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Member of the National League of Cities and the National Association of Counties

March 2, 2020

Rep. Zack Fields Co-Chair House State Affairs Committee Alaska State Capitol Juneau, AK 99801 Rep. Jonathan Kreiss-Tomkins Co-Chair House State Affairs Committee Alaska State Capitol Juneau, AK 99801

Dear Co-Chairs Fields and Kreiss-Tomkins:

On behalf of the Alaska Municipal League (AML), I am writing with regard to HB 74, an act repealing the Ocean Rangers program. AML is a member-service organization formed to strengthen local governments in Alaska. AML represents the interests of 165 cities and boroughs in the state, many of which are visited by cruise ships from late April through September each year.

While AML members expressed concern with – and voted in opposition to – the repeal of the program, as described in the original bill, there is less consensus relative to the committee substitute.

Clearly, members are concerned about oversight of the industry's discharge and compliance with State regulations. At the heart of this is an interest in and priority attached to waters upon which they depend for a healthy fisheries, tourism, subsistence and recreation. There remains an interest in the value of the Ocean Rangers, even as we appreciate the additional oversight and compliance that DEC describes in this updated version.

For AML, without being in a position to evaluate the efficacy of the Ocean Rangers program relative to that which is proposed, our hope is that this and additional Committees will consider and give credence to the value that municipalities place on discharge compliance and proper sanitation, health and safety practices.

The intersection for AML – and more directly for local governments – is the inclusion now of an intent to invest in local wastewater facility upgrades. Local governments are very interested in that conversation – communities that may benefit from such an investment have potential needs of at least \$84 million, and additionally have made use of the State's revolving loan fund for roughly \$35 million in the program's history. There is definitely need for renewed State investment, and this would make up some small portion of that.

However, while local governments support additional funding to address current needs, any intent to mandate new levels of treatment will require additional and unplanned costs and potentially debt requirements. More importantly, these new treatment requirements significantly increase annual operating costs, for which there is no funding assistance.

This fund source directly benefits cruise ship passengers, providing the services necessary for shorebased activities while preserving the environment that 1.3 million annual visitors have come to expect.

With that in mind, we encourage Committee members to support this aspect of the bill and strengthen as possible. Alaska's cities and boroughs are also capable partners in this process, and can provide additional input into the process.

Maintaining water quality is hugely important to Alaskans around the state, not just for general recreation and visitation, but well beyond. Alaskans rely on clean water to support healthy and economically critical subsistence, personal use, sport and commercial fishing activities. As the latest McDowell Group report documents, about 56,800 workers are directly employed by Alaska's seafood industry, which in 2016 had a total ex-vessel value of \$1.7 billion and a first wholesale value of \$4.2 billion. Similarly, a 2007 study found that spending associated with sport fishing in Alaska supports more than 15,800 jobs and has an estimated economic impact of \$1.4 billion annually.

As a result, safeguarding Alaskan waters has always been a priority of Alaskans.

Thank you for consideration of these comments.

Respectfully,

Nils Andreassen Executive Director

Cc:

- Members of the House State Affairs Committee
- Commissioner Jason Brune, DEC