

Fiscal Note

State of Alaska
2020 Legislative Session

Bill Version: HB 253
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB253-DOT-AMHS-2-21-20
Title: SALE, TRANSFER, OR DISPOSAL OF FERRIES
Sponsor: KREISS-TOMKINS
Requester: House Transportation

Department: Department of Transportation and Public Facilities
Appropriation: Marine Highway System
Allocation: Marine Vessel Operations
OMB Component Number: 2604

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2021	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2021 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
OPERATING EXPENDITURES	FY 2021	FY 2021						
Personal Services	***		***	***	***	***	***	***
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	***	0.0	***	***	***	***	***	***

Fund Source (Operating Only)

None								
Total	***	0.0	***	***	***	***	***	***

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2020) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2021) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division:	<u>Commissioner's Office</u>	Date:	<u>02/21/2020</u>
Approved By:	<u>Dom Pannone, DOT&PF Administrative Services Director</u>	Date:	<u>02/21/20</u>
Agency:	<u>Office of Management & Budget</u>		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2020 LEGISLATIVE SESSION

BILL NO. HB 253

Analysis

This legislative proposal would prohibit the department from selling, transferring, or disposing of a vessel within the Alaska Marine Highway System's (AMHS) fleet without first obtaining legislative approval. The financial impacts of this proposal cannot be determined at this time because the actual costs will vary depending on the vessel size, moorage location, and the amount of time it takes to obtain legislative approval to sell, transfer, or dispose of the vessel.

The AMHS is currently paying \$2.36/foot per day for moorage of the two Fast Vehicle Ferries (FVFs), plus utilities, while attempting to sell these vessels. This is a cost of \$18,584 per vessel each month for moorage and an average cost of \$5,000 per month per vessel for utilities. This is a total cost of \$23,584 per month for each FVF (combined cost of \$47,168 per month, or \$566,016 per year).

If this legislative proposal becomes law and subsequent legislative approval to sell, transfer, or dispose of a ferry is not approved in a timely manner, costs to department could accumulate quickly while waiting for approval to start the divestiture process.