

Introduced by: Mayor
Date: 05/07/19
Hearing: 05/21/19
Action: Enacted
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2018-19-36**

**AN ORDINANCE APPROPRIATING COMMERCIAL PASSENGER VESSEL TAX
PROCEEDS RECEIVED FROM THE STATE OF ALASKA IN THE AMOUNT OF
\$558,070 AND ALLOCATING \$522,255 TO THE CITY OF SEWARD AND
\$35,815 TO THE CITY OF HOMER**

WHEREAS, in the August 22, 2006 state election, the voters approved the initiative in Ballot Measure 2, enacting AS 43.52.200 – 43.52.295, which imposed a tax on travel aboard certain cruise ships travelling in Alaska waters; and

WHEREAS, the Alaska legislature has authorized the sharing of Commercial Passenger Vessel (“CPV”) excise tax collections with eligible ports of call in the state; and

WHEREAS, CPV excise tax collections are derived from taxes imposed on cruise ship passengers; and

WHEREAS, the City of Seward and City of Homer are eligible ports of call for receiving CPV funds; and

WHEREAS, when the eligible ports of call are cities located in a borough, the cities and the borough each receive \$2.50 for each passenger; and

WHEREAS, the total amount received by the borough from the State of Alaska for the 2018 calendar CPV programs was \$558,070; and

WHEREAS, the City of Seward and City of Homer have requested that funds received by the borough that are derived from cruise ship passengers in each city be appropriated to each city for port improvement projects; and

WHEREAS, the intended use of these funds by the cities of Seward and Homer will comply with AS 43.52.230(b), federal legislation and court rulings that permit the use of these funds for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels;

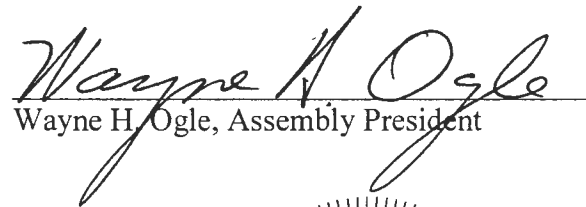
NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the mayor is authorized to execute grant agreements and any other documents deemed necessary to expend the funds and to fulfill the intents and purposes of this ordinance.

SECTION 2. That \$558,070 received from the State of Alaska in FY2019 for the commercial passenger vessel excise tax collection program be appropriated from the miscellaneous grant fund balance to account 271.94910.19CPV.43011, contract services, for payment to the City of Seward in the amount of \$522,255 and to the City of Homer in the amount of \$35,815 to be used for port facilities, harbor infrastructure and other services provided to the commercial passenger vessels and their passengers.

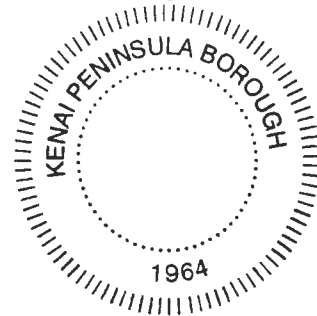
SECTION 3. This ordinance shall become effective immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 21ST DAY OF MAY, 2019.


Wayne H. Ogle, Assembly President

ATTEST:


Johni Blankenship, MMC, Borough Clerk



Yes: Bagley, Blakeley, Carpenter, Cooper, Dunne, Fischer, Hibbert, Smalley, Ogle
No: None
Absent: None