

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11387 SENATE TRANSPORTATION

ITALY (CONTINUED)				
CNS (Wally)	94	SY Magic Carpet II/July 2002	Frers/Wally	UK/Cummins
	94	SY WY 94.2 FI/Aug 2003	Frers/Wally	Germany/Cummins
	98	SY WY 98 FI/Aug 2003	Frers	Argentina/Yanmar
	100	SY WY 100/June 2002	Frers/Wally/Foster	Japan/CAT
	105	SY WY 105/June 2002	Frers/Castellini	Italy/CAT
Codecasa	138	MY F64/Apr 2002	Codecasa/Delta Role	CAT
	164	MY F65/Dec 2003	Codecasa/Delta Role	CAT
	203	MY C108/July 2003	Codecasa/Delta Role	CAT
CRN (Ferretti Grp)	151	MY Magnifica/Aug 2002	CRN/Nuvolari&Leonard	Europe/CAT
Ferretti Custom Line	94	MY Custom Line #15/Sept 2003	Ferretti/Zuccon	US/MTU
	101	MY Navetta 30 #2/Jan 2002	Ferretti/Zuccon	Europe/MAH
	101	MY Navetta 30 #3/Apr 2002	Ferretti/Zuccon	Europe/MAH
	101	MY Navetta 30 #4/June 2002	Ferretti/Zuccon	Europe/MAH
	101	MY Navetta 30 #5/Sept 2002	Ferretti/Zuccon	US/MAH
	112	MY Custom Line 112 #5/June 2003	Ferretti/Zuccon	Europe/MTU
	112	MY Custom Line 112 #6/Dec 2003	Ferretti/Zuccon	Europe/MTU
	80	MY #56/Fall 2001	Ferretti/Zuccon	Middle East/MT
	80	MY #57/Nov 2001	Ferretti/Zuccon	Middle East/CAT
	80	MY #58/Dec 2001	Ferretti/Zuccon	Europe/CAT
	80	MY #59/Feb 2002	Ferretti/Zuccon	Middle East/CAT
	80	MY #60/Apr 2002	Ferretti/Zuccon	Europe/CAT
	80	MY #61/May 2002	Ferretti/Zuccon	Europe/CAT
	80	MY #62/June 2002	Ferretti/Zuccon	Asia/CAT
	80	MY #63/July 2002	Ferretti/Zuccon	Europe/MTU
	80	MY #64/Aug 2002	Ferretti/Zuccon	US/MTU
	80	MY #65/Oct 2002	Ferretti/Zuccon	US/CAT
	80	MY #66/Nov 2002	Ferretti/Zuccon	US/CAT
	80	MY #67/Jan 2003	Ferretti/Zuccon	Asia/CAT
Fipa	80	MY Maiora 24/Mar 2002	Fipa/Del Re	Italy/MTU
	80	MY Maiora 24/May 2002	Fipa/Del Re	Italy/MTU
	85	MY Maiora 26/Feb 2002	Fipa	Spain/MTU
	97	MY Maiora 29/June 2002	Fipa/Del Re	Spain/MTU
	102	MY Maiora 31 DP/Apr 2002	Fipa/Del Re	Greece/MTU
	102	MY Maiora 31 DP/July 2002	Fipa/Del Re	Spain/MTU
	102	MY Maiora 31 DP/Apr 2002	Fipa/Del Re	Portugal/MTU
Intermarine S.p.A.	118	MY Wally 118/July 2002	Intermarine SpA	
	146	MY Balau/Fall 2001	Intermarine SpA/Zuretti S.A.	
				Cayman Islands/CAT
Mondomarine	98	MY TBA/Feb 2002	Sydac/Cichero	Europe/MTU
	98	SY TBA		
	132	MY New York Lady II/May 2002	Sydac/de Rover/Blancheri	US/MTU
	136	MY TBA/Feb 2002	Navires/Mondomarine	
			Navires/Cichero	Africa/MTU
	147	SY TBA	de Rover	
MAYS	153	MY Genesis/2001	Cutolo/de Basto/Lauren	CAT
Overmarine	80	MY Manqusta 80/2001		MTU
(Rodriguez Grp.)	80	MY Manqusta 80/2001		MTU
	80	MY Manqusta 80/2002		MTU
	80	MY Manqusta 80/2002		MTU
	105	MY Manqusta 105/2002		MTU
	105	MY Manqusta 105/2002		MTU
	105	MY Manqusta 105/2002		MTU
	108	MY Manqusta 108/2002		MTU
	108	MY Manqusta 108/2002		MTU
	108	MY Manqusta 108/2002		MTU
Perini Navi	163	SY Perseus/2001	Perini Navi	US/CAT
	163	SY #2050/2002	Perini Navi	Deutz
	173	SY #2036/Aug 2002	DuBois/Tessier	CAT
	184	SY #2034/Aug 2003	Perini Navi	Deutz
	209	SY #2035/Nov 2002	Holland/Nuvolari&Leonard	Deutz
	262	SY TBA/2003	Perini/Dijkstra/Freivokh	US
* Pershing	88	MY #6/Fall 2001	Pershing/de Simoni	Europe/MTU
(Ferretti Group)	88	MY #7/Dec 2001	Pershing/de Simoni	Europe/MTU
	88	MY #71/Apr 2002	Pershing/de Simoni	Europe/MTU
* Riva/Ferretti Group	80	MY Riva 80/July 2002	Riva/Michell	Europe/MTU

ITALY (CONTINUED)				
* Riva (Continued)	80	MY Riva 80/April 2002	Riva/Michell	Europe/MTU
	80	MY Riva 80/Dec 2001	Riva/Michell	Europe/MTU
	84	MY Cantina/Fall 2001	Riva/Michell	Asia/MTU
Rizzardi	80	MY TBA/Feb 2002	Rizzardi/Zuccon	Greece/MTU
	80	MY TBA/Apr 2002	Rizzardi/Zuccon	Greece/MTU
	80	MY TBA/May 2002	Rizzardi/Zuccon	Greece/MTU
	80	MY TBA/June 2002	Rizzardi/Zuccon	Greece/MTU
	105	MY TBA/Mar 2002	Rizzardi/Paszowski	MTU
San Lorenzo	82	MY TBA/2002	San Lorenzo	CAT
	82	MY TBA/2002	San Lorenzo	CAT
	82	MY TBA/2002	San Lorenzo	CAT
	82	MY TBA/2002	San Lorenzo	CAT
	82	MY TBA/2002	San Lorenzo	CAT
	88	MY TBA/Nov 2001	San Lorenzo	MTU
	88	MY TBA/Jan 2002	San Lorenzo	MTU
	88	MY TBA/Apr 2002	San Lorenzo	MTU
	88	MY TBA/July 2002	San Lorenzo	MTU
	100	MY TBA/2002	San Lorenzo	MTU
	100	MY TBA/2002	San Lorenzo	MTU
* Versacraft (Viking)	105	MY Viking 105 Custom/Nov 2002	Viking/Versacraft/Savio	US/MTU

MONACO

Wally (See Italy)

NETHERLANDS

Amels	153	MY TBA/2004	Amels/Starkuy	CAT
	171	MY TBA/2003	Amels/Discdale	Cummins
	171	MY TBA/2003	Amels/Discdale	Cummins
	171	MY TBA/2004	Amels/Pinto	Cummins
	180	MY TBA/2003	Amels/Discdale	CAT
	187	MY TBA/2005	Amels	
	202	MY Solemar/2002	Amels/Lusich	US/CAT
	203	MY Sarah/2002	Amels/Starkuy	CAT
	213	MY TBA/2004	Amels/Franchini	CAT
	239	MY TBA/2003	Amels/Redman & Whitley	CAT
Headship	126	MY #665/2003	de Voogt	
	131	MY #787/2002	de Voogt	
	140	MY Andiamo/2005	de Voogt/Shang/Johnson	
	152	MY #789/2005	de Voogt	
	164	MY #668/2002	de Voogt	
	169	MY #788/2002	de Voogt/Starkuy	
	177	MY #669/2005	de Voogt	
	185	MY #662/2002	de Voogt	
	187	MY #663/2002	de Voogt	
	197	MY Paratrin/2002	de Voogt/Owner	
	212	MY #664/2002	de Voogt/Van Lint/Owner	
	231	MY #667/2003	de Voogt	
	282	MY #790/2005	de Voogt/Van Lint	
Hakvoort	96	MY TBA/June 2003	Wipac/Horsfield	UK
	110	MY Midnight Saga/June 2002	Lentsch/Freivokh	Norway/CAT
	146	MY Campbell Bay/May 2002	DIANA/Winch	US/CAT
	152	MY Flamingo Daze/June 2003	Wipac/Johnson	US/CAT
	165	MY H20/Nov 2004	Oelne	US/CAT
Heesem	97	MY #1829/Nov 2002	Diaship/PB Design	Netherlands/MTU
	110	MY #12134/Spring 2004	Diaship/Omega	Netherlands/MTU
	111	MY #1734/May 2002	Diaship/Omega	Greece/MTU
	120	MY Ukkelown/Dec 2001	Diaship/Omega	Netherlands/MTU
	131	MY #11540/Feb 2002	Diaship/Omega	Malaysia/MTU
	139	MY #12342/2004	Diaship/PB Design	Netherlands/CAT
	141	MY #11934/May 2003	Diaship/Omega	UK/MTU
	141	MY #12043/Feb 2004	Diaship/Omega	Greece/MTU
	144	MY #12244/Aug 2004	Diaship/de Rover/Omega	Germany/MTU
	151	MY #1646/Jan 2003	Diaship/Zuretti	MTU
Holland Jachtbouw	80	SY Emotion/Aug 2001	Hoek	MAH
	90	SY Christoff's Lighthouse/Dec 2002	Dijkstra	US/Lugger
	115	SY Whisper/Dec 2002	Hoek/Winch	US/Lugger
	152	SY Windrose/Fall 2001	Dijkstra	Netherlands/Lugger

\* = New Addition to Global Order Book Builders

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Builder	Type	Name/Completion	Design Team	Engine
<b>THE NETHERLANDS (Continued)</b>				
Jongert	87 SY	Searose/April 2003	Peterson/Jongert/Scania	
	105 SY	Happy Sailing/Aug 2002	Castro/Jongert/Scania	
	120 SY	Islandia/Jan 2002	Castro/Jongert	CAT
	147 SY	Jongert 45C/2002	Hoek/Jongert	MTU
	177 SY	Erica XI/May 2004	Hood/Winch	MTU
• Kuipers Shipyard	84 MY	Doggersbank/2002	Vripack	Canada
	93 MY	Doggersbank/2003	Vripack	US
Moonen	84 MY	Mimi/Nov 2001	Stolk Marinmeccs/van der Velden	UK/CAT
	84 MY	TBA/June 2002	Stolk Marinmeccs/van der Velden	Scotland/CAT
Mulder Shipyard	80 MY	TBA/June 2003	Ginton & Weber/de Groot/Mulder	Netherlands/Volvo
	88 MY	Seabreeze II/Fall 2001	Ginton & Weber/de Groot/van der Kamp	UK/CAT
Oceanco	193 MY	TBA/2002	Oceanco/Disdale	CAT
	200 MY	TBA/2002	Oceanco/Zuretti	CAT
	262 MY	TBA/2001	Oceanco/Costantini/A Group	MTU
Royal Huisman	131 SY	Cecile-Marie/Nov 2002	King/Young	MTU
	156 SY	Borkumrit II/Apr 2002	Dijkstra/Alden/Munford	MTU
	260 SY	Athena/Sept 2004	Beeldsnijder/Dijkstra	US/CAT
Vitlers	141 SY	African Queen/2002	Dubois/Redman/Whiteley	MTU
	141 SY	Whirlaway/2002	Dubois/Redman/Whiteley	

Builder	Type	Name/Completion	Design Team	Engine
<b>NEW ZEALAND</b>				
Alloy	102 SY	Chimera/Mar 2002	Hood/Owner/Alloy	Europe/Lugger
	126 MY	S.O.N./Feb 2003	Dubois/Dubois/Starkey	CAT
	134 SY	Harlequin/Oct 2002	Dubois/Redman/Whiteley	CAT
	174 SY	Salperton/Nov 2001	Dubois/Owner/Alloy	Europe/CAT
Austral	81 MY	Lanakai/May 2002	Peters/TWB Design	New Zealand/CAT
• Fitzroy	83 SY	83 Cruiser/Sept 2003	Judel-Vrolijk/Young	Europe
McMullen & Wing	112 SY	Ipanema/Jan 2003	Frers/McMullen/Wing	Brazil/Lugger
	130 MY	Mea Culpa/Dec 2002	Sarin/Marnell	US/MTU
New Zealand Yachts	82 MY	NZY002/Dec 2002	NZY/Freivokh	Cayman Islands
	108 MY	NZY001/Dec 2002	White/Freivokh	Cayman Islands/CAT
	108 MY	NZY002/June 2003	White/Freivokh	Cayman Islands/CAT
NZ Yachting	85 SY	TBA/June 2002	Langan	CAT
Developments	94 SY	TBA/Dec 2002	Frers	CAT
• Salthouse	92 SY	Lagos/Jan 2003	VPLP/Bonadei	Europe/Lugger
Sensation	110 MY	SY27/2003	Barberio/Sensation	US/Deutz
	145 MY	SY26/Oct 2003	Cumran/Marshall	Bahamas/CAT
	163 MY	SY24/Mar 2003	Sensation/Zuretti	US/CAT
	168 MY	SY18/May 2002	Overing/Zuretti	US/CAT
• Sovereign Yachts	118 MY	TBA/Dec 2002	Setzer/TBA/Sovereign	
	135 MY	TBA/Sept 2002	Setzer/Sovereign	MTU
	140 MY	TBA/May 2003	Setzer/Sovereign	
Venture	80 MY	#002/2003	Loomes/Form	US/MTU

Builder	Type	Name/Completion	Design Team	Engine
<b>SINGAPORE</b>				
• Keppel	394 MY	TBA/2003	McPartane/Winch	

Builder	Type	Name/Completion	Design Team	Engine
<b>SPAIN</b>				
• AstiDeros	145 MY	No Lo Se/Fall 2001	Buytendijk	Europe/CAT
de Mallorca	173 MY	Passion/Mar 2003	Beckman/Buytendijk	US/CAT

Builder	Type	Name/Completion	Design Team	Engine
<b>TAIWAN</b>				
• Horizon	80 MY	TBA/2002		MTU
	82 MY	TBA/2001		MAN
	82 MY	TBA/2002		MAN
	82 MY	TBA/2002		MAN
	82 MY	TBA/2002		MAN
	88 MY	TBA/2002		MTU
	88 MY	TBA/2002		MTU
	88 MY	TBA/2002		MTU
	88 MY	TBA/2002		MTU
	88 MY	TBA/2002		MTU
	90 MY	TBA/2002		CAT
	92 MY	TBA/2002		MTU

