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March 12, 2019

The Alaska House Transportation Committee
Legislative Information Office (Kodiak)
305 Center Avenue, Suite 1
Kodiak, AK 99615

Good afternoon Members of The Alaska House Transportation Committee:

Afognak Native Corporation represents Shareholders living in Port Lions and in the City of Kodiak, both small, coastal communities within the Kodiak Archipelago. Afognak has been able to provide strong economic and advocacy support to our Shareholder communities as the 7th largest revenue producing private corporation in the State of Alaska. However, in the face of proposed State budget cuts and scheduled service reductions of the Alaska Marine Highway System ("the Marine Highway"), we fear that our coastal communities stand to be severely impacted.

We strongly encourage the State to adequately fund the Marine Highway to sustain its regular service schedule. The Marine Highway is a critical transportation link for coastal communities in the Gulf of Alaska. It is truly these communities' "highway" connection to Alaska's road system and serves as a vital link for the transportation of people, vehicles, and freight—both for personal, civic, and commercial business purposes.

In fact, the latest data available from the McDowell Group's 2016 economic impact report indicates that the Homer-Kodiak route was the most important link in the state, providing 867 container vans to/from our coastal community – where the next largest link of Haines-Juneau provided 399 container vans. Kodiak and Port Lions are the 5th and 7th largest ports for embarking passenger traffic in the Southwest System, with 11,236 and 1,288 passengers embarking. Further, Port Lions had the 6th largest ratio of resident population to passenger embarkations where for every one resident of Port Lions, there were seven passengers who embarked. Additionally, the Marine Highway is essential to the State's seafood industry, where Kodiak is one of a small number of primary ports for seafood shipment.

Our communities of Port Lions and Kodiak will suffer even further if the state pulls the \$25 million in capital funds it previously committed to construct a replacement vessel for the M/V *Tustumena*. Federal funding that covers 90% of the total cost will go away if the state eliminates these funds. Ultimately, state funding for capital costs and operations is critical to support the economies of coastal communities and wellbeing of coastal families.

Many families and businesses rely on the ferry system as their only affordable means to transport groceries, vehicles, equipment, and supplies. Further, as Port Lions has no grocery store, the ferry is one of the only ways to bring groceries home. Service reductions will definitely have a long-lasting economic, social, and cultural effect with families unable to transport essential supplies, fewer tourists able to access our communities and businesses, and higher transportation costs for local businesses.

Please support the survival of our small coastal communities by sustaining our Alaska transportation system and rural economy at the current level of funding and service.

Testimony presented by Natasha Hayden, Afognak Native Corporation Natural Resource Manager, as a proxy for Malia Villegas, Vice President of Corporate Affairs

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 2:59 PM
To: Elizabeth Bolling
Subject: FW: Testimony: Alaska Marine Highway funding

From: Doug Woodby <doug.woodby@gmail.com>
Sent: Tuesday, March 12, 2019 2:42 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>
Subject: Testimony: Alaska Marine Highway funding

Dear Co-chairs Stutes and Wool,

I am opposed to the drastic cuts proposed in the Governor's budget for the Marine Highway System.

The ferry system is a vital component of life in coastal Alaska. The cuts have been proposed without consideration of the severe impacts on the well-being of Alaska residents. The proposed cuts will decimate the economies of the region.

The state has a priority crisis, not a fiscal crisis. Together as Alaskans, we can solve the priority crisis by recognizing what makes the state great: our people, our children, and our communities that we create. Extra PFD payments will not make us great.

Thank you,

Doug Woodby
Juneau, Alaska

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 2:11 PM
To: Elizabeth Bolling
Subject: FW: Alaska Marine Highway System- Public Testimony

From: Sherri Burt <sherriburt@yahoo.com>
Sent: Tuesday, March 12, 2019 1:59 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Alaska Marine Highway System- Public Testimony

Co-Chair Stutes and Co-Chair Wool,

I am a resident of Seldovia who has lived and worked here for 28 years and my husband even longer. Our son was born and raised here. We live here year round and have always depended on the AMHS for our chief transportation needs. I understand that the legislature has been tasked with a difficult job. I understand because I live in a place that is on the marine highway, but off the connecting road system. Please know, that we that are here year round for our families, children, jobs and quality of life, ARE NOT strangers to **fluctuating incomes and budgets**. It is the nature of many coastal communities, and at times can be very stressful. While Seldovians, like so many Alaskans, are able to pull together in difficult times, the loss or gross reduction in AMHS services would be devastating to those of us who depend on the Tustemena and Kennicott and their crews.

Without regular AMHS service we are unable to bring/drive our vehicles with needed supplies and goods, as well as the large tractor trailers and vans, which would be unable to deliver freight, machinery and materials for residents and businesses. This will impact many jobs and families in our community as any disrupted supply line would. It is our only option. Other methods of transportation (small planes and boats) can only carry a limited amount of people and freight (at a cost that is impossible for many). While I am grateful for these, they do not serve the same purpose as the marine highway.

Another big concern of mine is that for many residents, the marine highway, on the ferry, is how they travel back and forth to chemo therapy and other treatments in Anchorage, or major surgical procedures, or Dr. appointments, or palliative care. I have seen disabled adults and children, elderly or sick with limited mobility, and pregnant moms and families with newborns returning after a stay in Homer to give birth. I care about these people.

Other modes of transportation are limiting, due to the steep climb up and down ramps to boats, or the difficult climb/entry into a very small plane. It is not fair to limit access to people who need the elevator on the ferry and the easiest way to travel across the bay, when experiencing challenging health issues. The AMHS should serve us through our lives. You can get in your car and drive to the hospital. I should have that same opportunity if I am a patient or caregiver to someone I love.

We pay to take the Alaska Marine Highway and it is worth it. I will pay more if needed to sustain service. Fewer runs but more predictable schedules which we can depend on would be the best. If 2 times a week is better than 3 times at peak periods, cut out a run. If we could load on the Kodiak return to Homer- and have layover time in Homer (instead of Seldovia), we could fill the ferry more often, generating more revenue. We also need to be able to do round trips over a few days, for appointments, freight runs, etc. I hope we can find a way to have the AMHS in service during the year (except maintenance time). It does work and our coastal communities count on it.

I urge you to support the coastal communities of Alaska by supporting funding for the AMHS. Thank you for taking the time to consider my testimony.

Sincerely,

Sherri Burt

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 2:11 PM
To: Elizabeth Bolling
Subject: FW: Public Comment - Alaska Marine Highway System - House Transportation Committee
Attachments: MV Chilkoot.JPG

From: slvreagle@gci.net <slvreagle@gci.net>
Sent: Tuesday, March 12, 2019 2:10 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Public Comment - Alaska Marine Highway System - House Transportation Committee

Chairman Stutes,

As many have indicated, the Alaska Marine Highway System is the "road system" that connects all Southeast communities. It is Alaska's only toll-road where users of the system help subsidize this essential infrastructure --- Reduced sailings between communities also result in the system becoming less useable. Myself, I moved to Alaska some 30 plus years ago traveling the ferry system from Prince Rupert. We have used the ferry to travel to Sitka for Alaska day for the past several years though reduced sailings mean you need to spend a week if bringing a vehicle. There is much commercial traffic and "private" commerce of people in communities buying goods in Juneau or Ketchikan and hauling them by vans or trucks for people in the smaller communities.

As shown by the attachment from the ADOTPF website, the beginnings of the ferry system began as a failed private enterprise that the state assumed because the public importance of reliable transportation system was recognized.

The importance of the Alaska marine highway system is reflected in Alaska Statutes which requires a plan for it's development and improvement --- Abandoning the system is contrary to the statute.

AS 19.65.011. Comprehensive Long-Range Plan.

The Department of Transportation and Public Facilities shall prepare a comprehensive long-range plan for the development and improvement of the Alaska marine highway system and shall revise and update the plan at least every five years. The department shall submit the comprehensive long-range plan and revisions and updates of the plan to the legislature.

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 4:04 PM
To: Elizabeth Bolling
Subject: FW: Public Testimony AMHS

From: Kari Anderson <alaskazephyr@gmail.com>
Sent: Tuesday, March 12, 2019 4:01 PM
To: Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>; Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Public Testimony AMHS

Please indulge me. Say these three words out loud: Alaska. Marine. Highway.

Highway! Will you ever consider shutting down the Glenn Highway? Would you refuse to do maintenance on the roads in your community? Do you question the usage or the need for the Richardson Highway?

The Alaska Marine Highway brings groceries to communities, delivers kids to sports tournaments, and transports elders and newborns to hospitals in larger communities.

Alaskans put vehicles on the ferry to have them serviced in a shop. They use the ferry to transport pets and animals that are not be able to fly. The AMHS ships vans filled with fresh-caught fish ready for market. The ferries deliver construction equipment to major development projects state-wide.

I would support a state sales tax, PFD reduction, or elimination of oil development tax credits in order to maintain the Alaska Marine Highway System.

