

Department of Transportation and Public Facilities

STATEWIDE ADMINISTRATIVE SERVICES

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February 8, 2017

The Honorable Representative Foster Chair, House Finance Subcommittee State Capitol Bldg., Room 410 Juneau, Alaska 99801

Dear Representative Foster,

In response to questions posed by House Finance Sub Committee members on February 7, 2017, the following information is provided:

How do AMHS Underage Discounted Tariffs (children aged 5 & under travel free (passage only)) discounts compare to airlines and other ferry systems?

Alaska Airlines allows lap infants under 2 years of age to travel for free with an adult (certain restrictions apply). Above age 2, children must have their own seat on their own ticket at regular fares. This is a Federal Aviation Administration (FAA) regulation, not airline specific policy.

As for other ferry systems, Washington State Ferries (WSF) offers a variety of pass and discount benefits. Details are available at http://www.wsdot.wa.gov/Ferries/infodesk/FareInfo.htm. For a quick comparison, WSF offers a 50% Senior Citizen discount (AMHS is 25%, in-state only). WSF allows children age 0-5 years to travel for free (AMHS is the same). WSF allows youth aged 6-18 a discount of 50% (AMHS youth aged 6-11 get a 50% discount). WSF charges school groups a flat \$1 fee per walk on group or per vehicle of students/advisors (AMHS provides a 50% discount for youth group travel off the adult fares, in-state only). While there are similarities in the discounts, please remember that generally speaking AMHS fares are significantly higher than WSF fares due to the distances involved. British Columbia's BC Ferries (BCF) provides similar discounts as well. Details can be found at

http://www.bcferries.com/travel_planning/frequently_asked_questions.html#rates under the "About Special Rates" section. BCF offer a 50% Senior discount to BC Seniors (with limitations), free passage for children under 5, 50% discounts for children age 5-11, and they allow certain students to travel for free between home and school or to school events. Generally speaking, even though there are some differences, the three major pacific northwest ferry systems all offer similar discounts.

> How do our Employee Annual Pass benefits/discounts compare to airlines?

Our employee pass benefits are negotiated in each of the three individual maritime union's Collective Bargaining Agreements: Masters, Mates and Pilots; Marine Engineers' Beneficial Association; and Inlandboatmen's Union. During the last contract cycle (2014-2017) the \$100 annual fee for passes was negotiated in all three contracts. Prior to that there was no fee for pass usage. AMHS passes are limited to employees, their spouses, dependents (with restrictions), and retirees.

Airlines employee pass benefits vary greatly, depending upon the particular airline and who is using the pass benefit. Flight crew employees, ground crew employees, spouses/significant others, dependents, and friends all have various different benefits, and they vary by seniority and pass type precedence. Some actually include guaranteed space (i.e. potentially displacing a paying customer) but most rely on the space available concept (i.e. giving away a seat that would theoretically otherwise go empty). The charge for the different types of passes also vary from being totally free to paying only the taxes on the ticket.

Provide a copy of the Southeast Conference AMHS Governance Study (Phase 1 Final Report)
Copy provided to Brodie Anderson on February 8th.

If you have any further questions, please feel free to contact me at 465-8974.

Sincerely,

Amanda Holland, Director Administrative Services

CC: House Finance Subcommittee Members
Marc Luiken, Commissioner
Steve Hatter, Deputy Commissioner
John Binder, Deputy Commissioner
Mike Neussl, Deputy Commissioner
Mike Lesmann, Legislative Liaison