Builder	Type	Name/Completion	Design Team	Engine
<b>TAIWAN</b>				
Horizon (Continued)	92 MY	TBA/2002		MTU
	105 MY	TBA/2001		MTU
	105 MY	TBA/2001		MTU
	110 MY	TBA/2003		MTU
	116 MY	TBA/2001		MTU
• Ocean Alexander	86 MY	2002	Monk	
• Transart	82 MY	Hargrave /2001	Hargrave	
	82 MY	Hargrave /2001	Hargrave	
	82 MY	Hargrave /2002	Hargrave	
	94 MY	Hargrave /2002	Hargrave	
	95 MY	Hargrave /2002	Hargrave	
	97 MY	Hargrave /2002	Hargrave	

Builder	Type	Name/Completion	Design Team	Engine
<b>TUNISIA</b>				
• WMagic	80 SY	WY 80 /Sept 2002	Fawcett/Luzatti/Deane	Morocco/Quinn

Builder	Type	Name/Completion	Design Team	Engine
<b>TURKEY</b>				
Leight-Netika	100 MY	#134/May 2002	Dixon/Marshall/Rosa	France/MTU
	108 MY	#135/May 2002	Dixon/Marshall	US/MTU
	108 MY	#151/Nov 2002	Dixon/Marshall/Siddine	France/MTU
	115 MY	#144/Nov 2002	Dixon/Marshall	France/MTU
Protetecae-Burguessa	127 MY	TBA/Nov 2002	Cutolo/Callari	England/MTU
	139 MY	TBA/Oct 2002	Cutolo/Callari	England/MTU
	174 MY	Turquoise/May 2002	Dubois/Starkey	England/CAT
R.B. Derell	108 MY	MA/May 2002	RBD/Seddon/Selldorf	Italy/CAT
	127 SY	Mulu/May 2002	Biland/RBD/ACT	UK/CAT
	130 MY	Marmara 40/Aug 2003	Fryco/RBD	US/CAT
	131 MY	Amen/May 2003	Fryco/RBD/ACT	Canada/Lugger
• RMBK	118 MY	Daurless 118/Fall 2001	Fryco/RMBK	CAT

Builder	Type	Name/Completion	Design Team	Engine
<b>UAE</b>				
Golden Yachts	118 MY	Argussea/2002	Mulder/Marshall	US/MTU
TBD	525 MY	Platinum	Lurssen/Bohm/Voss/Winch	UAE

Builder	Type	Name/Completion	Design Team	Engine
<b>UNITED KINGDOM</b>				
Canper & Nicholson	121 SY	TBA/Mar 2002	DuBois	CAT
• Oyster Yachts	82 SY	Oyster 82/May 2003	Oyster	
	82 SY	Oyster 82/2004	Oyster	
	82 SY	Oyster 82/2004	Oyster	
Pendennis	158 SY	MTSeaAH/Sept 2003	Patrick/Lubowitz/Pritchard	US/Paxman
• Princess	84 MY	Princess 84/2002		
Princess (Viking)	84 MY	Viking Sport Cruiser/Sept 2002	Viking/TDI	US/MTU
Sunseeker	87 MY	Manhattan 84/Fall 2001	Shead/Sunseeker/Freivokh	Europe/MAH
	92 MY	94 Yacht/2001	Shead/Sunseeker/Freivokh	US/CAT
	92 MY	Predator 95/2002	Shead/Sunseeker/Freivokh	Europe/MTU
	92 MY	94 Yacht/2001	Shead/Sunseeker/Freivokh	Europe/CAT
	92 MY	Predator 95/2002	Shead/Sunseeker/Freivokh	Europe/MTU
	92 MY	94 Yacht/2001	Shead/Sunseeker/Freivokh	US/CAT
	92 MY	Predator 95/2002	Shead/Sunseeker/Freivokh	Europe/MTU

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## Top 10 Custom Builders

Yard	Number of Projects	Total Feet	Average Length
1. Benetti	20	2,773	139'
2. Lurssen	8	2,429	304'
3. Feadship	13	2,353	181'
4. Amels	10	1,890	189'
5. Royal Denship	11	1,470	134'
6. Heesen	10	1,285	129'
7. Trinity	8	1,218	152'
8. Perini Navi	6	1,154	192'
9. Burger	8	907	113'
10. Palmer Johnson	6	765	128'

• = New Addition to Global Order Book Builders

**UNITED KINGDOMS (CONTINUED)**

Sunseeker (Continued)	92	MY Predator 95/2002	Shead/Sunseeker/Fretvoldh	US/MTU
	101	MY 105 Yacht/2001	Shead/Sunseeker/Fretvoldh	Europe/MTU
	101	MY 105 Yacht/2002	Shead/Sunseeker/Fretvoldh	US/CAT
*Vesper Thornycroft	245	SY Mirabella V/2003	Holland	US

**UNITED STATES**

Broward	104	MY #553/June 2002	Broward	CAT
	106	MY #268	Broward	CAT
	111	MY #552-Miss Broward/Mar 2002	Broward	3412
	120	MY Signu/Fall 2001	Broward/Benson Dessons	US/CAT
	155	MY #535/2003	Broward	
Burger	88	MY Silver Seas/July 2003	O'Keefe/Burger/Owners	US/MTU
	90	MY TBA/June 2002	O'Keefe/Burger	US/MTU
	107	MY Anne-Marie/Sept 2002	O'Keefe/Burger/Benson	US/MTU
	108	MY Sarah Beth/Fall 2001	O'Keefe/Burger/Owners	US/MTU
	122	MY Lady Grace Marie/Apr 2002	O'Keefe/Burger	
	125	MY ICATU/Sept 2003	Robinson	US/MTU
	127	MY Sis W/June 2003	O'Keefe/Burger	
	140	MY TBA/Sept 2004	O'Keefe/Owners/Burger	US
Christensen	145	MY Primadonna/2002	Christensen/Smith	US/MTU
	150	MY #024/2002	Christensen	MTU
	155	MY #026/2003	Christensen	MTU
Delta	124	MY Intrinsic/Sept 2002	Delta/Intrinsic/Ardeo	US/CAT
	126	MY Exploration/Mar 2002	Delta/Esonosa	Singapore/CAT
	126	MY 126002/2003	Delta/Kirschstein	CAT
	147	MY Gran Finole/Fall 2001	Delta/Espinosa	US/CAT
Denecktor	150	SY K/R Project/July 2003	Frers/Munford	US/CAT
Destiny Yachts	90	MY TBA/May 2002	Arrabito/Marshall/Weiner	US/MTU
	90	MY TBA/July 2002	Arrabito/Marshall/Weiner	DR/MTU
	90	MY TBA/Oct 2002	Arrabito/Marshall/Weiner	US/MTU
	98	MY TBA/Oct 2002	Arrabito/Marshall/Weiner	US/MTU
	102	MY Stupendous/Fall 2001	Arrabito/Marshall/Weiner	US/MTU
	105	MY TBA/Feb 2002	Arrabito/Marshall/Weiner	DR/MTU
	105	MY TBA/Mar 2002	Arrabito/Marshall/Weiner	US/MTU
	105	MY Jolie Four/Sept 2002	Arrabito/Marshall/Weiner	US/MTU
	105	MY TBA/Mar 2003	Arrabito/Marshall/Weiner	US
	135	MY TBA/March 2003	Arrabito/Marshall/Weiner	US/MTU
Hatteras	86	MY TBA/Fall 2001	Hargrave/Hatteras	US/MTU
	86	MY TBA/Feb 2003	Hargrave/Hatteras	US/MTU
	92	MY Soul/Fall 2001	Hargrave/Hatteras	US/MTU
	100	MY TBA/Jan 2002	Hargrave/Hatteras	US/MTU
	100	MY Fine Print/Apr 2002	Hargrave/Hatteras	US
	100	MY TBA/Aug 2002	Hargrave/Hatteras	US/MTU
	100	MY TBA/Nov 2002	Hargrave/Hatteras	US/MTU
* Hargrave (See Taiwan)				
Hodgdon	154	SY Schéherazade/June 2003	King/Winch	US/MTU
* Horizon (See Taiwan)				
Intermarine	120	MY TBA/Jan 2002	Intermarine/de Basto/Hansen	
Savannah			Cross-Buchanan	MTU
	123	MY TBA/Apr 2002	Intermarine/de Basto/Hansen	
	123	MY TBA/July 2002	Intermarine/de Basto/Hansen	
	123	MY TBA/Nov 2002	Intermarine/de Basto/Hansen	
	145	MY TBA/Fall 2001	Intermarine/de Basto/Hansen	
Lazzara	80	MY #51/Fall 2001	Lazzara/De Lashmuit	MTU
	80	MY #52/Nov 2001	Lazzara/De Lashmuit	US/MTU
	80	MY #53/Jan 2002	Lazzara/De Lashmuit	US/MTU
	80	MY #54/Mar 2002	Lazzara/De Lashmuit	US/MTU
	80	MY #55/May 2002	Lazzara/De Lashmuit	MTU
	80	MY #58/June 2002	Lazzara/De Lashmuit	US/MTU
	80	MY #57/Aug 2002	Lazzara/De Lashmuit	US/MTU
	80	MY #58/Sept 2002	Lazzara/De Lashmuit	MTU
	106	MY #10601/2002	Lazzara/De Lashmuit	US/MTU

**UNITED STATES (CONTINUED)**

Lazzara (Continued)	108	MY #10602/2002	Lazzara/De Lashmuit	US/MTU
* Metalcraft	100	MY Celtic Sono/2002	Metalcraft	CAT
Newcastle	125	MY Newcastle Expedition/June 2002	Dejony/Labbe/de Basto	US/CAT
Northlum	92	MY #8602/May 2003	Monk/Nordlund	US/MTU
	111	MY #10401/2002	Monk/Pokela	US/MTU
	117	MY #10601/Jan 2002	Monk/Burton	US/MTU
North Coast Yachts	84	MY Sailbad the Siner/April 2002	Frederickson	US/MTU
	92	MY Tahahoa/Jan 2002	Frederickson/Owner	US/MTU
	128	MY Lady Val/Dec 2001	Frederickson/Rose	US
North Star	92	MY Candalaria/Fall 2001	Sann	US/CAT
	100	MY Besame/May 2002	Sann	US/CAT
	100	MY TBA/Nov 2002	Sann	US/CAT
	105	MY Princessa/Mar 2002	Sann	US/CAT
Northern Marine	80	MY TBA/Aug 2002	Northern/Ardeo	US/CAT
	127	MY Magic/2002	Setzer/Ardeo	US/MTU
	146	MY #11601/Sept 2003	Setzer/Northern	US/CAT
Palmer Johnson	107	MY Arrowhead/May 2002	Fecsa/PJ	US/CAT
	115	MY #227/Nov 2003	Hunt/Auroclari & Lenard	MTU
	125	MY #236/Nov 2002	Murray	US/MTU
	131	MY #234/May 2003	Vrpack/PJ	CAT
	131	MY #235/Nov 2002	Murray	US/CAT
	156	MY Anson Bell/May 2002	Vrpack/S&S/PJ/Ostale	US/CAT
Rivolta	90	SY Rivolta 90/2002	Sodergran/Rivolta	Yanmar
Roscioli	80	MY #3/June 2002	Hyer/Rockstool/Roscioli	US/MTU
	80	MY/Mango Marv/Fall 2001	Hyer/Rockstool/Bales	US/MTU
	80	MY Patricia/Jan 2002	Hyer/Rockstool/Roscioli	US/MTU
* SeaStar (See Australia)				
Trinity	124	MY Anilla/June 2002	Trinity/Robinson	US/MTU
	141	MY Victory Lane/Fall 2001	Trinity/Robinson	US/MTU
	142	MY Chevy Toy/Sept 2003	Trinity/Robinson	US/MTU
	142	MY Burna/Oct 2003	Trinity/Robinson	US/CAT
	150	MY Imagine/May 2001	Trinity/Bornville	Canada/CAT
	150	MY Mia Elise/June 2003	Trinity/Bornville	US/CAT
	177	MY Seahawk/Fall 2001	Trinity/Bornville	US/MTU
	192	MY Ulyses/Dec 2001	Trinity/Smith/Owner	New Zealand/CAT
Vic Francis's	81	MY Beta Rosa/May 2002	Seaton/Henderson	US/Cummins
* Viking (See UK Italy)				
Westport	98	MY TBA/Oct 2002	Olson/Westport/Marshall/PCI	MTU
	112	MY TBA/Nov 2001	Olson/Westport/Marshall/PCI	MTU
	112	MY TBA/Dec 2001	Olson/Westport/Marshall/PCI	MTU
	112	MY TBA/July 2002	Olson/Westport/Marshall/PCI	MTU
	112	MY TBA/Dec 2002	Olson/Westport/Marshall/PCI	MTU
	130	MY TBA/Feb 2002	Gardner/Marshall/Westport/PCI	MTU
	130	MY TBA/June 2002	Gardner/Marshall/Westport/PCI	MTU
	130	MY TBA/Nov 2002	Gardner/Marshall/Westport/PCI	MTU
Westship	103	MY TBA/Nov 2001	Peters/Westship	MTU
	103	MY TBA/Nov 2002	Peters/Westship	MTU
	143	MY TBA/Nov 2002	Culibo/Younger/Westship	MTU

**Top 10 Builders by Average Length\***

Yard	Number of Projects	Average Length
1. Lürssen	8	304'
2. Oceanco	3	218'
3. Oceanfast	3	196'
4. Perini Navi	6	192'
5. Amels	10	189'
6. Brisbane Shipyards	3	187'
7. Royal Huisman	3	182'
8. Feadship	13	181'
9. Abeking & Rasmussen	4	175'
10. Yantai Raffles	4	172'

\* Note: Yards with a minimum of three boats on order.

\* = New Addition to Global Order Book 8/2003

DAVID L. SOKOL  
302 SOUTH 36TH STREET  
SUITE 400  
OMAHA, NEBRASKA 68131

RECEIVED  
JUN 19 2002  
DIVISION OF  
OCCUPATIONAL LICENSING  
JUNEAU

June 14, 2002

The Honorable Tony Knowles  
State Capitol  
P. O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Knowles:

I would like to bring to your attention a situation which I believe may have been caused inadvertently; however, it has the potential to significantly impact the economy of several southeastern communities in Alaska.