-Kari Anderson
Seward, Alaska

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:20 PM
To: Elizabeth Bolling
Subject: FW: House Transportation Committee AMHS Written Testimony

From: Randi Sweet <randisweet252@gmail.com>
Sent: Tuesday, March 12, 2019 3:12 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: House Transportation Committee AMHS Written Testimony

The Big Picture: Governor's Budget creates unnecessary chaos, is full of broken promises and no economic impact analysis. There is a possible alternative for a reduced PFD (estimated \$860) and a budget similar to this fiscal year. **DO NOT ACCEPT THE GOVERNOR'S BUDGET. CREATE A BUDGET THAT SUPPORTS A SAFE, STABLE AND SUSTAINABLE ALASKA AND ALASKANS.**

DEVELOP ADDITIONAL REVENUE STREAMS INCLUDING STATE INCOME TAX FOR RESIDENTS AND NON RESIDENTS.

CONDUCT CONTINUOUS IMPROVEMENT ON STATE GOVERNMENT DEPARTMENTS AND UTILIZE BEST PRACTICES TO TRANSFORM GOVERNMENT FOR THE 21ST CENTURY.

Immediate Impact: Eliminating or operating the ferry in summer months only would be devastating to Seldovia. Community members would lose jobs. They would move and take their children with them. This in turn will impact the viability of the school. In short, contribute to a death spiral. Cost of living would increase: food, building materials.

FUND ALASKA MARINE HIGHWAY FOR YEAR ROUND FERRY SYSTEM.

CONTINUE ACCEPTING RESERVATION TO MAINTAIN CASHFLOW AND VIABILITY.

Long Term: The Kodiak Daily Mirror reported about \$244 million in federal and state funding are earmarked for the Tustumena replacement and \$222 million comes from the Federal Highway Administration. [This means \$22 million from the state.]

THE OCEAN GOING VESSEL NEEDS TO BE REPLACED.

USE THE STATE FUNDS FOR THE SPECIFIC PURPOSE EARMARKED NOT FOR SHUTTING DOWN THE SYSTEM.

Randi Sweet
PO Box 804
Seldovia, AK 99663-0804

PS - When there is a large public response, please schedule more time for testimony rather than cutting time to 1 minute.

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:01 PM
To: Elizabeth Bolling
Subject: FW: Amhs Funding

-----Original Message-----

From: josh chevalier <schwaa69@hotmail.com>
Sent: Tuesday, March 12, 2019 2:53 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Amhs Funding

Representative Stutes,

I would like to offer written testimony on behalf of continued AMHS funding and service. The system is a vital link for all of Alaska not merely Southeast. Whether it is bringing goods, people, supplies etc into or out of Alaska; it serves a major public service and as an economic conduit. The economic effects do not have to the subject of hyperbole or hearsay. The Mcdowwell Group, and Elliot Bay Design Group, were brought on board to study the overall economic effects of the system, as well as options for service levels and management schemes going forward. The results were overwhelmingly positive as far as the return on investment.

There is no arguing the fleet is old, and things could be managed better. Ridership also continues to decline. Please recall however, the itineraries that were canceled due to the "fiscal cliff" two years ago. This sort of upheaval, general uncertainty, and schedule variability all add up to scaring consumers away. Add the fare increases as ridership goes down, and one has a recipe for lowering ridership even further. We can all agree there are problems, however, the amount of federal dollars leveraged to the state, on top of the benefits to tourism and the local economies cannot be overlooked.

Please resist the call to defund this vital link and further isolate and push the coastal regions into recession. The small bump in consumer spending from the dividend (much of which is online sales anyway), is nothing compared to the benefits to all Alaska including towns not directly served by the fleet.

Thank you for you time.

Josh Chevalier
Sitka

Sent from my iPad

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:01 PM
To: Elizabeth Bolling
Subject: FW: Funding for ferry service

-----Original Message-----

From: Lynne Jensen <gljensen@whidbey.com>
Sent: Tuesday, March 12, 2019 2:54 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>
Cc: Rep. Matt Claman <Rep.Matt.Claman@akleg.gov>; Rep. Harriet Drummond <Rep.Harriet.Drummond@akleg.gov>; Rep. Andi Story <Rep.Andi.Story@akleg.gov>; Rep. David Talerico <Rep.David.Talerico@akleg.gov>; Rep. Sara Rasmussen <Rep.Sara.Rasmussen@akleg.gov>
Subject: Funding for ferry service

Dear House Transportation Committee members; We, George and Lynne Jensen, residents of Gustavus, AK, are writing to you with grave concern about the proposed budget cuts to the Alaska Ferry System.

We rely on the ferry in the following ways:

1. Going to and from Gustavus and Juneau for medical appointments, getting supplies and groceries, attending meetings or cultural events.
2. To access the other communities of S.E. Alaska.
3. To access the rest of Alaska and Canada by ferry service to Haines or Skagway.
4. To get down to Bellingham with access to the lower 48 and back to Alaska again.

Cutting off our ferry system starting on October 1st for all the winter months (and beyond?) will be catastrophic for all the rural communities along the coastline. The Alaska Ferry system is part of the vital highway system for Alaska. Cutting off this highway would be like closing down the Alaska Highway and all the other roads going to Anchorage, Fairbanks, Homer, etc.

Please do not support this draconian budget plan which will have disastrous affects to our community of Gustavus and all the communities relying on ferry service in order to thrive and survive.

Now that budget shortfalls have occurred, please give serious and positive consideration to the implementation of a graduated State Income Tax. When we both came to Alaska in the 1960's we paid an income and a school tax. We are most willing to do that again.

Thank you for your consideration.

Sincerely,

George and Lynne Jensen
PO Box 87. (#4 Jensen Road)
Gustavus, AK. 99826

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:01 PM
To: Elizabeth Bolling
Subject: FW: Alaska Ferry underfunding

From: Jack Slaght <jackslaght@gmail.com>
Sent: Tuesday, March 12, 2019 2:58 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Alaska Ferry underfunding

Dear Representative Stutes,

As a resident of Petersburg, Alaska and tax payer / voter and concerned citizen, I'd like to comment on the current Administration's intent to de-fund AMHS. I'm a Chief Engineer on Malaspina and am the ship's repair officer. I can tell you that after many years of deferred maintenance of the AMHS fleet, a decrease of funding of 25% will have dire consequences for keeping the Alaska ferries operational. Malaspina is the original mainliner vessel, built in 1963. She has her original Enterprise main engines that we keep running safely and reliably. Her operating systems are sound. Machinery is sound. Currently, the USCG and ABS have mandated that deteriorated steel on Malaspina's car deck and down in the after steering space undergo repair / replacement work within the next two years. Malaspina is capable of hauling very good loads of cars, trucks, heavy construction machinery and up to 500 people. For doing all of that work, she burns significantly less fuel in a week than other mainliner ferries in the fleet. However, she is scheduled to go off line and into layup on July 30. For all I know it could evolve into scrapping her under the current political atmosphere that exists in Alaska. If that happens, I believe it would be a tragic event for the citizens of coastal Alaska who depend on safe, reliable transportation.

Additionally, I was once a west coast and Alaska logger and owned a logging company with my brother-in-law. The business we did generated much more business with our parts vendors, fuel suppliers, income for the timber owners we harvested for and we made a good enough living to spend money in our community. As a lesson in real economics and not the current "Pop Economics", any big reduction in ferry service will be analogous to what happened to people and communities when the timber industry was flushed down the drain. That had devastating consequences for families and communities and some smaller communities have never recovered from that economic sucker punch. In the case of de-funding / under funding AMHS, I believe consequences for communities will be even worse. It is part of the federal highway system. The mainline stretch from Bellingham, WA to Skagway, AK is actually an extension of Interstate 5.

Sincerely,

Jack Slaght Petersburg, Alaska

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:01 PM
To: Elizabeth Bolling
Subject: FW: Please Fully Fund The Alaska Marine Highway

From: Jordan Nigro <jordennigro@gmail.com>
Sent: Tuesday, March 12, 2019 3:00 PM
To: Rep. Harriet Drummond <Rep.Harriet.Drummond@akleg.gov>; Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; Rep. Adam Wool <Rep.Adam.Wool@akleg.gov>; Rep. Matt Claman <Rep.Matt.Claman@akleg.gov>; Rep. Andi Story <Rep.Andi.Story@akleg.gov>; Rep. David Talerico <Rep.David.Talerico@akleg.gov>; Rep. Sara Rasmussen <Rep.Sara.Rasmussen@akleg.gov>
Cc: Sen. Jesse Kiehl <Sen.Jesse.Kiehl@akleg.gov>; Rep. Sara Hannan <Rep.Sara.Hannan@akleg.gov>
Subject: Please Fully Fund The Alaska Marine Highway

Dear Committee Members,

The cuts proposed to the Alaska Marine Highway system will be detrimental to our rural communities and our way of life as Alaskans. The administration's comparison of the cost of the marine highway to a paved highway in the lower 48 is insulting and irresponsible.

I grew up in rural Southeast and my family still lives there. The ferry is integral to life in rural southeast.

I urge you to fully fund the Alaska Marine Highway system and am absolutely willing to pay a progressive income tax and forgo my PFD to help make this happen. Additionally, let's stop giving the oil companies a free ride and have them pay their fair share.

