



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Environmental
Conservation**

DIVISION OF ADMINISTRATIVE SERVICES

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February 21, 2020

The Honorable David Wilson
Chair, Senate Finance Subcommittee
State Capitol Room 115
Juneau AK, 99801

Dear Senator Wilson:

Thank you for the opportunity to provide an overview of the Department of Environmental Conservation's FY2021 budget request on February 17th. Several questions arose during this meeting that required additional information. I have responded to these questions below. If you would like more information or have additional questions, I am happy to assist.

Do you know if the dairies sell to prisons? (Sen. Wilson)

The Department does not track where operators sell or distribute their product.

What is the rate of paralytic shellfish toxin in Alaska? (Sen. Wilson)

From FY2017-2019, the Department processed a total of 1,922 commercial shellfish samples for paralytic shellfish toxin (PST) testing, of which 229 samples (12 percent) had results above the regulatory limit for human consumption of 80 µg/100g. Harvested shellfish must have results under the regulatory limit to be permitted for released into commerce for consumption. Testing frequency is dependent on each operator's business plan of operation and may or may not be affected by incidences of algal blooms that may increase chances of a PST results above the regulatory limit.

How many Shellfish farms are currently operating in Alaska? (Sen. Revak)

In 2019, there were 39 shellfish farms permitted: one for harvesting farmed geoducks and 38 for harvesting primarily oysters. Some of those oyster farms included a combination of blue mussels, little neck clams, and scallops. A list of all active seafood and shellfish permits issued by the Department of Environmental Conservation can be found online at: <http://dec.alaska.gov/eh/fss/active-permits/>

How is the money in the Response Fund invested? (Sen. Revak)

All accounts related to the Oil and Hazardous Substance Release Prevention and Response Fund are assets of the General Fund, and as such are invested as part of the GeFONSI. The Department of Revenue, Treasury Division is responsible for investing the GeFONSI. The Department of Administration separately accounts for the assets of each of the funds included in this investment pool. The Department of Revenue is responsible for calculating and allocating the monthly investment earnings to the GeFONSI participants in accordance with the provisions of a Memorandum of Understanding between the Departments of Administration and Revenue. The Department of Revenue's investment policies and procedures are available online at: https://treasury.dor.alaska.gov/Portals/0/docs/Blue%20Book%20V%205_2%20FY20%2011-23-2019%20FINAL%20update%203%202_3_2020.pdf.

Can you provide the current list of Commercial Passenger Vessel Environmental Compliance Fees? (Sen. Revak)

Environmental compliance fees assessed on cruise ships can be found in AS 46.03.480:

- (a) There is imposed an environmental compliance fee on each commercial passenger vessel operating in the marine waters of the state.
- (b) The fee imposed by (a) of this section for all commercial passenger vessels, other than vessels operated by the state, is a separate fee for each voyage during which the commercial passenger vessel operates in the marine waters of the state. The fee shall range from \$.70 to \$1.75 per berth, based on the overnight accommodation capacity of the vessel, determined with reference to the number of lower berths, according to the following categories:
 - (1) \$75 for a commercial passenger vessel with overnight accommodations for at least 50 but not more than 99 passengers for hire;
 - (2) \$175 for a commercial passenger vessel with overnight accommodations for at least 100 but not more than 249 passengers for hire;
 - (3) \$375 for a commercial passenger vessel with overnight accommodations for at least 250 but not more than 499 passengers for hire;
 - (4) \$750 for a commercial passenger vessel with overnight accommodations for at least 500 but not more than 999 passengers for hire;
 - (5) \$1,250 for a commercial passenger vessel with overnight accommodations for at least 1,000 but not more than 1,499 passengers for hire;
 - (6) \$1,750 for a commercial passenger vessel with overnight accommodations for at least 1,500 but not more than 1,999 passengers for hire;
 - (7) \$2,250 for a commercial passenger vessel with overnight accommodations for at least 2,000 but not more than 2,499 passengers for hire;
 - (8) \$2,750 for a commercial passenger vessel with overnight accommodations for at least 2,500 but not more than 2,999 passengers for hire;
 - (9) \$3,250 for a commercial passenger vessel with overnight accommodations for at least 3,000 but not more than 3,499 passengers for hire;

(10) \$3,750 for each commercial passenger vessel with overnight accommodations for 3,500 or more passengers for hire.

(c) The fee imposed by (a) of this section for a commercial passenger vessel that is operated by this state shall be determined by agreement between the commissioner of environmental conservation and the commissioner of transportation and public facilities.

(d) An additional fee in the amount of \$4 per berth is imposed on all large commercial passenger vessels, other than vessels operated by the state, for the purpose of operating the Ocean Ranger program established in AS 46.03.476; said program shall be subject to legislative appropriation.

(e) A commercial passenger vessel operating in the marine waters of the state is liable for the fee imposed by this section. The fee is due and payable to the department in the manner and at the times required by the department by regulation.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ruth Kostik', with a long horizontal flourish extending to the right.

Ruth Kostik
Administrative Services Director

Cc: Michael Partlow, Legislative Finance Division
Amy Moselle, Office of Management and Budget
Gary Zepp, Staff to Senator Wilson