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CS FOR SENATE JOINT RESOLUTION NO. 12(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/29/08

Referred: Rules

Sponsor(s): SENATOR THERRIAULT

REPRESENTATIVE Thomas

A RESOLUTION

1 **Requesting that Alaska be exempt from changes to the interpretation of the Passenger**
 2 **Vessel Services Act of June 19, 1886, proposed by the United States Department of**
 3 **Homeland Security, Bureau of Customs and Border Protection, affecting cruise**
 4 **itineraries of foreign-flagged vessels transporting passengers to ports in Alaska; or, if**
 5 **Alaska is not exempted, opposing the proposed changes to the interpretation of that Act.**

6 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

7 **WHEREAS** the cruise ship industry is an integral part of the economy of the state;
 8 and

9 **WHEREAS** the tourism industry in the state thrives when cruise ships land at ports in
 10 the state; and

11 **WHEREAS** about 1,000,000 passengers visited the state by cruise ship during 2007,
 12 typically calling at three or four ports of call; and

13 **WHEREAS** many of the cruise ships visiting the state travel under foreign flags; and

14 **WHEREAS** these foreign-flagged vessels generally operate as noncoastwise-qualified
 15 vessels, as defined by the Passenger Vessel Services Act of June 19, 1886, as amended (46

1 U.S.C. 55103); and

2 **WHEREAS** foreign-flagged passenger vessels compete with United States-flagged
3 cruise vessels in the Hawaiian market from mainland United States ports of embarkation; to
4 comply with the Act, these foreign-flagged vessels typically call briefly at the port of
5 Ensenada, Mexico, often without permitting passengers to disembark; and

6 **WHEREAS**, motivated in part by expressions by the United States-flagged cruise
7 vessels operating in the Hawaiian cruise ship market opposing these foreign-flagged cruise
8 ship itineraries, the United States Department of Homeland Security, Bureau of Customs and
9 Border Protection, is proposing to adopt a new interpretive rule that would require stops at an
10 intervening foreign port to last at least 48 hours, to spend an amount of time at the foreign
11 port that is more than 50 percent of the total amount of time at the United States ports of call,
12 and to permit cruise ship passengers to disembark at the foreign port; and

13 **WHEREAS** it is not clear from the notice and publicity relating to the proposed rule
14 change that the rule, if adopted, would be confined in its application to foreign-flagged
15 vessels engaged in the Hawaiian cruise ship market; and

16 **WHEREAS** application of the rule to the Alaska market would have devastating
17 economic effects in this state; if applied to Alaska, the proposed revision of the interpretive
18 rule would typically allow not more than one stop, or perhaps two brief stops, in ports of call
19 in Southeast and Southcentral Alaska, thereby reducing or limiting port calls in some places
20 and eliminating them in others; and

21 **WHEREAS** application of the proposed rule change to the Alaska market would
22 diminish the attractiveness of Alaska as a cruise ship itinerary destination; and

23 **WHEREAS** application of the proposed rule change to the Alaska market would also
24 significantly and dramatically reduce the shoreside employment and business opportunities in
25 the communities in this state in which cruise ships currently call;

26 **BE IT RESOLVED** that the Alaska State Legislature requests that Alaska be
27 exempted from the proposed changes to the interpretation of the Passenger Vessel Services
28 Act of June 19, 1886 (46 U.S.C. 55103), as amended by the United States Department of
29 Homeland Security, Bureau of Customs and Border Protection, that would require
30 nonqualified coastwise vessels to

31 (1) stop at least 48 hours in a foreign port; and

1 (2) spend more than 50 percent of the total time spent in United States ports in
2 foreign ports; and be it

3 **FURTHER RESOLVED** that if Alaska is not exempted from the proposed changes
4 to the interpretation of the Passenger Vessel Services Act of June 19, 1886, that the Alaska
5 State Legislature opposes the proposed changes to the interpretation of that Act.

6 **COPIES** of this resolution shall be sent to the Honorable Michael Chertoff, United
7 States Secretary of Homeland Security; the Honorable W. Ralph Basham, Commissioner of
8 the United States Bureau of Customs and Border Protection; and the Honorable Ted Stevens
9 and the Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
10 Representative, members of the Alaska delegation in Congress.