Sincerely,

Jorden Nigro
Juneau

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Speak your truth. Even if your voice shakes.

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 3:01 PM
To: Elizabeth Bolling
Subject: FW: Alaska Marine Highway Testimony

From: Cassidi Little <littlecassidi@gmail.com>
Sent: Tuesday, March 12, 2019 2:13 PM
To: Rep. Gary Knopp <Rep.Gary.Knopp@akleg.gov>; Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>; representative.gary.stevens@akleg.gov
Subject: Alaska Marine Highway Testimony

While we are probably one of thousands of requests to the powers at be to reconsider some of the proposed cuts to state programs that are vital to communities such as Seldovia, it will not diminish the high level of concern and hardship that Seldovia will face if the proposed cuts come to fruition.

Seldovia is a small coastal community that is off the road system. Please seriously consider that detail. Please consider how you arrived at your desk today or went to the grocery store or went home to your family. Did you drive on a State Highway? What if that highway was open three months out of the year – closed for nine months? What would you do?

Now consider what it takes for individuals, families, businesses, and visitors to reach communities that depend on the Alaska Marine Highway System to come to a community such Seldovia. What are we supposed to do when the State Highway is closed for nine months out of the year? What would you do if your State highway was closed for nine months out of the year?

Seldovia heavily relies on the Alaska Marine Highway Ferries for passenger, vehicles and cargo transport. We are already having significant issues with the loss of the M/V Tustemena into early April 2019. Our visitors, citizens and business owners are already struggling to move between Seldovia and Homer. This translates into less sales tax revenues, loss of business and commerce, loss of economic growth. Seldovia will be stunted in an already underdeveloped economy.

There is no question, we expected cuts to state funded programs such as the Alaska Marine Highway System, we however did not expect to see the radical cuts that were proposed last week. Cuts that will deeply impact our community and our livelihoods. Cuts that could spoil our already fragile economic base and cause Seldovia to shrivel economically and prevent future growth and sustainability.

Please do not cut our highway, please allocate funds directly to the Marine Highway from the US Transportation Funds.

Thank you for your time and consideration -
Cassidi Cameron
Seldovia, Alaska

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 2:59 PM
To: Elizabeth Bolling
Subject: FW: Alaska Marine Highway Funding

From: Samantha S Renner <samanthal_15@hotmail.com>
Sent: Tuesday, March 12, 2019 2:25 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Alaska Marine Highway Funding

Dear Representative Stutes,

My name is Samantha Renner and my family and I live in Cordova. My family has lived in Cordova for over 50 years and we hope to continue to do so but the lack of funding for the Alaska Marine Highway could make it hard for myself and many other Cordovans to stay.

I am writing this letter in regard to the governors lack of funding for the Alaska Marine Highway to Cordova and other many other Alaskan communities set to begin in the Fall of 2019. The lack of funding for the Alaska Marine Highway will be detrimental to our community. The residents of rural Alaska have a right to open and fair access to the public transportation provided in our great state, they also have a right to participate in the state economy. The Alaska Marine Highway allows us to do so.

This proposed budget will not only hamper economic activity, the increased cost of traveling by air rather than water means many families will be forced to decrease or eliminate all traffic in and out of their already-isolated home communities. This separation of entire communities from the rest of the state at yet another level is unreasonable. No road system in Alaska pays for itself, it certainly is not cheap to keep the highway from Valdez open year-round but yet it is done because those residents have the right to us it. It is simply not right that our road system is going to be taken from us.

This will affect me personally because my family and I are year-round residents of Cordova. We rely heavily on the Alaska Marine Highway to go to and from Anchorage multiple times a year. Our local businesses need the Alaska Marine Highway to transport goods back and forth, our schools need it to transport students for school sports and activities, families need it to stay connected to each other, tourists need it go get to and from communities, fish processors need it to get their fish products out of town, residents need it to receive medical care that is not available locally and the list goes on.

I am asking you to please fight for us and help us to keep the Alaska Marine Highway funded. I want to be able to continue to raise my children in the same small town that I was raised. We should not be punished for not living in the city. Our Governor is supposed to be looking out for all Alaskans and not pick and choose which Alaskans get to continue their current way of life. Putting such unfair restrictions on coastal Alaskan families and businesses is not right. Please do not let the funding for the Alaska Marine Highway get cut.

Thank you for your time and consideration.

Respectfully,

Samantha Renner

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 2:59 PM
To: Elizabeth Bolling
Subject: FW: Written comments on AMHS public testimony - House Transportation Committee

From: Brianne Mecum <briannemecum@gmail.com>
Sent: Tuesday, March 12, 2019 2:37 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Written comments on AMHS public testimony - House Transportation Committee

Dear Co-Chairs Stutes, Wool, and Members of the House Transportation Committee,

Thank you for the opportunity to comment. I am writing to express my views in support of maintaining a well-funded Alaska Marine Highway System.

I am a lifelong Alaskan and having been riding the ferry since before I can remember. The aptly named Marine Highway System is literally our road system here in southeast and in many other parts of the state such as Kodiak and the Aleutian Islands. Much like roads in the Mat-Su region are subsidized, it is the state's responsibility to fund roads in the rest of the state. Budget cuts like those proposed by the Governor disproportionately and negatively impact rural Alaska. We rely on the ferry system for jobs, affordable travel, groceries, shipping, health care access, recreation, tourism, and so much more. We would never dream of closing roads to balance our budget and there's no reason we should kill the ferry system to do so either.

I support a fully funded Alaska Marine Highway System. I encourage you to do everything in your power to work towards fair, reasonable, and sustainable budget solutions that maintain essential services like the Marine Highway.

Sincerely,
Brianne Mecum
Juneau, AK 99801

Elizabeth Bolling

From: Carolyn Kvernvik <cvkvernvik@gmail.com>
Sent: Tuesday, March 12, 2019 3:31 PM
To: House Transportation
Subject: SAVE OUR FERRIES!

Hello,

My name is Carolyn Kvernvik, I am 25 years old and am an Alaska resident of the town of Petersburg Alaska. I was raised in Petersburg and moved back after completing college. I have always loved Alaska and it's unique way of life, which influenced my decision to return home. As a community member of a southeast Alaskan town I can easily say that part of the unique ways of life that goes along with living in Southeast Alaska is the Alaska Marine Highway System. The state ferries act as a lifeline between communities in Southeast. Through my last 25 years I have used the ferry multitudes of times for sports such as swim team, basketball and volleyball to get to and other communities. Without the ferry system, sports programs and educational programs would have to resort to flying, which sadly would be too expensive for our local programs to carry on. As a student I was privilege to use the ferry system to be able to go to Haines, Sitka, Juneau, and Ketchikan for various events. It also helped us in our journey onto sporting events in Metalkatla and Craig as well. In middle school Petersburg did not have a traveling orthodontist so I rode the ferry every month for two years to go to Juneau and get my braces adjusted. I am in the currently in an outreach nursing program through UAA, and my cohort just this past week utilized the ferry to get a vehicle to Juneau so we could be able to drive to our clinicals and to bring it back to Petersburg with a random stock of assorted goods. Please continue to support and fun the Alaska Marine Highway! It serves our communities and is a lifeline between us.

Sincerely,

Carolyn Kvernvik
cvkvernvik@gmail.com
(907) 518-1614

Elizabeth Bolling

From: Janet <muskeg@gci.net>
Sent: Tuesday, March 12, 2019 3:29 PM
To: House Transportation
Subject: Supporting OUR ferry

How do we get around in SE? Of course, we use our DOT ferry system! I use it, my house hold uses it, my kids use it... I support OUR Alaska highway (that would be the ferry!). Janet Kvernvik

GLENNALLEN LEGISLATIVE INFORMATION OFFICE

Email: lio.glennallen@akleg.gov

Phone: 907-822-5588 / Fax: 907-822-5591

WRITTEN TESTIMONY

NAME: Amber Heinbaugh
REPRESENTING: Myself
BILL # or SUBJECT: Alaska Marine Highway System Funding
COMMITTEE: House Transportation **DATE:** 3/12/2019

NOTE: This testimony is considered part of the official record and will be posted online with the hearing documents

I would like the ferry system to stay open year round, please. There are many reasons I would like to see it funded. It's Important for grocery runs, medical runs, high school sports teams travel. It's more feasible and much more convenient to get out with your own vehicle than take a plane. I will be a Cordova resident in one month.

Thank You,

Amber Heinbaugh

Copper Center, AK

GLENALLEN LEGISLATIVE INFORMATION OFFICE

Email: Lio.Glennallen@akleg.gov

Phone: 907-822-5588 / Fax: 907-822-5591

WRITTEN TESTIMONY

NAME: Maureen and Larry St. Amand
REPRESENTING: Myself
BILL # or SUBJECT: Alaska Marine Highway System Funding
COMMITTEE: House Transportation **DATE:** 3/12/2019

NOTE: This testimony is considered part of the official record and will be posted online with the hearing documents

Please keep the Ferry running. I grew up in Cordova and you either fly or take the Ferry.