Several years ago I had the privilege of being a guest on a private motor yacht that cruised the waterways of southeastern Alaska, primarily in the areas between Ketchikan, Sitka and Juneau. I, and the other seven guests, had a wonderful time shopping in Sitka and Juneau, fishing and sightseeing in some of America's most beautiful waterways. Following on this experience, two years ago I had the opportunity to purchase my own boat and it was our intention to spend this summer in southeastern Alaska. Unfortunately, when my captain was preparing the cruise this spring he came across *Alaska Statute 08.62.180* which deals with marine pilotage requirements in Alaska. While we are familiar with typical pilotage requirements in other states and countries, this law is unique, in our understanding, in that it essentially requires full time pilotage not just in and out of harbors, but also throughout the waterways. Further, there are no qualification exemptions for demonstrated captain proficiency.

As such, pursuant to this statute we must essentially hire a pilot from one of the two companies providing this service for the entirety of our cruise. I contacted both of these firms in Ketchikan and was informed that the cost would be \$1,400.00 to \$2,200.00 per day depending on our schedule. This would equate to approximately \$72,000.00 for our summer cruise. Because of this requirement we have altered our plans and we are going to spend the summer in British Columbia. This is obviously a severe disappointment given that I am an American citizen.

I do fully understand the need for appropriate pilotage requirements under certain circumstances; however I believe that this statute's lack of flexibility is unreasonable. By way of example, our boat is approximately 135 feet in length and we have three licensed captains as part of our seven-person crew. Our captain is fully licensed to 1600 gross

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DIVISION OF  
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JUNEAU

Page Two  
Governor Tony Knowles  
June 14, 2002

tons and is intimately familiar with the Alaskan waterways. Under *AK 08.62.180* those qualifications are irrelevant; however, in British Columbia we received a pilotage exemption in less than two weeks.

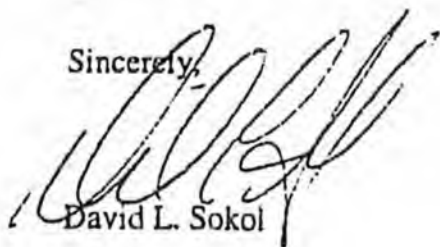
We would recommend to you a change in *AK 08.62.180* to either allow an exemption process for qualified captains or to place a reasonable length limitation (possibly 200 feet or less) exemption for pleasure craft with properly licensed captains. While the statute currently has gross tonnage limitations, I believe you will find such measurements inconsistent and difficult to administer due to the many tonnage conventions utilized in the United States and Internationally.

The real damage caused by making these pilotage requirements unreasonable is to the small towns of southeast Alaska. I have become aware of eleven vessels that have chosen to not cruise in Alaskan waters this summer. I am certain there are others as well. In our own case we would have had 48 guests (6 cruises with 8 guests) over the summer, seven crew living with the boat all summer, fuel, food, fishing licenses, tackle, airline traffic, souvenir shopping, restaurants, cabs, etc. Just our boat alone would have generated over \$250,000 in economic activity in Ketchikan, Sitka and Juneau. If we assume 20 boats avoid Alaska because of unnecessary pilotage requirements, \$5,000,000 of economic activity will be lost.

Please understand, we are fully in favor of proper safety and environmental standards, and we wish for Alaskan waterways to be kept clean and safe for all future generations. Providing reasonable exemptions, as is done throughout the rest of the United States and around the world, will not require these standards to be lessened.

I recognize that since this will require a legislative solution, you cannot resolve this situation for this summer. I hope that something can be done before next spring. Please call me if I can provide additional information, or if I can help you in dealing with this situation.

Sincerely,



David L. Sokol

CC: Peter Christensen, Pilot Coordinator  
Board of Marine Pilots  
P. O. Box 110806  
Juneau, AK 99811-0806

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Representative Nancy Dahlstrom  
State Capitol  
Juneau, AK 99801-1082

Dear Representative:

I have been asked to provide background information regarding foreign flagged pleasure craft. I am the Safety & Quality Manager at Fraser Yachts Worldwide and the Designated Person Ashore under the IMO's International Safety Management (ISM) Code. I am registered on the Small Ships Group of the Institute of Marine Engineering, Science & Technology (I.Mar.E.S.T.) as a recognised surveyor; Registered with the Engineering Council as an Incorporated Engineer; qualified as an Internal Auditor and am an Associate Member of the I.Mar.E.S.T. Previously, I was a marine engineer officer in the British Merchant Navy and Chief Engineer on large yachts.

***Background/Foreign Flagged Yachts***

A high percentage of large yachts are registered and flagged under the UK and REG (Red Ensign Group) flags such as the Cayman Islands. These flags have codes of practice applicable to yachts chartering with less than 12 passengers. It provides standards for the construction, stability, safety and manning of large yachts over 24 meters (79 feet) in length and is accepted as an equivalent standard of safety to the requirements of the Safety of Life at Sea (SOLAS) convention (which I understand are the same regulations under which the Alaska Marine Highway System operates.)

The UK also established qualifications specific to such yachts under the UK law that comply with the requirements of International Maritime Organization (IMO) International Convention on Standards of Training, Certification and Watchkeeping for seafarers 1978 as amended in 1995 (STCW95). This sets the internationally recognised standards.

The International Safety Management (ISM) Code, which requires an audited and certified Safety Management System, has been applied to yachts of greater than 500GT in commercial use by these flag states. The ISM Code sets requirements for the management of the operations and emergency planning for the yacht to address the safety of life and protection of the environment. Key factors of the Code include:

- 1) The development of procedures specific to the yacht for operations and contingency plans, including maintenance and inspection;

- 2) the need for a cycle of continual improvement;
- 3) reporting of incidents and hazardous occurrences;
- 4) Internal and External (by the flag state) audits to ensure the effectiveness of the management system; and
- 5) the provision of a Designated Person on shore to provide the link between the vessel and the highest levels of management to ensure the safety of the yacht and protection of the environment.

#### ***Present/Future Regulations***

While these regulations are applicable to charter yachts, both the codes of practice and the ISM code are minimum standards and are being voluntarily complied with by yachts in private use. And the UK, as well as some other flag states, require that all yachts comply with the manning requirements. These manning requirements stipulate the minimum number, and standard, of STCW95 qualifications to be held by the Master and crew of a yacht. Some flag states have taken the view that all pleasure yachts, whether in chartering or in private only use, must comply fully with the codes of practice.

The IMO has recommended that flag states apply the ISM code to vessels over 150GT and therefore it may be expected that a requirement for some form of safety management system be applied to all yachts over 24 meters (79 feet) that charter.

It may be expected that other flag states will follow suit either in adopting the codes of practice or developing their own similar requirements and voluntary compliance is increasing.

#### ***Future Yachting Market***

There are new yacht clients who may be expected to look for an area such as Alaska in which to cruise. These would include American guests who have not previously visited Europe and are uneasy in the present situation to do so; first time charters who wish to remain closer to home; and persons who have previously visited the usual charter destinations within Europe and the Mediterranean and are searching for cruising areas outside of those habitually frequented.

In terms of economics, it's been estimated that thousands of persons working ashore depend upon the business generated by the yachts while based in the Mediterranean. As a rough estimate, for example, of 15 yachts, the budgets range between 1.9 and 9 million dollars each annually. Should Alaska welcome these yachts, it may provide a mutually beneficial partnership.

#### ***Alaska Marine Pilot Statutes***

There have been a number of motives presented to justify the requirement that foreign flagged yachts must carry a pilot. The issues of safety of navigation, protection of the environment, and security are all legitimate concerns which should be balanced against the current international licensing and training requirements of the private master and crew. The actual advantage to the state of the requirement to carry a pilot should be weighed against the potential economic benefit to the coastal

communities, not just at the present time but also as the yachting industry expands and seeks less crowded cruising grounds and more adventure.

Situations may arise in which having a pilot aboard causes problems for a yacht owner. There is the possibility that a guest or crew member could not remain onboard due to the limitation on the numbers of persons who may be carried as limited by the available Life Saving Appliances (LSA). Tensions may arise when a pilot is placed onboard for a cruise of many weeks with tightly knit crew who works together eleven months of the year.

Scheduling problems may also present themselves. Simply put, in complete contrast to a cruise ship or merchant ship, most yachts do not have a fixed schedule or a timetable to keep to. This is due to the fact that they are used for pleasure, to go where the guests wish to go at any time. Even where there is a rough schedule it is often not publicized as this provides some small measure of security and confidentiality to the guest. Navigational standards will mean that a passage plan is prepared but this may only be for the next part of the voyage.

I do not believe that anyone will object to carrying a pilot onboard where there is a need to do so. If the requirement to carry a pilot is restricted to certain areas where the risks of navigation require local knowledge and experience in addition to the good seamanship that most yacht's Masters possess, the expense would not be unreasonable.

#### ***Safety of Navigation***

While discussing changes to Alaska pilotage laws, yachts have been compared to large cruise ships and freighters. While the gross tonnage of a large yacht may seem impressive, these yachts are more easily navigated and are regularly maneuvered by their Master's & crews into tight anchorages or small harbors. The Master and crew are experienced in handling the yacht and are increasingly qualified in compliance with STCW95 even where not required. The standard of their navigational, communications and safety equipment is usually extremely high. This is in keeping with the high standard implicit in yachting and the general desire to have the latest cutting edge technology.

The yacht always remains the responsibility of the Master who will be intimately familiar with his yacht. The pilot may only advise the Master and may not be expected to be familiar with the maneuvering abilities of the yacht, especially when compared to what might be considered a similarly sized merchant or cruise ship.

#### ***Homeland Security***

Yachts in legitimate use could not be considered a threat to the security of the USA or Canada. The requirements of the INS and US Customs for clearing into the USA and the ability of the USCG to board and inspect vessels entering or within US waters at any time should be sufficient to prevent this. Should a yacht be hijacked for any purpose, it is most probable that the managers or contacts ashore would be very swiftly aware of a problem before it could pose a threat to another target.

With regards to ensuring that the crew are both competent and pose no threat to the yacht or guests, the community of yacht crew has always been relatively small and references easily checked. Despite this, in-depth personal background checks are becoming more common.

Next year, the ISPS (International Ship & Port Facility Security) Code will, as part of its requirements, necessitate that a Security Survey is carried out on the vessel; that a Ship Security Officer is appointed as well as a Company Security Officer; and, that a Ship Security Plan is implemented. This security plan may be expected to be in two parts: one available for inspection of the authorities, and the other part detailing more confidential procedures and emergency contingency plans for the vessel. Again, private as well as charter yachts may be expected to implement compliance with this.

On the other hand, given the wealth of the individuals that may be onboard a yacht, either as owners or as guests, there is a higher possibility of a threat to the yacht and its crew and guests. It is also common practice that the name(s) of the owners or guests are not revealed. Confidentiality agreements are required and executive protection services are often engaged to ensure the security of the guests.

#### ***Protection of the Environment***

Yachts carry marine gas or diesel oil as fuel, but it should not be compared, either in quantity or likelihood of a spill, with a cruise ship's fuel tanks or merchant ship cargo of heavy fuel. Shipboard Oil Pollution Emergency Plans (SOPEP) approved by the flag state for are required on yachts over 400 GT. Many of these yachts are equipped with oil booms and absorbent sweeps. For insurance purposes, they are also required to have a US Certificate of Financial Responsibility [CoFR] and Water Quality Insurance Syndicate cover [WQIS] to provide funds and equipment to clean up any spill.

#### ***Marine Pilots/Defence for Safety & Security***

As a line of defense against terrorism or criminals, a single unarmed pilot would be unlikely to be able to pose any deterrent. In order for a pilot to be able to evaluate the safety of a vessel, the pilot should be trained in vessel inspections so as to inspect all areas of a yacht to determine the existence of a possible threat.

Given the requirement for privacy of the owners, I doubt this opportunity would be offered. Standard operational procedures at the moment, and Ship Security Plans in the future, will probably mandate that the pilot be escorted from the boarding point by way of outside stairs to the bridge and that the pilot not be permitted access to those areas where there is no necessity to go. Pilots may also expect to be asked to be searched for weapons and confirmation of identity prior to boarding.

#### ***Conclusion***

The purpose of the pilot is to ensure that local knowledge and experience is made available to the Master of a vessel to ensure its safe navigation and to avoid any risk of damage to the environment. Pilots should be engaged to provide this expertise where it is necessary and not with secondary missions for which they are not trained, able to undertake, or which may detract from their primary purpose. They should not be tasked with safety inspections, which are best carried out by USCG on arrival within the US or by occasional boarding, or with security issues, which may be best carried out by the USCG, US Customs and INS.

Yachts have excellent safety and navigational equipment; are highly maneuverable; and have experienced crew. The UK and other flags require qualifications to STCW95 standards, unlike US regulations that exempt USCG license holders from requiring STCW95 endorsements if they operate only within US waters. A Safety Management System that is audited and certified by Classification Societies and/or the flag state will provide a means of self-regulation that will ensure that standards of safety and protection of the environment are met more efficiently than by enforcement.

I would propose not setting an upper limit for an exemption, but operating on a case-by-case risk assessment scale to determine the appropriate application of exemptions. The determining factors could be based on the yacht's flag and Classification Society, as well as the qualifications of the crew, compliance with the MCA code of practice, and ISM compliance. A key part of this procedure would be the initial USCG safety inspection on arrival.

Other key requirements to assist in a change in the pilotage regulations could be as follows:

- a. Masters undergoing familiarization training and practical assessment with the pilot for a period of time;
- b. Mandating certain pilotage areas be designated where dangers to navigation require and with pilotage areas sized for different sizes of yachts;
- c. use of automatic position reporting via INMARSAT (Standard C or D+ terminals are required and the D+ unit may be very easily fitted to yachts on a temporary basis for a minimal cost);

Thank you for allowing me to comment. I hope you have found this information of value as you review changes to your state law.

If I may provide further clarification, I will be please to do so.

Sincerely

A handwritten signature in black ink, appearing to read "Derek Smith", with a long horizontal flourish extending to the right.

Derek Smith, I.Eng., A.M.I.Mar.E.S.T  
Safety & Quality Manager / DPA

Fraser Yachts Worldwide  
Yacht Management Department  
1800 SE 10<sup>th</sup> Ave, Suite 400  
Ft Lauderdale  
FL 33316

File ref: H:\Submissions\AK\_Senate\_ND\_Pilots.doc / Last Saved 22Apr03

U.S. Department  
of Transportation

United States  
Coast Guard



Commander  
17<sup>th</sup> Coast Guard District

P.O. Box 25517  
Juneau, AK 99801  
Staff Symbol: (m)  
Phone: (907) 403-2802

16712

MAR 6 2008

The Honorable Gene Theriault  
State Capitol Building  
Juneau, AK 99801


Dear Mr. Theriault:

I wanted to take the opportunity to applaud your efforts to permit an orderly process for exempting Canadian warships and Coast Guard vessels home-ported in British Columbia from state pilotage requirements. We support this reciprocal agreement and believe it will only serve to improve the important relationships we share with our Canadian neighbors.

