

HB

289



ALASKA STATE LEGISLATURE
REPRESENTATIVE JOHN HARRIS
STATE CAPITOL 110, JUNEAU, ALASKA 99801-1182 (907) 465-4859

MEMORANDUM

February 16, 2000

To: Representative Andrew Halcro, chairman
House Committee on Transportation

From: Representative John Harris

John Manly for Rep. Harris

Re: Request for hearing

Please schedule a committee hearing on HB 289 as soon as your calendar will accommodate it. This bill directs the Alaska Railroad and the Alaska Marine Highway System to provide free transportation to members of the state's volunteer military forces to and from drills, training and other official functions. The transportation would be on a space-available basis at no added cost to the railroad or ferry system.

Attached to this memo are a copy of the bill and a sponsor statement. If you need additional information, please contact John Manly of my office.

Thank you for your expeditious attention to this request.



ALASKA STATE LEGISLATURE
REPRESENTATIVE JOHN HARRIS
STATE CAPITOL 110, JUNEAU, ALASKA 99801-1182 (907) 465-4859

Sponsor Statement

HB 289

"An Act relating to transportation of members of the Alaska National Guard, the Alaska Naval Militia, and the Alaska State Defense Force by the Alaska marine highway system and the Alaska Railroad; and relating to the Alaska State Defense Force."

The purpose of HB 289 is to provide a vehicle to get members of our volunteer defense forces to and from military training. In the current climate of downsizing and defense budget cuts, funding for transportation of members of some units is tight.

The State of Alaska, as the owner and operator of a passenger railroad and marine ferry system, is in the position to offer transportation for these military personnel, who are involved in training to defend our state and our freedoms.

House Bill 289 would simply mandate that the ferry system and the railroad provide free transportation, on a space available basis, for members of the above-referenced state defense organizations who are en route to or from drill, training, or other official militia activities.

The bill also changes "Alaska State Militia" to "Alaska State Defense Force" in several occurrences in the statutes. This change was made operationally several years ago, so as to distinguish the state's volunteer defense force from citizens' militias that are frequently in the news. The changes in HB 289 simply bring the statutes up-to-date.

HB 289 is a simple, straightforward initiative to help our volunteer, citizen soldiers get to and from their training.

Alaska Railroad Corporation



Position Statement

House Bill 289: by Representative John Harris

"An Act relating to transportation of members of the Alaska National Guard, the Alaska Naval Militia, and the Alaska State Defense Force by the Alaska Marine highway system and the Alaska Railroad; and relating to the Alaska State Defense Force."

The Alaska Railroad Corporation supports House Bill 289 to provide free transportation on a space available basis to members of the Alaska National Guard, the Alaska Naval Militia and the Alaska State Defense Force while engaged in a military exercise.

Alaska Statute 42.40 defines the Alaska Railroad Corporation's mission to provide safe, economical, and efficient transportation to residents, businesses, visitors and military installations in the state.

Since its completion in 1923, the Alaska Railroad has shared a close relationship with the United States military playing a key role in our nation's defense. During the second world war, the Department of Defense assumed control of the Alaska Railroad. The Railroad provided the prime logistical corridor for the military to move troops and materials between two deep water ports of entry and the interior of Alaska.

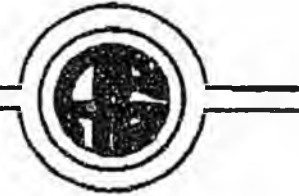
This close link with the military greatly influenced the Alaska Railroad's destiny in the early 1980's when the United States Government decided to divest its ownership of the Railroad. At the time, none of the larger U.S. Railroads were interested in purchasing the assets of the rail line. As a result, the Railroad was in jeopardy of being dismantled.

The U.S. Department of Defense (DOD) worked with Congress and the U.S. Department of Transportation to change this course of action. DOD stood willing to assume ownership of the line to protect the important transportation corridor. In the end, the State of Alaska assumed ownership of the rail line and today, continues to serve our military by moving supplies and equipment and in developing emergency response plans for times of crisis.

Again, the Alaska Railroad supports HB 289.

February 2000

Alaska Railroad Corporation



Testimony

House Military and Veterans' Affairs
February 10, 2000

House Bill 289: by Representative John Harris

For the record, my name is Wendy Lindskoog and I work for the Alaska Railroad Corporation (ARRC) as the Director of External Affairs.

Thank you Chairman Murkowski and Military and Veterans' Affairs Committee members for giving us the opportunity to testify on House Bill 289.

The Alaska Railroad Corporation supports House Bill 289 which will provide free transportation on a space available basis to members of the Alaska National Guard, the Alaska Naval Militia and the Alaska State Defense Force while engaged in a military exercise.

House Bill 289 builds on our historic link to the military providing yet another way for the Alaska Railroad to support our armed forces.

As many of you know, Alaska Statute 42.40 defines the ARRC's mission as providing safe, economical, and efficient transportation to residents, businesses, visitors and military installations in the state.

Since its completion in 1923, the Alaska Railroad has shared a close relationship with the United States military playing a key role in our nation's defense. During the second world war, the Department of Defense assumed control of the Alaska Railroad. The Railroad provided the military a prime transportation corridor for moving troops and materials between two deep water ports of entry and the interior of Alaska.

This close link with the military greatly influenced the Alaska Railroad's destiny in the early 1980's when the United States Government decided to divest its ownership of the Railroad. At the time, none of the larger U.S. Railroads were interested in purchasing the assets of the rail line. As a result, Alaska's Railroad was in jeopardy of being dismantled.

The U.S. Department of Defense (DOD) worked with Congress and the U.S. Department of Transportation to change this course of action. DOD stood willing to assume ownership of the line to protect the important transportation corridor.

