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# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

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May 4, 1984

The Honorable Bettye Fahrenkamp  
Senator  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Senator Fahrenkamp:

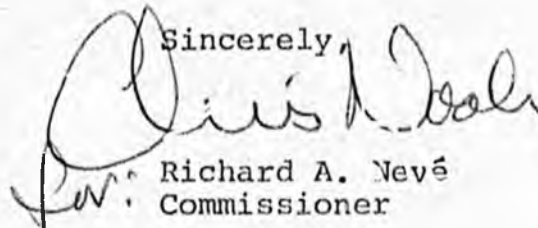
I appreciate very much your introduction of SB 534 relating to detention of vessels as security for oil pollution damages. As evidenced by the recent difficulties resulting from the CEPHEUS spill, present statutory language could result in serious and costly environmental problems for Alaska.

The most recent Coast Guard estimate of the CEPHEUS spill puts it at 268,000 gallons. Even with no other violations, penalties under AS 46.03.758 would total \$249,240. Under the present law, the state could require a bond in the amount of only \$100,000.

Another difficulty has arisen through settlement negotiations, and that is the language of AS 46.03.826(5). The words "owning or" should be deleted from the definition, so that "owning" would retain its usual meaning under law. The present definition limits the meaning of the word and is creating a stumbling block for the state's attorney.

If we can assist you in any way with the progress of this important legislation, we'd be pleased to do so. Thank you again for your assistance.

Sincerely,



Richard A. Nevé  
Commissioner

RAN:BT/bt

cc: Ms. Madeleine R. Levy  
Mr. Paul O'Brien  
Ms. Billie Trent