# **ALASKA STATE LEGISLATURE**

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## **SENATOR BERT K. STEDMAN**

#### SPONSOR STATEMENT

### SB 3 - <u>"An Act relating to the regulation of wastewater discharge from small</u> <u>commercial passenger vessels in state waters; relating to art requirements for</u> <u>certain public facilities; and providing for an effective date."</u>

SB 3 addresses marine vessels operating in Alaska waters. First, this legislation reinstates the statutory exemption from large cruise ship discharge requirements for small commercial passenger vessels. Second, this legislation specifically exempts three new-construction AMHS vessels from the 1% for art requirement.

Small commercial passenger vessels and ferries with capacity to accommodate between 50 and 249 overnight passengers have been covered by a statutory exemption from the treatment system and discharge requirements for large cruise ships in Alaska. Instead they've operated under Best Management Practices (BMP) plans that are submitted to and approved by DEC. Operation under these plans has dramatically improved the quality of wastewater discharged from these vessels since the program was established.

The exemption became law in 2004 and had a sunset date of January 1, 2016 – time to let shipbuilders and technology catch up to the standards. Support for the exemption was provided by a 2004 DEC report on small cruise ships and Alaskan ferries that found meeting the terms for large cruise ships would be financially and feasibly prohibitive.

SB 3 is necessary to reinstate the exemption which was automatically repealed on January 1, 2016. Without the exemption, small cruise ships and ferries would be required to install and operate Advanced Wastewater Treatment Systems which would be cost and space prohibitive. DOT&PF estimates the cost to retrofit ferries is over \$5 million.

SB 3 also recognizes Alaska's current fiscal standing and exempts the two Alaska Class ferries currently under construction and the Tustemena replacement vessel from the Percent for Art Program. This law requires one percent of the cost of construction of public buildings to be spent on art. After five consecutive years of deficit spending, along with falling oil production and prices, Alaska needs to prioritize its spending. This specific exemption makes fiscal sense and will retain nearly \$3.5 million towards vessel construction.

#### **District R**