I also would like to take this opportunity to respond to requests for my comments on state legislative discussions of easing pilotage requirements for foreign pleasure vessels. The current statute requires a pilot for vessels 300 gross tons and over. Proposals have been made to increase that tonnage exemption, effectively allowing larger vessels the opportunity to transit Alaskan waters without a pilot. These are matters of state interest over which the Coast Guard has no authority but about which I do have concerns. Vessels greater than 300 gross tons are large and can pose serious risks to the safety of navigation and the environment. Removing pilots from these vessels could dramatically impact vessel safety since local knowledge and experience are a key component of safe navigation. Having a pilot onboard helps prevent groundings and subsequent environmental damage. Their presence facilitates communications during vessel passages in the narrow waters of Southeast as well. By their presence onboard during vessel operations, the pilots are also in a unique position to alert the proper authorities if there are indications the vessel or crew may present law enforcement or homeland security concerns. Finally, the pilot's local knowledge helps with sensitive property and territorial concerns, distinguishing between local, federal and tribal areas. This type of overall awareness prevents accidents in the first place and helps mitigate them when they do happen. It cannot be replaced by a foreign crew, a transponder, or a float plan. We appreciate the service and performance of your state pilots and recommend their continued presence on foreign pleasure vessels 300 gross tons and over.

Again, I recognize these are state interests and appreciate the opportunity to present my concerns as part of our cooperative relationship. I trust all will go well with the remainder of your session. Please contact myself or LT Matt Jones of my staff at 907-463-2309 if we may be of further assistance on these matters.

Sincerely,

  
J. W. UNDERWOOD  
Rear Admiral, U.S. Coast Guard  
Commander, Seventeenth Coast Guard District

Copy: The Honorable Fred Dyson  
The Honorable Gary Wilken  
Mr. Joseph W. Geldhof, Esq.



HAINES BOROUGH, ALASKA,  
P.O. BOX 1209  
HAINES, AK 99827  
(907) 766-2231 \* FAX (907) 766-3179

COPY

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Re: Private Foreign-Flagged Yachts

Dear Senator Therriault:

On behalf of the newly-formed Haines Borough, I would like to add my support to a proposal to change a state law that could help the economy of our small community. I am referring to the current attempt to put a waiver system in place to allow private foreign-flagged yachts to cruise in Alaskan waters without a marine pilot aboard.

Haines has felt the devastating effects of a general downturn in our economy for many years. With the loss of the timber industry and the low return for our fisheries resources, we have turned to tourism as one way to help rebuild our community. The impact of the spending by guests and crew on these large yachts in a small coastal community such as Haines cannot be overstated.

Haines is open for business and we welcome any changes in state law that will help bring new customers here. Thank you for your consideration of these changes. They could have a very positive impact on the economy of our community.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jerry Lapp".

Jerry Lapp  
Deputy Mayor  
HAINES BOROUGH



# THE CITY OF WHITTIER

Gateway to the Western Prince William Sound

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

April 14, 2003

Representative Nancy Dahlstrom  
State Capitol  
Juneau, AK 99801-1082

RE: HB 251-exemptions from marine pilotage for certain yachts

Dear Representative Dahlstrom:

The City of Whittier would like to add its support for HB 251, legislation that could help strengthen our economy by encouraging large yachts to come to Alaska. I am referring to the law that currently dissuades private pleasure craft from cruising in our waters by mandating that they employ a marine pilot while they are in Alaska.

Whittier has a large harbor and facilities to accommodate these desirable visitors. We are hoping to become a tourism destination in the future and would like to do all we can to persuade yachts of all sizes to visit our community. The state should also be doing all it can to attract this new money to our coastal ports, especially during these times of financial uncertainty. The city and small businesses can both benefit from the revenue brought to Whittier by these desirable independent tourists.

The City of Whittier is open for business and is always exploring new ways to draw people to our community. If passed, HB 251 will help greatly in that effort.

Sincerely,

A handwritten signature in cursive script that reads "Rick A. Johnbaum".

Rick A. Johnbaum, Manager  
City of Whittier

Cc Rep. Mike Hawker



**CITY/BOROUGH OF JUNEAU  
ALASKA'S CAPITAL CITY**

**OFFICE OF THE MAYOR**

Telephone: (907) 586-1340; Fax: (907) 586-2344  
Sally.Smith@ci.juneau.ak.us

February 10, 2003

The Honorable Gene Theriault  
President of the Alaska State Senate  
State Capitol  
Juneau, AK 99801-1182

Dear Mr. President:

Over the past few years Juneau has invested heavily to upgrade our docks and harbors. Part of that effort has included the development of a more hospitable welcome to private yachts. As a longtime tourist destination, we understand the economic opportunity derived from these vessels. Benefits accrue both to the city, through docking fees, and to many small businesses that offer goods and services to the owners, passengers, and crewmembers.

It is my understanding that there is currently a proposal to change state law to allow large, foreign flagged private yachts to travel in Alaska without marine pilots. Juneau endorses that change, believing it will encourage more yacht traffic.

Given the current situation, we are losing a portion of potential business from this affluent group, all because of a basically unenforceable state law. We just cannot afford to lose such lucrative business to other coastal states.

Your consideration of this issue will be greatly appreciated. The commerce is important to all coastal communities.

Sincerely,

*Sally Smith*  
Sally Smith  
Mayor



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

---

February 12, 2003

The Honorable  
Senator Gene Therriault  
Senate President  
State Capitol, Room 111  
Juneau, Alaska 99801-1182

**Re: Changes in marine pilotage laws re: foreign flagged yachts**

Dear Senator Therriault:

The City and Borough of Sitka would like to join other SE communities in supporting a statutory change that would allow certain pleasure yachts to travel in Alaska without marine pilots. Facilitating a boost to our economy while maintaining safety and environmental standards is what I feel most residents of Sitka could support.

As you know, Sitka is still in the process of redefining itself after many decades with a primarily resource-based economy. Fortunately for us, as the timber industry was receding in our area, the tourism industry in Alaska was developing. Although we are taking a very deliberate look at how this industry should progress in our community and how any changes may affect our citizens and their way of life, it is generally agreed that many opportunities for local businesses and residents may be tied to the tourism industry.

As a port community, we realize the positive financial impact visitors aboard these large yachts can have in Sitka. Some yachts currently use our port as their home base during their summers in Alaska. It makes sense to allow these vessels; and their foreign flagged counterparts, to travel freely in Alaska without another marine pilot aboard, as long as competent and experienced masters are in charge. As this pilotage law has never been enforced, it only makes common sense to change the law to reflect the actual reality of today's yacht cruising public.

I would appreciate your support for legislation that removes this barrier to commerce in Sitka and other coastal communities of Southeast. Thank you for your consideration of this issue.

Sincerely,

Fred Reeder  
Mayor



**City of  
Ketchikan**

334 Front Street  
Ketchikan, Alaska 99901  
Phone 907-225-3111  
Fax 907-225-5075

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol, Room 111  
Juneau, Alaska 99801-1182

Re: Statutory change regarding requirement for marine pilots on large yachts

Dear Senator Therriault:

I am writing regarding the above-referenced subject. I am generally in support of a statutory change, which would allow large noncommercial private yachts to travel in Alaska without marine pilots to the extent that safety and other issues are not compromised. I would, however, want to see specific legislative language prior to endorsing a particular concept.

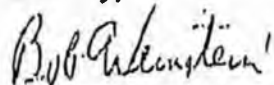
As you know, Ketchikan's economy has been hard hit by the decline in the timber industry, as well as by the challenges currently facing the fishing industry. Fortunately, on the other hand, our tourism industry is continuing to provide economic opportunities for local businesses and residents.

Ketchikan is in the process of completing a comprehensive development plan for our port and harbor facilities. I believe that this will result in a number of improvements in our infrastructure to better accommodate various classes of vessels, particularly including large yachts, and thereby enhance our economy. I also believe that, in addition to the goods and services that yacht passengers and crew might typically spend while visiting a community, we will be in a unique position to perform routine vessel maintenance/repair as the capacity of our shipyard increases.

In closing, I would appreciate your support for legislation that removes barriers to vessel traffic through an appropriate mechanism which can be supported by concerned parties, including marine pilots and yacht owners.

Thank you for your consideration of this issue.

Sincerely,



Bob Weinstein  
Mayor

# Southeast Conference

P.O. Box 21989 Juneau Alaska 99802-1989 Tel. (907) 463-3445 Fax (907) 463-5670

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol, Room 107  
Juneau, AK 99801-1082

Re: exemptions from marine pilotage statutes for large yachts

Dear Senator Therriault:

On behalf of the Southeast Conference we would like to voice out support for changes to state pilotage laws to allow private foreign flagged yachts up to 200 feet in length, to cruise in Alaskan waters without a marine pilot aboard. Current law requires foreign vessels over 300 tons to employ a state licensed marine pilot from one of the pilot associations. These associations are quite busy in the typical summer season, servicing the large contingent of cruise ships that deploy in Alaska. It is appropriate for these ships to have state licensed pilots aboard, as they are quite large, operate largely at night, and have much greater potential for significant damage to other shipping, and the environment. We believe that the language in the current law reached too far down in size to a ship type for which the perceived protection to state waters is out of scale related to its costs and inconvenience to the vessels. Adding the pilotage requirement on a 300 ton motor yacht in the same fashion as on a 100,000 ton cruise ship, adds about \$1800 per day in fees, plus the costs to carry an extra, unfamiliar person on what is usually a pleasure charter. On these yachts, a pilot is typically underutilized, as these vessels operate with a much more relaxed itinerary, daytime cruising, and with longer stays on anchor and in port calls. Because of the added costs, and especially the burden of eliminating a berth in very limited capacity vessels, charterers are motivated to cruise elsewhere around the world, to the detriment of our port communities and businesses who could benefit from this traffic. The State of Washington currently allows waivers to State pilotage requirements for this type of vessel, so they are getting some of the business that would otherwise come to our state.

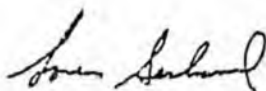
Southeast Conference members include representatives from most Southeast community governments and Chambers of Commerce, visitor's bureaus, non-profits, utilities, businesses, and concerned citizens. (We currently have over 100 members, including 28 communities, 9 Chambers of Commerce, 9 Native Organizations, 18 non-profits and community organizations, and 9 transportation organizations.) Our goals include developing strong economies, improving the region as a good place to live and work, and encouraging and assisting in responsible development in the tourism sector.

## Southeast Conference

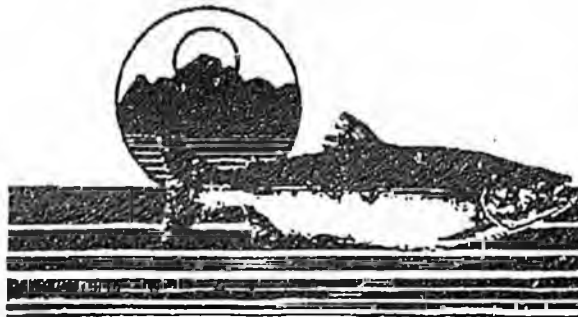
P.O. Box 21989 Juneau Alaska 99802-1989 Tel. (907) 463-3445 Fax (907) 463-5670

We would appreciate it if you could review the language in the Alaska Marine Pilotage Act, passed in 1995, with a mind to possible changes that could resolve what we think was an unintended consequence. We believe it is in the best interests of our member communities, and for commerce in our state, with minimal impact on the level of protection to our waters. We are hopeful you can initiate legislation to either change this law, or allow the relevant agencies to grant waivers. We stand ready to support these changes in whatever manner you consider appropriate.

Sincerely,



Loren Gerhard  
Projects & Policy Director  
cc: Amy Wachman, Kate Tesar

**Douglas Island Pink and Chum, Inc.**

2697 Channel Dr. • Juneau, Alaska 99801

Telephone: (907) 463-5114 • Fax: (907) 463-3213

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

February 10, 2003

Dear Senator Therriault:

As the Executive Director of the Douglas Island Pink and Chum Corporation (DIPAC) in Juneau, I am writing to support a change in Alaska law that will allow large private yachts to travel into Alaskan waters without an additional marine pilot aboard.

As the main producer of enhanced salmon for the communities of northern Southeast, we are very aware of and concerned about issues affecting sport fishing in the inside waters. We produce salmon for sport and commercial fishermen, as well as the expanding local salmon charter business. Although most of our operating funds are earned in a traditional manner through cost recovery of our fish, a percentage of our expenses are covered each year by money brought in through the tourism attraction attached to our hatchery. We host over 100,000 visitors at our facility each summer, with a growing number originating from non-cruise ship travel.

We in Juneau understand the economic opportunity associated with independent travelers to Alaska. The cruiseships provide the majority of our client base, but locals, their relatives and other tourists visiting Juneau have a significant impact. The money spent in our community by developing the private yacht industry is welcome and needed. I am in total support of any changes in statute which will increase the traffic to our area by these desirable tourists. It is my understanding that the current law has never been enforced, and this is all the more reason to investigate changes at this time.

Thank you for your consideration of these changes in statute which benefit all the coastal communities in Southeast Alaska

Sincerely,

A handwritten signature in dark ink, appearing to read "Jon Carter". The signature is fluid and cursive.

Jon Carter  
Executive Director



---

3100 Channel Drive, Suite 300 • Juneau AK 99801  
(907) 463-3488 • Fax (907) 463-3489

February 12, 2003

Senator Gene Theriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Dear Senator Theriault:

As the Executive Director of the Juneau Chamber of Commerce, I would like to add the support of our organization for a change in Alaska statutes that will allow additional private yachts to travel into Alaskan waters without a marine pilot aboard.

Although Juneau is enjoying a stable economy at this time based on a combination of government and private employment and summer tourism positions, other areas of Southeast are not as lucky. In communities where timber and fish were once the mainstays, the tourism industry is becoming an important partner. In Juneau, a community which hosts nearly one million visitors a year, we have long understood the value of these independent travelers to our economy.

As you may know, a private sector group in Juneau is in the permitting stage for construction of a new dock to provide additional moorage space for yachts, small cruise ships and lightering vessels. There is no better way to gage business opportunities than by those who are willing to invest in the infrastructure of our community.

The Chamber supports the efforts by Alaska Yacht Services and Provisioning to change this state law which significantly discourages yacht visitation. Without an amendment to the current marine pilot regulation that states that "all pleasure craft foreign flagged must hire a state marine pilot onboard," Southeast Alaska is missing out on a wonderful economic opportunity. Please consider this change in direction that will help stimulate the economy for many small businesses in Juneau, as well as throughout Southeast and coastal Alaska.

Thank you for your consideration of this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Parsons", written over a horizontal line.

