

**CITY AND BOROUGH OF SITKA  
ORDINANCE NO. 2023-17**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 4 “REVENUE AND FINANCE” OF THE SITKA GENERAL CODE BY UPDATING CHAPTER 4.05 “MARINE PASSENGER FEE FUND”**

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.
2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.
3. **PURPOSE.** The specific purposes of this ordinance are to:
  - a. change the nomenclature of the fund and the excise tax to be consistent with the state of Alaska; and
  - b. clarify and streamline the process by which the fund is administered.
4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 4, entitled “Revenue and Finance”, Chapter 4.05 “Marine Passenger Fee Fund” be amended to read as follows (new language underlined; deleted language stricken):

**Title 4  
REVENUE AND FINANCE**

**Chapters:**

\* \* \*

**~~4.05 Marine Passenger Fee Fund~~ Commercial Passenger Vessel Excise Tax Fund**

\* \* \*

**Chapter 4.05  
~~Marine Passenger Fee Fund~~ Commercial Passenger Vessel Excise Tax Fund**

**Sections:**

- 4.05.010 Establish fund.
- 4.05.020 Use of proceeds.
- 4.05.030 Procedures.

**4.05.010 Establish fund.**

A special revenue fund is established to accept the proceeds of the commercial passenger vessel (CPV) excise tax collected by the state of Alaska and passed through to the city and borough of Sitka. The proceeds shall be placed in the ~~marine passenger~~ CPV excise tax fund.

**4.05.020 Use of proceeds.**

The proceeds of the ~~marine passenger~~ CPV excise tax fund shall be appropriated to address the impacts caused by the marine passenger ship industry in full compliance with all state and

federal regulations governing the use of these funds. CPET CPV excise tax funds may be used for but are not limited to:

A. For the design, construction, operation and maintenance of municipally owned port and harbor facilities engaged in interstate and foreign commerce and interstate marine passenger transportation;

B. For the design, construction, operation and maintenance of municipally owned facilities with the exclusive purpose of enhancing the safety and efficiency of interstate and foreign commerce and interstate marine passenger transportation;

C. To pay for personnel, supply, equipment, related to costs which enhance the safety and efficiency of interstate and foreign commerce and interstate marine passenger transportation if such costs are directly and exclusively related to the safety and efficiency of interstate and foreign commerce and interstate marine passenger transportation, or, if such costs can be determined by an auditable allocation method which calculates the percentage of total costs which are attributable to interstate and foreign commerce and interstate marine passenger transportation;

D. For the municipal portion of the costs of the design and construction of facilities funded through a matching grant from State of Alaska Commercial Passenger Vessel Excise Tax proceeds and with the approval of the State of Alaska.

#### **4.05.030 Procedures.**

~~A. The administrator will notify the Assembly on an annual or as needed basis when there is a sufficient balance in the Marine Passenger Fee Fund for a solicitation of project proposals. Upon approval of the Assembly, the Administrator will initiate a call for proposals consistent with the use of CPET funds per section 4.05.020. The Assembly will review and select proposals for funding.~~

A. No later than the second regular assembly meeting in March of every calendar year, the administrator will notify the assembly of the projected balance available in the CPV excise tax fund for the upcoming fiscal year after operational expenses consistent with Section 4.05.020 have been incorporated.

B. Upon approval of the assembly, the administrator will initiate a call for public proposals consistent with the use of CPV excise tax funds per Section 4.05.020.


C. By September 30 of every calendar year, the administrator will present to the assembly proposals consistent with the use of CPV excise tax funds per Section 4.05.020. The assembly will review and select proposals for funding.

BD. Project funds shall be transferred or expended from the marine passenger fee CPV excise tax fund only to the extent approved by the assembly.


\*\*\*

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 22<sup>nd</sup> day of August, 2023.

  
\_\_\_\_\_  
Steven Eisenbeisz, Mayor

ATTEST:

  
\_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> reading: 8/8/2023  
2<sup>nd</sup> and final reading: 8/22/2023

Sponsor: Administrator

