



Greater Juneau Chamber of Commerce

9301 Glacier Hwy, Suite 110 • Juneau AK 99801 • (907)463-3488

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Alaska Marine Lines

February 12, 2021

Ref: Senate Joint Resolution 9

To Whom It May Concern:

The Greater Juneau Chamber of Commerce strongly supports the passage of Senate Joint Resolution 9 urging Congress to exempt cruise ships from certain provisions of the Passenger Vessel Services Act and other applicable provisions of federal law for the period during which Canadian ports are closed to cruise ships carrying more than 100 people; and urging the President of the United States not to fine or take action against cruise ships sailing to the State of Alaska.

The economic importance of tourism to the state is well known, and the loss of the 2020 cruise season has had a devastating impact on all businesses directly and indirectly serving the visitor industry. The many local small businesses serving this industry, their employees and their families have had to find ways to survive with the total loss of the 2020 cruise season. Liquidation of personal assets, SBA loans and CARES grants have allowed most to survive this winter. But the loss of a second full cruise season will result in catastrophic business losses that will create a cascading set of events that will dig deep into Alaska's economy far beyond just tourism.

Each day that passes without a federal solution to this problem brings us closer to the loss of the entire cruise season. We urge your timely action to this resolution.

Respectfully,

A handwritten signature in black ink, appearing to read 'Craig E. Dahl'.

Craig E. Dahl, Executive Director

A handwritten signature in black ink, appearing to read 'Eric Forst'.

Eric Forst, President



PO Box 7432
Ketchikan, AK 9901

My name is Michelle Masden and I am the owner and operator of Island Wings Air Service LLC here in Ketchikan and have been for 28 years.

I am writing to you today in support of your efforts to secure a waiver for the Passenger Services Vessel Act of 1886 to allow cruise ships to bypass requirements for a foreign port call while Canadian ports are closed to large cruise vessels.

Without the waiver to counter the closure of the Canadian ports Ketchikan stands to lose another season. The impact of this will be catastrophic not only to small business such as mine but for our entire community. Overall the projected loss to Ketchikan for just May and June of 2020 was over \$66 million dollars. What that estimate does not include is the amount that will be loss over the rest of the season.

Should we lose the yet another season there will be many businesses such as mine that will not be able to recover the losses and the trickledown effect of these losses will be devastating to our community. Not only will tour operators suffer but the support businesses will as well. Current estimates are that there are over 1700 jobs that are driven by the visitors industry with an annual payroll of more than 75 million dollars if you take even a portion of that away from our town it will be catastrophic and if our season does not happen that will be the case.

To give you an idea of the financial impact that one small local business can have please see the attached breakdown of my company's spending for 2019. As you can see Island Wings contributes over 1 million annually to the Alaskan economy. This includes my five employees, fuel companies, commission sales people, local utilities, auto and aviation mechanics, barge services, building and plumbing contractors, office and business supply companies, grocery stores and many more. In comparison Island Wings grossed only \$171,341 for 2020, roughly 17% of our 2019 gross.

These are very challenging times for Ketchikan, the state of Alaska and our entire country and it can't be easy to balance the need to protect our visitors industry as well as stem the spread of COVID-19 but I implore you to do your very best.

Thank you,

Michelle Masden
Owner and Operator
Island Wings Air Service LLC

2019

Wages and Commissions	\$	252,948.00
Aviation Fuel	\$	108,986.00
Business Rents	\$	10,272.00
Business Supplies	\$	6,779.00
Building and Aircraft		
Maintenance	\$	188,781.00
Professional Fees	\$	5,801.00
Contracted Services	\$	2,142.00
Utilities	\$	9,738.00
Advertising	\$	9,718.00
Taxes	\$	134,051.00
Federal Permits	\$	16,055.00
New Purchases	\$	114,995.00
Insurance	\$	56,528.00
Loan Payments	\$	76,306.00
Merchant Fees	\$	24,519.00
Total	\$	<u>1,017,619.00</u>

