

Fiscal Note

State of Alaska
2020 Legislative Session

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| Bill Version: | CSHB 253(TRA) |
| Fiscal Note Number: | 1 |
| (H) Publish Date: | 3/11/2020 |

Identifier: HB253-DOT-AMHS-2-21-20
 Title: SALE, TRANSFER, OR DISPOSAL OF FERRIES
 Sponsor: KREISS-TOMKINS
 Requester: House Transportation

Department: Department of Transportation and Public Facilities
 Appropriation: Marine Highway System
 Allocation: Marine Vessel Operations
 OMB Component Number: 2604

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2021 | Included in | Out-Year Cost Estimates | | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|---------|---------|---------|---------|---------|
| | Appropriation Requested | Governor's FY2021 Request | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
| OPERATING EXPENDITURES | FY 2021 | FY 2021 | | | | | | |
| Personal Services | *** | | *** | *** | *** | *** | *** | *** |
| Travel | | | | | | | | |
| Services | | | | | | | | |
| Commodities | | | | | | | | |
| Capital Outlay | | | | | | | | |
| Grants & Benefits | | | | | | | | |
| Miscellaneous | | | | | | | | |
| Total Operating | *** | 0.0 | *** | *** | *** | *** | *** | *** |

Fund Source (Operating Only)

| | | | | | | | | |
|--------------|-----|------------|-----|-----|-----|-----|-----|-----|
| None | | | | | | | | |
| Total | *** | 0.0 | *** | *** | *** | *** | *** | *** |

Positions

| | | | | | | | | |
|-----------|--|--|--|--|--|--|--|--|
| Full-time | | | | | | | | |
| Part-time | | | | | | | | |
| Temporary | | | | | | | | |

Change in Revenues

| | | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

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|----------------------------------|
| Not applicable, initial version. |
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| Prepared By: | Mike Lesmann, Legislative Liaison | Phone: | (907)465-4772 |
| Division: | Commissioner's Office | Date: | 02/21/2020 |
| Approved By: | Dom Pannone, DOT&PF Administrative Services Director | Date: | 02/21/20 |
| Agency: | Office of Management & Budget | | |

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION**Analysis**

This legislative proposal would prohibit the department from selling, transferring, or disposing of a vessel within the Alaska Marine Highway System's (AMHS) fleet without first obtaining legislative approval. The financial impacts of this proposal cannot be determined at this time because the actual costs will vary depending on the vessel size, moorage location, and the amount of time it takes to obtain legislative approval to sell, transfer, or dispose of the vessel.

The AMHS is currently paying \$2.36/foot per day for moorage of the two Fast Vehicle Ferries (FVFs), plus utilities, while attempting to sell these vessels. This is a cost of \$18,584 per vessel each month for moorage and an average cost of \$5,000 per month per vessel for utilities. This is a total cost of \$23,584 per month for each FVF (combined cost of \$47,168 per month, or \$566,016 per year).

If this legislative proposal becomes law and subsequent legislative approval to sell, transfer, or dispose of a ferry is not approved in a timely manner, costs to department could accumulate quickly while waiting for approval to start the divestiture process.