Thanks You,

Maureen St. Amand

Copper River, Ak

Please Just keep it open. When I was a kid, when they started it in 1962, Bill Egan stood there on the dock in Valdez and said this was part of the Highway System and it will not be closed. To close it would be isolating a lot of the communities in Alaska. It's ridiculous to close it. For ourselves, we couldn't get back and forth from Cordova, where my wife grew up, because you have to fly. Then my daughter is moving down there with our son. It was nice when they had the fast ferry because we could do the trip from Valdez to Cordova in a weekend.

So I say no. don't close it.

Larry St. Amand

Copper Center, Ak

Elizabeth Bolling

From: Tiffany Reynolds <tiffany@redonion1898.com>
Sent: Tuesday, March 12, 2019 3:19 PM
To: House Transportation
Subject: Alaska Marine Highway - Public Comment 3.12.19

To the House Transportation Committee,

Please do not abolish the Alaska Marine Highway or privatize the Alaska Marine Highway. Thirty-three Southeast Alaskan communities depend heavily on the stability and surety of the ferries. The ferries are necessary for Southeast communities to subsist, survive and thrive throughout the year.

Discontinuing the Alaska Marine Highway would incapacitate Southeast communities. Please consider the negative impact this will have throughout all of Southeast Alaska.

Sincerely,

Tiffany Reynolds
Skagway, Alaska

Elizabeth Bolling

From: Marja Smets <marjasmets@gmail.com>
Sent: Tuesday, March 12, 2019 3:09 PM
To: House Transportation
Subject: ferry comments

To whom it may concern:

I am opposed to the governor's budget proposal to cut all funding the the Alaska Marine Highway System. This service is absolutely critical to the numerous small communities that make up Southeast Alaska and without some sort of ferry service those communities would suffer greatly. While the current system is obviously not functioning very well, I believe we should work to remake the system, rather than shutting it down completely. Maybe more smaller boats that make short jumps between communities would make more sense than continuing to build large, mainline ferries? We need to find a way to have more frequent service, that is affordable, so that more residents opt to use the ferry rather than flying.

Please do not pass a budget that will obliterate the Alaska Marine Highway System.

Thank you,

Marja Smets

PO Box 1714

Petersburg, AK 99833

Elizabeth Bolling

From: Marja Smets <marjasmets@gmail.com>
Sent: Tuesday, March 12, 2019 3:09 PM
To: House Transportation
Subject: ferry comments

To whom it may concern:

I am opposed to the governor's budget proposal to cut all funding the the Alaska Marine Highway System. This service is absolutely critical to the numerous small communities that make up Southeast Alaska and without some sort of ferry service those communities would suffer greatly. While the current system is obviously not functioning very well, I believe we should work to remake the system, rather than shutting it down completely. Maybe more smaller boats that make short jumps between communities would make more sense than continuing to build large, mainline ferries? We need to find a way to have more frequent service, that is affordable, so that more residents opt to use the ferry rather than flying.

Please do not pass a budget that will obliterate the Alaska Marine Highway System.

Thank you,

Marja Smets

PO Box 1714

Petersburg, AK 99833

Elizabeth Bolling

From: C Moll <ccmmoll5@gmail.com>
Sent: Tuesday, March 12, 2019 3:08 PM
To: House Transportation
Subject: Public testimony

I support budget cuts to the Alaska Marine Highway system. I have never used it. I understand it is vital to certain coastal communities and I would like to see the system closer to being able to financially support itself. Pfd cuts puts the cost burden on people like me (a family of four making 50,000 a year.) Pfd cuts is a regressive tax that disproportionately puts the cost burden on lower to middle income FAMILIES. Legislators claim to want to protect the vulnerable but pfd cuts is a tax on the vulnerable. I support an income flat tax that proportionately spreads the tax burden on all alaskans and collects money from out of state workers. I do not support a pfd cap. If pfds r used to bridge budget...no more than half and should be protected for future generations and be allowed to increase or decrease...similar to current statutory formula.

Thank you,
Catherine Felt
Kenai

Elizabeth Bolling

From: Lisa Zeimer <lzeimer@kodiakak.us>
Sent: Tuesday, March 12, 2019 2:47 PM
To: House Transportation
Subject: SAVE THE MARINE HIGHWAY SYSTEM

So many people will be impacted in Kodiak if the ferry is cut. What is the governor thinking???? WE NEED A FERRY. We are an island.

Thank you.



Lisa Zeimer
Administrative Assistant
Kodiak Island Borough
Office of the Manager
710 Mill Bay Road, Room 125
Kodiak AK 99615
907-486-9301
907-486-9374 fax
lzeimer@kodiakak.us

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Elizabeth Bolling

From: Aardvark LLC <architectureoffaith@gmail.com>
Sent: Tuesday, March 12, 2019 2:45 PM
To: House Transportation
Subject: ferry budget cuts

Dear Sirs,

I am a lifelong resident of SE Alaska, and make regular use of the AMHS ferry system, both for business and personal reasons. In actuality, I can't think of anyone I know that lives in SE Alaska in any capacity that does NOT use the ferry system regularly. We call it a marine "highway" because we use it as if it were a road. Over the last 10 years, I have seen state legislature slowly chip away at the ferry system, eroding its use and appeal, first by reducing amenities like the pubs onboard, and later by decommissioning one of the ferries(Taku) altogether, and reducing the schedule. As the ferry system is weakened, travel in SE Alaska has become more difficult and less feasible; this has a global effect on the culture and economy of SE Alaska.

Now we are faced with the absolute closure of our ferry system as of October 1st, 2019. If that happens, there will be no alternative for SE Alaska residents but to fly from town to town. Without even considering the expense this would incur, this makes living in SE Alaska untenable for a vital segment of our population. Young adults wanting to establish themselves in smaller towns and villages depend heavily on the AMHS, mostly because a lot of us have small children. We cannot simply walk wherever we go - we get about in cars with car seats. If we had to barge our vehicles back and forth, we simply would move out of Alaska, period. It should seem obvious to anyone who knows SE Alaska that losing our ferry system is a losing bet any way that you look at it. The amount saved would not equal the cost in lost revenue, as folks would move out of the state of Alaska if that happened.

Governor Dunleavy had another suggestion that was equally untenable: privatization of the ferry system. The reason that idea doesn't work is because in every case where this has happened, a large company invariably takes over a service that is essential and provides that service in a fashion that is convenient to the company itself - not to the people it serves. Some things were meant to be run by the government - schools, prisons, police forces, and libraries to name a few. Ferries belong to that list for the same reason: you cannot privatize a public service and have it remain public.

This is where the profit incentive fails, but there is another way where the profit incentive can redeem and revitalize the AMHS. Over the years, we've watched the non-essential services like restaurants and bars founder on the boats for the same reason that such industries fail in communist countries - governments make lousy waiters. Especially ours. The State of Alaska has very strict anti-corruption laws. This extends to the service industry, meaning that state workers cannot accept tips. Tips are more than just an extra source of income for waiters and bartenders, they are an incentive to excel in one's post. Without the possibility of gratuity in the service industry, the work is monotonous and the service becomes mediocre. The management of the service industry is one case where the profit incentive is especially important, because people do better work with incentives. This needs to be taken into consideration for future planning of the ferry system.

What I'm trying to say is that the ferry system could be made affordable by the state if it kept with its original model for routes, but leased out some of the space inside the boat to private citizens or corporations. I see no reason that the pub and restaurant couldn't be leased out to entrepreneurs looking to start a business and give our ferries a facelift. I imagine that the tv room on boats like the Malaspina and the Columbia, in the hands of an enterprising entrepreneur, could be made into an artsy movie theatre. It could be replete with themed elements and a published calendar of events that alternates its schedule to meet the arrival of new passengers, as the ferry stops into port. The same could and should be true of a ferry restaurant. Someone could offer wifi internet for a fee, also.

