



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

Coast Guard City, USA

February 9, 2021

VIA EMAIL ONLY

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dana_herndon@murkowski.senate.gov

larry_burton@sullivan.senate.gov

Congressman Don Young
2314 Rayburn House Office Building
Washington, DC 20515

Senator Lisa Murkowski
522 Hart Senate Office Building
Washington, DC 20510

Senator Dan Sullivan
302 Hart Senate Office Building
Washington, DC 20510

Re: Passenger Vessel Services Act

Dear Congressman Young, Senator Murkowski, and Senator Sullivan,

Thank you for your staunch leadership and unwavering support to Alaskan communities as you balance COVID-19 pandemic response efforts with economic support to Alaskan communities. The Canadian Government's recent decision to suspend port access for large cruise ships over the next few months is another crippling blow to the economies of Alaska, especially Southeast Alaska which is dependent on the visitor industry for local jobs and revenue. Many local businesses will be greatly affected by the loss of visitors to our communities. The City and Borough of Sitka supports a suspension of the Passenger Vessel Services Act (PVSA).

The visitor industry is a substantial part of Sitka's economy, and 82% of Sitka's visitors arrive via cruise ships. The passenger projection for the 2021 season is estimated at nearly 300,000. If Sitka was to lose the entire 2021 season, the Sitka economy could see a loss of nearly \$106M in visitor spending.

Additional direct impacts to the local economy will be felt in the loss of crew member spending, sales tax, moorage and wharfage charges, and other purchases by the cruise lines themselves. The loss of visitor dollars into our community will have further indirect and induced economic impacts as well.

Sitka has over 500 people employed in the leisure and hospitality industry and roughly 450 employed in the retail sector. The loss of the 2021 cruise ship sailings will create job losses and

force local businesses to close when they were already struggling to stay open following the loss of the 2020 season.

We stand poised and ready to recover from this pandemic and the recent hit to our tourism sector, but support from the Federal Government is critical to allow our economy to recover. Thank you for your consideration of an effort to suspend the PVSA for a year to allow our businesses to survive and prosper in such a critical time. We will continue to be resilient Alaskans and hope to hear about Federal action to support Alaskan businesses and municipalities soon.

Thank you for your consideration.

Sincerely,



John M. Leach

Municipal Administrator
City and Borough of Sitka

cc: Senator Bert Stedman (via email only: melissa.kookesh@akleg.gov)
Representative Jonathan Kreiss-Tomkins (via email only: reid.harris@akleg.gov)
City and Borough of Sitka Assembly (via email only: assembly@cityofsitka.org)
Greater Sitka Chamber of Commerce (via email only: director@sitkachamber.org)
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