,143	Hi Yr Round	7	35,000	Hi-Mod	<100	2.5	40%	16	.01	Air, Barge	Air	128	K-12 Comm. College Ext. Service
	R	Nome	3,403	Mod Seasonal	11.5	23,412	Mod	174	25	95%	216	.18	Air, Barge	Air	16	K-12 Comm. College
	N	Valdez	3,313	Hi Yr Round	10.7*	28,468	Hi-Mod	117	45	---	---	.17	Road, Air Barge, Ferry	Road	Unlmtd	K-12 Comm. College Ext. Service Development Ctr
	R	Petersburg Area	3,230	Mod Seasonal	9.4*	23,779	Mod-Hi	122	41	97%	203	.10	Ferry, Jet	Air	20	K-12
	R	Barrow	3,146	Mod Seasonal	5.3*	31,322	Mod	206	21	70%	202	.08	Air, Barge	Air	6	K-12
	R	Kotzebue	2,660	Mod Seasonal	---	22,473	Mod	206	42	---	---	.21	Air, Barge	Air	45	K-12 Comm. College Tech. Center
	N	Seward Area	2,607	Mod Seasonal	---	21,579	Hi-Mod	136	---	---	---	.10	Road, Ferry, Air Rail, Barge	Road	Unlmtd	K-12 plus Voc. Ed.
		C. < 2500														
	R	Wrangell	2,416	Mod Seasonal	9.4*	20,227	Mod.	122	33	95%	158	.11	Air, Barge Ferrry	Air/Ferry	5	K-12 SE Comm. Coll Extension
	R	Dillingham	2,232	Mod Seasonal	6.5	21,829	Mod.	219	11	99%	242	.18	Daily Air Barge	Air	30	K-12 1 Pvt School
	R	Cordova	2,048	Mod Seasonal	10.7	22,340	Mod.	164	10.8	99%	152	.21	Air, Barge Ferrry	Air/Ferry	20	K-12
	R	Ninilchik	491	Low Seasonal	---	18,753	Low	---	8	---	76	---	Road	Road	Unlmtd	K-12
	R	Cooper Landing	279	Low Seasonal	---	25,819	Low	---	---	---	---	---	Road	Road	Unlmtd	---
	R	Whittier	206	Low Seasonal	---	24,026	Low	---	---	---	---	---	Rail, Ferry Barge	Rd/Ferry	10	K-12
	R	Hope	163	Low Seasonal	---	19,860	Low	---	---	---	---	---	Road	Road	Unlmtd	---

Figure 2

Do communities share a common school district[2]?
Like all the other communities on the Kenai Peninsula, Moose Pass and Seward are part of the Kenai Peninsula Borough School District. There is no high school in Moose Pass, so high school students are bused to Seward.

Are daily or semidaily shopping trips made?
There is one small store in Moose Pass. There is a supermarket in Seward, but daily or semi-daily trips are probably not made.

Table 1. Aggregated communities on the Kenai Peninsula - Seward area

Community	Population, 1999	% AK Native	Location	Do 15% of workers commute (to Seward)?	Do children attend school in the community?	Are daily shopping trips made?
Seward	3,010	15.2%	125 hwy mi. S of Anchorage		3 schools - K-6, 7-12, 1-4C[3]	1 supermarket
Primrose	62	0%	15 mi. N of Seward	don t know	no schools	no stores
Crown Point	91	4.8%	22 mi. N of Seward	don t know	no schools	no stores
Moose Pass	118	11.1%	26 mi. N of Seward	Possibly; 8 FS employees commute 4 miles to Crown Point	1 school - K-8; HS to Seward	1 small store

Sources: Kenai Peninsula Borough planning staff, personal communication; Kenai Peninsula Borough School District staff, personal communication; Alaska Department of Community and Economic Development, Community Profiles 1999; U.S. Census 1990.

Kenai/Soldotna area (Kenai, Soldotna, Sterling, Nikiski, Salamatof, Kalifonsky, Kasilof, and Clam Gulch):

Do 15% of workers commute?
According to a Kenai Peninsula Borough Quarterly Report, the Alaska Department of Labor has determined that Kenai and Soldotna employment numbers are so intertwined that it is impossible to separate them in a meaningful way. As a result, data are combined from the two communities (KPB Planning Department 1999:6). When consulted, Kenai Peninsula Borough staff were quite

[2]As several reviewers, the Kenaitzes, and the ISER report have pointed out, this factor cannot be literally applied to the Kenai Peninsula, since all communities are part of the same school district. It is interpreted here as Do communities share common *schools*? , and even more pragmatically, whether children go to school in a community or must be bused to nearby magnet communities.

[3]"C indicates a charter school.

certain about the aggregation status of Kenai, Soldotna, and Sterling. They asserted that working people commute frequently among these three communities. Nikiski was considered more self-sufficient for employment, since several industries (notably, oil companies) employ people locally. Still, it is likely that at least 15% of workers commute. Salamatof, Kalifonsky, Kasilof, and Clam Gulch residents also commuted to Kenai or Soldotna for work.

Do communities share a common school district?
Three communities in the Kenai-Soldotna area have schools that provide classes up to 12th grade: Kenai, Soldotna, and Nikiski. Students from Sterling, Kalifonsky, and Kasilof go to junior high and high school in Soldotna or Kenai. Students in Salamatof attend all grades in either Nikiski or Kenai. Elementary, junior high, and high school students in Clam Gulch are bused to Ninilchik.

Are daily or semidaily shopping trips made?
Both Kenai and Soldotna have large supermarkets and department stores. Nikiski has smaller stores, and the others have only one or no stores.

Table 2. Aggregated communities on the Kenai Peninsula - Kenai area

Community	Population, 1999	% AK Native	Location	Do 15% of workers commute (to Kenai or Soldotna)?	Do children attend school in the community?	Are daily shopping trips made?
Kenai	7,005	8.5%	W coast of Kenai Peninsula, 155 hwy mi. S of Anchorage	extensive commuting with Soldotna	4 schools - K-2, 3-5, 6-8, 9-12	several supermarkets, department stores, other grocery stores
Soldotna	4,140	4.5%	10 mi inland from Cook Inlet; junction of Sterling Hwy & Kenai Spur Hwy	extensive commuting with Kenai	8 schools - K-6, K-6, 7-8, 9-12, 9-12, K-8C	several supermarkets, other grocery stores
Sterling	6,138	2.1%	18 mi. E of Kenai	yes	1 school - K-6; JH and HS to Soldotna	2 grocery stores
Nikiski	3,038	6.1%	9 mi. N of Kenai	fewer, but still over 15%	3 schools - K-6, K-6, 7-12	1 grocery store
Ridgeway	2,382	4.6%	Sterling Hwy betw. Sterling and Soldotna		0 schools	
Salamatof*	1,122	10.4%	5.5 mi. NW of Kenai	yes	0 schools - EL, JH and HS to Kenai or Nikiski	1 small grocery store

Community	Population, 1999	% AK Native	Location	Do 15% of workers commute (to Kenai or Soldotna)?	Do children attend school in the community?	Are daily shopping trips made?
Kalifonsky*	338	4.2%	10 mi. S of Kenai	yes	1 school - K-6; JH and HS to Kenai or Soldotna	0 grocery stores
Kasilof*	548	2.9%	12 mi. S of Kenai	yes	1 school - K-6; JH and HS to Soldotna	1 small general store
Cohoe	602	1.8%	13 mi. S of Kenai	don t know	0 schools	don t know
Clam Gulch*	113	12.7%	24 mi. S of Kenai	yes	0 schools - EL, JH and HS to Ninilchik	1 small general store

Sources: Kenai Peninsula Borough planning staff, personal communication; Kenai Peninsula Borough School District staff, personal communication; Alaska Department of Community and Economic Development, Community Profiles 1999; U.S. Census 1990.

*According to DCED Community Profiles and/or knowledgeable Borough residents, local people do not consider this area a community.

Homer area (Homer, Anchor Point, North Fork Road, Halibut Cove, Kachemak City, and Fritz Creek East):

Do 15% of workers commute?

Kenai Peninsula Borough staff reported that at least 15% of Anchor Point, Fritz Creek, and Kachemak City residents commute to work in Homer. Halibut Cove residents, however, did not commute to work in Homer.

Do communities share a common school district?

