

Introduced by: Mayor
Date: 11/07/23
Hearing: 12/12/23
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2023-19-28**

**AN ORDINANCE APPROPRIATING COMMERCIAL PASSENGER VESSEL TAX
PROCEEDS RECEIVED FROM THE STATE OF ALASKA IN THE AMOUNT OF
\$304,177.50 AND ALLOCATING \$303,825 TO THE CITY OF SEWARD AND
\$352.50 TO THE CITY OF HOMER**

- WHEREAS**, in the August 22, 2006 Statewide 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 Kenai Peninsula Borough from the State of Alaska for the 2022 calendar CPV programs was \$304,177.50; and
- WHEREAS**, the respective 2022 CPV allocations to each city must be used 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:

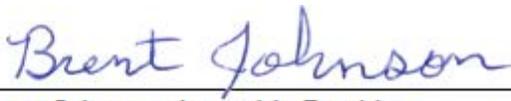
SECTION 1. That the Mayor is authorized to execute grant agreements and any other documents deemed necessary to expend the funds and to fulfill the intents and purposes of this ordinance.

SECTION 2. That \$304,177.50 received from the State of Alaska in FY2024 for the commercial passenger vessel excise tax collection program be appropriated from the miscellaneous grant fund balance to account 271.94910.23CPV.43011, contract services, for payment to the City of Seward in the amount of \$303,825 and to the City of Homer in the amount of \$352.50 to be used for port facilities, harbor infrastructure and other services provided to the commercial passenger vessels and their passengers.

SECTION 3. That appropriations made in this ordinance are of a project length nature and as such do not lapse at the end of any particular fiscal year.

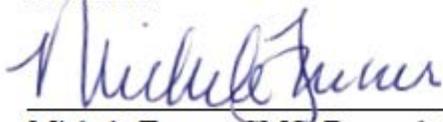
SECTION 4. This ordinance shall be effective retroactively to July 1, 2023.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 12TH DAY OF DECEMBER, 2023.



Brent Johnson, Assembly President

ATTEST:



Michele Turner, CMC, Borough Clerk



Yes: Cooper, Cox, Ecklund, Elam, Hibbert, Ribbens, Tunseth, Tupper, Johnson
No: None
Absent: None