Jamie Parsons  
Executive Director  
Juneau Chamber of Commerce

CC: Governor Murkowski



## Greater Ketchikan Chamber of Commerce

P.O. Box 5957, Ketchikan, Alaska 99901  
(907) 225-3184 • FAX: (907) 225-3187

February 20, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, Alaska 99801-1082

Dear Senator Therriault,

I would like to add the support of the Greater Ketchikan Chamber of Commerce for the current efforts to change Alaska law to allow private yachts registered outside of the US, to travel into Alaskan waters without a marine pilot onboard.

In Ketchikan, the tourism and maritime support industries are important economic sectors. Although cruise ship passengers provide the main economic engine for our visitor industry, our member businesses understand the value of attracting the independent tourists arriving in our city by yacht. Ketchikan's maritime industries are prepared to support the sophisticated vessels that comprise this unique fleet of privately owned ships. The impact of spending in our community by this growing sector of the yacht industry cannot be overstated.

The Chamber supports the efforts by yacht owners, communities and other small businesses to change this state law, whose only effect has been to stifle commerce. It is our hope that the groups working on this issue, including our local marine pilots, will be able to reach a compromise allowing all yachts to safely travel in Alaska.

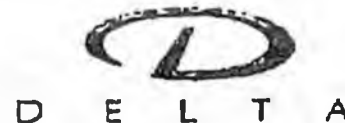
Please consider this change that will help stimulate the economy for many small businesses in Ketchikan, as well as throughout Southeast Alaska.

Thank you for your timely consideration of this matter.

Sincerely,

Doug Ward  
President

Greater Ketchikan Chamber of Commerce



February 5, 2003

Senator Gene Theriault  
Senate President  
State Capitol  
Juneau, AK 99801-1182

Dear Senator,

Delta Marine, located in Seattle, Washington is a manufacturer of custom luxury yachts with a complete refit & repair division. Our operation builds and services yachts of up to 225-foot and 1300 gross tons for a global clientele.

Many of our customers look forward to cruising Alaska when departing from Delta. However, several recent customers have decided to cancel their Alaska trips due to the stringent pilotage requirements of the State of Alaska. This affects Delta and our community as well as the waterfront communities of Alaska.

The following are three cases in particular that I wanted to bring to your attention:

- The 151' *Sally Ann* (498 gross international tonnage), after completing a five-year circumnavigation in 2001, returned to Delta for some routine maintenance work. The last leg of their amazing journey was to take them to Alaska. However, due to the rigorous pilotage requirements of the State of Alaska they canceled their trip and headed south instead.
- The 165' *Georgia* (381 gross international tonnage), is yet another a foreign flagged yacht that had plans to cruise Alaska. This story is unique, as this yacht sailed from the Mediterranean for a complete re-paint at Delta in 2002, as well as the opportunity to cruise the beautiful waters of the North Pacific. Once here, they were made aware of the strict pilotage requirements and too, canceled their plans to cruise to Alaska.
- Finally, the 126' *Andrea* (456 gross international tonnage), is a tough, seaworthy expedition yacht due to be delivered by Delta late this spring. Delta has quickly become known around the world for building these types of yachts and this client has come from Europe to Seattle to build. Although they would like to spend the summer cruising Alaska, taking this yacht to the far places it was built to see, they are planning to cancel their cruise to Alaska, again due to the strict Alaska pilotage requirements.

This is an issue that will continue to affect Delta, our customers, and the coastal communities of Alaska. We believe that changes to the law should be addressed as part

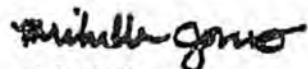
DELTA MARINE INDUSTRIES  
1608 SOUTH 96TH STREET  
SEATTLE, WASHINGTON 98108 USA  
T: 206.769.4383 F: 206.762.1627

of your current work on SB 20, the Board of Marine Pilots extension legislation. The requirement for pilotage of yachts should be thoroughly reviewed, with a goal of eliminating or narrowing this requirement.

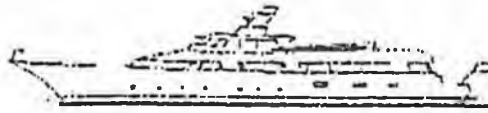
The large yachts Delta builds and services are well maintained and well run. As a group, these yachts have an outstanding safety record. Removal of the pilotage requirement for these private pleasure craft is consistent with both maintaining environmental protection and encouraging economic opportunity, as well as standardizing marine pilotage law along the entire coastline from Washington to Alaska.

Your attention and efforts are appreciated. If I can be of any further assistance or answer any questions please let me know.

Sincerely,



Michelle Jones  
Marketing Manager



## M/Y ALLIANCE

PACCAR Inc  
P.O. Box 1918  
Bellevue, WA 98009  
(425) 453-2529

Skip Sethmann, Captain

Lloyd Harris, Engineer

February 6, 2003

Senator Gene Theriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Dear Senator Theriault:

I am writing to you in my position as the captain of the M/Y Alliance, a 136ft American flagged private yacht homeported in Seattle. Although my vessel is exempted from the current Alaska marine pilotage laws, I would like to add my support to the effort underway to expand this exemption to allow larger foreign flagged yachts into Alaska waters without an additional marine pilot.

I have two years of experience cruising in Alaska, and have sailed in nearly every body of water in the world. With a crew of four and eight guests, the economic impact of a visit from our yacht is a significant one. We regularly take on 12,500 gallons of fuel during a typical season. Our crew and guest eat in local restaurants on an average of 5 nights during a 3 week trip and shop heavily whenever we are in port. I would estimate our spending during a normal cruising season to be in excess of \$100,000. in the communities visited by our vessel.

I have recently had contact with other captains and owners who are in the process of making alternative cruising plans because of the restrictive pilotage regulations in Alaska. It is unreasonable to expect them to accommodate an additional and unknown crewperson for the length of time they generally spend on a cruise in Southeast. Owners typically keep their yacht and crew on 24 hour standby, as to be available to ship out within a period of a few days or less. This also contributes to the impracticality of hiring a marine pilot. It is my understanding that the pilot organization in Southeast prefers to schedule their trips many weeks, if not months, in advance. It must be very hard to accommodate our yachts that are required to notify them only 48 hours in advance of entering a pilotage region.

As this law has never been enforced, it is serving only to impede commerce in Alaska. Thank you for your consideration of these changes. I look forward to visiting your beautiful state again in the near future.

Sincerely,

Captain Skip Sethmann



## Motor Yacht Mi Gaea

20 February 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Dear Senator,

As the Master of the Motor Yacht Mi Gaea, I had the opportunity to operate the yacht for her owners in the beautiful waters of Southeast Alaska during the summer of 2002. This is my second voyage in Alaskan waters, and by far, the most extensive. During this second trip, I became aware of the little known regulation regarding the compulsory use of a marine pilot aboard yachts while cruising Alaskan waters. Further, I understand that there is currently an effort underway to modify the regulations by providing for an exemption to the pilotage requirements for qualified yachts and captains. It is this subject I wish to address.

The Motor Yacht Mi Gaea is a Cayman Islands registered private yacht, 158 feet in length and 476 Gross Registered Tons displacement. We carry as many as 12 guests in the owner's party and a full time crew of 12. The past summer we spent approximately 50 days underway with owners and their guests, and all of the fuel, provisions, supplies, and equipment required to supply the vessel for that period were purchased in Alaska. In addition, we hired aircraft, fishing guides, buses, rental cars, and frequented many restaurants.

Also associated with many of the larger private yachts are the private aircraft that bring the guests to the vessels. This generates revenue in aircraft fuel, landing fees, and fees charged by Fixed Base Operators at airports.

I conservatively estimate that this yacht and her guests spent in excess of \$200,000.00 in the 3 months we were in Alaska. In my experience, this revenue and the activities that generated it are of low impact to an area. We certainly don't generate the revenues the cruise ships do, but neither do we bring the hordes of people that inundate some of your port cities at times.

I would like to plan more visits to Alaska, and encourage my fellow captains to do so as well. However, the pilotage requirement for yachts as currently written, will prevent me and many of my colleagues from doing so.

---

### MI GAEA LTD.

Box 268, Bank of Nova Scotia Building, Georgetown, Grand Cayman, British West Indies  
Satcom Tel: (871/874) 331-948222 • Satcom Fax: (871/874) 331-948234  
U.S.A. Contact Address : 5 Hog Island Road, Philadelphia, PA 19153  
Email: Captain@MiGaea.com



Page 2

The nature of the operation of yachts is simply not compatible with the pilotage system. Our owners and guests make or change plans with very short notice, sometimes only hours. I don't believe that the pilotage system of any area can respond that quickly. I might add that with the exception of the Panama Canal, yachts are generally not required to carry pilots.

My suggestion is to pattern an exemption for yachts similar to what the State of Washington has done. Prior to entry into the pilotage area, a yacht captain is required to identify his experience in the waters of the Puget Sound, identify communications and navigation equipment aboard, and identify crew members and their experience. This, in addition to the required Alaska State Water Pollution insurance coverage, which has its own equipment requirements, should provide for safe navigation and the continuation of this valuable commerce.

Most Sincerely,

A handwritten signature in cursive script that reads "Mark A. Howard". The signature is written in dark ink and is positioned above the printed name.

Mark A. Howard, Master

Motor Yacht Mi Gaea

United States Merchant Marine No. 881 518



# Juneau Economic Development Council

February 12, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Re: exemptions from marine pilotage statutes for large yachts

Dear Senator:

I am writing on behalf of the Juneau Economic Development Council (JEDC) to voice our support for changes to state pilotage laws to allow large, private foreign flagged private yachts to cruise in Alaksa waters without a marine pilot aboard.

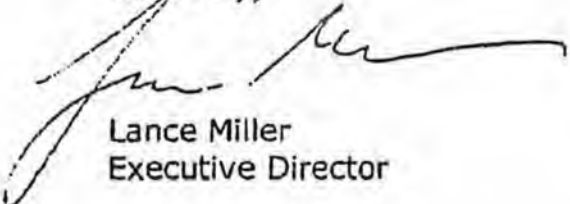
The JEDC works to enhance quality of life by actively promoting economic diversity and sustainable development in all of Southeast Alaska. We assist businesses in creating family-wage jobs with our business counseling and loan programs, as well as serving as the Overall Economic Development Planning agency for the City and Borough of Juneau.

It is a goal of JEDC to work with residents of Juneau and Southeast Alaska to help utilize our natural, cultural and intellectual resources wisely in order for our economy to be competitive in a national and international market place. The challenge is to help create family-wage jobs in a sustainable economy while at the same time maintaining our unique quality of life.

Tourism has now become one of the main economic engines in SE Alaska for communities that had previously relied only on resource development. It is my understanding that many coastal communities are missing out on the economic opportunity brought about by the visitation of independent visitors aboard these yachts. If a change in state law can help stimulate these areas towards an improved economy, we are committed to supporting this effort.

Thank you for addressing this important economic issue.

Sincerely,



Lance Miller  
Executive Director

*Diversifying our Economy • Assisting Business Development • Enriching our Quality of Life*

612 Willoughby Avenue, Suite A • Juneau, Alaska 99801-1732  
Tel 907-463-3662 • Fax 907-463-3929 • Toll Free 888-393-3662 • www.jedc.org

**SEDA****SITKA ECONOMIC DEVELOPMENT ASSOCIATION**  
329 Harbor Drive, Suite 212 \* Sitka, Alaska 99835 \* (907) 747-2660 \* fax (907) 747-7688 \* www.sitka.net

February 12, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1182

Senator Con Bunde, Chair  
Senate Labor & Commerce  
State Capital  
Juneau, AK 99801-1182

**RE: Senate Bill 20 – Alaska Board of Marine Pilots**

Dear Senators Therriault and Bunde:

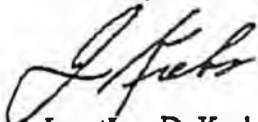
The Sitka Economic Development Association would like to encourage your amendment of Senate Bill 20 to allow an exemption of private boats up to 500 tons from requiring a pilot be aboard the boat.

Over the last 10 years, Sitka has made a concerted effort to build the number of visits of private yachts to Sitka. This is good economic development and has provided needed dollars to Sitka's economy. Without the exclusion, these boats have made it quite clear they won't travel Southeast Alaska waters if they have the heavy expense of having a pilot aboard for the voyage. In addition, many boats of this size don't have the space for a pilot.

Placing a pilot on a private pleasure yacht for safety reasons would be duplicating what insurance companies are already doing to assure the safe operation of a boat. Insurance companies require the owner of a large yacht to name the captain of the vessel and then evaluate the experience and/or skills this person has to operate such a boat. Once the insurance company has sufficient confidence the named captain can indeed operate the boat, the policy will then name that person as the only master of the boat.

The importance of the private yacht industry to Sitka can't be overstated. Please give serious consideration to the exemption being requested.

Sincerely,



Jonathan D. Krebs, CEcD  
Executive Director

Cc: SEDA Board of Directors  
John Litten

# Miss Scarlett's Greenery

124 Seward Street Juneau, Alaska 99801 907-586-1766 Fax: 907-586-6545 800-586-1767

February 10, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Dear Senator Therriault:

As the co-owner of a local, family owned business that depends on Juneau's summer visitors for our economic viability, I would like to add my voice of support to a change in Alaska's marine pilotage laws to allow large pleasure yachts to operate without additional pilots aboard while in our waters.

Although Miss Scarlett's Greenery enjoys a steady local business during most of the year, I can truthfully state that the income we derive from independent yacht traffic is crucial to our bottom line. It makes the difference between having a great season and having one in which we wonder how we'll make it through the very slow fall and winter until the legislature arrives.

We are one of many small businesses in Southeast that wouldn't typically come to mind when you think of these affluent visitors. But we supply a product that can only be enjoyed while fresh, not unlike produce, dairy and meat, which must be purchased while in port.

Please bear in mind the impact your decision will have on our livelihood. Alaska is the destination of a lifetime for many of the customers we come in contact with each summer. The government should be doing all it can to attract these desirable visitors to our state, especially during these times of economic uncertainty.

Thank you for your consideration of this issue. Please let me know if you would like any further information regarding our reliance on this important sector of the tourism industry-but please call after Valentine's Day.

Sincerely,



Samra Green  
Co-owner  
Miss Scarlett's Greenery

Summit Restaurant/Inn at the Waterfront  
455 South Franklin Street  
Juneau, AK 99801  
Phone 907-586-2050 Fax 907-586-2999  
E-mail: AN1898INN@AOL.COM

February 12, 2003

Senator Gene Therriault  
Senate President  
State Capital  
Juneau, AK 99811-3100

Dear Senator Therriault:

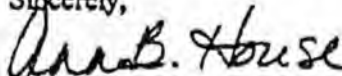
As the long time owner of a small hotel and restaurant in downtown Juneau, I am supporting a change in Alaska's Marine pilotage laws to allow large pleasure yachts to operate without additional marine pilots while in Alaska. I cannot stress strongly enough the impact the private yacht traffic has on my business.