Junior high students from Fritz Creek and Kachemak City are bused to Homer. Senior high students from Anchor Point, Fritz Creek, and Kachemak City are bused to Homer. A school district official said that the few children in Halibut Cove are home-schooled.

Are daily or semidaily shopping trips made?

Homer is the only community in the area with a food store of any size. Anchor Point has a small store, but to do grocery shopping most people likely go to Homer, Kenai, or Anchorage.

Table 3. Aggregated communities on the Kenai Peninsula - Homer area

Community	Population, 1999	% AK Native	Location	Do 15% of workers commute (to Homer)?	Do children attend school in the community?	Are daily shopping trips made?
Homer	4,154	3.6%	225 mi. S of Anchorage, on N shore of Kachemak Bay		6 schools - K-3, K-6, 4-6, 4-6C, 7-8, 9-12	2 super-markets, other grocery stores
Anchor Point	1,227	3.7%	14 mi. NW of Homer	yes	1 school - K-8; HS to Homer	1 small grocery store
Kachemak City*	419	3.0%	Adjacent to Homer	yes	0 schools - E, JH, HS to Homer	possibly one store
Fritz Creek*	2,097	3.4%	7 mi. NE of Homer	yes	2 schools - K-6; JH and HS to Homer	1 general store
Halibut Cove	71	3.8%	12 mi. SE of Homer - off road system	no	0 schools - E, JH, HS students home-schooled	0 grocery stores

Sources: Kenai Peninsula Borough planning staff, personal communication; Kenai Peninsula Borough School District staff, personal communication; Alaska Department of Community and Economic Development, Community Profiles 1999; U.S. Census 1990.

*According to the DCED Community Profiles and/or Borough residents, local people do not consider this area a community.

Unaggregated communities (Cooper Landing, Ninilchik, Happy Valley, Nikolaevsk, Fox River, Voznesenka, Razdolna, Kachemak Selo, Seldovia, Port Graham, and Nanwalek):
These communities are examined for comparative purposes or to consider whether they should have been aggregated in 1990 or should be in 1998. Seldovia, Port Graham, and Nanwalek are off the road system and have not been candidates for aggregation.

Do 15% of workers commute?
Fall et al. (1999:53) found that in 1998, about 22% of jobs held by Nikolaevsk residents and about 20% of jobs held by Voznesenka residents were located in Homer . These figures do not report that there was a daily or year-round commute; however, they do indicate that over 15% of jobs held by people living in both communities were in Homer. In addition, 43% of Nikolaevsk residents jobs, and 39% of those held by Voznesenka residents were elsewhere in Alaska, undoubtedly referring to commercial fishing work in areas other than Cook Inlet.

In their 1999 study, ADF&G Division of Subsistence researchers included all of the Happy Valley CDP in the Ninilchik study area because the maps provided to them by the USFWS showed the area as part of the Ninilchik Rural Area . The Russian Old Believer communities of , Razdolna and Kachemak Selo are within the Fox River CDP but were not included in the ADF&G s 1999 study. Voznesenka is in the Fritz Creek CDP.

Do communities share a common school district?
High school students in Cooper Landing are bused to Soldotna. Students from Happy Valley CDP go to school in Homer. The Fox River CDP communities of Razdolna and Kachemak Selo have schools that go through Grade 10; after that, students must go to Homer or to Voznesenka.

Are daily or semidaily shopping trips made?
Ninilchik has only one small store, so its residents must travel either to Homer or to Kenai/Soldotna for groceries, or perhaps to Anchorage. None of the Russian Old Believer communities in the Homer area have stores of any size where groceries may be purchased.

Table 4. Unaggregated communities on the Kenai Peninsula

Community	Population, 1999	% AK Native	Do 15% of workers commute?	Do 15% of workers commute (to another community)?	Do children attend school in the community?	Are daily shopping trips made?
Hope	130	3.1%			1 school - K-12	no
Cooper Landing	285	1.2%	30 mi. NW of Seward	no	1 school - K-8; HS to Soldotna	2 small general stores
Ninilchik	687	19.5%	38 mi. SW of Kenai	33%, per Fall et al. 1999[4]	1 school - K-12	1 small store
Happy Valley CDP*	401	6.1%	22 mi. NW of Homer	33%, per Fall et al. 1999	0 schools - E, JH, and HS to Ninilchik	0 stores
Nikolaevsk	488 (est. 235, Fall et al. 1999:21)	1.3%	6 mi. NE and inland from Anchor Point	no, per KPB; 22.1%, per Fall et al. 1999:53	1 school - K-12	1 general store
Fox River CDP*	439	0	ca. 24 mi. NE of Homer	no	0 schools - E, JH, HS to Homer	0 stores
Voznesenka	327 (est., Fall et al. 1999:21)		22.5 mi. NE of Homer	no, per KPB; 19.5%, per Fall et al. 1999:53	1 school - K-12	0 stores
Razdolna	n.d.		25 mi. NE of Homer	no	1 school - K-10; 10-12 to Homer	0 stores
Kachemak Selo	n.d.		24 mi. NE of Homer	no	1 school - K-10; 10-12 to Homer	0 stores

[4]Happy Valley and Ninilchik were combined in the ADF&G s 1999 study.

Community	Population, 1999	% AK Native	Do 15% of workers commute?	Do 15% of workers commute (to another community)?	Do children attend school in the community?	Are daily shopping trips made?
Seldovia	284	15.2%	off road system, SW of Homer	no	1 school - K-12	2 small stores
Jakolof Bay	40	0%	6.5 mi NE of Seldovia, in Kachemak Bay State Park		0 schools	
Nanwalek	170	91.1%	off road system, SW of Homer	no	1 school - K-10; 10-12 to boarding school in Soldotna	1 store
Port Graham	178	90.4%	off road system, SW of Homer	no	1 school - K-10; 10-12 to boarding school in Soldotna	1 store

Sources: Fall et al. 1999; Kenai Peninsula Borough planning staff, personal communication; Kenai Peninsula Borough School District staff, personal communication; Alaska Department of Community and Economic Development, Community Profiles 1999; U.S. Census 1990.

*According to the DCED Community Profiles and/or Borough residents, local people do not consider this area a community.

Categorization. As Tables 5 and 6 show, one of the problems posed by aggregation followed by categorization is that most data are not available for a group of communities, but only for individual communities. Some of the information used for the categorization step was either collected only in the largest community or averaged among the communities, absorbing the aggregated community without giving an accurate picture of its distinct character. For example, it appears that the 1990 wild resource harvest and economic criteria the Federal Subsistence Board used for evaluating the rural status of the Kenai Area were based only on studies of the town of Kenai, and did not include Salamatof, Nikiski, Kalifonsky, etc. As pointed out in the DCED Community Profiles, it is relevant that local residents do not consider some of these areas communities. Similarly, it is unclear from the records of Federal staff work whether some harvest levels and economic indicators for Kodiak come from Kodiak City only, or include the road system, Coast Guard Station and Chiniak. Some information from Saxman is difficult to separate from that from Ketchikan. For example, harvest tickets from Saxman were not considered separately from Ketchikan during the years prior to Ketchikan s reconsideration as rural in 1990.