The present AMHS schedule, along with its business model, has not been meaningfully examined in over half a century. Every restaurant closes at 9pm. The last movie is at 7pm. If you get on the ferry Northbound from Petersburg at 9pm, there is no chance of doing anything other than waiting to arrive in Juneau at 5am. There is no internet, no pub, no food except in the slot machines, and no entertainment whatsoever. Compare that to the average cruise ship operating today, and you will see the real reason the AMHS ferry system is failing. In the service industry, you reinvent or you die. This is what is happening to the AMHS. It's getting crowded out by the cruise ship industry. It cannot compete under its present business model. But there is hope. There is a LOT of unexplored marketing potential in our ferry system. That is the reason the AMHS can succeed, and even excel. I see no reason that our own state-run ferries couldn't be competition for the cruise ship industry. The inflexibility of the government is appropriate when it comes to writing schedules, but it's exactly the wrong way to operate in the service industry. If the state receives a rent or percentage of the profit of each of its onboard businesses, it makes that profit without having to manage any part of it; however, the boat itself must remain in the hands of the state. That is the only guarantee that the purpose of our ferry system will not and cannot be corrupted by private interest. We can make the Alaska Marine Highway System work. Just because it is broken does not mean that it cannot be repaired. It is there for us; we have to find a way to make it work for us. Please take this into consideration before you put an axe to something that we all need as Southeast Alaskans.

sincerely,

Joshua Adams
907-723-JUNO(5866)

Elizabeth Bolling

From: Steven Briody <whaleycooper@gmail.com>
Sent: Tuesday, March 12, 2019 2:43 PM
To: House Transportation
Subject: AMHS Shut Down

Hello,

I have come to understand that the Governor is proposing to shut down the ferry system next winter. As a small business owner in Skagway, this would drastically hurt my business and our way of life. It's already difficult enough with the increasing limited ferry schedule, to completely eliminate it would destroy us. Not to mention how vital it is to any intramural school events, our way of life in the winter depends heavily on a functioning ferry during the winter. Thanks for considering my perspective,

Steven Briody

Elizabeth Bolling

From: Elizabeth Lavoie <elizabethlavoie@yahoo.com>
Sent: Tuesday, March 12, 2019 2:33 PM
To: House Transportation
Subject: Alaska Marine Highway - Public Comment 3.12.19

To the House Transportation Committee,

Please do not abolish the Alaska Marine Highway. Please do not privatize the Alaska Marine Highway.

Southeast Alaska is a unique community with unique needs. The Alaska Marine Highway is LITERALLY OUR HIGHWAY. It is the surest form of travel that exists in Southeast Alaska. If you take the Alaska Marine Highway you suffocate Southeast Alaska. If you privatize the Alaska Marine Highway, you auction off state assets for a pennies on the dollar, relinquish control and relegate community access to a few for-profit individuals.

AMHS needs more funding, not less. It needs updated boats, to increase reliability and ridership. Please do not starve it out, our communities and livelihoods are at stake!

Sincerely,

Elizabeth Lavoie
Skagway, Alaska

Elizabeth Bolling

From: Sherri Burt <sherriburt@yahoo.com>
Sent: Tuesday, March 12, 2019 2:31 PM
To: House Transportation
Subject: Fw: Alaska Marine Highway System- Public Testimony

----- Forwarded Message -----

From: Sherri Burt <sherriburt@yahoo.com>
To: Rep.Louise.Stutes@akleg.gov <Rep.Louise.Stutes@akleg.gov>
Sent: Tuesday, March 12, 2019, 1:59:14 PM AKDT
Subject: Alaska Marine Highway System- Public Testimony

Co-Chair Stutes and Co-Chair Wool,

I am a resident of Seldovia who has lived and worked here for 28 years and my husband even longer. Our son was born and raised here. We live here year round and have always depended on the AMHS for our chief transportation needs. I understand that the legislature has been tasked with a difficult job. I understand because I live in a place that is on the marine highway, but off the connecting road system. Please know, that we that are here year round for our families, children, jobs and quality of life, ARE NOT strangers to **fluctuating incomes and budgets**. It is the nature of many coastal communities, and at times can be very stressful. While Seldovians, like so many Alaskans, are able to pull together in difficult times, the loss or gross reduction in AMHS services would be devastating to those of us who depend on the Tustemena and Kennicott and their crews.

Without regular AMHS service we are unable to bring/drive our vehicles with needed supplies and goods, as well as the large tractor trailers and vans, which would be unable to deliver freight, machinery and materials for residents and businesses. This will impact many jobs and families in our community as any disrupted supply line would. It is our only option. Other methods of transportation (small planes and boats) can only carry a limited amount of people and freight (at a cost that is impossible for many). While I am grateful for these, they do not serve the same purpose as the marine highway.

Another big concern of mine is that for many residents, the marine highway, on the ferry, is how they travel back and forth to chemo therapy and other treatments in Anchorage, or major surgical procedures, or Dr. appointments, or palliative care. I have seen disabled adults and children, elderly or sick with limited mobility, and pregnant moms and families with newborns returning after a stay in Homer to give birth. I care about these people.

Other modes of transportation are limiting, due to the steep climb up and down ramps to boats, or the difficult climb/entry into a very small plane. It is not fair to limit access to people who need the elevator on the ferry and the easiest way to travel across the bay, when experiencing challenging health issues. The AMHS should serve us through our lives. You can get in your car and drive to the hospital. I should have that same opportunity if I am a patient or caregiver to someone I love.

We pay to take the Alaska Marine Highway and it is worth it. I will pay more if needed to sustain service. Fewer runs but more predictable schedules which we can depend on would be the best. If 2 times a week is better than 3 times at peak periods, cut out a run. If we could load on the Kodiak return to Homer- and have layover time in Homer (instead of Seldovia), we could fill the ferry more often, generating more revenue. We also need to be able to do round trips over a few days, for appointments, freight runs, etc. I hope we can find a way to have the AMHS in service during the year (except maintenance time). It does work and our coastal communities count on it.

I urge you to support the coastal communities of Alaska by supporting funding for the AMHS.
Thank you for taking the time to consider my testimony.

Sincerely,

Sherri Burt

Elizabeth Bolling

From: Tyana Herbrandson <tyanadeann@gmail.com>
Sent: Tuesday, March 12, 2019 2:08 PM
To: House Transportation

Good Afternoon,

I am writing to you today as a product of Southeast Alaska. I grew up in Petersburg and moved away to get my education. Alaska is my home. It holds the most special place in my heart.

I want to plead with you to squash the idea of eliminating the ferry system. It truly is the lifeline of the rural island communities. It serves the same purpose as roads do in other places. Residents use this HIGHWAY to travel for everything from Costco runs to Juneau, to sports games, to medical appointments, to visiting family and friends. Alaska Marine Highway also connects this villages and communities to the lower 48 by way of Prince Rupert and Bellingham.

Those of us who live where roads can take us anywhere we want to go often take that for granted. If our children have a baseball game in the next town, we simply get in the car and go there. When we need to make a Costco run, we simply drive to the nearest Costco. When we go into labor to deliver our babies, we drive to our designated hospital.

In SE Alaska, that's not how it works. Sports teams travel by ferry. The same goes for music festivals, summer camps, swim meets. When women are expecting a baby, they travel by ferry EARLY to the town that has the necessary hospital facilities and wait for baby to arrive. Then travel by ferry back home with baby. Can you imagine not just being able to go deliver when you go into labor? To have to go way in advance, be away from home for up to a month waiting? And then think about the only reasonable way of transportation for that already stressful event to be taken away. Air travel is simply not a viable option in most cases because of the cost. With the Marine Highway, families can travel together WITH their vehicle to await new additions to their family, Additionally, think of flying somewhere for a Costco run... What would you do with all your freight? Ferries are crucial because a person can bring their car. Often families work together and send their shopping list with one person and their car, and that person does the shopping and brings back everyone's provisions. Can you imagine flying your 8 yr old to a neighboring community every Saturday for a baseball game? Can you imagine flying yourself, your spouse, and the rest of your children to those games? Grandparents? Having to take a ferry to those games is already far more of a struggle than those of us who live on a roads system ever even think about.

For all these reasons and more, PLEASE PLEASE PLEASE don't cut off these amazing communities by taking away THEIR HIGHWAY!

Sincerely,

Tyana Herbrandson

Elizabeth Bolling

From: Paul Johnson <pauljohnson@highlinerconsulting.com>
Sent: Tuesday, March 12, 2019 2:07 PM
To: House Transportation; louise.stutes@akleg.gov
Subject: Alaska Marine Highway Public Testimony

Public Testimony on the Alaska Marine Highway System Submitted by Paul Johnson March 12, 2019

Good afternoon. Before I begin, I would like to thank Representative Louise Stutes and my representative Ivy Spohnholz for extending the opportunity for Anchorage residents who hail from Southeast Alaska – the ability to testify on this extremely important topic. It is my hope that all ferry serviced communities from Southeast all the way to Southwest Alaska (Aleutians) have this same opportunities.

My name is Paul Johnson. I am a business owner and resident of Anchorage; however, I grew up in Southeast Alaska in the communities of Angoon, Yakutat and Sitka. I still have immediate family who are living, trying to make a living and whom are raising their children in these communities; as are many others in the region. I believe my personal experience coupled with my academic and professional work history can provide additional insight to the socio-economic importance of the Alaska Marine Highway, not just to Southeast Alaska, but to many other regions – including the Anchorage and the Matsu-Borough.

I hold an undergraduate degree in Economics, an MBA in Technology Management and am a proud alum of UAA with a Master of Science in Global Supply Chain Management. I have been working and providing economic development consulting to several rural municipalities, tribal governments as well as Alaska Native Regional and Village Corporations for nearly 20 years.

It no secret that the economies in rural Southeast Alaska are in transition. Once strong fishing communities are now transitioning or considering transitioning to tourism both consumptive as well as non-consumptive. Regardless of industry, the Alaska Marine Highway or what we lovingly call “The Blue Canoe” has been a vital part of our socio-economic fabric of our communities for over 40 years.

