

Gustavus Visitors Association P.O. Box 167, Gustavus, AK 99826 Email: <u>info@gustavusak.com</u> Website: <u>www.gustavusak.com</u> (907) 697-2454

Alaska Senate Finance Committee State Capital Room 3 Juneau, Alaska 99801

March 20, 2015

Subject: Proposed FY16 Alaska Marine Highway Budget

Dear Senator,

We are writing on behalf of the business community in Gustavus and members of our community. Like most communities along Alaska's coastal region, our small town is accessible by air and water only. The livelihood of our community is dependent on the services provided by the Alaska Marine Highway System and small commuter airlines. The large scale budget cuts that are being proposed for the Alaska Marine Highway System in the State's FY16 budget will not only cripple our community's ability to sustain our tourism economy, but also cripple local businesses and peoples' ability to bring supplies and goods that are necessary to live day to day.

Gustavus is the gateway to Glacier Bay National Park and Preserve. Our economy is largely dependent on tourism to sustain our way of life. The ability for visitors to access Gustavus by the Alaska Marine Highway System is a major reason our local economy is able to support our community and city government. Most individuals either own or work for a business that is dependent on tourism. If the Alaska Marine Highway System budget is cut as proposed, this vital service that our community and businesses are dependent on will no longer be accessible and we will experience a large scale decrease in our economy and quality of living. The ability for our community to support our local government will also be impacted, as our main source of local city government income is based on sales and bed taxes which are dramatically affected by our tourism visitor numbers.

We understand the need to have a balanced budget and reduce our state deficit, but we urge you not to do it on the backs of businesses and individuals that are working hard to support and maintain Alaska's future. Difficult decisions are ahead of all of us, and we appreciate the hard decisions that you must make, but please understand the impact that will be felt state wide if the Alaska Marine Highway System is drastically cut.

The Gustavus Visitors Association urges you to fund the Alaska Marine Highway System at a level that will continue the basic services Gustavus needs in order to maintain and develop our current local business economy, support tourism travel here, and support our community livelihood.

With Regards,

Rachel Parks President Gustavus Visitors Association