Population

Figure 3 shows the communities and Census Designated Places in the Kenai Peninsula Borough. In 1998, an estimated 62% of the Borough s total population of 40,734 lived in the Central

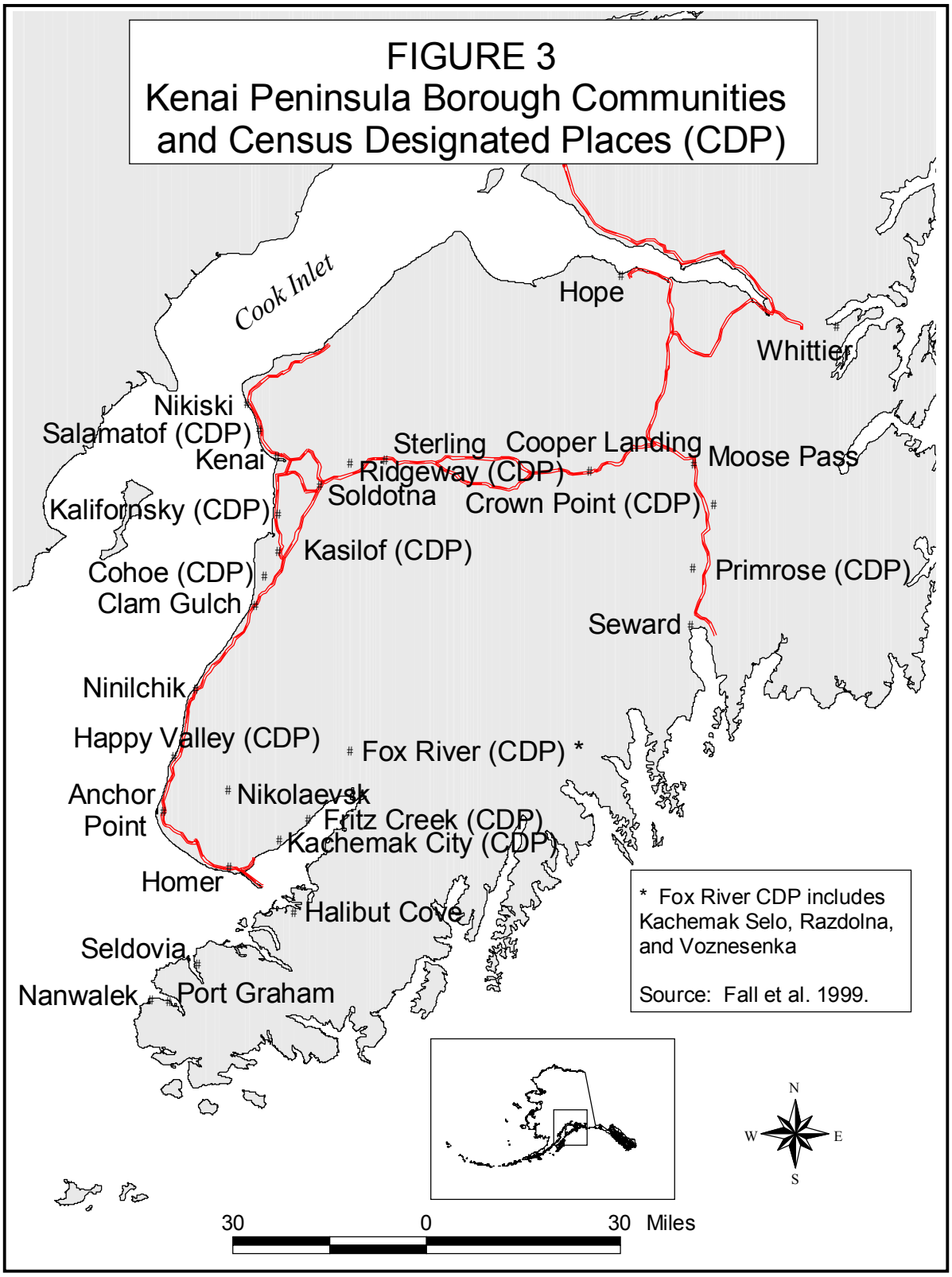


FIGURE 3
Kenai Peninsula Borough Communities
and Census Designated Places (CDP)
Cook Inlet
Hope
Whittier
Nikiski
Salamatof (CDP)
Kenai
Sterling
Cooper Landing
Moose Pass
Ridgeway (CDP)
Soldotna
Crown Point (CDP)
Kalifornsky (CDP)
Kasilof (CDP)
Cohoe (CDP)
Clam Gulch
Primrose (CDP)
Seward
Ninilchik
Happy Valley (CDP)
Fox River (CDP) *
Anchor Point
Nikolaevsk
Fritz Creek (CDP)
Kachemak City (CDP)
Homer
Halibut Cove
Seldovia
Nanwalek
Port Graham
* Fox River CDP includes Kachemak Selo, Razdolna, and Voznesenka
Source: Fall et al. 1999.
N
W
E
S
30
0
30
Miles

Region of the Kenai Peninsula Borough, which includes the census areas of Clam Gulch, Cohoe, Kalifonsky, Nikiski, Ridgeway, Salamatof, Soldotna, and Sterling[5]. Between 1990 and 1998, the Central Region s population increased 22.5%, from 20,626 to 25,262 people (Kenai Peninsula Borough Planning Department 1999).

If the communities in the Kenai area were aggregated in 1998 in the manner of the 1990 process, the population for that area would total more than 22,400. Kenai was estimated at over 7000 in 1998. The Homer area, in aggregate, is also well over the 7000 threshold, with a 1998 estimated population of over 8,712. No individual community in the Homer area is over 7000, however. Seward and Moose Pass, with 1998 populations of 3,010 and 118 respectively, had an aggregated population below the 7000 threshold.

Economy

A recent article in *Alaska Economic Trends* characterized the Kenai Peninsula s economy as strong and diverse (Fried and Windisch-Cole 1999). Much of the employment on the Kenai Peninsula is highly seasonal, including employment centering around commercial fishing, sportfishing, and the tourist industry. The oil industry, on the other hand, is year-round, as is most government employment. There is no necessary relationship between seasonal employment and income level.

The 1999 harvest study of the Ninilchik and Homer rural areas conducted by the ADF&G Division of Subsistence showed that employment in the Russian Old Believer villages centered on commercial fishing and was highly seasonal. In Voznesenka in 1998, only 10.0% of employed adults worked year-round. The mean number of months employed was 8.2, and commercial fishing represented 53.3% of the community s cash income. In Nikolaevsk, 12.7% of employed adults worked year-round, and mean months employed was 6.8. Commercial fishing brought in 67.4% of cash income. Ninilchik was less seasonal, with 43.4% of employed adults working year-round. The mean number of months employed in Ninilchik was 8.9. Only 6.1% of the community s cash income came from commercial fishing, even though 20.5% of Ninilchik households were involved in commercial fishing in 1998 (Fall et al. 1999:45, 54).

Table 7 shows the mean number of weeks per year worked, as recorded in ADF&G s subsistence harvest studies. In the table, communities averaging 30 or fewer weeks per employed adult are considered high seasonal; 30 through 40, moderately seasonal; and over 40, low seasonal. These are similar to the criteria used in 1990 by the Federal Subsistence Management Program to decide whether the economy of a community was typical of a rural or nonrural community. In the 1990 review of community employment characteristics, if employed adults in the community worked an average of more than nine months per year, employment was depicted as year-round; if the average employed adult worked less than nine months per year, employment was considered seasonal (Rural Determinations Subcommittee 1990).

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[5]This list of communities differs slightly from the one Federal staff used for aggregation in 1990. Cohoe and Ridgeway are only on the Borough s 1998 list, while Kasilof is only on the1990 list.

Table 5. Population and Economy, 1990/1998--Kenai Peninsula, Kodiak, Sitka, and Saxman[6]

Community or Area	Population		% Unemployment		Income per capita		Cost of Food Index	
	1990 census	1999 estimate	1980	1990	1980	1990	1990 (March)	1998 (March)
Kenai Peninsula Borough	*40,802[7]*	*48,952*	*14.6*	*12 (ISER)*	*$9,636*	*$18,173*		
Seward Area (aggregated)[8]	*2,607 (CC)*	*3,128+ (total of communi-ties)*	*n.d. (CC)*		*$21,579r (1985-CC)*		*136 (CC)*	
Seward	2,699	3,010	10.9	9.2		$16,615		
Moose Pass	81	118		25.8		$10,827		
Kenai Area (aggregated)	*14,789+ (CC)*	*22,442+ (total of communi-ties)*	*14.5 (CC)*	*10.3*	*$27,166[9] (1985-CC)*		*113 (CC)*	
Kenai	6,543	7,005	11.3	12.1	$11,408	$17,877	107	106; 110 (CPDB)

[6]In each of the Population, Unemployment, Income, and Cost of Food Index columns, the left subcolumn gives the data available prior to the 1990 Federal rural determinations.

[7]Populations of communities may not add up to the total, because not all residents of the borough live in communities or Census Designated Places, and not all communities are listed.

[8]A community s area refers to the aggregated area used in the Federal Subsistence Management Program s 1990 rural determinations. There may be discrepancies between different population figures used, which would explain why the 1990 population of the Seward Area is greater than Moose Pass and Seward combined. The 1998 estimate, however, is the sum of 1998 populations of the communities that make up the area.

[9]r=per income tax return, not per capita.

