

# FISCAL NOTE

**STATE OF ALASKA**  
**2001 LEGISLATIVE SESSION**

Fiscal Note Number: 3  
 Bill Version: SCS CSHB 260(TRA)  
 (S) Publish Date: 6/7/01

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DOT&PF  
 Title: "An Act relating to marine passenger vessels;" BRU: Marine Highway System  
 Component: Southeast and Southwest  
 Sponsor: House Finance Committee Vessel Operations  
 Requester: Senate Transportation Committee Component Number: 630 & 631

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Personal Services	35.0	35.0	35.0	35.0	35.0	35.0
Travel	10.0	10.0	10.0	10.0	10.0	10.0
Contractual	20.0	20.0	20.0	20.0	20.0	20.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>10,500.0</b>					
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	10,565.0	65.0	65.0	65.0	65.0	65.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>10,565.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>	<b>65.0</b>

Estimate of any current year (FY2001) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2002 budget proposal:

**POSITIONS**

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

(See Attached)

Prepared by: Captain George Capacci, General Manager Phone 465-3959  
 Division: Alaska Marine Highway System Date/Time 6/7/01 12:00 AM  
 Approved by: Joseph L. Perkins, Commissioner Date 06/7/2001  
 Agency: DOT&PF

For distribution information, call the Governor's Legislative Office

*“An Act relating to marine passenger vessels;...”*

This bill would classify seven of the Alaska Marine Highway System (AMHS) as large commercial passenger vessels and two as small commercial passenger vessels. Costs of implementing this bill are as follows:

New Position

In order to ensure compliance with this bill the AMHS would need a part-time Environmental Compliance Manager position. This position would be in charge of developing procedures, monitoring procedures, tracking the sampling of waste discharge reports, and participating in industry task forces related to environmental concerns. This position would develop the required documentation systems for the discharge of pollutants. The cost of this position is estimated to be \$35,000 per year. An additional \$10,000 is included for the position to travel to and from the vessels. This would be effective July 1, 2001.

Sec. 46.03.463(e) – (h) – limitations on discharges

The bill sets limits when and where wastewater discharges may take place. The marine sanitation devices currently in place on the AMHS vessels do not comply with the requirement that discharges must occur one mile offshore and travelling at least 6 knots. The devices in place are automatic and do not include large storage tanks for delayed disposal. The current systems process the waste and discharge it when the processing tank is full. The dates, times, locations and volumes are not monitored.

In order to comply with these requirements each of the seven AMHS vessels classified as large would need new waste processing systems. The new systems would cost approximately \$1.5 million each for a total of \$10.5 million. Implementation by July 1, 2001 would be impossible.

Sec. 46.03.465 – Information-gathering requirements

Wastewater monitoring is also required under this section. This involves taking samples of wastewater and quickly sending them to an approved laboratory for analysis. It is assumed these samples would be required twice a year. For the nine AMHS vessels this would equate to about 18 such samples per year. With re-testing, it is estimated these samples would cost \$1,000 each including the collection time, lab fees, and shipping expenses. Total Cost: \$18,000 per year. This provision is effective July 1, 2001.

Sec. 46.03.480 - Fees

The bill imposes a fee on the AMHS that would be determined by agreement between the commissioners of the DEC and DOT&PF. The fee is estimated to be \$2,000 per year.