

Introduced: 2/26/75  
Referred: Resources and  
Finance

1 IN THE HOUSE BY ANDERSON, GUY, ITTA AND  
MILLER

2 HOUSE CONCURRENT RESOLUTION NO. 22  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to future oil lease sales.

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

7 WHEREAS, according to all reports, the state, during the years before  
8 completion of the trans-Alaska pipeline, could be in serious financial  
9 straits unless additional sources of revenue are found; and

10 WHEREAS accelerated or additional oil lease sales have been mentioned  
11 as one alternative available to bring needed revenue into the general fund;  
12 and

13 WHEREAS it would be easy, in the quest for additional funds, to open up  
14 areas for leasing that, although additional money may be brought in, could  
15 cause irreparable damage without the utmost careful planning; and

16 WHEREAS, for instance, if lease sales were to be held in Bristol Bay or  
17 in another like area that is important to our already endangered fishery  
18 resource, our fisheries could conceivably be further reduced;

19 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
20 respectfully requested to hold no lease sale in any fishery area or near any  
21 spawning grounds, and that if additional lease sales are planned they be  
22 concentrated solely in areas such as the Beaufort Sea - Arctic Ocean where  
23 exploration cannot damage Alaska's valuable fishery resources in any way.  
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Relating to winter traffic and the tariff rates for winter travel on the Alaska Marine Highway.

# COMMITTEE REPORT

3/10/75

HOUSE

Mr. Speaker:

Date April 1, 1975

The Committee on FINANCE has had HCR 23

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>H. Malone</u>	_____
_____	_____	_____
<u>E. J. [unclear]</u>	_____	_____
<u>D. J. [unclear]</u>	_____	_____

Members NOT concurring in the Majority report:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

\_\_\_\_\_ recommends:

H. Malone Chairman

Introduced: 2/28/75  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY GARDINER, ELIASON, MILLER  
AND PARKER

2 HOUSE CONCURRENT RESOLUTION NO. 23

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to winter traffic and the tariff  
6 rates for winter travel on the Alaska  
7 Marine Highway.

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

9 WHEREAS, during the period from October through April, the volume of  
10 vehicular and passenger traffic on the vessels that comprise the Alaska  
11 Marine Highway falls off significantly from that experienced during the months  
12 of May through September and most significantly on the Southeast Alaska runs;  
13 and

14 WHEREAS nevertheless, fixed costs for ferry operations remain high during  
15 these winter months; and

16 WHEREAS, despite past attempts to attract "off-season" travel by re-  
17 duction by 20 per cent in the tariffs charged for some categories of service  
18 and traffic and an enticement, such as free passage for travelers 65 years of  
19 age and older between Alaskan ports, the ferries other than the Seattle run  
20 still operate with very low volumes of vehicular and passenger traffic; and

21 WHEREAS the British Columbia Ferries, operator of the M/V QUEEN OF  
22 PRINCE RUPERT, a ferryliner whose service and character is comparable to that  
23 of the Alaska Marine Highway, aggressively advertises winter travel aboard  
24 that ship, including its use as a locale for winter conventions and reduces  
25 the rates across the board by 25 per cent for winter travel in all categories  
26 of service and traffic, including staterooms and commercial vehicles and  
27 combines that reduction with a further 10 per cent discount for a round trip  
28 ticket;

29 BE IT RESOLVED by the Alaska State Legislature that the Governor is

1 respectfully requested to direct the Division of Marine Transportation, De-  
2 partment of Public Works to: (1) conduct an aggressive advertising campaign  
3 promoting off-season, winter travel on the Alaskan portions of the Marine  
4 Highway System; and (2) inaugurate a program of tariff reductions during the  
5 period between October 1 and April 30, that would attract more vehicular and  
6 passenger traffic, considering such possibilities as providing free passenger  
7 fare, special round trip fares for both passengers and vehicles, special  
8 family and group rates, and other innovative promotional fares.

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The Legislature of the State of Alaska  
FISCAL NOTE

*all*

First Session - Ninth Legislature

I. REQUEST  
 Bill No. HCR No. 23  
 Title: Relating to winter traffic & the tariff rates for winter travel on the Alaska  
 Requested by: House Finance Committee Date: 3/24/75 Marine Hwys.  
 Return Date Requested: \_\_\_\_\_  
 Agency: Public Works Program: \_\_\_\_\_

II. FISCAL DETAIL  
 Budget Request Unit(s) Affected: Marine Transportation  
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES						
200 TRAVEL	2	2	2	2	2	2
300 CONTRACTUAL	10	10	10	10	10	10
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	12	12	12	12	12	12

The House Transportation Subcommittee decided that this function is sufficiently funded in the division budget. Legislative intent will be written to reflect this.

*H. Hoyer*

GENERAL FUND	12	12	12	12	12	12
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

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

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

The increase in expenditures is for the purpose of increasing the off season promotional effort. The amount is an arbitrary one, since it is obviously possible to spend as little or as much as is available. This amount would appear to be a minimum amount to provide a reasonable expectation of success. The major thrust of our current advertizing is aimed at winter travel.

IV. ATTACHMENTS

See attachment for discussion concerning the effect of reductions in fare, etc.

V. DATE: March 24, 1975 PREPARED BY: Sherman D. Burton

*Sherman D. Burton*

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

A T T A C H M E N T

FISCAL NOTE HRC No. 23  
Promotion of Winter travel on the Marine Highway

Currently, during March and April our vessels from Seattle and Prince Rupert are operating at capacity with respect to vehicle and stateroom space.

Our "off season" travel has increased from year to year and by projecting a 10% increase into the coming year, capacity loads can be expected between March 1 and the end of October.

If mass reductions in fares were to be implemented the result would be a reduction in revenue along with the increase in traffic volumes, since we could not increase the volumes enough during the March, April and October periods to overcome the reduction in tariff applied to the entire period.

We are already considering increasing the winter discount slightly and allowing a special winter southbound rate to Seattle.

At this time there is a proposal in the Legislature to allow student groups free transportation during the winter. They now pay half fare.