Community or Area	Population		% Unemployment		Income per capita		Cost of Food Index	
	1990 census	1999 estimate	1980	1990	1980	1990	1990 (March)	1998 (March)
Soldotna	3,482	4,140	14.8	8.7	$9,618	$15,800		
Sterling	3,802	6,138		7.4		$18,436		
Nikiski	2,743	3,038		14.5		$18,823		
Salamatof	999	1,122		14.6	$4,625	$12,896		
Kalifonsky	285	338		25.6		$28,658		
Kasilof	383	548		18.4		$19,410		
Clam Gulch	79	113		0		$29,174		
Homer Area (aggregated)	*5,577 (CC)*	*8,712+ (total of communi-ties)*	*n.d. (CC)*		*$20,052r (1985-CC)*		*124 (CC)*	
Homer	3,660	4,154	6.0	7.9	$8,212	$19,182	120	119; 126 (CPDB)
Anchor Point	866	1,227		17.5		$17,453		
Kachemak City	365	419	10.3	4.0		$25,449		
Fritz Creek	1,426	2,097		6.1		$18,698		
Halibut Cove	78	71		0		$62,263		
Unaggregated communities: Hope	161	130		38.4	$19,860r (1985-CC); $4,934	$17,994		

Community or Area	Population		% Unemployment		Income per capita		Cost of Food Index	
	1990 census	1999 estimate	1980	1990	1980	1990	1990 (March)	1998 (March)
Cooper Landing	243	285	n.d. (CC)	0	$25,819r (1985-CC); $14,328	$51,902[10]		118 (CPDB)
Ninilchik	491 (CC); 456	687	n.d. (CC)	24.4	$18,753r (1985-CC); $5,360	$15,118; $18,664 (ADFG 1998)		118 (CPDB)
Nikolaevsk	371	488				$6,070		
Voznesenka	n.d.	327 (ADFG 1999)						
Seldovia	316	284		11.8	$7,526	$14,052		171 (CPDB)
Port Graham	166	178		38.8	$4,393	$17,265		171 (CPDB)
Nanwalek	158	170		46.4	$3,144	$12,615		171 (CPDB)
Communities included in ISER Report: Kodiak Island Borough	*13,309*	*13,989*		*10 (ISER); 5.3 (1990)*		*$19,979*		

[10]The per capita income for Cooper Landing listed in the 1990 census record appears to be in error, when compared with the median household income of $42,250 for the same community.

Community or Area	Population		% Unemployment		Income per capita		Cost of Food Index	
	1990 census	1999 estimate	1980	1990	1980	1990	1990 (March)	1998 (March)
Kodiak area (aggregated - Kodiak City, Coast Guard, Chiniak)	*8,495 (CC)*		*6.1 (CC)*		*$20,837r (1985-CC)*		*130 (CC)*	
Kodiak City	6,365	6,859		4.4 (1990)	$10,273	$22,951	126	128; 125 a(CPDB)
Sitka Borough	*8,257 (CC)*		*6.9 (CC)*	*6 (ISER)*	*$22,589r (1985-CC))*		*111 (CC)*	
Sitka	8,588	8,681		6.7 (1990)	$10,273	$16,962	113	113
Ketchikan Borough	*12,296 (CC)*	*13,961*	*5.0; 8.7 (CC)*	*8.6*	*$23,008r (1985-CC)*	*$18,789*	*120 (CC)*	*104*
Ketchikan	13,828	8,320	5.6	7.2		19,053	95	
Saxman	369	371		25.5	$7,959	$10,714	120 (CC)	105 (CPDB)

Sources: Alaska Department of Community and Economic Development, Community Profiles 1999; Alaska Department of Fish and Game, Division of Subsistence 1999 (CPDB); Fall et al. 1999:37 (ADFG); Fried and Windisch-Cole 1999 (AET); Kruse and Hanna 1998 (ISER); Office of Subsistence Management 1990 - Community Characteristics spreadsheet (CC); U.S. Census 1980 and 1990 (USC).

Table 6. Fish and Game Use and Community Infrastructure, 1990/1998--Kenai Peninsula, Kodiak, Sitka, and Saxman

Community or area	Ave. # of different subsistence resources used per household		Degree of participation (% using; h=harvest)		Levels of harvest (from CPDB unless otherwise noted)		Ave. cost of electricity		Variety of means of transportation		On road system?
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990 and 1998
Kenai Peninsula Borough											*mixed, mainly yes*
Seward area (aggregated)							*.10 (CC)*	*.09*	*road, air, boat, ferry,ferry, tferry, trainferry, train*	*same*	*yes*
Seward							.10	.09			yes
Moose Pass								.09			yes
Kenai Area (aggregated)	*5.1 (CC)*		*81 (CC)*		*37 (CC)*		*.09 (CC)*	*.11; .11 (ISER)*	*air, barge, road*	*same*	*yes*
Kenai		7.1	80.5 (h)	86	37.9 (1982)	83.8 (1993)		.11			yes
Soldotna								.11			yes
Sterling	5 (1988)		80		23 (CC)[11]			.11	road		yes
Nikiski								.11			yes
Salamatof								.11			yes
Kalifonsky								.11			yes
Kasilof								.11			yes

[11]This level of harvest appeared in the Community Characteristics spreadsheet prepared by Federal staff. Its source is unknown. ADF&G is unaware of any wild resource harvest studies conducted in Sterling.

Community or area	Ave. # of different subsistence resources used per household		Degree of participation (% using; h=harvest)		Levels of harvest (from CPDB unless otherwise noted)		Ave. cost of electricity		Variety of means of transportation		On road system?
	1990	**1998**	**1990**	**1998**	**1990**	**1998**	**1990**	**1998**	**1990**	**1998**	**1990 and 1998**
Clam Gulch								.11			yes
Homer area (aggregated)	*8.8 (CC)*		*86 (CC)*		*90 (CC)*		*.09 (CC)*	*.11*	*daily air, ferry, road*	*same*	*yes*
Homer	8.8 (1982)		85.6 (h)	88 (ISER)	93.8 (1982)		.09	.11			yes
Anchor Point								.11			yes
Kachemak City								.11			yes
Halibut Cove											no
Unaggregated communities: Hope		9.1 (1990)		100		110.7		.09	road		yes
Cooper Landing		8.3 (1990)		100		91.5 (1990)		.09	road		yes
Ninilchik	8 (1982-CC)	8.6 (1998)	91.7 (h) (1982)	99 (1998)	76 (1982-CC)	163.8 (1998)		.09	road		yes
Nikolaevsk		9.1 (1998)		100 (1998)		133 (1998)					yes
Voznesenka		8.6		100		167.4 (1998)		.11			yes - need 4-wheel drive

Community or area	Ave. # of different subsistence resources used per household		Degree of participation (% using; h=harvest)		Levels of harvest (from CPDB unless otherwise noted)		Ave. cost of electricity		Variety of means of transportation		On road system?
	1990	**1998**	**1990**	**1998**	**1990**	**1998**	**1990**	**1998**	**1990**	**1998**	**1990 and 1998**
Fritz Creek East [12]		9.4		100		105.4 (1998)		.11			yes
Seldovia		12.9 (1993)	94.3 (h) (1982)	95.4 (1993)	50.7 (1982)	183.6 (1993)		.12	air, boat		no
Port Graham	21.5 (1987)	16.5 (1998)	100 (1987)	100 (1998)	228.8 (1987)	253.4 (1998)		.12	air, boat		no
Nanwalek	25 (1987)	21.5 (1998)	97 (1987)	100 (1998)	284.7 (1987)	253.9 (1998)		.12	air, boat		no
Communities included in ISER report: Kodiak area (aggregated)	*11.9 (CC)*		*100 (CC)*		*143 (CC); 151.1 (1993)*		*.16 (CC)*		*air, barge, ferry*	*same*	*no*
Kodiak City				88 (ISER)	148 (ISER)			.14; .16 (ISER)			no
Sitka	31 (CC)		60 (CC); 88.5 (1987)	89 (ISER)	145.1 (1987); 151 (ISER); 150 (CC)		.07	.135; .09 (ISER)	air, barge, ferry	same	no
Ketchikan							.08		air, barge, ferry	same	no

[12]Fritz Creek East is the rural portion of Fritz Creek.