Residents depend upon the ferry system for grocery shopping, material purchases, medical visits, school sport/academic travel, vehicle purchases and vehicle maintenance. Businesses both in rural Southeast as well as within the hub communities such as Ketchikan, Sitka and Juneau all rely upon the business of rural customers. Reduction in ferry service from surrounding communities to hub communities such as Sitka has undoubtedly hurt the not only the economies of the villages, but also the hub communities.

It is not hyperbole to say, “By funding the ferries, you are funding education.” Because our schools rely upon the relative cost as well as reliability of school function travel via ferry as opposed to air travel; which can be challenging during the winter months, but regardless of season is always more expensive.

It is not also hyperbole to say, “By funding the ferries, you are saving lives.” The reduction of service between the rural communities and Sitka for example, has greatly increased the difficulties let alone cost to tax payers when patients from communities such as Angoon are required to ferry (if available) or fly to Juneau and then either fly or if available ferry to Sitka; home to Mt. Edgecumbe Hospital; funded and operated by the Indian Health Service.

We often hear of the need from our legislators to provide stability in the tax structure for our multi-national, multi-billion-dollar oil development partners, but we do not provide the same concept of stability in supporting our regional transportation infrastructure. As it stands now, ferry service has already been reduced to a level which provides in my

opinion the very bare minimum to service level to communities which only have at best two options for travel; regardless of season.

Our economies cannot survive let alone grow or diversify without stability within our regional transportation network; and the Alaska Ferry system is integral to any future economic development. As a business owner, our future business ventures all rely upon the ability of the community to be serviced on a regular basis and on a fair and equitable manner. Our ventures into value-added seafood production or non-consumptive cultural tourism have zero chance of feasibility if we are not provided equal opportunity to access to ferry service not only for customers, but for the freight considerations as well.

I would like to close my comments by putting the importance of the Alaska Marine Highway System into context for those legislatures and their constituents who may not understand the importance of the system to the overall diversification of Alaska's economy. I would like to address the "Why doesn't the ferry pay for itself?" crowd.

I would like you to imagine if both the Seward and Glenn Highways were toll roads. And that access to these main highways was only available two days a week and that priority was given to RVs and motorhomes first. What would those restrictions do to your ability to be employed? Your access to air travel? Your local tax base to fund school activities for your children and travel for your children? The result would be devastating.

The fact of the matter is, the Alaska economic is driving by resource extraction from rural Alaska. I live in Anchorage and I benefit from the roads paid for by federal transportation dollars. My local tax dollars do not pay for the roads I drive every day. We need to ensure that our rural economies are provided more than the minimum access. I fear that the proposed budget in violation of U.S. Federal Highways Title III statutes which provides for equal access for citizens by states utilizing federal transportation dollars. The cost of losing federal transportation dollars would be higher than any support for our Alaska Marine Highway System.

Budgets reflect priorities and reveal character. I implore those legislators who have colleagues who do not understand the importance of the ferries to travel to our southeast communities. Look at the relative vessel crowding. Ridership only increases with stability.

Thank you for time and consideration.

Respectfully Submitted,

Paul Johnson

Elizabeth Bolling

From: Bennett McGrath <bennett@homespetersburg.com>
Sent: Tuesday, March 12, 2019 1:57 PM
To: House Transportation
Subject: Keep our ferries ALIVE

I am a mother, a small business owner and resident of southeast alaska. The ferry system is important to my family on many levels. It is our means of transportation to see my husband, the kids father, when he is away for months fishing. It is our way to travel to all the amazing events Alaska hosts....it is our way to explore.

I agree that the ferries likely need to be re-vamped....with ridership down....but not scrapped all together. Please, find a way. This state has so many wonderful things to it...the ferry system is at the very top!

DONT SCRAP OUR FERRIES

Bennett McGrath
Broker/Owner
Anchor Properties
www.homespetersburg.com
(907) 772-3300

LIKE US ON FACEBOOK: <https://www.facebook.com/RealEstateservicesinAlaska/>

Elizabeth Bolling

From: Karen Dillman <dillmankl@gmail.com>
Sent: Tuesday, March 12, 2019 1:51 PM
To: House Transportation
Subject: Keep ferries in SE Petersburg

This is to support the AMHS in SE AK. It's a shame the state has been not planning accordingly over the years to forward think and stash away funds for bringing new boats on line when old ones go off line ie Taku ship. Our coastal communities rely on these boats to get to other coastal communities for students in sports and other events, medical needs, tourism and when airplanes cannot run. Too bad we have a ferry terminal on south Mitkof that we cannot use!! We need the Seattle north and south and the Rupert north and south but could adjust the timing for example to save funds. We need the Juneau schedule and the Sitka connection both very important to our town. Reduced scheduling has reduced ridership as well. What happened to the transportation plan that included Petersburg and Coffman Cove shuttle that was not viable for a commercial venture? This needs to be revisited by your committee. Thank you for taking this testimony concerning the ferries.

Karen Dillman
P.O. Box 305
Petersburg, Ak 99833

Elizabeth Bolling

From: Sam Palmersten <amstersam101@hotmail.com>
Sent: Tuesday, March 12, 2019 1:50 PM
To: House Transportation
Subject: AMHS - Budget

To Whom it may concern,

My name is Samuel Palmersten, I have been a year round resident of Skagway for 10 years. I would like to say thank you for taking the time to hear our testimonies in regards to the Alaska Marine Highway system. This email is to strongly encourage you to maintain the current funding for the ferry system.

The ferries are a vital link connecting the rural communities of SE Alaska, and Juneau: from doctors appointments and school sports, to family vacations in SE Alaska, or to Juneau (as a travel hub). AMHS provides year round jobs, travels the fjords and waterways to our communities, provides travel and leisure for tourists, the list of benefits goes on and on.

In bad weather it can provide the only reliable way in or out of our small towns, without being overly dramatic it is and remains a lifeline to many SE Alaska residents.

So I ask you to please maintain the funding for the Alaska Marine Highway system.

Sincerely, Samuel Palmersten

Elizabeth Bolling

From: tamar harrison <tamarharrison@hotmail.com>
Sent: Tuesday, March 12, 2019 1:47 PM
To: House Transportation
Subject: AMHS funding

Hello,

My name is Tamar Harrison and I have been a year round resident of Skagway for 10 years. First of all I would like to say thank you for taking the time to hear our testimonies in regards to the Alaska Marine Highway system. I am writing this email to strongly encourage you to maintain the current funding for the ferry system.

The ferries are a vital link that connect, in varied ways, the rural communities of SE Alaska: from doctors appointments and school sports, to simple family vacations. AMHS provides year round jobs, resources and brings tourists to our small communities, the list of benefits goes on and on.

In bad weather it can provide the only reliable way in or out of our small towns, without being overly dramatic it is and remains a lifeline to many SE Alaska residents.

So I ask again, please maintain the funding to the Alaska Marine Highway system.

Sincerely, Tamar Harrison

Elizabeth Bolling

From: Jim Gifford <giffordsalaska@gmail.com>
Sent: Tuesday, March 12, 2019 1:41 PM
To: House Transportation
Subject: Marine Highway System Testimony

Marine Highway System Testimony, March 12, 2019

I am Jim Gifford, Valdez Alaska

I do not support Governor Dunleavy's proposed budget cuts, specifically on this matter of Marine Highway System. Please continue to fund the Marine Highway System to support the already cutback service schedule currently provided. Please move forward to set the Marine Highway System as a Public Company, similar to the Alaska Railroad.

The public media reports the ridership is down on the Marine Highway System over the past several years, which one would expect with the already reduced budgets, schedules and boats serving the established routes. In Valdez the reduced schedule makes what little service available so inconvenient travel to Cordova and Whitter from Valdez is no longer a viable option. My family and I would use the ferry service if it were available!

Please, at minimum, maintain the existing Marine Highway System and work towards moving it to a Public Company

Thank you, Jim Gifford
PO Box 1253
Valdez Alaska 99686

Elizabeth Bolling

From: lo <taiyasee@gmail.com>
Sent: Tuesday, March 12, 2019 4:30 PM
To: House Transportation
Subject: Statement in Support of Alaska Marine Highway Ferry System

To Whom It May Concern,

I'm writing on behalf of my family here in Skagway, Alaska to voice my support for the Alaska Marine Highway. The ferry is absolutely crucial to those of us who live in southeast Alaska. The ferry is dependable which is important in an area where planes often times can't fly for days at a time. Not only that, but the ferry is also an affordable option for those who can't pay the much higher cost of air travel.

We have a young daughter who will one day depend on the ferry system for her school activities, Living in such a remote area, these activities are crucial for our children to get a perspective outside of our own small valley. If programs are cut for our children due to educational cuts along with the ferry, we will definitely be considering moving to another state where our daughter's education and well-being are of importance.

My family recently built a new brewery here in Skagway and it truly could not have happened without the ferry. We had subcontractors coming in from all over that needed to put their vehicles on the ferry along with their tools. Why snuffle the economic development of our rural communities by cutting us off from the rest of southeast?

In short, I could go on and on as to why the ferry is so important to us folks in southeast Alaska as there are so many reasons. I simply hope you will take all of our voices to heart and do the right thing by maintaining our ferries. It would be awesome too if you considered putting the bars back on the ferries. I can't tell you how many of us fondly remember the days when you could enjoy a beer and take in the beautiful ride.

