

COMMITTEE REPORT

3/4/75

HOUSE

Mr. Speaker:

Date April 1975

The Committee on ERR FINANCE has had HCR 20

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
_____	_____	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

Introduced: 2/20/75
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY DUNCAN, BUCHHOLDT, MILLER
AND NAUGHTON

2 HOUSE CONCURRENT RESOLUTION NO. 20

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to travel on state ferries by
6 official school activity groups.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS during the course of the school year many school activities
9 necessitate the transporting of school officials and students to other towns;
10 and

11 WHEREAS, because of rising costs and cutbacks in many school budgets,
12 it is extremely difficult for a school to afford to engage in worthwhile
13 extracurricular activities; and

14 WHEREAS, if the people of Alaska could lessen the financial burden
15 for schools engaged in official and sanctioned activities, they would provide
16 a noble and worthwhile service; and

17 WHEREAS those students who are able to engage in extracurricular activi-
18 ties and who are able to visit other Alaskan communities receive educational
19 benefits of value just as great as those emanating from traditional academic
20 pursuits; and

21 WHEREAS it is not unusual for other states and local political entities
22 to grant certain special benefits and gratuities to selected classes of
23 people; and

24 WHEREAS, during the off-season fall, winter and spring months, the
25 state ferries frequently operate at less than full capacity; therefore, if
26 official school groups were permitted to travel without cost, the foot
27 passenger traffic would swell as well as revenue at no significant increase
28 in cost because the vessels of the Alaska Marine Highway operate at a
29 relatively high fixed cost whether "on line" or not;

1 BE IT RESOLVED by the Alaska State Legislature that the Governor is
2 respectfully requested to direct the Division of Marine Transportation to
3 initiate a program whereby official school activity groups may travel on
4 state ferries for no fare, provided that travel shall be on a space-available
5 basis only and between two Alaskan points of embarkation from the month
6 of November through the following month of April.

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The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No.: House Concurrent Resolution No. 20
 Title: An act relating to travel on State ferries by official school activity groups
 Requested by: House Finance Date: 3-5-75
 Return Date Requested: 3-10-75
 Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of Dollars)

Hudson - indicates personal services increase in

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	1.0	1.0	1.0	1.0	1.0	1.0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES	2.0	2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT	1.0	1.0	1.0	1.0	1.0	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0.0 A/0/	0.0 A/0/	0.0 A/0/	0.0 A/0/	0.0 A/0/	0.0 A/0/

In testimony before the House Finance Committee, Director of Marine Transportation indicated there would be no increased costs resulting from this Resolution. The House Transportation Subcommittee thus reduced this note to reflect \$0 costs

GENERAL FUND	4.0	4.0	4.0	4.0	4.0	4.0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY MAN MONTHS (P./T.)						
	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Increased expense \$ 4,000
 Reduced revenue 36,000
 Net cost to Alaska \$ 40,000

It should be noted that increases in youth group travel would tend to detract from the quality of service to full fare passengers thus tending to decrease such travel and further reduce revenue.

IV. ATTACHMENTS

See Attachment

V. DATE: March 11, 75 PREPARED BY: W. Hudson

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Attachment

FISCAL NOTE

HCR 20

Expenditures: There would be an increase in usage which would be reflected by an increase in expense; although not in direct proportions. There would be increases in commodities consumed, the system would experience increases in personnel costs and general wear and tear on equipment would be accelerated. In general these would be relatively minor increases. Assuming 1000 additional passengers were to use the ferry the first year, as a result of this program, the increase in expenses would be approximately as indicated on the Fiscal note. The amount has been estimated to be \$4,000 per year

Revenue: Based upon a sampling of 1974 data, when some 7,500 youths traveled on group rosters during the November - April period, yielding revenue from passage tickets of approximately \$35,000 it is estimated that free passage would reduce revenue by approximately \$40,000 during 1975-76. Assuming there would be an increase in stewards revenue due to increased traffic the net loss in revenue would be estimated at \$36,000

Jennel

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
Second Session - Ninth Legislature

I. REQUEST

Bill No. HRC NO. 20
 Title: An Act relating to Free travel on State Ferries by school activity groups
 Requested by: House Finance Date: 3-5-75 (original)
 Return Date Requested: Updated from pervious year
 Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Marine Transportation

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		0.5	0.5	0.5	0.5	0.5
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES		2.0	2.2	2.4	2.6	2.8
500 EQUIPMENT		0.5	0.5	0.5	0.5	0.5
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0.0	3.0	3.2	3.4	3.6	3.8

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0.0	3.0	3.2	3.4	3.6	3.8
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Increased expense FY 77 \$3,000
 Reduced revenue FY 77 39,000
 Net cost to Alaska \$42,000

It should be noted that increases in youth group travel would tend to detract from the quality of service to full fare passengers, thus tending to decrease such travel with a resultant reduction of revenue.