Community or area	Ave. # of different subsistence resources used per household		Degree of participation (% using; h=harvest)		Levels of harvest (from CPDB unless otherwise noted)		Ave. cost of electricity		Variety of means of transportation		On road system?
	1990	1998	1990	1998	1990	1998	1990	1998	1990	1998	1990 and 1998
Saxman			-	83 (ISER)	89 (ISER)		.08		air, barge, ferry	same	no

Sources: Alaska Department of Community and Economic Development, Community Profiles 1999; Alaska Department of Fish and Game, Division of Subsistence 1999 (CPDB); Fall et al. 1999 (ADFG); Fried and Windisch-Cole 1999 (AET); Kruse and Hanna 1998 (ISER); Office of Subsistence Management 1990 - Community Characteristics spreadsheet (CC); U.S. Census 1980 and 1990 (USC).

Also in Table 7, communities where commercial fishing represents 5% or fewer of all jobs are considered low commercial fishing communities; those where 5 through 10% of all jobs are commercial fishing are moderate commercial fishing; and over 10%, high commercial fishing. By this standard, commercial fishing was of the highest importance to the communities of Nikolaevsk, where fishing represented 52.2% of jobs, and Voznesenka, where fishing represented 35.7% of jobs. Port Graham (21.8%) and Nanwalek (21.1%) were both high commercial fishing

Table 7. Seasonality of work in Kenai Peninsula and communities referenced in the ISER report

Community	Study year	Ave. # weeks worked past year, per employed adult	Seasonality of employment, based on weeks worked	% of jobs held that are commercial fishing	Importance of commercial fishing in the community
Cooper Landing	1990	34.7	mod seasonal	4.0	low
Hope	1990	37.9	mod seasonal	1.2	low
Kenai	1982	49.0	year-round	n.d. (10.9% in 1991 and 8.3% in 1992)	high or moderate
Kenai	1993	44.1	year-round	4.6	low
Ninilchik	1982	33.1	mod seasonal	n.d.	n.d.
Ninilchik	1998	38.1	mod seasonal	12.3	high
Nikolaevsk	1998	29.3	high seasonal	52.2	very high
Voznesenka	1998	35.7	mod seasonal	43.9	very high
Homer	1982	42.2	year-round	n.d.	n.d.
Nanwalek	1987	18.9	high seasonal	21.1	high
Nanwalek	1993	30.9	mod seasonal	5.8	moderate
Port Graham	1987	23.1	high seasonal	21.8	high
Port Graham	1993	34.1	mod seasonal	15.4	high
Seldovia	1982	38.2	mod seasonal	n.d.	n.d.
Seldovia	1993	37.9	mod seasonal	22.3	high
Kodiak	1993	42.0	year-round	12.6	high
Sitka	1987	n.d.	n.d.	7.8	moderate
Saxman	1987	22.4 (per adult)	high seasonal?	10.4	high

Sources: ADF&G Division of Subsistence 1999; Fall et al. 1999:45-51.

communities in 1987, but in 1993 commercial fishing had declined to moderate importance in Nanwalek, representing only 5.8% of all jobs. In Port Graham in 1993, fishing had declined slightly to 15.4% of all jobs. Other high commercial fishing communities were Kodiak in 1993

at 12.6%, Ninilchik in 1998 at 12.3%, and Saxman in 1987 at 10.4%. Another community where a moderate proportion of jobs were in commercial fishing was Sitka in 1987, at 7.8%. Communities with low participation in commercial fishing were Cooper Landing in 1990 (4.0%), Hope in 1990 (1.2%), and Kenai in 1993 (4.6%). The importance of commercial fishing in Kenai s economy seemed to decline quickly in the early 1990s, from 10.9% of all jobs in 1990 to 8.3% in 1992 and 4.6% in 1993.

Fish and wildlife use

The 1990 rural determinations were made with the assumption that rural communities would use over 100 pounds of wild foods per capita while nonrural communities would have a lower level of use (Rural Determinations Subcommittee 1990). Recognizing that a limited number of communities on the Kenai Peninsula have been surveyed in ADF&G Division of Subsistence harvest studies, this standard can nevertheless be applied to some communities in the region, along with other communities of interest. By the criterion of fish and wildlife use, the city of Kenai appeared nonrural both in 1982, with 38 pounds harvested per person, and in 1993, with a per capita harvest of 84. Ninilchik residents harvested only 76 pounds per capita in 1982, but more than doubled their harvest in 1998, to 164 pounds per person. Seldovia s harvests also rose, from 51 pounds per person in 1982 to 187 in 1993[13].

Cooper Landing (1990) at 92 pounds per capita, and Homer at 94 pounds, had lower average harvests than that considered typical of rural communities. Hope (1990) was slightly over the 100-pound threshold with 111 pounds per capita. In the 1998 study, Nikolaevsk with a harvest of 133 pounds per person, and Voznesenka with 167 pounds per person, were well over the margin. Throughout the years of study, Port Graham and Nanwalek have consistently shown harvests well over 200 pounds per capita. The number of resources used was much higher in these communities than was true of other communities on the Kenai Peninsula.

Transportation links

All the communities for which a change of rural status is contemplated are on the road system, and so all of them have unlimited miles of road that can be traveled. The road to Voznesenka, Kachemak Selo, and Razdolna is unpaved and requires a four-wheel drive vehicle for most of the year.

Educational institutions

Kenai, Soldotna, Seward, Nikiski, Ninilchik, Homer, Nikolaevsk, and Voznesenka are the Kenai Peninsula communities with high schools through the 12th grade. Only Kenai and Homer have colleges, although Seward has a vocational-technical school serving the entire state.

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[13]The reasons for the increase between 1982 and 1993 in harvests in Kenai Peninsula communities, having to do with regulatory changes for wildlife harvesting, the establishment of a salmon dipnet fishery, population increase, values relating to hunting and fishing, and economic diversification, are discussed in Fall et al. 1999 (pp. 210-214).

Summary of findings from the application of 1998 data to the 1990 criteria: Examination of Figure 2 and Tables 5, 6, and 7 suggests that the data used for aggregation and categorization in 1990 were incomplete, particularly regarding subsistence harvests. The materials prepared by the Office of Subsistence Management to explain the Board s preliminary decisions acknowledge gaps in the available information (OSM 1990). The different sources and different years represented in the data make it more difficult to determine which figures were available in 1990. In addition, some of the information presented in the ISER report (Kruse and Hanna 1998) refers to the borough level, while a recent article in Alaska Economic Trends (Fried and Windisch-Cole 1999) presents data from communities without indicating whether any of the communities aggregated in 1990 by the Federal Subsistence Board are incorporated. A related concern is that the aggregation of communities prior to categorization caused some ambiguous applications of data. In the cases of the Kenai Area, Kodiak Area, or Ketchikan Area, it is not possible to determine whether economic, infrastructure, or wild resource harvest information assembled by Federal staff refer to one community (such as Kenai City) or to several (Kenai, Soldotna, Sterling, and Nikiski, for example).

Additional information

One of the points made in the Kenaitze request for an out-of-cycle rural determination is that there has now been more public input from residents of the Kenai Peninsula than was available at the time the Board made its rural determinations. However, not all of the recent public testimony has supported a rural determination for the entire Kenai Peninsula; much of the public input has supported a nonrural determination for all Kenai Peninsula communities on the road system.

Public hearings were conducted in the summer of 1995 in the Kenai Peninsula communities of Hope, Cooper Landing, Soldotna, Homer, Port Graham, and Seldovia (OSM 1995). The focus of the hearings was the proposed customary and traditional use determinations, but many of those who testified also addressed the rural determinations. There were statements that the boundaries between rural and nonrural appeared arbitrary and that the Federal program s definition of rural is flawed. Many of those who testified, particularly at the Soldotna meeting, stated that all the portions of the Kenai Peninsula on the road system should be considered nonrural.

