



Alaska State Legislature

1974

Source:

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HOUSE JOINT RESOLUTION NO. 65

Requesting the United States Congress to permit an annual waiver from the provisions of the Jones Act for the M/V WICKERSHAM.

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

WHEREAS, since 1957 when it established the state ferry system, the State of Alaska, at its own expense, has expanded the fleet of the Alaska Marine Highway from one to eight vessels to take the place of a highway in those parts of this state where actual road building is impossible; and

WHEREAS the Alaska Marine Highway is an integral part of the state's intrastate highway system as well as an essential tie to interstate routes either through Canada via the Port of Prince Rupert or to the State of Washington at the Port of Seattle; and

WHEREAS, in 1968, to meet an immediate need for greater vehicle and passenger carrying capacity than the existing three ferryliners could provide, the State of Alaska purchased the ferry M/V WICKERSHAM, a foreign-built vessel; but under the provisions of the Merchant Marine Act of 1920, commonly known as the Jones Act, foreign registry vessels may not transport passengers, vehicles or cargo between two American ports, thus limiting the usefulness of the WICKERSHAM and substantially increasing her cost of operation; and

WHEREAS the State of Alaska sought, and finally obtained by Act of Congress in 1972, a temporary exemption from the provisions of the Jones Act enabling the WICKERSHAM to make a greater contribution in meeting ever-increasing demands for service, particularly during peak travel periods to and from Alaska, and in producing greater revenue in relation to her cost

of operation; and

WHEREAS, in compliance with the understanding behind the 1972 federal legislation that granted up to a three-year waiver of the Jones Act until an American-built vessel was in service to replace the WICKERSHAM and chapter 34, SLA 1971 which authorized the sale of the WICKERSHAM, the State of Alaska has demonstrated its good faith by building the M/V COLUMBIA at a cost of \$19.9 million, the largest construction contract ever let by the state, and at the same time by conducting negotiations, worldwide, for the sale of the WICKERSHAM through internationally known ship brokerages; but, despite the state's best efforts, no sale of this vessel has been consummated; and

WHEREAS, during this period of attempting to sell the WICKERSHAM, very substantial lay-up costs have been incurred while the vessel produces no revenue: dockage fees, maintenance charges to prevent deterioration, and crew salaries to ensure her safety and security; and

WHEREAS, the M/V WICKERSHAM, under a Jones Act waiver, can still provide a valuable, useful service by the transportation of Alaska residents and visitors to this state, especially during the peak months of tourist demand on the state ferry system as well as during the immediate future as the state experiences the impact of the trans-Alaska pipeline--a period that will require the State of Alaska to make available every element of its transportation system to ensure the movement of personnel, equipment and supplies so essential to its construction--without any prejudice whatsoever to the American shipbuilding industry or the American Merchant Marine fleet; and

WHEREAS under a terminated waiver the state is placed in a forced or distress sale situation; and

WHEREAS an annually renewable waiver similar to that enjoyed by Canadian vessels would remove the forced or distress sale requirement;

BE IT RESOLVED by the Alaska State Legislature that the Congress of the United States is respectfully requested to enact an amendment to the Jones Act to permit an annual waiver exempting the M/V WICKERSHAM from its provisions to enable that vessel to be owned and operated by the State of Alaska for the transportation of vehicles and passengers between two American ports as an integral part of the Alaska Marine Highway.

COPIES of this resolution shall be sent to the Honorable Richard M. Nixon, President of the United States; the Honorable Warren G. Magnuson, Chairman, Senate Commerce Committee; the Honorable Lenor K. Sullivan, Chairman, House Merchant Marine and Fisheries Committee; and to the Honorable Ted Stevens and the Honorable Mike Gravel, U. S. Senators, and the Honorable Don Young, U. S. Representative, members of the Alaska delegation in Congress.