Thanks in advance for your time and consideration in to this matter.

Respectfully,
Lori Healy
Skagway, AK

Elizabeth Bolling

From: Tori Daugherty <daugherty.tori@gmail.com>
Sent: Tuesday, March 12, 2019 4:19 PM
To: House Transportation
Subject: Ferry service

I've been following the discussion related to elimination of Derry service in the fall. I'm an occupational therapist living in Rochester, Minnesota and have previously provided contractual health care services in Southeast. I hope to return to Southeast Alaska in a few years when I am able to provide contractual services for a longer period of time. I had been planning to bring my personal car with me on the ferry system when I'm able to provide contractual work again.

Travel health care providers (therapists, nurses, laboratory staff, physicians, radiology techs, etc) really appreciate the ferry service. It allows us to bring our cars with us when we work at a hospital for only a few months. Taxi services and rental cars are very, very limited in the Southeast. While sometimes the hospital is able to provide a car, many times their offerings are very restricted due to the volume of travel clinicians or mechanical malfunctions. We have had difficulties in the past obtaining groceries or mail when we don't have access to a vehicle. My worry is that healthcare providers may be more hesitant to accept contract positions if they are unable to bring a personal vehicle with them to the islands that need their assistance.

I hope that I have been able to provide a new perspective. Let me know if you have any follow up questions

Tori Daugherty



The ferries of the Alaska Marine Highway make up a large part of Alaska's highway system, covering 3,500 miles of coastline and 35 communities that stretch from Bellingham, WA to Dutch Harbor in the Aleutian Chain. Our ferries are diverse and range from mainline ferries that sail thousands of miles and make multiple stops, to shuttle ferries that provide daily links between neighboring communities. This allows riders the flexibility to access communities of choice by utilizing one or more vessel to reach their final destination through our regional hubs in Ketchikan, Juneau, Whittier or Homer.

Southeast Alaska



The Southeast region includes communities from Bellingham, WA and Prince Rupert, BC, through the Inside Passage, to Yakutat. Most communities in Southeast Alaska receive year-round service with mainline vessels serving larger communities and day boats connecting to smaller communities. During the summer months, the MV Kennicott connects the regions of Southeast and South Central with sailings across the Gulf of Alaska.

Mainline Routes

Bellingham → Ketchikan → Wrangell → Petersburg → Juneau
 ↔ Haines → Skagway → Sitka

Prince Rupert → Ketchikan → Wrangell → Petersburg → Kake
↔ Sitka → Juneau → Haines → Skagway

Day Boat Routes

Juneau → Tenakee → Angoon
Juneau → Gustavus → Hoonah
Juneau → Haines → Skagway

Shuttle Routes

Juneau → Sitka
Ketchikan → Metlakatla

Sample Running Times

- Bellingham to Ketchikan: 38 hours
- Ketchikan to Wrangell: 6 hours
- Wrangell to Petersburg: 3 hrs 30 mins
- Petersburg to Juneau: 8 hours
- Juneau to Haines: 4 hrs 30 mins
- Haines to Skagway: 1 hour
- Juneau to Sitka: 9 hrs 30 mins
- Prince Rupert to Ketchikan: 7 hours
- Juneau to Hoonah: 3 hrs 30 mins
- Ketchikan to Metlakatla: 45 minutes

Across the Gulf of Alaska



The South Central region includes communities in Prince William Sound and the Kenai Peninsula. These routes provide connections by road to Valdez, Whittier, and Homer and ferry service is provided year-round to most communities in this region. During the summer months, the MV Kennicott connects the

regions of South Central and Southeast with sailings across the Gulf of Alaska and the MV Tustumena connects South Central with Southwest with sailings to Kodiak Island and out the Aleutian Chain.

Mainline Routes

Bellingham → Ketchikan → Juneau → Yakutat → Whittier
↳ Chenega Bay → Kodiak → Homer

Sample Running Times

- Bellingham to Ketchikan: 38 hours
- Ketchikan to Juneau: 20 hours
- Juneau to Yakutat: 17 hours
- Yakutat to Whittier: 22 hours
- Whittier to Chenega Bay: 4 hrs 30 mins
- Chenega Bay to Kodiak: 14 hours
- Kodiak to Homer: 9 hours

South Central & Southwest



The Southwest region includes communities from the Kodiak Island Archipelago, along the Alaska Peninsula, and out the Aleutian Chain to Dutch Harbor. Service is provided year-round to the communities of Kodiak, Ouzinkie, and Port Lions; however, weather restrictions preclude ferry service in the winter to other communities of this region.

Mainline Routes

Homer → Kodiak → Chignik → Sand Point → King Cove
↳ Cold Bay → False Pass → Akutan → Dutch Harbor

Homer → Seldovia

Homer → Kodiak

Day Boat Routes

Whittier → Valdez

Whittier → Cordova

Sample Running Times

- Homer to Kodiak: 9 hours
- Kodiak to Chignik: 18 hrs 45 mins
- Chignik to Sand Point: 9 hrs 25 mins
- Sand Point to King Cove: 6 hrs 45 mins
- King Cove to Cold Bay: 2 hours
- Cold Bay to False Pass: 4 hrs 25 mins
- False Pass to Akutan: 10 hrs 30 mins
- Akutan to Dutch Harbor: 3 hrs 30 mins
- Homer to Seldovia: 1 hrs 30 mins
- Whittier to Valdez: 5 hrs 45 mins
- Whittier to Cordova: 6 hrs 45 mins

Elizabeth Bolling

From: lo <taiyasee@gmail.com>
Sent: Tuesday, March 12, 2019 4:30 PM
To: House Transportation
Subject: Statement in Support of Alaska Marine Highway Ferry System

To Whom It May Concern,

I'm writing on behalf of my family here in Skagway, Alaska to voice my support for the Alaska Marine Highway. The ferry is absolutely crucial to those of us who live in southeast Alaska. The ferry is dependable which is important in an area where planes often times can't fly for days at a time. Not only that, but the ferry is also an affordable option for those who can't pay the much higher cost of air travel.

We have a young daughter who will one day depend on the ferry system for her school activities, Living in such a remote area, these activities are crucial for our children to get a perspective outside of our own small valley. If programs are cut for our children due to educational cuts along with the ferry, we will definitely be considering moving to another state where our daughter's education and well-being are of importance.

My family recently built a new brewery here in Skagway and it truly could not have happened without the ferry. We had subcontractors coming in from all over that needed to put their vehicles on the ferry along with their tools. Why snuffle the economic development of our rural communities by cutting us off from the rest of southeast?

In short, I could go on and on as to why the ferry is so important to us folks in southeast Alaska as there are so many reasons. I simply hope you will take all of our voices to heart and do the right thing by maintaining our ferries. It would be awesome too if you considered putting the bars back on the ferries. I can't tell you how many of us fondly remember the days when you could enjoy a beer and take in the beautiful ride.

Thanks in advance for your time and consideration in to this matter.

Respectfully,
Lori Healy
Skagway, AK

Elizabeth Bolling

From: LIO Kodiak
Sent: Tuesday, March 12, 2019 4:43 PM
To: Rep. Louise Stutes
Cc: House Transportation
Subject: Ak marine highway system public testimony

Please see forwarded message:

-----Original Message-----

From: Mike and Kristie Wall <mikeandkristiewall@yahoo.com>
Sent: Tuesday, March 12, 2019 3:25 PM
To: LIO Kodiak <Lio.Kodiak@akleg.gov>
Subject: Ak marine highway system

Please support funding of our marine highway system.

Reason:

- 1) Economic- loss of revenue for Anchorage, other mainland business, when Kodiak residence are unable to do their bulk yearly/biyearly commercial and personal shopping.
- 2)Economic - Increase in cost of living for Kodiak residence- see reasons above. Kodiak residence will be forced toward more on-line commerce.
- 3)Economic - Statewide both residential and out of state tourism will be significantly effected should access to our scenic tourist locations be cut off from wheeled vehicles. Coastal citizens themselves also loose access to reasonable tours of their own state!!! Perhaps inland tourism will not be so effected with their highways still accessible BUT not so our island community.
- 4) Medical cost increase- It is not uncommon for island residency to save on cost of medical treatment by planning doctor appointments/procedures around ferry trips to the mainland. Plane fares are significantly more expensive than a ferry ticket.
- 5) Cut Familial and Community ties-With our ferry system, families can afford extended excursions to the mainland to visit friends, family, sites thorough out our large state. We learn about their unique challenges and share our celebrations- we loose our sense of them and us—maintain our sense of generational “we.” This is crucial if we hope to make good decisions for our future generations.

In this time of difficult decisions making, we need closer bonds not distance between regions and citizens of our great state.

Thank you for your consideration.

