

HCR

29

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO. CS HCR 29 (TRA)

Revision Date: 3/7/96 Dept. Affected: DOT&PF
 Title: Student Contest to Name New Ferry BRU: Office of the Commissioner
 Component: Commissioner's Office
 Sponsor: Representative Williams
 Requestor: House Transportation COMPONENT SERIAL NO. 530

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ 0.0


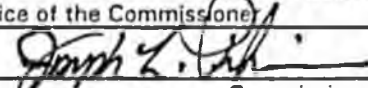
POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This resolution would have no appreciable fiscal impact on the Department of Transportation and Public Facilities. The department supports the concept of establishing a contest to name the new marine highway vessel.

Providing travel for the contest winner will result in a real cost to the department. However, we believe that the one time travel cost could be funded by the department in order to provide the contest winner with the once in a lifetime opportunity to participate in the inaugural voyage of the new vessel.

Prepared by: Sam Kito III  Phone: 465-3900
 Division: Office of the Commissioner Special Assistant Date: 3/7/96
 Approved by: Joseph Z. ...  Commissioner Date: 3/7/96
 Agency: Department of Transportation and Public Facilities

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CS FOR HOUSE CONCURRENT RESOLUTION NO. 29(TRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE TRANSPORTATION COMMITTEE

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE WILLIAMS

A RESOLUTION

1 Providing for a contest among the elementary school students of Alaska to name
2 the new ferry of the Alaska marine highway system.

3 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **WHEREAS** the Alaska State Legislature approved a ballot initiative to create the
5 Alaska marine highway in 1960; and

6 **WHEREAS** the people of the State of Alaska approved the initiative, thus creating the
7 Alaska marine highway system; and

8 **WHEREAS** the Alaska marine highway system began service in 1963 to meet the
9 transportation needs of the state; and

10 **WHEREAS** today the Alaska marine highway system employs over 860 Alaska
11 citizens from 37 different communities; and

12 **WHEREAS** the Alaska marine highway system directly or indirectly accounts for over
13 1,290 jobs in the state; and

14 **WHEREAS** the state economy realized a 590 percent return on the state's 1994
15 general fund investment in the Alaska marine highway system; and

16 **WHEREAS** the Alaska marine highway fleet includes eight ships serving 34 ports,

1 providing direct access to more than 100,000 Alaskans; and

2 **WHEREAS** the Alaska marine highway system provides important economic, social,
3 and cultural links between communities in Alaska; and

4 **WHEREAS** the maritime vessels of the Alaska marine highway system are, by law,
5 to be named after glaciers in the state; and

6 **WHEREAS** researching glaciers will give elementary school students of Alaska an
7 opportunity to learn the geography of the state; and

8 **WHEREAS** the above exercise will enhance the students' understanding of the role
9 of the Alaska marine highway system in the state's interdependent transportation system; and

10 **WHEREAS** the Alaska marine highway system will christen a new ocean-going vessel
11 in 1998;

12 **BE IT RESOLVED** that the Alaska State Legislature respectfully requests the
13 governor to direct the commissioner of transportation and public facilities to establish an
14 impartial jury to select potential names for the new vessel from among the names of glaciers
15 submitted by elementary students and forward its recommendations to the legislature; and be
16 it

17 **FURTHER RESOLVED** that the Alaska State Legislature encourages the elementary
18 students of the state to submit their favorite glacier name to the Alaska Department of
19 Transportation and Public Facilities; and be it

20 **FURTHER RESOLVED** that the legislature will decide which of these
21 recommendations will be used to name the new Alaska marine highway system vessel; and
22 be it

23 **FURTHER RESOLVED** that the Alaska State Legislature respectfully requests the
24 governor to provide a free ride on the inaugural voyage of the new vessel to the student who
25 submits the name that is selected by the legislature as the name for the new vessel.

Alaska State Legislature



Representative William K. Williams

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Sponsor Statement

House Concurrent Resolution Number 29

HCR 29 was introduced to encourage the participation of elementary students across the state in naming the new Alaska marine highway vessel.

Vessels of the Alaska marine highway system are, by law, required to be named after glaciers in the state. With the introduction of this resolution I hope to involve the elementary students of Alaska in this process. This will give teachers in the state a vehicle to implement lessons about transportation systems in the state, geography of the state and the legislative process.

The information contained in the resolution outlines the importance of the Alaska marine highway to the state economy. The christening of a new vessel illustrates the continuing dedication to the system by the state. Because the Alaska marine highway impacts the economy of the entire state, I believe it is important to involve the entire state in the naming of this new vessel. I encourage you to support this legislation.

The Economic Benefits of the Alaska Marine Highway System

Executive Summary

Statewide Impacts

- In return for the State of Alaska's \$29 million annual operating investment in the AMHS, Alaska's economy benefits from an estimated \$171 million in direct and indirect spending.
- The AMHS generates jobs for more than 860 Alaskans who earn \$35 million in annual payroll and \$10 million in benefits.
- AMHS employees reside in 37 different communities throughout Alaska.
- If the AMHS were a private employer, it would rank as one of Alaska's top fifteen corporations.
- The AMHS carried approximately 400,000 passengers and more than 108,000 vehicles last fiscal year.
- While the typical Alaska visitor's instate spending totals \$670 per trip, the average AMHS visitor spends over \$1,140 per trip while in Alaska, more than the cruise, air or highway visitor.
- AMHS visitors spend more time in Alaska than any other group of non-resident travelers. In 1993 the average was 16 nights per visitor, only 1.9 of which were spent onboard AMHS vessels.

Regional Impacts

- AMHS visitor spending impacts all of Alaska including \$13.3 million in annual spending in Southeast, \$11.4 million in Southcentral, \$7.4 million in the Interior/Northern region and over \$2.5 million elsewhere in Alaska.
- Among Alaska's regional economies, the AMHS is most important in Southeast where more than 700 shipboard and shoreside workers live.
- Compared to Southeast's largest private employers, the AMHS would rank in the top three.

- Because of the relatively inexpensive cost of transporting goods on the AMHS, and the opportunity for rural residents to travel to regional centers for services, the cost of living in rural areas served by the ferry system is significantly reduced.
- AMHS operations and capital spending are important in many Alaska communities, especially in Ketchikan, Juneau, Skagway, Seward and Seldovia.

Alaska's Investment in the Marine Highway System – 1994

Annual Investment	
General Fund Expenditure on AMHS Operations	\$29 million
Annual Return on Investment	
Direct Payroll and Benefits for 864 Alaskans	\$45 million
Instate Spending on AMHS Operations	\$15 million
Instate Capital Expenditures	\$13 million
Instate Spending by Non-Resident Passengers (visitors)	\$41 million
Total Direct Benefit	\$114 million
Indirect Benefits (multiplier effect on Alaska's support sector)	\$57 million
Total Annual Return on Investment	\$171 million

Return on General Fund Investment in the Alaska Marine Highway System 1992 and 1994

	1992	1994	Percent Change
General Fund Expenditure on AMHS Operations	\$31 Million	\$29 Million	-7%
Total Annual Return on Investment	\$146 Million	\$171 Million	-17%
Return on Investment (%)	470%	590%	-25%