The Summit Restaurant and the Inn at the Waterfront is one of the few businesses on the South end of Franklin Street that stays open throughout the winter months to better help serve our visitors and legislative friends from all over the state. Many companies in the downtown area enjoy business brought from all sectors of our cruise ship industry. As you may know when passage is booked on one of the larger cruise ships, all meals are included. (As are the midnight buffets the ships are so famous for!). For this reason, the independent visitor traffic is of the utmost importance to my economic viability.

The amount of money that is spent these yachts in a community can be staggering. I have witnessed this first hand on numerous occasions. It would seem that the legislature should do all it can to attract these desirable tourist to Alaska; ones that spend freely and leave no negative impacts behind.

Thank you for your consideration to these charges that will have a very positive impact on my small business.

Sincerely,



Ann B. House  
Owner



**GOLDBELT**  
SEADROME  
MARINE COMPLEX

February 7, 2003

The Honorable Gene Theriault  
Senate President  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Theriault:

I am writing in support of the proposed change to the marine pilotage law concerning foreign flagged yachts. As manager of the Seadrome Marine Complex a docking facility owned by Goldbelt in downtown Juneau, I have observed vessels that become very frustrated with the current regulations and head for friendlier ports. Our customer base is made up of small cruise vessels, day boats and yachts. This past year, approximately 25% of our moorage business came from yachts and transient vessels. Most of these vessels travel from the east coast specifically to visit Alaska while others are on their maiden voyage after leaving one of the boat builders in the Puget Sound area.

We have noticed a steady increase of yachts visiting Alaska over the past five years and hear about many more that decide not to make the trip because of the costly pilotage requirements. Although I have no way of knowing the potential market that is discouraged from visiting Alaska because of the current regulations, my feeling is that it is considerable. The limited availability of pilots is also problematic for vessels such as yachts with an ever-changing schedule.

The independent yacht visitor has a comparably greater positive economic impact by spending days if not weeks in Alaska and spreading their purchasing power over numerous businesses and communities. This positively impacts a wide variety of businesses from groceries to carpet cleaners and flower shops and fuel companies.

I urge you to consider an exemption or similar action to allow this market to reach its potential in Alaska. Many businesses and communities throughout the region will realize the benefits.

Best regards,

A handwritten signature in black ink, appearing to read "Jeff White".

Jeff White  
Manager  
Seadrome Marine Complex



# ALASKA STATE LEGISLATURE

*Vice Chair:*  
Joint Armed Services Committee

*Member:*  
Military and Veterans Affairs Committee  
Labor and Commerce Committee  
State Affairs Committee  
Economic Development, Trade, &  
Tourism Committee



*Session:*  
Alaska State Capitol  
Juneau, AK 99801-1182  
Phone: (907) 465-3783  
Fax: (907) 465-2293  
Toll Free (877) 460-3783

*Interim:*  
716 West 4<sup>th</sup> Avenue  
Anchorage, AK 99501-2133  
Phone: (907) 269-0174  
Fax: (907) 269-0177

## REPRESENTATIVE NANCY DAHLSTROM

ELMENDORF AFB • FORT RICHARDSON • BIRCHWOOD • FIRE LAKE • GOVERNMENT HILL • MULDOON  
[Representative\\_Nancy\\_Dahlstrom@legis.state.ak.us](mailto:Representative_Nancy_Dahlstrom@legis.state.ak.us)

### Sponsor Statement

### CSHB 251(FIN) am

#### **“An Act relating to exemption of certain foreign pleasure craft from the mandatory pilotage requirements”**

HB 251 authorizes access to Alaskan waters by a foreign registered pleasure craft that is 60ft or greater in overall length, but less than 175ft in overall length, when granted a waiver of pilotage. To travel in Alaskan waters, these pleasure craft must comply with certain state requirements.

For these foreign pleasure craft to enter Alaskan waters, a Marine Pilot must join and travel with the vessel to its first port of call. While in Alaskan waters, the vessel may further be required to take a Marine Pilot when navigating certain waterways. Before departing Alaska a Marine Pilot will again join the vessel and travel to its point of embarkation. The vessel will adhere to regulation established by the Board of Marine Pilots and are subject to civil penalties for violations.

A recent Legislative Budget and Audit Committee audit report supports these changes. This legislative audit (#08-20015-02 November 1, 2002) states under Recommendation No. 4, “The Board of Marine Pilots should seek statutory authority to allow the board the discretion to grant waivers of pilotage requirements to large pleasure craft.”

The intent of HB 251 is to accomplish recommendations identified in the Audit and provide Alaskan Maritime communities with increased tourism opportunities while preserving our precious waterways.

# FISCAL NOTE

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSHB 251(L&C)  
(H) Publish Date: 4/25/2003

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
Title Marine Pilot for Foreign Pleasure Craft BRU Occupational Licensing  
Component Occupational Licensing  
Sponsor Representative Dahlstrom  
Requester House Labor & Commerce Component No. \_\_\_\_\_

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

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
-------------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill has no fiscal impact.

Prepared by: Representative Tom Anderson Phone \_\_\_\_\_  
Division Chair, House Labor & Commerce Committee Date/Time 4/25/03 10:47 AM  
Approved by: Representative Tom Anderson Date 4/25/2003  
Agency House Labor & Commerce Committee

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSHB 251(FIN)  
 (H) Publish Date: 5/9/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
 Title Marine Pilot for Foreign Pleasure Craft BRU Occupational Licensing (117)  
 Component Occupational Licensing  
 Sponsor Representative Dahlstrom  
 Requester House Finance Component No. 2360

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

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( 1156 )</b>	<b>102.0</b>	<b>102.0</b>	<b>102.0</b>	<b>102.0</b>	<b>102.0</b>	<b>102.0</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						
Other 1156 - Receipt Supported Services						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

CSHB 251 (FIN) exempts foreign pleasure craft of 60 feet or less in overall length from the mandatory pilotage requirement. New funds are not required to implement this bill.

However, the bill is anticipated to generate new revenue as a result of civil fines imposed and the application fee for waiver from the pilotage requirement. Based on the fee proposed in the bill and estimates from the industry, the revenue is based on: 1) 6 pleasure crafts at 60' = 6 x \$1,500 = \$9,000; 2) 12 pleasure crafts at 120' = 12 x \$4,500 = \$54,000; 3) 6 pleasure crafts at 160' = 6 x \$6,500 = \$39,000. The revenue estimate is repeated in subsequent years however, the actual revenue will be based on the number of foreign registered pleasure crafts entering State waters.

Prepared by: Jennifer Strickler, Administrative Manager Phone 907-465-2144  
 Division Occupational Licensing Date/Time 5/8/03 2:30 PM  
 Approved by: Edgar Blatchford, Commissioner Date 5/8/2003  
 Agency Department of Community & Economic Development

DAVID L. SOKOL  
302 SOUTH 38TH STREET  
SUITE 400  
OMAHA, NEBRASKA 68131

RECEIVED  
JUN 19 2002  
DIVISION OF  
OCCUPATIONAL LICENSING  
JUNEAU

June 14, 2002

The Honorable Tony Knowles  
State Capitol  
P. O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Knowles:

I would like to bring to your attention a situation which I believe may have been caused inadvertently; however, it has the potential to significantly impact the economy of several southeastern communities in Alaska.

Several years ago I had the privilege of being a guest on a private motor yacht that cruised the waterways of southeastern Alaska, primarily in the areas between Ketchikan, Sitka and Juneau. I, and the other seven guests, had a wonderful time shopping in Sitka and Juneau, fishing and sightseeing in some of America's most beautiful waterways. Following on this experience, two years ago I had the opportunity to purchase my own boat and it was our intention to spend this summer in southeastern Alaska. Unfortunately, when my captain was preparing the cruise this spring he came across *Alaska Statute 08.62.180* which deals with marine pilotage requirements in Alaska. While we are familiar with typical pilotage requirements in other states and countries, this law is unique, in our understanding, in that it essentially requires full time pilotage not just in and out of harbors, but also throughout the waterways. Further, there are no qualification exemptions for demonstrated captain proficiency.

As such, pursuant to this statute we must essentially hire a pilot from one of the two companies providing this service for the entirety of our cruise. I contacted both of these firms in Ketchikan and was informed that the cost would be \$1,400.00 to \$2,200.00 per day depending on our schedule. This would equate to approximately \$72,000.00 for our summer cruise. Because of this requirement we have altered our plans and we are going to spend the summer in British Columbia. This is obviously a severe disappointment given that I am an American citizen.

I do fully understand the need for appropriate pilotage requirements under certain circumstances; however I believe that this statute's lack of flexibility is unreasonable. By way of example, our boat is approximately 135 feet in length and we have three licensed captains as part of our seven-person crew. Our captain is fully licensed to 1600 gross

Page Two  
Governor Tony Knowles  
June 14, 2002

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DIVISION OF  
OCCUPATIONAL LICENSING  
JUNEAU

tons and is intimately familiar with the Alaskan waterways. Under *AK 08.62.180* those qualifications are irrelevant; however, in British Columbia we received a pilotage exemption in less than two weeks.

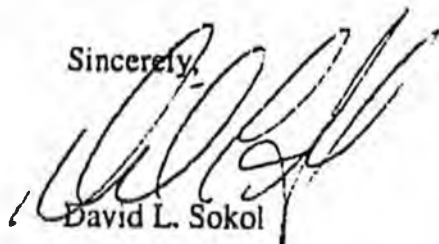
We would recommend to you a change in *AK 08.62.180* to either allow an exemption process for qualified captains or to place a reasonable length limitation (possibly 200 feet or less) exemption for pleasure craft with properly licensed captains. While the statute currently has gross tonnage limitations, I believe you will find such measurements inconsistent and difficult to administer due to the many tonnage conventions utilized in the United States and Internationally.

The real damage caused by making these pilotage requirements unreasonable is to the small towns of southeast Alaska. I have become aware of eleven vessels that have chosen to not cruise in Alaskan waters this summer. I am certain there are others as well. In our own case we would have had 48 guests (6 cruises with 8 guests) over the summer, seven crew living with the boat all summer, fuel, food, fishing licenses, tackle, airline traffic, souvenir shopping, restaurants, cabs, etc. Just our boat alone would have generated over \$250,000 in economic activity in Ketchikan, Sitka and Juneau. If we assume 20 boats avoid Alaska because of unnecessary pilotage requirements, \$5,000,000 of economic activity will be lost.

Please understand, we are fully in favor of proper safety and environmental standards, and we wish for Alaskan waterways to be kept clean and safe for all future generations. Providing reasonable exemptions, as is done throughout the rest of the United States and around the world, will not require these standards to be lessened.

I recognize that since this will require a legislative solution, you cannot resolve this situation for this summer. I hope that something can be done before next spring. Please call me if I can provide additional information, or if I can help you in dealing with this situation.

Sincerely,



David L. Sokol

CC: Peter Christensen, Pilot Coordinator  
Board of Marine Pilots  
P. O. Box 110806  
Juneau, AK 99811-0806

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Representative Nancy Dahlstrom  
State Capitol  
Juneau, AK 99801-1082

Dear Representative:

I have been asked to provide background information regarding foreign flagged pleasure craft. I am the Safety & Quality Manager at Fraser Yachts Worldwide and the Designated Person Ashore under the IMO's International Safety Management (ISM) Code. I am registered on the Small Ships Group of the Institute of Marine Engineering, Science & Technology (I.Mar.E.S.T.) as a recognised surveyor; Registered with the Engineering Council as an Incorporated Engineer; qualified as an Internal Auditor and am an Associate Member of the I.Mar.E.S.T. Previously, I was a marine engineer officer in the British Merchant Navy and Chief Engineer on large yachts.

***Background/Foreign Flagged Yachts***

A high percentage of large yachts are registered and flagged under the UK and REG (Red Ensign Group) flags such as the Cayman Islands. These flags have codes of practice applicable to yachts chartering with less than 12 passengers. It provides standards for the construction, stability, safety and manning of large yachts over 24 meters (79 feet) in length and is accepted as an equivalent standard of safety to the requirements of the Safety of Life at Sea (SOLAS) convention (which I understand are the same regulations under which the Alaska Marine Highway System operates.)

The UK also established qualifications specific to such yachts under the UK law that comply with the requirements of International Maritime Organization (IMO) International Convention on Standards of Training, Certification and Watchkeeping for seafarers 1978 as amended in 1995 (STCW95). This sets the internationally recognised standards.

The International Safety Management (ISM) Code, which requires an audited and certified Safety Management System, has been applied to yachts of greater than 500GT in commercial use by these flag states. The ISM Code sets requirements for the management of the operations and emergency planning for the yacht to address the safety of life and protection of the environment. Key factors of the Code include:

- 1) The development of procedures specific to the yacht for operations and contingency plans, including maintenance and inspection;

- 2) the need for a cycle of continual improvement;
- 3) reporting of incidents and hazardous occurrences;
- 4) Internal and External (by the flag state) audits to ensure the effectiveness of the management system; and
- 5) the provision of a Designated Person on shore to provide the link between the vessel and the highest levels of management to ensure the safety of the yacht and protection of the environment.

#### ***Present/Future Regulations***

While these regulations are applicable to charter yachts, both the codes of practice and the ISM code are minimum standards and are being voluntarily complied with by yachts in private use. And the UK, as well as some other flag states, require that all yachts comply with the manning requirements. These manning requirements stipulate the minimum number, and standard, of STCW95 qualifications to be held by the Master and crew of a yacht. Some flag states have taken the view that all pleasure yachts, whether in chartering or in private only use, must comply fully with the codes of practice.

The IMO has recommended that flag states apply the ISM code to vessels over 150GT and therefore it may be expected that a requirement for some form of safety management system be applied to all yachts over 24 meters (79 feet) that charter.

It may be expected that other flag states will follow suit either in adopting the codes of practice or developing their own similar requirements and voluntary compliance is increasing.

#### ***Future Yachting Market***

There are new yacht clients who may be expected to look for an area such as Alaska in which to cruise. These would include American guests who have not previously visited Europe and are uneasy in the present situation to do so; first time charters who wish to remain closer to home; and persons who have previously visited the usual charter destinations within Europe and the Mediterranean and are searching for cruising areas outside of those habitually frequented.

In terms of economics, it's been estimated that thousands of persons working ashore depend upon the business generated by the yachts while based in the Mediterranean. As a rough estimate, for example, of 15 yachts, the budgets range between 1.9 and 9 million dollars each annually. Should Alaska welcome these yachts, it may provide a mutually beneficial partnership.

