

SB

213

Thank you Mr. Chairman and Members of the Committee

Let me first state, up front, that the Alaska Marine Highway System supports the legislature's efforts to allow Alaska state military personnel to travel on the AMHS. We are happy to be a part of ensuring Alaska's forces are being properly trained and ready for emergency deployment.

However, there are issues regarding revenue generation and operations that the committee ought to be aware of prior to the passage of this bill, so that all parties involved have the same understanding and expectations of how the new law would impact the AMHS and would be implemented.

Since revenues are always of paramount concern to the Alaska Marine Highway System, our concern is first that the current travel being paid for by federal funds will now be lost to the State of Alaska, second that this free travel does not occur on our most revenue generating runs and third that this new task does not become a burden for our operations. The AMHS would hope that this legislation would allow operations complimentary to what we already do.

To that end, our plans to implement this bill will include:

- Defining Space Available – Space available means just that. Space available on the same day of sailing. We will not take reservations in advance for this travel. And, we will not displace revenue paying passengers or vehicles.
- Bumping – Space available does not guarantee passage for the duration of a voyage if there is more than one link in the itinerary. Conceivably, a Sitka passenger sailing on Space Available passage to Skagway, could be bumped in Juneau, if fare paying customers are waiting to sail on stand-by in Juneau. This person would have to disembark and wait for the next sailing with space available to proceed.
- Union Contracts – Finally, our union contracts allow AMHS employees to sail on a space available basis at any time and have a limitation of vehicle size set at 23 feet. It is possible that a combination of AMHS employees and Alaska state military personnel will exceed the amount of space available. In that case, we will allow the passage on a first-come, first-served basis.
- Travel Between Alaska Ports Only – We recommend a change in the language in Sec 2. of the bill that adds “between Alaska ports only” immediately after “the Alaska Marine Highway System”.

Those are the issues that we wanted to make everyone aware of now. We would be happy to answer any questions. Thank you.

Briefing Notes
on
The Alaska State Defense Force

Background: The Alaska State Defense Force (ASDF) was established in February 1984, by The Alaska Department of Military and Veterans Affairs (DMVA) during a nationwide effort to standardize the missions of the several state militia and state guard units, thereby bringing them into the total force concept. The National Guard Bureau is the federal executive agency assigned the necessary coordinating functions. The Governor is the commander in chief and exercises his authority through the Adjutant General.

Mission: The ASDF is to maintain an organized trained military force to provide military assistance to Civil and military authorities in the preservation of life, property and public safety, including the following:

- a. Provide a State military formation for the deployment by the DMVA after federalization of the National Guard.
- b. Provide a force multiplier to various state agencies during state emergencies, natural disasters or civil events.

Organization: The ASDF is organized as a cadre pursuant to National Guard Regulation (NGR) 10-4 in the form of the **49th Civil Support Brigade**. At full Mobilization the brigade is approximately 1690 soldiers. The 15 percent cadre required by NGR 10-4 is approximately 254 soldiers. Current strength is approximately 246 soldiers.

Units: **Bde Hq.** (Anchorage), **Medical Det.** (Anchorage), **Aviation Det.** (Anchorage), **1st Bn.** (Juneau), **2nd Bn.** (Wasilla), **3rd Bn.** (Fairbanks), **4th Bn.** (Anchorage). **Coastal Command** is under development to be based in Anchorage.

Service: Brim Frost 88, Stand down 93/94, Kenai Flood 95, Miller's Reach Fire 96, Acutan Volcano 97, Shismerif Storm 97, and Western Alaska Fish Disaster.

Authority: 32 USC 109 (c), NGR 10-4, AR 670-1, Alaska Statute 26.05, ASDF PAM 10-1, ASDF PAM 350-1, ASDF PAM 672-1, ASDF Aviation SOP.

(Unclassified)

4 Feb 99

FISCAL NOTE

STATE OF ALASKA
1999 LEGISLATIVE SESSION

BILL NO. SB213

Revision Date/Time (Note if correction) _____ Dept. Affected _____
 Title Military Transport ERU _____
 Component _____
 Sponsor Senator Tim Kelly _____
 Requester S (CRA) Component Serial No. _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
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 ()						
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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 (FY99) cost: _____

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

SB 213 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, SB 213 will have a zero dollar impact on the Alaska Railroad Corporation.