Some of the testimony given at the 1995 public hearings on the Kenai Peninsula was relevant to the aggregation process. For example, some people said that Seward and Moose Pass, Clam Gulch, Anchor Point and Fritz Creek had been wrongly considered nonrural. In Ninilchik, people testified that children from nonrural Kasilof go to school in rural Ninilchik, and that some of the communities lumped in with Soldotna and Kenai get no services from those communities.[14]

Appendix C gives a summary of testimony and written materials provided as public comments on the Kenai Peninsula rural issue between November 1998 and March 1999. In November 1998,

[14]According to school district staff, children from Kasilof have their own elementary school but attend junior and senior high school in Soldotna.

public hearings were conducted in Seward, Homer, and Kenai to address the Kenaitze tribe s request to make the whole Kenai Peninsula rural. Those who testified were asked to concentrate on special circumstances that would warrant an out-of-cycle review of rural determinations on the Kenai Peninsula. From those opposed to the request, both at the public hearings and in written comments, there were many of the same comments heard during the 1995 hearings: Communities on the Kenai Peninsula road system are not rural; only Nanwalek, Port Graham, and Seldovia should be considered rural; there are many stores and services available along the road system. Testifiers who supported the Kenaitze request told of their subsistence practices on the Kenai Peninsula or endorsed the request and resolution submitted by the Kenaitze Tribe.

CONCLUSION

Reevaluation of the aggregation process for Kenai Peninsula communities does not provide sufficient evidence that any changes are warranted in the rural determinations for these communities.

Justification:

Re-examination of the aggregation and categorization factors does raise particular questions about the validity of nonrural determinations for Moose Pass, Clam Gulch, and some of the Russian Old Believer communities.

Moose Pass, 26 miles from Seward, is not a bedroom or satellite community of Seward. Its residents have a significantly lower income and a higher unemployment rate than Seward does. It does not have a large grocery store or a high school, and residents must go to Seward for these things. However, it is independent in many ways. Its residents likely do not make daily shopping trips if they have no other reason to go to Seward. According to Chugach National Forest personnel, eight people living in Moose Pass work at a USDA Forest Service station between Moose Pass and Seward, but closer to Moose Pass.

Clam Gulch, located between Ninilchik and Kenai, is closer to Ninilchik. There is no store there or in Ninilchik, so residents must shop in other communities, most likely Kenai or Soldotna. Clam Gulch children go to school in Ninilchik. Some residents of Clam Gulch--at least 15% according to Kenai Peninsula Borough staff--have jobs in Kenai. Possibly, some of the approximately 24 employed people in Clam Gulch (U.S. Census 1990) also commute to Ninilchik. The average per capita income in Clam Gulch in 1990 was much higher than either Ninilchik or Kenai. While further information may show that Clam Gulch should be considered nonrural, the recommendation at this time is for this community to remain aggregated to Kenai.

There is not sufficient evidence to indicate that the rural status of the Russian Old Believer communities should be changed. Few services or employment opportunities are available in either village. Nikolaevsk, the oldest, had already been established for over twenty years in 1990 when the initial determinations were made. Voznesenka, established in the mid-1980s, was not

recognized as a distinct community either in the 1990 or in the Federal subsistence program s 1990 rural determinations. Fall et al. 1999 show that considerable commuting is done between Nikolaevsk and Homer, a distance of some 30 miles. The main source of employment there, as in Nikolaevsk, is commercial fishing. Russian Old Believers dock their boats in Homer and work on them there, but often fish elsewhere in Alaska. Despite the fact that the roads to Voznesenka, Razdolna, and Kachemak Selo require a four-wheel drive vehicle in the winter, many of those employed in the fishing industry and in other jobs in Homer drive there every day. Both Nikolaevsk and Voznesenka have schools that go through high school.

The recent ADF&G Division of Subsistence harvest studies in Nikolaevsk, Voznesenka, Fritz Creek East, and North Fork Road provide considerable information about wild resource uses in what has been known as the Homer Rural Area, an area contiguous with the nonrural communities of Homer and Anchor Point. In order to make recommendations on rural determinations for communities in the Homer Rural Area, more information is needed on community demography, economy and infrastructure. Such data will be collected in the 2000 census.

At the present time, there is not sufficient evidence that Seward, the aggregated Kenai/Soldotna area, or the aggregated Homer area exhibit rural characteristics to recommend that their nonrural determinations be changed to rural. Despite findings that highlight the weaknesses of the methodology used to make rural determinations, there is no evidence to suggest that better methodology, or more data, would result in a different determination for the Kenai Peninsula communities now considered nonrural.

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Appendix A: Regulations governing the rural determination process

50 CFR 100.___ and 36 CFR 242.___

§_____.15 Rural determination process.

(a) The Board shall determine if an area or community in Alaska is rural. In determining whether a specific area of Alaska is rural, the Board shall use the following guidelines:

(1) A community or area with a population of 2500 or less shall be deemed to be rural unless such a community or area possesses significant characteristics of a non-rural nature, or is considered to be socially and economically a part of an urbanized area.

(2) Communities or areas with populations above 2500 but not more than 7000 will be determined to be rural or non-rural.

(3) A community with a population of more than 7000 shall be presumed non-rural, unless such a community or area possesses significant characteristics of a rural nature.

(4) Population data from the most recent census conducted by the United States Bureau of Census as updated by the Alaska Department of Labor shall be utilized in this process.

(5) Community or area characteristics shall be considered in evaluating a community's rural or non-rural status. The characteristics may include, but are not limited to:

(i) Use of fish and wildlife;
(ii) Development and diversity of the economy;
(iii) Community infrastructure;
(iv) Transportation; and
(v) Educational institutions.

(6) Communities or areas which are economically, socially and communally integrated shall be considered in the aggregate.

(b) The Board shall periodically review rural determinations. Rural determinations shall be reviewed on a ten year cycle, commencing with the publication of the year 2000 U.S. census. Rural determinations may be reviewed out-of-cycle in special circumstances. Once the Board makes a determination that a community has changed from rural to non-rural, a waiting period of five years shall be required before the non-rural determination becomes effective.

(c) Current determinations are listed at §___.23.

§_____.23 Rural determinations.

(a) The Board has determined all communities and areas to be rural in accordance with §___.15 except the following:

Adak;

Fairbanks North Star Borough;

Homer area - including Homer, Anchor Point, Kachemak City, and Fritz Creek;

Juneau area - including Juneau, West Juneau and Douglas;

Kenai area - including Kenai, Soldotna, Sterling, Nikiski, Salamatof, Kalifonsky, Kasilof, and Clam Gulch;

Ketchikan area - including Ketchikan City, Clover Pass, North Tongass Highway, Ketchikan East, Mountain Pass, Herring Cove, Saxman East, and parts of

Pennock Island;

Municipality of Anchorage;

Seward area - including Seward and Moose Pass;

Valdez; and

Wasilla area - including Palmer, Wasilla, Sutton, Big Lake, Houston, and Bodenberg Butte.

You may obtain maps delineating the boundaries of non-rural areas from the U.S. Fish and Wildlife Service.

(b) **[Reserved]**

Appendix C: Summary of Public Comments on the Kenai Rural Issue, November 1998-March 1999 (revised slightly from OSM 1999)

This summary addresses public comments in three parts. The first part focuses on the public hearings held on the Kenai Peninsula by the Southcentral Regional Council during November 1998. The second part captures the themes of the written public comments received during the public comment period. The third part summarizes oral public testimony heard by the Regional Council at its March 1999 public meeting in Anchorage.

I. Public Hearings, November 1998: At the November 9, 1998, public hearing at Seward, a total of 15 people attended with four testifying. The first speaker was opposed to the subsistence priority on U.S. Constitutional grounds. The second speaker had Equal Protection concerns while the third had concerns of equality. The fourth speaker was opposed, saying that all communities are on the road systems; if nonrural areas are designated rural, he was concerned about how that would affect Alaska Fish and Game Management.

At the November 11 hearing at Homer, 25 people signed in, of whom 13 testified. Six of the 13 opposed the request. The spokesman for the South Peninsula Sportsmen's Association said only Nanwalek, Port Graham and Seldovia are rural and that rural/nonrural lines cause division. The Deputy Commissioner of the Alaska Department of Fish and Game testified that they do not see any special circumstances for the Board to reconsider its determination out-of cycle. He urged the Board to wait until the 2000 census information is available. He also provided background information on the State's conclusions that the road-connected areas of the Kenai Peninsula are not rural for the purposes of ANILCA. He ended his testimony with a statement that the Kenaitze's tribal members are not geographically separate, living among several communities and that ANILCA does not contain a mechanism for applying the subsistence priority to subgroups. The Chair of the Homer Fish and Game Advisory Committee said that the Committee is adamantly opposed to the Kenai Peninsula going rural. Two individuals opposed, the first saying that the road-connected communities are nonrural and the second on equal protection and due process grounds. The attorney for Gail Phillips and the Legislature asked if a rural designation were made for the Kenai Peninsula, would the Federal government allow stream nets in places like the Kenai River and the Russian River.