#### ***Alaska Marine Pilot Statutes***

There have been a number of motives presented to justify the requirement that foreign flagged yachts must carry a pilot. The issues of safety of navigation, protection of the environment, and security are all legitimate concerns which should be balanced against the current international licensing and training requirements of the private master and crew. The actual advantage to the state of the requirement to carry a pilot should be weighed against the potential economic benefit to the coastal

communities, not just at the present time but also as the yachting industry expands and seeks less crowded cruising grounds and more adventure.

Situations may arise in which having a pilot aboard causes problems for a yacht owner. There is the possibility that a guest or crew member could not remain onboard due to the limitation on the numbers of persons who may be carried as limited by the available Life Saving Appliances (LSA). Tensions may arise when a pilot is placed onboard for a cruise of many weeks with tightly knit crew who works together eleven months of the year.

Scheduling problems may also present themselves. Simply put, in complete contrast to a cruise ship or merchant ship, most yachts do not have a fixed schedule or a timetable to keep to. This is due to the fact that they are used for pleasure, to go where the guests wish to go at any time. Even where there is a rough schedule it is often not publicized as this provides some small measure of security and confidentiality to the guest. Navigational standards will mean that a passage plan is prepared but this may only be for the next part of the voyage.

I do not believe that anyone will object to carrying a pilot onboard where there is a need to do so. If the requirement to carry a pilot is restricted to certain areas where the risks of navigation require local knowledge and experience in addition to the good seamanship that most yacht's Masters possess, the expense would not be unreasonable.

#### ***Safety of Navigation***

While discussing changes to Alaska pilotage laws, yachts have been compared to large cruise ships and freighters. While the gross tonnage of a large yacht may seem impressive, these yachts are more easily navigated and are regularly maneuvered by their Master's & crews into tight anchorages or small harbors. The Master and crew are experienced in handling the yacht and are increasingly qualified in compliance with STCW95 even where not required. The standard of their navigational, communications and safety equipment is usually extremely high. This is in keeping with the high standard implicit in yachting and the general desire to have the latest cutting edge technology.

The yacht always remains the responsibility of the Master who will be intimately familiar with his yacht. The pilot may only advise the Master and may not be expected to be familiar with the maneuvering abilities of the yacht, especially when compared to what might be considered a similarly sized merchant or cruise ship.

#### ***Homeland Security***

Yachts in legitimate use could not be considered a threat to the security of the USA or Canada. The requirements of the INS and US Customs for clearing into the USA and the ability of the USCG to board and inspect vessels entering or within US waters at any time should be sufficient to prevent this. Should a yacht be hijacked for any purpose, it is most probable that the managers or contacts ashore would be very swiftly aware of a problem before it could pose a threat to another target.

With regards to ensuring that the crew are both competent and pose no threat to the yacht or guests, the community of yacht crew has always been relatively small and references easily checked. Despite this, in-depth personal background checks are becoming more common.

Next year, the ISPS (International Ship & Port Facility Security) Code will, as part of its requirements, necessitate that a Security Survey is carried out on the vessel; that a Ship Security Officer is appointed as well as a Company Security Officer; and, that a Ship Security Plan is implemented. This security plan may be expected to be in two parts: one available for inspection of the authorities, and the other part detailing more confidential procedures and emergency contingency plans for the vessel. Again, private as well as charter yachts may be expected to implement compliance with this.

On the other hand, given the wealth of the individuals that may be onboard a yacht, either as owners or as guests, there is a higher possibility of a threat to the yacht and its crew and guests. It is also common practice that the name(s) of the owners or guests are not revealed. Confidentiality agreements are required and executive protection services are often engaged to ensure the security of the guests.

#### ***Protection of the Environment***

Yachts carry marine gas or diesel oil as fuel, but it should not be compared, either in quantity or likelihood of a spill, with a cruise ship's fuel tanks or merchant ship cargo of heavy fuel. Shipboard Oil Pollution Emergency Plans (SOPEP) approved by the flag state for are required on yachts over 400 GT. Many of these yachts are equipped with oil booms and absorbent sweeps. For insurance purposes, they are also required to have a US Certificate of Financial Responsibility [CoFR] and Water Quality Insurance Syndicate cover [WQIS] to provide funds and equipment to clean up any spill.

#### ***Marine Pilots/Defence for Safety & Security***

As a line of defense against terrorism or criminals, a single unarmed pilot would be unlikely to be able to pose any deterrent. In order for a pilot to be able to evaluate the safety of a vessel, the pilot should be trained in vessel inspections so as to inspect all areas of a yacht to determine the existence of a possible threat.

Given the requirement for privacy of the owners, I doubt this opportunity would be offered. Standard operational procedures at the moment, and Ship Security Plans in the future, will probably mandate that the pilot be escorted from the boarding point by way of outside stairs to the bridge and that the pilot not be permitted access to those areas where there is no necessity to go. Pilots may also expect to be asked to be searched for weapons and confirmation of identity prior to boarding.

#### ***Conclusion***

The purpose of the pilot is to ensure that local knowledge and experience is made available to the Master of a vessel to ensure its safe navigation and to avoid any risk of damage to the environment. Pilots should be engaged to provide this expertise where it is necessary and not with secondary missions for which they are not trained, able to undertake, or which may detract from their primary purpose. They should not be tasked with safety inspections, which are best carried out by USCG on arrival within the US or by occasional boarding, or with security issues, which may be best carried out by the USCG, US Customs and INS.

Yachts have excellent safety and navigational equipment; are highly maneuverable; and have experienced crew. The UK and other flags require qualifications to STCW95 standards, unlike US regulations that exempt USCG license holders from requiring STCW95 endorsements if they operate only within US waters. A Safety Management System that is audited and certified by Classification Societies and/or the flag state will provide a means of self-regulation that will ensure that standards of safety and protection of the environment are met more efficiently than by enforcement.

I would propose not setting an upper limit for an exemption, but operating on a case-by-case risk assessment scale to determine the appropriate application of exemptions. The determining factors could be based on the yacht's flag and Classification Society, as well as the qualifications of the crew, compliance with the MCA code of practice, and ISM compliance. A key part of this procedure would be the initial USCG safety inspection on arrival.

Other key requirements to assist in a change in the pilotage regulations could be as follows:

- a. Masters undergoing familiarization training and practical assessment with the pilot for a period of time;
- b. Mandating certain pilotage areas be designated where dangers to navigation require and with pilotage areas sized for different sizes of yachts;
- c. use of automatic position reporting via INMARSAT (Standard C or D+ terminals are required and the D+ unit may be very easily fitted to yachts on a temporary basis for a minimal cost);

Thank you for allowing me to comment. I hope you have found this information of value as you review changes to your state law.

If I may provide further clarification, I will be please to do so.

Sincerely

A handwritten signature in black ink, appearing to read "Derek Smith", with a long horizontal flourish extending to the right.

Derek Smith, I.Eng., A.M.I.Mar.E.S.T  
Safety & Quality Manager / DPA

Fraser Yachts Worldwide  
Yacht Management Department  
1800 SE 10<sup>th</sup> Ave, Suite 400  
Ft Lauderdale  
FL 33316

U.S. Department  
of Transportation

United States  
Coast Guard



Commander  
17<sup>th</sup> Coast Guard District

P.O. Box 25517  
Juneau, AK 99801  
Staff Symbol: (M)  
Phone: (907) 463-2802

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MAR 6 2003

The Honorable Gene Theriault  
State Capital Building  
Juneau, AK 99801

Dear Mr. Theriault:

I wanted to take the opportunity to applaud your efforts to permit an orderly process for exempting Canadian warships and Coast Guard vessels home-ported in British Columbia from state pilotage requirements. We support this reciprocal agreement and believe it will only serve to improve the important relationships we share with our Canadian neighbors.

I also would like to take this opportunity to respond to requests for my comments on state legislative discussions of easing pilotage requirements for foreign pleasure vessels. The current statute requires a pilot for vessels 300 gross tons and over. Proposals have been made to increase that tonnage exemption, effectively allowing larger vessels the opportunity to transit Alaskan waters without a pilot. These are matters of state interest over which the Coast Guard has no authority but about which I do have concerns. Vessels greater than 300 gross tons are large and can pose serious risks to the safety of navigation and the environment. Removing pilots from these vessels could dramatically impact vessel safety since local knowledge and experience are a key component of safe navigation. Having a pilot onboard helps prevent groundings and subsequent environmental damage. Their presence facilitates communications during vessel passages in the narrow waters of Southeast as well. By their presence onboard during vessel operations, the pilots are also in a unique position to alert the proper authorities if there are indications the vessel or crew may present law enforcement or homeland security concerns. Finally, the pilot's local knowledge helps with sensitive property and territorial concerns; distinguishing between local, federal and tribal areas. This type of overall awareness prevents accidents in the first place and helps mitigate them when they do happen. It cannot be replaced by a foreign crew, a transponder, or a float plan. We appreciate the service and performance of your state pilots and recommend their continued presence on foreign pleasure vessels 300 gross tons and over.

Again, I recognize these are state interests and appreciate the opportunity to present my concerns as part of our cooperative relationship. I trust all will go well with the remainder of your session. Please contact myself or LT Matt Jones of my staff at 907-463-2809 if we may be of further assistance on these matters.

Sincerely,

J. W. UNDERWOOD  
Rear Admiral, U.S. Coast Guard  
Commander, Seventeenth Coast Guard District

Copy: The Honorable Fred Dyson  
The Honorable Gary Wilken  
Mr. Joseph W. Geldhof, Esq.



HAINES BOROUGH, ALASKA  
P.O. BOX 1209  
HAINES, AK 99827  
(907) 766-2231 \* FAX (907) 766-3179

COPY

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Re: Private Foreign-Flagged Yachts


Dear Senator Therriault:

On behalf of the newly-formed Haines Borough, I would like to add my support to a proposal to change a state law that could help the economy of our small community. I am referring to the current attempt to put a waiver system in place to allow private foreign-flagged yachts to cruise in Alaskan waters without a marine pilot aboard.

Haines has felt the devastating effects of a general downturn in our economy for many years. With the loss of the timber industry and the low return for our fisheries resources, we have turned to tourism as one way to help rebuild our community. The impact of the spending by guests and crew on these large yachts in a small coastal community such as Haines cannot be overstated.

Haines is open for business and we welcome any changes in state law that will help bring new customers here. Thank you for your consideration of these changes. They could have a very positive impact on the economy of our community.

Sincerely,

  
Jerry Lapp  
Deputy Mayor  
HAINES BOROUGH



# THE CITY OF WHITTIER

Gateway to the Western Prince William Sound

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2527 • Fax (907) 472-2404

April 14, 2003

Representative Nancy Dahlstrom  
State Capitol  
Juneau, AK 99801-1082

RE: HB 251-exemptions from marine pilotage for certain yachts

Dear Representative Dahlstrom:

The City of Whittier would like to add its support for HB 251, legislation that could help strengthen our economy by encouraging large yachts to come to Alaska. I am referring to the law that currently dissuades private pleasure craft from cruising in our waters by mandating that they employ a marine pilot while they are in Alaska.

Whittier has a large harbor and facilities to accommodate these desirable visitors. We are hoping to become a tourism destination in the future and would like to do all we can to persuade yachts of all sizes to visit our community. The state should also be doing all it can to attract this new money to our coastal ports, especially during these times of financial uncertainty. The city and small businesses can both benefit from the revenue brought to Whittier by these desirable independent tourists.

The City of Whittier is open for business and is always exploring new ways to draw people to our community. If passed, HB 251 will help greatly in that effort.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick A. Johnbaum".

Rick A. Johnbaum, Manager  
City of Whittier

Cc: Rep. Mike Hawker



CITY/BOROUGH OF JUNEAU  
ALASKA'S CAPITAL CITY

**OFFICE OF THE MAYOR**

Telephone: (907) 586-3000, Fax: (907) 586-2100  
Sally Smith@ci.juneau.ak.us

February 10, 2003

The Honorable Gene Tharrault  
President of the Alaska State Senate  
State Capitol  
Juneau, AK 99801-1182

Dear Mr. President:

Over the past few years Juneau has invested heavily to upgrade our docks and harbors. Part of that effort has included the development of a more hospitable welcome to private yachts. As a longtime tourist destination, we understand the economic opportunity derived from these vessels. Benefits accrue both to the city, through docking fees, and to many small businesses that offer goods and services to the owners, passengers, and crewmembers.

It is my understanding that there is currently a proposal to change state law to allow large, foreign flagged private yachts to travel in Alaska without marine pilots. Juneau endorses that change, believing it will encourage more yacht traffic.

Given the current situation, we are losing a portion of potential business from this affluent group, all because of a basically unenforceable state law. We just cannot afford to lose such lucrative business to other coastal states.

Your consideration of this issue will be greatly appreciated. The commerce is important to all coastal communities.

Sincerely,

*Sally Smith*  
Sally Smith  
Mayor



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

---

February 12, 2003

The Honorable  
Senator Gene Therriault  
Senate President  
State Capitol, Room 111  
Juneau, Alaska 99801-1182

**Re: Changes in marine pilotage laws re: foreign flagged yachts**

Dear Senator Therriault:

The City and Borough of Sitka would like to join other SE communities in supporting a statutory change that would allow certain pleasure yachts to travel in Alaska without marine pilots. Facilitating a boost to our economy while maintaining safety and environmental standards is what I feel most residents of Sitka could support.

As you know, Sitka is still in the process of redefining itself after many decades with a primarily resource-based economy. Fortunately for us, as the timber industry was receding in our area, the tourism industry in Alaska was developing. Although we are taking a very deliberate look at how this industry should progress in our community and how any changes may affect our citizens and their way of life, it is generally agreed that many opportunities for local businesses and residents may be tied to the tourism industry.

As a port community, we realize the positive financial impact visitors aboard these large yachts can have in Sitka. Some yachts currently use our port as their home base during their summers in Alaska. It makes sense to allow these vessels, and their foreign flagged counterparts, to travel freely in Alaska without another marine pilot aboard, as long as competent and experienced masters are in charge. As this pilotage law has never been enforced, it only makes common sense to change the law to reflect the actual reality of today's yacht cruising public.

I would appreciate your support for legislation that removes this barrier to commerce in Sitka and other coastal communities of Southeast. Thank you for your consideration of this issue.

Sincerely,

Fred Reeder  
Mayor



**City of  
Ketchikan**

334 Front Street  
Ketchikan, Alaska 99901  
Phone 907-225-3111  
Fax 907-225-5075

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol, Room 111  
Juneau, Alaska 99801-1182

Re: Statutory change regarding requirement for marine pilots on large yachts

Dear Senator Therriault:

I am writing regarding the above-referenced subject. I am generally in support of a statutory change, which would allow large noncommercial private yachts to travel in Alaska without marine pilots to the extent that safety and other issues are not compromised. I would, however, want to see specific legislative language prior to endorsing a particular concept.