Prepared by Jerry Anderson Phone 265-2518
 Division ARRC Date/Time 2/9/00 10:02 AM
 Approved by Commissioner _____ Date 02/09/2000
 Agency ARRC

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FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. SB 213

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 Senator Kelly
 Requester Senate C&RA 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 11:24 AM
 Approved by Commissioner [Signature] Date _____
 Agency Department of Transportation and Public Facilities

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SB 213 "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

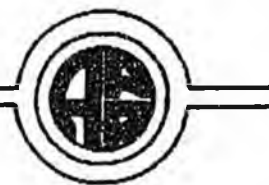
State militia travel aboard AMHS vessels currently generates approximately \$5,000 per year. The financial impact, therefore, would be a reduction in revenue of \$5,000 to the AMHS. With free travel, it is possible even more militia members would choose to travel on the ferry system. This could result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

Alaska Railroad Corporation

P.O. Box 10-7500; Anchorage, AK. 99510-7500



February 9, 2000

To: Ben Brown Phone: Fax: 465-3756
From: Wendy Lindscoog Phone: 265-2498 Fax:
RE: SB 213 Pages: 3

Notes: Attached is the ARRC's testimony for SB 213. We will be faxing the fiscal note to Lillian at the Department of Community and Economic Development.

Thanks, Wendy Lindscoog

MEMBER

TENTH ALASKA LEGISLATURE
ELEVENTH ALASKA LEGISLATURE
TWELFTH ALASKA LEGISLATURE
THIRTEENTH ALASKA LEGISLATURE
FOURTEENTH ALASKA LEGISLATURE
FIFTEENTH ALASKA LEGISLATURE
SIXTEENTH ALASKA LEGISLATURE
EIGHTEENTH ALASKA LEGISLATURE
NINETEENTH ALASKA LEGISLATURE
TWENTIETH ALASKA LEGISLATURE
TWENTY-FIRST ALASKA LEGISLATURE

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SENATOR TIM KELLY

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**SPONSOR STATEMENT
SB 213**

"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."

Senate Bill 213 will permit active members of the Alaska National Guard, the Alaska Naval Militia and the Alaska State Defense Force, where space available, free transportation on the Alaska marine highway system and the Alaska Railroad. This free status will be limited to traveling to and from drill, training, or other official militia activities.

This legislation would make it no different than allowing a particular governmental department moving a D-9 bulldozer or other state equipment from site to site, via the ferry or railroad system, than to permit active members of the National Guard, the Naval Militia and State Defense Force to travel free while conducting official military business.

The purpose of SB 213 is to provide a vehicle in which to get members of our volunteer defense forces to get to and from military training. In the present climate of downsizing and defense budget cuts, funding for transportation of members is constricted.

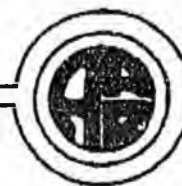
As the owner and operator of the passenger railroad and marine highway system, the State of Alaska is in the position to offer transportation for these military personnel, who are participating in training to defend our state and freedoms.

Senate Bill 213 would simply mandate the railroad and ferry system provide free transportation, on a space available basis, for the 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 makes a name change from "Alaska State Militia" to "Alaska State Defense Force" in several occurrences in statute.

Senates Bill 213 is a simple, straightforward document to assist our volunteer, citizen soldiers get to and from their training.

Alaska Railroad Corporation



Testimony

Senate Community and Regional Affairs
February 9, 2000

Senate Bill 213: By Senator Tim Kelly

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 Kelly and Community and Regional Affairs Committee members for giving us the opportunity to testify on Senate Bill 213.

The Alaska Railroad Corporation supports Senate Bill 213 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.

Senate Bill 213 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 Senate Bill 213.

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 Senate Bill 213 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, \$58 value

Anchorage to Denali - \$120 peak, \$98 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, \$84

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MEMORANDUM

January 29, 2000

SUBJECT: Sectional Summary of SB 213, 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. (SB 213)

TO: Senator Tim Kelly
Attn: Ben Grenn

FROM: George Utermohle *GU*
Legislative Counsel

You have requested a sectional summary of SB 213, 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.

A sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Sections 1, 3, and 4 of the bill make technical changes to AS 02.15.090(a), AS 26.05.010(b), and AS 26.05.030(d) to replace the term "Alaska State Militia" with "Alaska State Defense Force" in order to conform to a change in the name of the organization.

Section 2 of the bill adds a new provision to AS 19.65 in order to provide that the Alaska marine highway system shall provide free transportation, to the extent space is available, to a member of the Alaska National Guard, the Alaska Naval Militia, or the Alaska State Defense Force who is traveling to or from drill, training, or other official militia activities.

Section 5 of the bill adds a new provision to AS 42.40 in order to provide that the Alaska Railroad Corporation shall provide free transportation, to the extent space is available, to a member of the Alaska National Guard, the Alaska Naval Militia, or the Alaska State Defense Force who is traveling to or from drill, training, or other official militia activities.

GU:glc
00-042.glc