Seven of the 13 testifiers supported the Kenaitze request. The Chairman of the Kenaitze Indian Tribe read a tribal resolution on behalf of its 1,009 tribal members and the 2,767 Alaska Natives residing on the Upper and Central Kenai Peninsula. The resolution listed reasons why the Tribe thought that the Kenai Peninsula is rural. Four residents of Nanwalek spoke in favor of Nanwalek's status as rural, saying that subsistence is a very important way of life for them. A Homer resident supported the Kenaitze Chairman's testimony and a Kasilof resident testified that Kasilof was a rural community unconnected to Soldotna or Kenai.

At the Kenai public hearing, a total of 81 people signed in, with 27 testifying. Seventeen

people spoke in opposition to the request, with the following themes:
"worries about possibility of downriver closures if subsistence needs are not met
"problem with the definition of "customary and traditional"
"worry that if the Kenai Peninsula is declared rural, many industries, especially tourism and fishing, will lose money, with resulting loss of tax revenue to the Borough
"belief that the request is discriminatory
"belief that under the Statehood compact, the State is to manage subsistence
"worry about economic fallout; Kenai Peninsula Borough cited as saying that sales from lodging and recreational services on the Peninsula in 1997 totaled $51 million.
"Why was there not a public hearing in Anchorage?
"Wait for the 2000 census.
" Rural communities are the powerful ones.
"The Kenai Peninsula is not rural.
"The tribe should submit fish proposal to the State Board of Fisheries instead.

Of the eight testifiers who supported the Kenaitze request, the comments were:
"I still practice subsistence on the Kenai Peninsula.
"Personal use fishing and subsistence fishing are one and the same.
"ANILCA would protect Peninsula residents, both Native and non-Native, from influx of non-residents taking the fish and game.
"A quota of 35 red salmon is not enough. Neither is the time compared to the season for commercial fishermen and sport fishermen.
"The Kenaitze Tribe submitted another resolution outlining the following special circumstances: (1) the Board's initial determinations were made without input from the Regional Advisory Council which had not yet been established; the Board's initial determination was based primarily on the State nonrural determination of the Kenai Peninsula, which the Ninth Circuit Court of Appeals rejected in the Kenaitze versus Alaska on the grounds that it violated ANILCA. A Board determination in violation of applicable mandatory law is a special circumstance justifying reconsideration at this time. (2) During the Board hearings on the Kenai C&T determination recommendations by the Regional Council, a majority of local residents testified that the Board's 1991 rural/nonrural determinations were divisive and erroneous. (3) The demographics and other information supplied by the Institute of Social and Economic Research were not available at the time the Board made its initial determinations. (4) Finally, the Regional Council's recommendation to the Board is itself a special circumstance justifying reconsideration by the Board.

II. Written public comments:

The Regional Council received 57 written public comments. Of these 38 were in opposition to the Kenaitze request and 17 were in support. One commenter asked a question, and another was neutral.

The Alaska Department of Fish and Game opposed the request. The agency did not see any special circumstances for review, stating that: 1) there is no new information; 2) changes on the Kenai Peninsula over the past eight years will not be reflected if there is reconsideration of the 1990 determinations; and 3) reassessment should be done with the year 2000 census data. The Cooper Landing Fish and Game Advisory Committee expressed similar concerns. Among the other comments opposing the request for reconsideration of the rural/nonrural determinations, the following themes came out:

"It is discriminatory.

"It is bad for the economy.

"It is bad for fish and game management.

"The sovereign State of Alaska has the clear Constitutional authority to manage the State's hunting and fishing

"Subsistence rights for Kenai residents should not be granted, since the Peninsula has major stores and industry and is accessible by paved highway and scheduled airlines.

"The tourist industry would disappear.

"The commercial fisheries would be decimated.

"It violates the Constitution s equal rights protections.

"Communities with road access should not be considered "rural."

"I oppose federal oversight and management of resources.

"It is too divisive.

"There should be a flexibility analysis and regulatory impact analysis of the effects this request would have on the Alaskan economy.

"Federal managers may be forced to extend their authority onto all other lands and waters.

"There is a lack of clear comprehension of the negative implications this proposal would have on all the user groups within the communities.

"Only the villages of Nanwalek and Port Graham live a true subsistence lifestyle.

In written support of the request, the Kenaitze Indian Tribe submitted Resolution 98-38, spelling out four special circumstances: 1) the 1991 determinations were made without Regional Council input; 2) the Institute of Social and Economic Research report was not previously available; 3) at the 1995 Board public hearings a majority of residents testified that the 1991 determinations were divisive, erroneous and should be reconsidered; and 4) the Council recommendation constitutes a special circumstance justifying reconsideration. The Native American Rights Fund added a fifth special circumstance: that Title VIII is "Indian Legislation" and as such must be interpreted broadly in favor of protecting the subsistence rights of Alaska Natives.[15] The Copper River Native Association wrote a letter supporting the request, citing the 9th Circuit Court of Appeals *Kenaitze* case that the Kenai area is a rural place and the decision should be considered a special circumstance. Other written testimony in support of the request included the following comments:

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[15]This assertion was made prior to the March 1999 court ruling in Hoonah Indian Association v. Morrison, 170 F3d 1223, 1228-28 (9th Cir. 1999).

"The businesses on the Peninsula advertise themselves as "wilderness" and communities take advantage of Federal statutes which are available to communities that are "rural."
"The Cliff Gray vicinity has nine year-round residents who would like a subsistence priority for hunting and priority over commercial interests in fishing.
"The Kasilof area should be designated a subsistence area. This area has been continuously populated for over 200 years because of the salmon runs.
"The Kenai Peninsula is rural for the same reasons set forth in the Kenaitze request.
"Several residents of Nanwalek wrote attesting to their subsistence way of life.
"A commenter from Unalaska said that the Native peoples of these communities should have the ability to continue to practice their gathering of local resources near their home communities.
"Finally, a commenter from Ester, Alaska wanted to be kept informed of the status of the Kenaitze request.

III. Oral public testimony before the Southcentral Alaska Subsistence Regional Advisory Council, at their public meeting on March 23. 1999. Eighteen people testified, all in favor of the Kenaitze request. Kenaitze Tribal Resolution 98-38 was read into the record. The Kenai Native Association, representing 570 shareholders, asked the Federal Subsistence Board to reconsider the rural/nonrural determinations and reclassify the Kenai Peninsula as rural for the purpose of the Federal subsistence priority. The following other statements were made:
"Local Natives who have lived here all our lives have every right to harvest early run king salmon; in fact, they should have a prior right to the taking of these king salmon at any time during the summer months when they are running. Year-round residents should have a recognized priority in harvesting these king salmon when they first enter the Cook Inlet. Presently local residents do not have access to the king salmon; this lack of access is a special circumstance
"The fish and wildlife resources are sufficient to support the people who live on the Peninsula but not hunters from out-of-state or the sport fishermen from all over who fish the Kenai River.
"The *Kenaitze* case is a special circumstance.
"Title VIII of ANILCA is a law and the Board must follow the law.
"Cultural values are important to the subsistence way of life.
"Homer and Kenai residents may testify that the Peninsula is nonrural, yet when they go to the Rural Transportation Planning Committees, they say the Kenai Peninsula is rural and needs rural money.
"The sport fishing guides complain about not having enough fish for their clients, yet they overlook the vast numbers of illegally caught fish being taken out of the rivers. Having more enforcement officers would help, but would not solve the problem.
"Residents of Port Graham, Bethel, Nome and Nondalton lost their subsistence hunting and fishing rights when they moved to Kenai.

"Among the Kenaitze, the younger generation traditionally learned from their elders how to harvest fish and wildlife resources. Today, a generation gap exists among the Kenaitze, partly because a lot of Natives were sent away to schools.

"Under the current existing regulations, the vast amount of pressure on other users makes it difficult for local users to be successful in their hunting and fishing efforts.

"The information from the 2000 census is probably going to have errors; the 1990 census said that the testifier's subdivision had six people, when in fact the total was 24).

"The traditional and customary hunting and fishing grounds of the Kenaitze are in the Kenai National Wildlife Refuge and on the Russian River, on what are now Federal public lands.