From: Sarah Leonard <[REDACTED]>
Sent: Thursday, February 11, 2021 2:15 PM
To: Senate Transportation Committee <SenateTransportation.Committee@akleg.gov>
Cc: Sen. Jesse Kiehl <Sen.Jesse.Kiehl@akleg.gov>; Jillian Simpson <[REDACTED]>; Julie Jessen <[REDACTED]>
Subject: Alaska Travel Industry Association (ATIA) written testimony re to SJR 9

On behalf of the Alaska Travel Industry Association (ATIA) - Alaska's leading statewide organization for travel and tourism and over 600 tourism business owners and community partners, I respectfully submit this written testimony related to Senate Joint Resolution: 9.

The health and safety of Alaska's visitors and residents, along with its member businesses, remains a top priority of ATIA. We know that providing safe experiences to visitors will help tourism businesses and our industry stay on the path toward economic recovery.

ATIA continually advocates for a safe return for cruises in Alaska. Because the industry is supported almost exclusively by out-of-state and international visitors, Alaska is highly susceptible to national and international affairs. Transport Canada's continuation of prohibiting cruise vessels in Canadian waters until Feb. 28, 2022, further threatens Alaska's already fragile tourism industry, predominately made up of small businesses.

ATIA is working closely with Alaska's congressional delegation on brainstorming solutions to safely resume cruising operations. ATIA supports the Centers for Disease Control and Prevention (CDC) and its work with the industry to identify safety protocols for cruise operations and to keep passengers and communities healthy. ATIA also seeks possible changes to complicated federal regulations, such as a temporary waiver to the Passenger Vessel Services Act of 1886, that would allow cruise ships to sail between U.S. ports without stopping in Canada.

As the manager of the state's destination marketing program, ATIA is sharing information about independent and air travel as accessible ways to safely travel to Alaska. Promoting safe travel to Alaska can help generate much needed economic activity for tourism business owners, their employees and communities across Alaska.

Thank you for your consideration.

Sarah Leonard
President & CEO



Alaska Travel Industry Association
610 E. 5th Ave., Ste. 200, Anchorage, AK 99501
D 907.646.3306 | O 907.929.2842 | C 907.727.0251
AlaskaTIA.org | sleonard@alaskatia.org

Alaska's leading statewide nonprofit membership organization for the travel industry

From: jwendell <[REDACTED]>
Date: Friday, February 12, 2021 at 1:47 PM
To: <Sen.Jesse.Kiehl@akleg.gov>
Subject: support for SJR9

To Whom it May Concern,

As business owners in Skagway Ak, we are writing in support of SJR9.
Skagway's economy has been devastated by the pandemic due to the absence of cruiseships in 2020.
If Skagway is to survive as a community we need to see the return of the cruiseship industry this summer.
SJR9 would make that possible.

Thank you for your attention to this.

Best Regards

Jeanie Wendell-Vogel
Dave Vogel
A Fine Line Alaskan Gifts

From: [REDACTED]
Date: February 15, 2021 at 22:21:01 AKST
To: "Sen. Jesse Kiehl" <Sen.Jesse.Kiehl@akleg.gov>
Cc: Senate Transportation Committee <SenateTransportation.Committee@akleg.gov>
Subject: SJR 9

Dear Senator Kiehl:

This is my expression of full support for SJR 9, a resolution urging the suspension of provisions in the Passenger Vessel Services Act (PVSA) that require large cruise ships to visit a foreign port when sailing between two U. S. ports. Canada's closure of its ports to these cruise vessels has decimated the cruise-related industry in Alaska both last year, in 2020, and now, for the duration of 2021.

