

# FISCAL NOTE

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

Fiscal Note Number: 4  
 Bill Version: CSHB 260 (FIN) am  
 (S) Publish Date: 6/7/01

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Law  
 Title: "An Act requiring the owners or operators of  
certain commercial passenger vessels operating in ..." BRU: Civil Division  
 Sponsor: House Finance Committee Component: Environmental Law  
 Requester: Senate Transportation Committee Component No.: 2092

**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	30.3	60.6	60.6	60.6	60.6	60.6
Travel	0.6	2.2	2.2	2.2	2.2	2.2
Contractual	4.7	56.5	56.5	56.5	56.5	56.5
Supplies	0.4	0.8	0.8	0.8	0.8	0.8
Equipment	6.5					
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>42.5</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>

<b>CAPITAL EXPENDITURES</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						
1005 GF/Program Receipts						
1037 GF/Mental Health						
xxxx Coastal Protection Fund	42.5	120.0	120.0	120.0	120.0	120.0
<b>TOTAL</b>	<b>42.5</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</b>	<b>120.0</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)

This bill provides for limitations on discharges of sewage and graywater and for a comprehensive registration, reporting, and monitoring program for cruise ships that would cover wastewater, solid waste, and air emissions. Coastal Protection fees paid by the cruise ship industry are intended to allow the program to be self sufficient.

The Department of Law estimates that during FY02 the services of one-quarter of an FTE attorney would be necessary for the regulations development process which will involve negotiated rulemaking and several affected entities, and to provide for enforcement of registration, reporting, and monitoring requirements, collection of fees, and development and defense of alternative terms and conditions.

Using the department's FY02 cost schedule, the cost of one-quarter of an FTE attorney is \$35.4, which includes clerical support, communications, space, supplies, data processing, and other normal overhead expenses. Direct case costs are not included in the

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 Agency: Department of Law

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**ANALYSIS CONTINUATION**

rate, and \$0.5 will be needed for case specific travel, and \$6.5 for one time equipment purchases in FY02.

Once the initial regulations are in place in FY03, we expect that one-half of an FTE attorney and an additional \$49.0 will be needed to provide for investigation and prosecution of violations, including contracting for expert witnesses and case specific travel as well as any additional regulatory revisions needed as delayed applicability sections of the bill come into effect. The cost of these legal services will be funded by fees apportioned on the industry based on the amount of business conducted in Alaska's waters, and deposited in the Alaska Commercial Passenger Vessel Coastal Protection Fund, a new fund created by the bill.