"Kenaitze culture and traditions have survived the invasions of the cannery industry, the oil industry and now the tourism industry.

"We do not want more allocations for the educational fishery; we want subsistence rights that are in the law.

"This testimony, and that received in the 1995 customary and traditional use public hearings. provide more information than the Board had when it made its initial rural determinations. Special circumstances are more than just a sudden population change.

"On [April 11, 1995] the Solicitor's Department instructed the Federal Board that ANILCA is Indian legislation and should be interpreted broadly.

"Ninety percent of the public comments received during the comment period were not really relevant as those people did not agree with ANILCA rural priority; most of these statements were not based on any analysis of whether communities are rural or nonrural.

"There are no subsistence fisheries on the Kenai Peninsula under state or federal law; there are federal subsistence hunts for a few communities, but no state subsistence hunts.

"Kenai Peninsula communities have been taking advantage of federal programs that are specifically designated or set aside for rural communities: Forest Service Rural Fire Protection Programs, the Forest Service Rural Development Program, the Forest Service's Economic Recovery Programs, the Natural Resource Conservation Service's Resource Conservation and Development Program, the Rural Development's Community Facility Long Program, the Rural Utilities Services Electric Telecommunications, Water and Waste Utility Programs, as well as the Rural House Service's Rural Development Housing Program and the Rural Transportation Planning Committee.

Appendix D. Information provided to the Federal Subsistence Board for the May 5, 1999 meeting to reconsider nonrural determinations for the Kenai Peninsula

At its meeting of May 5, 1999, the Federal Subsistence Board considered the issue of whether special circumstances exist which justify the out-of-cycle reconsideration of rural/nonrural determinations on the Kenai Peninsula. Among the points made by members of the Kenaitze Tribe and others who testified in support of a rural determination for the Kenai Peninsula were:

"Residents of the Kenai Peninsula should be allowed to practice their indigenous, customary and traditional subsistence way of life.

"Some elders don t understand why their subsistence rights have been taken away yet their need to participate in traditional activities remains.

"The Kenai Peninsula population has increased, yet the characteristics of its towns remain rural.

"Employment is seasonal, primarily attached to the fishing industry. The area is characterized by seasonal jobs such as commercial fishing, sportfishing, and tourism. People have to leave the Peninsula in the off-season for work or school.

"The entire Kenai Peninsula is sparsely populated.

"Many areas are not served by water, sewer, electricity, or phones. Many people have their own wells and septic tanks.

"There is no mass transit on the Kenai Peninsula.

"You have to go outside the Kenai Peninsula for specialized medical attention.

"You can see wildlife all over the Kenai Peninsula.

"Many Federal agencies consider the Kenai Peninsula to be rural.

"The Federal Subsistence Board has to defer to what the Regional Council recommends.

"In 1990, no single community on the Kenai Peninsula had a population over 7,000. Some were as small as 200 people and they were denied the rural priority because they were aggregated. It was only because of aggregation that the Kenai Peninsula communities populations were over the presumed rural standard.

"There should be no further delay in implementing ANILCA.

"Don t delay for the sake of bureaucratic convenience.

"A 13-year-old girl who lived in Soldotna testified that her grandmother taught her to harvest and process subsistence foods. Further testimony came from a mother and daughter who talked about the value of teaching and learning subsistence skills.

"A woman said she wanted to teach her children a subsistence lifestyle. Right now she has to take them to culture camp or on the subsistence moose hunt.

"The economy is poor on the Kenai. Canneries are being shut down; some people have lost their oil field jobs. The year-round inhabitants need subsistence foods because they don t have enough money to buy food.

"Kenaitze elders and others testified that they live a traditional subsistence lifestyle on the Kenai. Several were Alaska Natives from other areas: an Alutiiq woman from Kodiak Island, a man from Port Graham who moved to Kenai at age 12, and a woman from Selawik.

Appendix E. Summary of comments on *Draft Staff Analysis: Reevaluation of 1990 Rural Determinations for Kenai Peninsula Communities*, with proposed response to each. Comments from ADF&G and Peer Reviewers 1, 2, and 3 have been incorporated.

Key topics for the report as a whole

This analysis will have many significant impacts. The scientific basis for the determination is critical (R1).
Why are certain Kenai Peninsula communities a focus of discussion and not others (ADF&G)?
Lacks discussion of the historical process by which communities and residential patterns came to be (ADF&G, R3).
Needs discussion of municipal boundaries on the KP (R3).

Comments on aggregation of Kenai Peninsula communities

The regulations specify that Communities or areas which are economically, socially, and communally integrated shall be considered in the aggregate. There is no further definition of the factors of integration; the regulations don t offer a standard of proof (R1, R2, R3). Do communities need to be integrated in all three ways to be aggregated (R2)?
Should state why aggregation is required (R3). Where do the three criteria for aggregation come from (ADF&G)? No scientific or other basis is provided to support their reliability or validity (R1).
Why is aggregation the first step (R3)?
Data support for findings is poor and contradictory (ADF&G)
What is the rationale for choosing 15% as a threshold for the proportion of commuting workers (R1) Does this refer to seasonal, year-round, or total workforce (R3)?
Why depend on Kenai Peninsula Borough employees to say how many people work in which communities (ADF&G, R2)?
All KPB communities are in the same school district, so this criterion is of limited utility (ADF&G, R2, R3).
Obviously communities of a strikingly different nature can be combined into a single school district; therefore, the applicability of this measure to distinguish between rural and nonrural is problematic (R3).
Why is daily shopping important? (ADF&G)? Distance is also a factor in daily commuting (R3).

Comments on standards for identifying rural communities

Table 5 and 6's list of communities and areas is arranged in a confusing hierarchical structure. It should be exhaustive, containing all the population groupings listed by the Alaska Department of Labor (ADF&G).
The report fails to link proposed standards to any theory or definition of what is rural or non-rural in Alaska (ADF&G).
No reference to rural sociology s literature on the nature and measurement of ruralness (R1)
Need a better definition of variables (ADF&G).

Categorization of communities is based on population, percent unemployment, income per capita, cost of food index, percent of households with plumbing, patterns of participation in subsistence, average cost of electricity, means of transportation, road access, and seasonality of work. How do these variables fit with each other, and how can they be combined and weighed consistently (R1, R3)?
There is virtually no discussion of community infrastructure (R3).
Suggested harvest standard of 100 pounds per capita is arbitrary without further discussion (ADF&G).
Other criteria of ruralness used in similar analyses have included degree of isolation, dependence on natural resource-based industries, industry employment specialization, percent employment by industry, level of community resiliency and risk of impacts, level of integration in the power structure of communities, or other evidence of shared social capital (R1).

Comments on other information provided

Why did the FSB deny the Kenaitze Tribe s request to change the nonrural determination for the KP in 1990 (R3)?
Why are certain Kenai Peninsula communities a focus of discussion and not others (ADF&G)?
The ISER report and its findings are not evaluated in the draft analysis (R1). It should be dealt with in a discrete and formal fashion (R3).
The ISER report argues that the entire KP Borough should be declared rural, like the entire Kodiak Island Borough. The question of borough-level treatment should be explicitly dealt with in the draft analysis (R3).
The ISER report argues that aggregation is not warranted on the KP and that through disaggregation almost all the communities would be considered rural. The analysis should explicitly deal with the question of disaggregation (R3).
The assertion raised in public testimony that many of the communities in question have received different types of assistance destined for rural communities or areas should be further examined (R1).

Other substantive comments

There is no evidence that Moose Pass should be reclassified other than conjecture (ADF&G). Can a community dominated by a population who work year-round in industry or government, with no C&T pattern of subsistence harvest, be considered rural? Disaggregation does not imply it is rural (R3).
Report says that ANILCA does not provide priority for tribal groups, but does not explicitly discuss the Solicitor s opinion that ANILCA is Indian law (R3).
The report could benefit from responding to issues raised by the Kenaitzes and in the ISER report, which the FSB determined to be special circumstances. Since the Kenaitze Indian Tribe does not exist as a territorially-based enclave somewhere on the KP, the aggregation determinations are central to their concerns (R2).
It is difficult to say whether the report s conclusions are supported by data and analysis, because no framework for making the conclusion was presented or followed (R1).
When this issue is revisited following the 2000 census, I hope the conceptual and theoretical basis is far better developed than at present (R1).

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