IV. ATTACHMENTS

See attachment.

V. DATE: 12/15/75 PREPARED BY: Sherman D. Burton

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ATTACHMENT

FISCAL NOTE HRC 20

RECEIVED

DEC 18 11 47 AM '75

STATE OF ALASKA
DEPT. OF
PUBLIC WORKS

Expenditures: There would be an increase in usage which would be reflected by an increase in expense; although not in direct proportions. There would be increases in commodities consumed, the system would experience increases in personnel costs and general wear and tear on equipment would be accelerated. In general these would be relatively minor increases. Assuming 1000 additional passengers were to use the ferry the first year, as a result of this program, the increase in expenses would be approximately as indicated on the Fiscal Note. The amount has been estimated to be \$3,000 for the first full year.

Revenue: Based upon a sampling of 1974 data, when some 7,500 youths traveled on group rosters during the November - April period, yielding revenue from passage tickets of approximately \$35,000 it is estimated that free passage would reduce revenue by approximately \$44,000 during FY 77. Assuming there would be an increase in stewards revenue due to increased traffic the net loss in revenue would be estimated at \$39,000.

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No.: House Concurrent Resolution No. 20
 Title: An act relating to travel on State ferries by official school activity groups
 Requested by: House Finance Date: 3-5-75
 Return Date Requested: 3-10-75
 Agency: Public Works Program: Marine Transportation

II. FISCAL DETAIL

Budget Request Unit(s) Affected:

A. EXPENDITURES: (Thousands of Dollars)

Hudson - indicates personal services

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	1.0	1.0	1.0	1.0	1.0	1.0
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES	2.0	2.0	2.0	2.0	2.0	2.0
500 EQUIPMENT	1.0	1.0	1.0	1.0	1.0	1.0
600 LAND & STRUCTURES						
700 GRANTS, CLEANS, ETC.						
TOTAL	0.0 A/B/	0.0 A/D/	0.0 A/G	0.0 I/A/D	0.0 A/G	0.0 A/D

In testimony before the House Finance Committee, Director of Marine Transportation indicated there would be no increased costs resulting from this Resolution. The House Transportation Subcommittee thus reduced this note to reflect \$0 cost.

5-1342

GENERAL FUND	4.0	4.0	4.0	4.0	4.0	4.0
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY MAN MONTHS (P./T.)						
	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section II)

Increased expense \$ 4,000
 Reduced revenue 36,000
 Net cost to Alaska \$ 40,000

It should be noted that increases in youth group travel would tend to detract from the quality of service to full fare passengers thus tending to decrease such travel and further reduce revenue.

IV. ATTACHMENTS

See Attachment

V. DATE: 7/11/75 PREPARED BY: W. Hudson

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Introduced: 2/20/75
Referred: State Affairs and
Finance

BY DUNCAN, BUCHHOLDT, MILLER
AND NAUGHTON

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4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to travel on state ferries by
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7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS during the course of the school year many school activities
9 necessitate the transporting of school officials and students to other towns;
10 and

11 WHEREAS, because of rising costs and cutbacks in many school budgets,
12 it is extremely difficult for a school to afford to engage in worthwhile
13 extracurricular activities; and

14 WHEREAS, if the people of Alaska could lessen the financial burden
15 for schools engaged in official and sanctioned activities, they would provide
16 a noble and worthwhile service; and

17 WHEREAS those students who are able to engage in extracurricular activi-
18 ties and who are able to visit other Alaskan communities receive educational
19 benefits of value just as great as those emanating from traditional academic
20 pursuits; and

21 WHEREAS it is not unusual for other states and local political entities
22 to grant certain special benefits and gratuities to selected classes of
23 people; and

24 WHEREAS, during the off-season fall, winter and spring months, the
25 state ferries frequently operate at less than full capacity; therefore, if
26 official school groups were permitted to travel without cost, the foot
27 passenger traffic would swell as well as revenue at no significant increase
28 in cost because the vessels of the Alaska Marine Highway operate at a
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1 BE IT RESOLVED by the Alaska State Legislature that the Governor is
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3 initiate a program whereby official school activity groups may travel on
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Introduced: 2/20/75
Referred: State Affairs and
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