Kristie Wall

Life long Alaskan resident, fisher, teacher, parent and grandparent

Elizabeth Bolling

From: Leonard Banaszak <lenban@aptalaska.net>
Sent: Tuesday, March 12, 2019 3:43 PM
To: House Transportation
Subject: Necessary Ferry Service

Importance: High

Dear Transportation Committee,

I would like to add my name to the list of those who are very concerned that southeast ferry service would be curtailed or eliminated. I have lived in SE Alaska since 1975 both in Hoonah and Haines and can attest to the fact that the ferry service is not just a "convenience" for southeast residents but a vital link that affects the health, welfare and economy of all the residents. I am sure many have competently expressed the absolute necessity for this service so I will mention just a few of many points to emphasize the importance of the ferry to SE residents.

1. Many medical needs can only be met in the larger cities and those in outlying areas must travel to these larger cities (like Juneau, Sitka, Ketchikan) to have those needs met. While flying commercially is possible, it is cost prohibitive on a frequent basis.
2. Many essential goods are transported by ferry. Without this means of transportation, the cost of these goods would rise significantly and therefore the cost of living correspondently increase. It is already more expensive for goods in smaller locations without the loss of ferry shipments. Many companies, tradesmen and medical people travel to various small communities with their vehicles, equipment and workers to provide vital services to these communities. Conversely, vehicles, equipment and goods must be brought from small communities to main population centers to be repaired or marketed. Without the ferry, many of these kinds of services would be virtually impossible to provide to the outlying areas. For example, you are not going to transport a well-drilling rig by airplane.
3. A very important component of our educational system is the opportunity for our young people to travel to various communities for school sponsored sports, forensics, music and other activities. Many of these student trips are self-funded by various student fund-raising activities because the school districts cannot provide needed funds. Our young people need the interaction with others in different locations to enhance their own personal growth and development. Without the ferry system, these kinds of trips would not be possible.
4. I cannot imagine anyone making the recommendation that the State of Alaska stop maintaining the road system in and around Anchorage and Fairbanks as a cost cutting measure because it is too expensive. Such a recommendation would, I am sure, be considered patently absurd. Yet, this is the recommendation that seems to be before us regarding our highway system in southeast Alaska. This is our highway system and it is vital to the functioning, growth and prosperity of the entire southeast region. It should be noted, that none of the services provided by the State, are self-paying. It would be hard to imagine someone suggesting that we disband the State Troopers because that department doesn't pay for itself. Or discontinue road maintenance because it doesn't pay for itself. While in fact, the ferry system is one department that actually produces significant revenue that off-sets its cost of operation.
5. The capitol of Alaska, Juneau, can only be reached by ferry or airplane. It is essential that legislators and citizens be able to participate in the political process by attending various political events and meetings in person at a reasonable cost. The ferry system helps make this possible at a cost that is less expensive than flying. Some citizens who have sincere political burdens for their areas, may not be able to meet with their representatives without the economic advantage offered to them by ferry transportation.
6. The State of Alaska has a huge permanent fund which was establish to continue to provide essential services in the event of an economic downturn. There is only so much that can be accomplished by cost cutting alone.

Other options need to be considered such as utilizing some of our rainy-day funds and limiting the size of dividend when we are in danger of losing one of the most important parts of our southeast infrastructure. It is also necessary to consider additional sources of income such as a state sales tax and/or state income tax. A state income tax would provide a way for those who work in the state on a seasonal basis to help support the system that is providing their income.

There are other serious points that I assume have been expressed by others. For the sake of brevity, I will conclude that the Alaska State Ferry System is indispensable to the life of southeast Alaska. Without this key form of transportation, the lifestyle as we know it would be seriously jeopardized. I implore you to do all you can to see to it that this necessary element of southeast life continues to be supported, enhanced and expanded to meet the very important needs of all the citizens of Alaska that use this system.

Thank you for considering my thoughts.

Sincerely,

Leonard Banaszak
O = 907-767-5757, C= 907-314-0150
lenban@aptalaska.net
26 Mile Haines Hwy
HC 60 Box 2631
Haines, AK 99827

Elizabeth Bolling

From: Rep. Louise Stutes
Sent: Tuesday, March 12, 2019 4:14 PM
To: Elizabeth Bolling
Subject: FW: Budget

-----Original Message-----

From: Linda Wisner <llwisner@yahoo.com>
Sent: Tuesday, March 12, 2019 4:12 PM
To: Rep. Louise Stutes <Rep.Louise.Stutes@akleg.gov>
Subject: Budget

Please don't let them take our ferry system away. So many people depend on it connecting to the outside. It helps those with low incomes unable to afford plane tickets out of here. It helps in hundreds of others ways connecting us to larger suppliers.

Thanks - Linda Wisner

Sent from my iPhone

COUNCIL ANNETTE ISLANDS RESERVE

METLAKATLA INDIAN COMMUNITY

KARL S. COOK, JR., MAYOR
JUDITH A. EATON, SECRETARY
TINA MARSDEN, TREASURER

ESTABLISHED 1887

POST OFFICE BOX 8
METLAKATLA, ALASKA 99901
PHONE (907) 886-4441
FAX (907) 886-7997

Tuesday March 12, 2019

Rep. Louise Stutes
Co-Chair House Transportation Comm.
Representative.Louise.Stutes@akleg.gov

Rep. Adam Wool
Co-Chair House Transportation Comm.
Representative.Adam.Wool@akleg.gov

CC: Rep. Dan Ortiz, District 36
Representative.Dan.Ortiz@akleg.gov

CC: Senator Bert Stedman, District R
Senator.Bert.Stedman@akleg.gov

Metlakatla Indian Community Written Testimony to the Alaska House Transportation Committee RE: Proposed Budget Cuts to the Alaska Marine Highway System

Distinguished Members of the House Transportation Committee,

My name is Albert Smith. I am a Councilman and Acting Mayor of the Metlakatla Indian Community, Annette Islands Reserve. I appreciate the opportunity to provide written testimony following Councilman Hudson's oral testimony earlier today.

In 2015, when cuts were proposed to the ferry service, the Metlakatla Mayor's Office received passionate letters from our residents vigorously opposed to the cuts. A citizen-led petition was circulated in Metlakatla that received over 600 signatures in opposition to the cuts in service. Those documents were submitted to the Department of Transportation in April 2015 and I am urging you to review those statements because we continue to stand by them today.

Whether you are a Republican, Democrat or Independent, I think all Southeast People agree that the Alaska Marine Highway is not simply a line item in a budget to be cut. It is much, much more than that. Whether urban or rural, nearly every community within the our region is on an island. The Marine Highway System is our HIGHWAY. It connects us to our neighbors, to one another. It provides reliable access to nearby City of Ketchikan and its medical facilities, dental care, eye care, the Ketchikan International Airport, and state services such as the Division of Motor Vehicles and the state court system.

Our beloved Lituya, the little ferry that runs between Ketchikan and Metlakatla, was paid for by the federal government with earmarked dollars that the Metlakatla Indian Community lobbied for, with the agreement that it be operated by Alaska Marine Highway. It uses a fraction of the fuel used by other ships in the fleet and can often be seen at max passenger capacity. Its already limited service should not and must not be cut back even further. If it is eliminated altogether, a likely outcome of the governor's proposed budget, what could possibly replace it?

While valuable, the local floatplane services cannot replace the ferries. It is not unusual for Metlakatla's clinic to send over one thousand patients in a single year to Ketchikan via the state ferry, occasionally on an ambulance. Hundreds of students, parents and faculty of the Annette Island School District rely on the ferry for academic and sporting events throughout the region and state. Floatplanes and small watercraft are always

subject to southeast Alaska's unpredictable and often nasty weather. It is extremely rare for the Lituya, however, to interrupt its schedule due to inclement weather. As a result, our people, especially those with limited means, those on low fixed incomes, are assured that they will always have an affordable way to travel off island when they need it. The reliability this service provides allows our people to schedule appointments and make reservations for travel. Uncertainty, on the other hand, only hurts those who can least afford it.

The Committee should know the Lituya does not solely benefit Metlakatla. Our businesses and consumers depend on the large variety of products, services and cost savings found in Ketchikan's marketplace. According to a study by the McDowell Group, an estimated \$4 million dollars per year flows into the Ketchikan economy directly from Metlakatla. It is easy to see, then, how the McDowell Group further concluded that the State of Alaska gets a 133% return on its investment in the Marine Highway System. So it is difficult for me to make any sense of the governor's proposal to cut the budget and privatize the system. We would never float the idea that the state go into his hometown – or any other community on the road system – to tear up the roads that lead in and out because they were too expensive to maintain. That would be absurd because state highways are lifelines. Well, the Marine Highway is our lifeline. We depend on it for the high quality of life that all Alaskans deserve.

Ladies and gentlemen of the Alaska House Transportation Committee, Metlakatla strongly supports the Alaska Marine Highway and strongly objects to the governor's proposed budget cuts. I am asking the members of this Committee and the entire legislature to look at this vital service through our eyes. There is no question in our minds that the destruction of the Marine Highway System would be catastrophic for our region and our Community. We cannot afford to lose our ferries. The Marine Highway should be enhanced and expanded, not eliminated.

Thank you,



Acting Mayor Albert Smith
Metlakatla Indian Community,
Annette Islands Reserve