In the end, the State of Alaska assumed ownership of the rail line which today, continues to serve our military by moving supplies and equipment and in developing emergency response plans for times of crisis.

The Alaska Railroad exists today thanks to our military's vision and we are pleased to have the opportunity to give back to our armed forces through House Bill 289.

Having said that, we were asked to supply information regarding the bill's fiscal impact on the Railroad. There will be no financial impact to the Railroad as long as space available is interpreted as meaning "on the date of travel on regularly scheduled ARRC passenger service." Under this definition, military personnel would not be taking the place of revenue paying customers.

For the committee's reference, I have attached to this written testimony some background information regarding the Alaska Railroad's rates and ridership trends on various passenger routes.

Thanks again for the opportunity to testify on this bill. We are pleased to support House Bill 289 which furthers our ability to support Alaska's military personnel and operations.

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ARRC Trends and Rates:

Many visitors make their Alaska itinerary arrangements well in advance. However, our daily Whittier and Seward trains are very popular as "last minute" activity additions for tourists and visiting friends and relatives alike. These routes tend to sell out frequently from mid-June through early September.

Much of our volume on the Denali Star (the daily Anchorage-Talkeetna-Denali-Fairbanks and the daily Fairbanks-Denali-Talkeetna-Anchorage) trains is booked well in advance and tends to be capacity constrained from mid-June through early September. There are, of course, many days throughout the summer when space is available on this popular service depending upon the travel patterns of our visitors.

Our 2000 rate schedule follows:

Denali Star - one-way rail fare, per person

Anchorage to Talkeetna - \$70 peak, \$56 value

Anchorage to Denali - \$120 peak, \$96 value

Anchorage to Fairbanks - \$160 peak, \$128 value

Talkeetna to Denali - \$50 peak, \$40 value

Talkeetna to Fairbanks - \$90 peak, \$72 value

Denali to Fairbanks - \$48 peak, \$38 value

*Peak season: June 3 - Sept. 4, 2000

*Value season: May 13 - June 2 and Sept. 5 - 23, 2000

Anchorage-Seward - rail fare, per person

Anchorage to Seward, round-trip - \$86

Seward to Girdwood, one-way - \$50

Anchorage to Seward one-way - \$50

* no peak or value season, same rate May 13 - Sept. 10, 2000

Anchorage - Whittier - rail fare, per person

Anchorage to Whittier round-trip - \$52

Anchorage to Whittier one-way - \$26

*no peak or value season, same rate May 13 - Sept. 10, 2000

Winter Service:

In the winter, (Sept. 25 - May 7), we operate a weekend train between Anchorage and Fairbanks leaving Anchorage on Saturday mornings, arriving in Fairbanks that evening, and leaving Fairbanks on Sunday mornings, arriving in Anchorage that evening. Our winter rates are:

Anchorage - Talkeetna, \$32

Talkeetna - Hurricane, \$20

Hurricane - Fairbanks, \$32

Anchorage - Fairbanks, \$34

FISCAL NOTE

Bill Version: HB 289
 (H) Publish Date: 2/11/00

**STATE OF ALASKA
 2000 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected DOT&PF
 Title "An Act relating to transportation of members BRU Marine Highway System
of the Alaska National Guard," Component Southeast Vessel Operations
 Sponsor Representative Harris
 Requester (H) MLV Component Serial No. 630

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
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						
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CHANGE IN REVENUES (AMHS fund)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY00) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

(See Attached)

Prepared by Dennis Poshard, Legislative Liaison Phone 465-3904
 Division Office of the Commissioner Date/Time 2/9/00 12:02 PM
 Approved by Commissioner *Joseph L. ...* Date _____
 Agency Department of Transportation and Public Facilities

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HB 289 "An Act relating to transportation of members of the Alaska National Guard,"
Department of Transportation and Public Facilities

This bill would provide free transportation, on a space available basis, aboard Alaska Marine Highway System (AMHS) vessels to members of the state militia while en route to or from drills, training, or other official activities.

Expenditure Impact

There would be some additional work at AMHS terminals for terminal staff to verify the military orders of those seeking free passage. Since the volume of travel is not anticipated to be that great, this additional workload is assumed not to be significant.

Revenue Impact

State militia travel aboard AMHS vessels currently generates approximately \$5,000 per year. The financial impact, therefore, would be a reduction in revenue of \$5,000 to the AMHS. With free travel, it is possible even more militia members would choose to travel on the ferry system. This could result in some lost revenue opportunities in the future.

Assumptions

1. Free travel is for militia members and vehicles only. This does not include cabins, food, or family member passage.
2. Passage is on a space available basis on the day of travel only. If the passage is through multiple ports, paying passengers/vehicles could "bump" the free passengers/vehicles.
3. Specific procedures for the free passage will be developed and incorporated into the AMHS traffic manual.

FISCAL NOTE

Bill Version: HB 289
(H) Publish Date: 2/11/00

STATE OF ALASKA
2000 LEGISLATIVE SESSION

Revision Date: 2/11/00
Title: Military Transport

Sponsor: Representative John Harris
Requester: (H) Special Committee on Military and Veterans' Affairs

Dept. Affected: Community & Economic De
BRJ
Component
Component Serial No.

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
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						
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CHANGE IN REVENUES []						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
1091 Designated Program Receipts						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY98) cost: _____

POSITIONS


Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

HB 289 provides for space available travel for designated military and para military personnel. Applying the transportation industry common practice of not displacing revenue passengers with space available passengers as provided for within the legislation, HB 289 will have a zero dollar impact on the Alaska Railroad Corporation.

Prepared by Casey Sullivan - Legislative Aide

Phone 465-5031


 HOUSE SP. CNTE. ON MILITARY & VETERAN'S AFFAIRS

Phone _____

Date 2/9/00

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