



HEADQUARTERS ALASKAN COMMAND (ALCOM)
JOINT BASE ELMENDORF-RICHARDSON, ALASKA 99506

NOV 30 2015

Lieutenant General Russell J. Handy
Commander, Alaskan Command
9480 Pease Avenue
Joint Base Elmendorf-Richardson, AK 99506-2101

Mr. Marc Luiken
Commissioner, Alaska Department of Transportation
3132 Channel Drive
PO Box 112500
Juneau, AK 99811-2500

Dear Mr. Luiken

I am writing to request an exception to the recent policy requiring payment at time of booking for the Alaska Marine Highway System (AMHS). Per the AMHS Payment Policy reported on the AK Department of Transportation-AMHS website, payment terms on reservations for and after 1 October 2015, persons interested in procuring passage on an AMHS ferry are required to pay for their booking at the time of reservation. An exception to this policy is necessary to keep the ferry system a viable transportation option to military members using the AMHS to support their Permanent Change of Station (PCS) to/from Alaska.

Federal Joint Travel Regulation (Chapter 2, Parts C/D/G), Department of Defense (DoD) Transportation Regulation (DoD 4500.9R, Part 1), and DoD Financial Management Regulation (DoDFMR 7000.14-R) mandate military service members use a Government issued Travel Charge Card (GTCC) for procuring PCS related travel arrangements. Concurrently, military members are prohibited from charging PCS related transportation to their GTCC without a PCS travel order. Military PCS orders are typically issued 90-120 days prior to a Report No Later than Date (RNLTD). Please let me summarize with an example. If a military member is predicted to PCS during the summer, applying a 31 July RNLTD to a gaining unit the earliest a member should expect a PCS travel order would be 1 April. Please note, 120 days is a best-case, most desirable situation but uncommon.

The AMHS is a popular service. AMHS ferries are typically booked to capacity as early as 6 months prior to departure. Waiting until 120 days (or less) prior to departure would not afford sufficient time to book transportation and would ultimately prevent members from using this service. By our estimates, 2,200 military customers use the Alaska Ferry each year for PCS travel at an average cost of \$2,300 per customer, equating to \$5 million in revenue to the State of Alaska.

We would appreciate your consideration in allowing military service members the ability to book a reservation and defer payment until 60 days prior to the scheduled ferry departure. This will provide our service members the required time to receive orders and maximize their

U.S. Department of
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Coast Guard



Commander
Seventeenth Coast Guard District

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5216
December 4, 2015

Alaska Marine Highway System
Attn: General Manager
P.O. Box 112505
6858 Glacier Highway
Juneau, AK 99811-2505

Dear Mr. Neussl:

I request your assistance in seeking a mutually beneficial process that will allow Coast Guard members and their families to make timely reservations with the Alaska Marine Highway System while maintaining the State's desire for good fiscal stewardship.

Recent change in the AMHS reservations policy requires payment be received when making reservations and instituted a series of tiered cancellation fees. These changes, coupled with the potential of reduced ferry service will likely have a significantly impact Coast Guard readiness due to its effect on our members' ability to transfer to Alaska in a timely manner. As you are aware, the summer season traditionally sees the bulk of our personnel transfers.

More than 85% of our members in Alaska are stationed in communities that are off the road system. As such, the AMHS is a key service allowing them to transport family, vehicles, pets, and some of the basic household necessities and supplies needed while they await shipment of their household goods, which often takes months due to long distances involved.

Unfortunately the complexities of a transfer to Alaska, which is considered overseas for Coast Guard personnel, often means our members don't receive finalized transfer orders until late spring and even early summer in some cases. Without orders in hand, Coast Guard fiscal policy prohibits members from obligating the government to pay for AMHS tickets. As you are also aware, waiting until later in the season to make reservations place our personnel at tremendous risk of not being able to secure a berth in time to meet their reporting obligations.

I am confident there is a compromise that would allow members to make reservations early in the season while honoring the AMHS's need for assurances that travel will be completed as agreed while minimizing a member's personal financial exposure. I request our staffs collectively consider any of a variety of options in hopes of reaching a timely solution. My points of contact in this matter are CWO Morgan Ferrer who may be reached at 907-487-5170 extension 6647 or e-mail Morgan.E.Ferrer@uscg.mil or YNCM Lloyd Tuchman at extension 6659 and e-mail Lloyd.E.Tuchman@uscg.mil.

I appreciate your consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. B. Abel".

D. B. ABEL, RADM
Commander
Seventeenth Coast Guard District