A 2020 survey by Raincoast Data for Southeast Conference revealed that 30% of Ketchikan respondents said they are at moderate or significant risk of closing permanently. Ketchikan respondents averaged 67% revenue declines from COVID-19 in 2020 compared to 2019. Layoffs of existing workers and cancellations of planned hires totaled almost 800 by the June date of this survey. By contrast, the pulp mill closure in 1997 caused a loss of 320 jobs and a resulting cataclysmic effect on the economy at that time. 38% of Ketchikan respondents said that they plan to reduce jobs in the next 12 months. 55% of Ketchikan businesses see the current business climate as very poor, and an additional 33% see it as poor.

In 2021, these effects will be much worse as the government funding programs supporting some of these businesses have become intermittent or have completely run out.

The cruise industry is the number 1 economic driver for Ketchikan. Without it, the economy is suffocating. This shutdown has been sudden. There has been no time to make adjustments or develop alternate economic sectors. There is great need to have a suspension of the PVSA and allow us some commercial activity for our devastated economy.

Sincerely,



*Deborah Hayden, CEcD, EDFP**

Executive Director

907-254-5300

*Certified Economic Developer, Economic Development Finance Professional

From: Tara Edwards <[REDACTED]>
Sent: Tuesday, February 16, 2021 8:13 AM
To: Senate Transportation Committee <SenateTransportation.Committee@akleg.gov>
Subject: PVSA (allow Cruise Ships access to Alaska's ports and waters)

To whine it may concern,

Please consider the tourism in SE Alaska and our need on tour ships. I ask Congressional Delegation and the President to waive certain Federal laws and regulations within the Passenger Vessel Services Act to allow Cruise Ships access to Alaska's ports and waters.

Living in Ketchikan I have seen a number of small business close over this pass year. My friends who have been able to hold our have stated that they have only been barely to break even and if they go through another summer without cruise ships they will have to close up shop.

Since the Roadless rule passed during the Clinton administration, tourism is now the primary income of this town and many others in south east Alaska. Without the cruise ships or even passenger vessels will destroy our economy.

Thank you for your consideration,

Tara J. Edwards
Ketchikan, Alaska

From: Reflections In Art <[REDACTED]>
Sent: Tuesday, February 16, 2021 2:58 PM
To: Senate Transportation Committee <SenateTransportation.Committee@akleg.gov>
Cc: Sen. Jesse Kiehl <Sen.Jesse.Kiehl@akleg.gov>
Subject: Save Alaska's Tourism Season
Importance: High

Good afternoon-

I am writing to you as a new business owner in Ketchikan to plead with you to pass resolution SJR9 and ask our Congressional Delegation and the President to waive certain Federal laws and regulations within the Passenger Vessel Services Act (PVSA) to allow Cruise Ships access to Alaska's ports and waters.

My business is like thousands in Alaska...by February of 2020 I had started my new art gallery and signed my lease, set up my utilities and insurance coverage, purchased items/stock and prepared my gallery for the fast-approaching 2020 summer tourist season...then March arrived and everything came to a screeching halt with the national emergency declaration due to the Covid 19 pandemic.

I have received none of the available PPP loans, grants, or any government-funding available to local small businesses suffering from this pandemic due to the timing of my opening, among other things. With the waning of the pandemic in the beginning of January and the promise of imminent availability of vaccines, I felt positive about this coming season, and was cautiously waiting for the arrival of May, then June...and then we hear that Canada has shut down their waters/ports to all large and foreign ships until February of 2022, effectively ending our season due to an antiquated law/act.

I am begging you, along with other businesses in Ketchikan, and I'm sure all of SE Alaska, it is imperative for our economy, for our families that depend on the tourism industry, that our Congressional Delegation work diligently and swiftly to waive certain Federal laws and regulations within the PVSA and allow cruise ships access to Alaska's ports and waters regardless of Canada's actions. Without this waiver, the disastrous effects will be far reaching...please...help us to get back on our feet by giving our economy the boost it desperately needs with even a partial tourist season.

Sincerely,
Lana Boler, Owner
Reflections In Art
P.O. Box 1362
Ward Cove, AK 99928
[REDACTED]