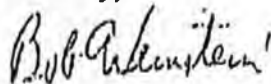
As you know, Ketchikan's economy has been hard hit by the decline in the timber industry, as well as by the challenges currently facing the fishing industry. Fortunately, on the other hand, our tourism industry is continuing to provide economic opportunities for local businesses and residents.

Ketchikan is in the process of completing a comprehensive development plan for our port and harbor facilities. I believe that this will result in a number of improvements in our infrastructure to better accommodate various classes of vessels, particularly including large yachts, and thereby enhance our economy. I also believe that, in addition to the goods and services that yacht passengers and crew might typically spend while visiting a community, we will be in a unique position to perform routine vessel maintenance/repair as the capacity of our shipyard increases.

In closing, I would appreciate your support for legislation that removes barriers to vessel traffic through an appropriate mechanism which can be supported by concerned parties, including marine pilots and yacht owners.

Thank you for your consideration of this issue.

Sincerely,



Rob Weinstein  
Mayor

# Southeast Conference

P.O. Box 11989 Juneau Alaska 99802-1989 Tel. (907) 463-3445 Fax (907) 463-5670

February 7, 2003

Senator Gene Therriault  
Senate President  
State Capitol, Room 107  
Juneau, AK 99801-1082

Re: exemptions from marine pilotage statutes for large yachts

Dear Senator Therriault:

On behalf of the Southeast Conference we would like to voice out support for changes to state pilotage laws to allow private foreign flagged yachts up to 200 feet in length, to cruise in Alaskan waters without a marine pilot aboard. Current law requires foreign vessels over 300 tons to employ a state licensed marine pilot from one of the pilot associations. These associations are quite busy in the typical summer season, servicing the large contingent of cruise ships that deploy in Alaska. It is appropriate for these ships to have state licensed pilots aboard, as they are quite large, operate largely at night, and have much greater potential for significant damage to other shipping, and the environment. We believe that the language in the current law reached too far down in size to a ship type for which the perceived protection to state waters is out of scale related to its costs and inconvenience to the vessels. Adding the pilotage requirement on a 300 ton motor yacht in the same fashion as on a 100,000 ton cruise ship, adds about \$1800 per day in fees, plus the costs to carry an extra, unfamiliar person on what is usually a pleasure charter. On these yachts, a pilot is typically underutilized, as these vessels operate with a much more relaxed itinerary, daytime cruising, and with longer stays on anchor and in port calls. Because of the added costs, and especially the burden of eliminating a berth in very limited capacity vessels, charterers are motivated to cruise elsewhere around the world, to the detriment of our port communities and businesses who could benefit from this traffic. The State of Washington currently allows waivers to State pilotage requirements for this type of vessel, so they are getting some of the business that would otherwise come to our state.

Southeast Conference members include representatives from most Southeast community governments and Chambers of Commerce, visitor's bureaus, non-profits, utilities, businesses, and concerned citizens. (We currently have over 100 members, including 28 communities, 9 Chambers of Commerce, 9 Native Organizations, 18 non-profits and community organizations, and 9 transportation organizations.) Our goals include developing strong economies, improving the region as a good place to live and work, and encouraging and assisting in responsible development in the tourism sector.

Senator Therriault

February 6, 2002

Page 1 of 2




# Southeast Conference

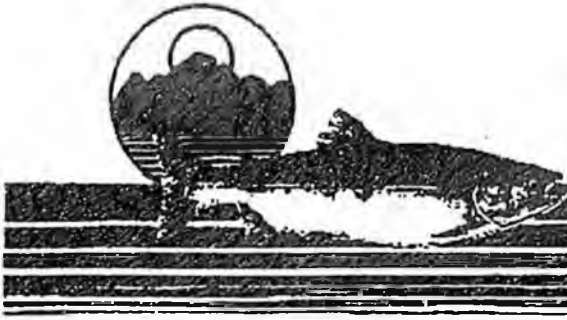
P.O. Box 21989 Juneau Alaska 99802-1989 Tel. (907) 463-3443 Fax (907) 463-5670

We would appreciate it if you could review the language in the Alaska Marine Pilotage Act, passed in 1995, with a mind to possible changes that could resolve what we think was an unintended consequence. We believe it is in the best interests of our member communities, and for commerce in our state, with minimal impact on the level of protection to our waters. We are hopeful you can initiate legislation to either change this law, or allow the relevant agencies to grant waivers. We stand ready to support these changes in whatever manner you consider appropriate.

Sincerely,



Loren Gerhard  
Projects & Policy Director  
cc: Amy Wachman, Kate Tesar



Douglas Island Pink and Chum, Inc.  
2697 Channel Dr. • Juneau, Alaska 99801  
Telephone: (907) 463-5114 • Fax: (907) 463-3213

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

February 10, 2003

Dear Senator Therriault:

As the Executive Director of the Douglas Island Pink and Chum Corporation (DIPAC) in Juneau, I am writing to support a change in Alaska law that will allow large private yachts to travel into Alaskan waters without an additional marine pilot aboard.

As the main producer of enhanced salmon for the communities of northern Southeast, we are very aware of and concerned about issues affecting sport fishing in the inside waters. We produce salmon for sport and commercial fishermen, as well as the expanding local salmon charter business. Although most of our operating funds are earned in a traditional manner through cost recovery of our fish, a percentage of our expenses are covered each year by money brought in through the tourism attraction attached to our hatchery. We host over 100,000 visitors at our facility each summer, with a growing number originating from non-cruise ship travel.

We in Juneau understand the economic opportunity associated with independent travelers to Alaska. The cruiseships provide the majority of our client base, but locals, their relatives and other tourists visiting Juneau have a significant impact. The money spent in our community by developing the private yacht industry is welcome and needed. I am in total support of any changes in statute which will increase the traffic to our area by these desirable tourists. It is my understanding that the current law has never been enforced, and this is all the more reason to investigate changes at this time.

Thank you for your consideration of these changes in statute which benefit all the coastal communities in Southeast Alaska.

Sincerely,

A handwritten signature in black ink that reads "Jon Carter".

Jon Carter  
Executive Director



---

3100 Channel Drive, Suite 300 • Juneau AK 99801  
(907) 463-3488 • Fax (907) 463-3489

February 12, 2003

Senator Gene Theriault  
Senate President  
State Capitol  
Juneau, AK 99801-1082

Dear Senator Theriault:

As the Executive Director of the Juneau Chamber of Commerce, I would like to add the support of our organization for a change in Alaska statutes that will allow additional private yachts to travel into Alaskan waters without a marine pilot aboard.

Although Juneau is enjoying a stable economy at this time based on a combination of government and private employment and summer tourism positions, other areas of Southeast are not as lucky. In communities where timber and fish were once the mainstays, the tourism industry is becoming an important partner. In Juneau, a community which hosts nearly one million visitors a year, we have long understood the value of these independent travelers to our economy.

As you may know, a private sector group in Juneau is in the permitting stage for construction of a new dock to provide additional moorage space for yachts, small cruise ships and lightering vessels. There is no better way to gage business opportunities than by those who are willing to invest in the infrastructure of our community.

The Chamber supports the efforts by Alaska Yacht Services and Provisioning to change this state law which significantly discourages yacht visitation. Without an amendment to the current marine pilot regulation that states that "all pleasure craft foreign flagged must hire a state marine pilot onboard," Southeast Alaska is missing out on a wonderful economic opportunity. Please consider this change in direction that will help stimulate the economy for many small businesses in Juneau, as well as throughout Southeast and coastal Alaska.

I thank you for your consideration of this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Parsons", written over a large, stylized circular flourish.

Jamie Parsons  
Executive Director  
Juneau Chamber of Commerce

CC: Governor Murkowski



## Greater Ketchikan Chamber of Commerce

P.O. Box 5957, Ketchikan, Alaska 99901  
(907) 225-3184 • FAX: (907) 225-3187

February 20, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, Alaska 99801-1082

Dear Senator Therriault,

I would like to add the support of the Greater Ketchikan Chamber of Commerce for the current efforts to change Alaska law to allow private yachts registered outside of the US, to travel into Alaskan waters without a marine pilot onboard.

In Ketchikan, the tourism and maritime support industries are important economic sectors. Although cruise ship passengers provide the main economic engine for our visitor industry, our member businesses understand the value of attracting the independent tourists arriving in our city by yacht. Ketchikan's maritime industries are prepared to support the sophisticated vessels that comprise this unique fleet of privately owned ships. The impact of spending in our community by this growing sector of the yacht industry cannot be overstated.

The Chamber supports the efforts by yacht owners, communities and other small businesses to change this state law, whose only effect has been to stifle commerce. It is our hope that the groups working on this issue, including our local marine pilots, will be able to reach a compromise allowing all yachts to safely travel in Alaska.

Please consider this change that will help stimulate the economy for many small businesses in Ketchikan, as well as throughout Southeast Alaska.

Thank you for your timely consideration of this matter.

Sincerely,

Doug Ward  
President

Greater Ketchikan Chamber of Commerce



February 5, 2003

Senator Gene Therriault  
Senate President  
State Capitol  
Juneau, AK 99801-1182

Dear Senator,

Delta Marine, located in Seattle, Washington is a manufacturer of custom luxury yachts with a complete refit & repair division. Our operation builds and services yachts of up to 225-feet and 1300 gross tons for a global clientele.

Many of our customers look forward to cruising Alaska when departing from Delta. However, several recent customers have decided to cancel their Alaska trips due to the stringent pilotage requirements of the State of Alaska. This affects Delta and our community as well as the waterfront communities of Alaska.

The following are three cases in particular that I wanted to bring to your attention:

- The 151' *Sally Ann* (498 gross international tonnage), after completing a five-year circumnavigation in 2001, returned to Delta for some routine maintenance work. The last leg of their amazing journey was to take them to Alaska. However, due to the rigorous pilotage requirements of the State of Alaska they canceled their trip and headed south instead.
- The 165' *Georgia* (381 gross international tonnage), is yet another a foreign flagged yacht that had plans to cruise Alaska. This story is unique, as this yacht sailed from the Mediterranean for a complete re-paint at Delta in 2002, as well as the opportunity to cruise the beautiful waters of the North Pacific. Once here, they were made aware of the strict pilotage requirements and too, canceled their plans to cruise to Alaska.
- Finally, the 126' *Andrea* (456 gross international tonnage), is a tough, seaworthy expedition yacht due to be delivered by Delta late this spring. Delta has quickly become known around the world for building these types of yachts and this client has come from Europe to Seattle to build. Although they would like to spend the summer cruising Alaska, taking this yacht to the far places it was built to see, they are planning to cancel their cruise to Alaska, again due to the strict Alaska pilotage requirements.

This is an issue that will continue to affect Delta, our customers, and the coastal communities of Alaska. We believe that changes to the law should be addressed as part

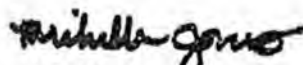
DELTA MARINE INDUSTRIES  
1608 SOUEN 96TH STREET  
SEATTLE, WASHINGTON 98108 USA  
T: 206.763.1383 F: 206.762.1627

of your current work on SB 29, the Board of Marine Pilots extension legislation. The requirement for pilotage of yachts should be thoroughly reviewed, with a goal of eliminating or narrowing this requirement.

The large yachts Delta builds and services are well maintained and well run. As a group, these yachts have an outstanding safety record. Removal of the pilotage requirement for these private pleasure craft is consistent with both maintaining environmental protection and encouraging economic opportunity, as well as standardizing marine pilotage law along the entire coastline from Washington to Alaska.

Your attention and efforts are appreciated. If I can be of any further assistance or answers any questions please let me know.

Sincerely,



Michelle Jones  
Marketing Manager

November 9, 2002

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska Statutes, the attached report is submitted for your review.

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF OCCUPATIONAL LICENSING  
BOARD OF MARINE PILOTS  
SUNSET REVIEW

November 1, 2002

Audit Control Number

08-20015-02

This audit was conducted as required by AS 44.66.050 and under the authority of AS 24.20.271(1). Alaska Statute 44.66.050(a) lists criteria to be used to assess the demonstrated public need for a given board, commission, agency, or program subject to the sunset review process. Currently, AS 08.03.010 (c)(10) states that the board will terminate on June 30, 2003, and will have one year from that date to conclude its administrative operations. .

In our opinion, the termination date for the Board of Marine Pilots should be extended. The regulation and licensing of qualified marine pilots benefits the public's safety and welfare. We recommend the legislature extend the termination date of the Board of Marine Pilots to June 30, 2007.

The audit was conducted in accordance with generally accepted government auditing standards. Fieldwork procedures utilized in the course of developing the findings and discussion presented in this report are discussed in the Objectives, Scope, and Methodology section of this report.

Pat Davidson, CPA  
Legislative Auditor

### Recommendation No. 3

The legislature should consider amending current statutes in order to extend mandatory drug and alcohol testing to pilot organization trainees and apprentices.

Currently, trainees and apprentices do not participate in the random drug testing programs. This can be attributed to the language of the statute related to alcohol and drug testing programs administered by the Board of Marine Pilots. Alaska Statute 08.62.040(b)(2) states:

*The board, may, by regulation make any other provision for proper and safe pilotage upon the inland and coastal water of and adjacent to the state and for the efficient administration of this chapter, including establishing a mandatory drug and alcohol testing program, including random tests, post-incident tests, and tests based upon reasonable cause, for pilots licensed [by the Board of Marine Pilots]. [Emphasis added]*

Since the statute relates only to licensed pilots, individuals who are involved with ~~associations~~ as either trainees or apprentices are not subject random testing. Pilot associations report that most trainees and apprentices work for other employers involved in maritime activities. As such, they are likely to be subject to employer testing under federal regulations.

In our view, it would be better for apprentices and trainees to participate in random testing in conjunction with their training with the local association. This would ensure that all individuals who board and train on vessels in conjunction with the State's marine pilotage requirements are subject to random testing. It would also ensure that test results have been appropriately filed and reported. Accordingly, we recommend the legislature consider amending the current statute to extend the board's authority for alcohol and drug testing to include individuals who are in the process of becoming licensed pilots under the supervision of the local association.

### Recommendation No. 4

The Board of Marine Pilots should seek statutory authority to allow the board the discretion to grant waivers of pilotage requirements to large pleasure crafts.

Under AS 08.62.180(7), foreign-registered pleasure craft of "less than 300 gross tons as measured [as specified in federal regulations]" are exempted from obtaining a licensed marine pilot. Therefore, pleasure crafts of 300 gross tons do require a marine pilot. As we have discussed in prior BMP sunset audits, effective enforcement of this particular statutory provision has historically been inconsistent, if not impossible. Reportedly, the number of private foreign-registered yachts that exceed the 300 gross ton limit is steadily increasing. Currently, these large vessels are generally either plying Alaska waters without the required pilot on board, or are being discouraged from coming to the state altogether because of the

prohibitive pilotage costs,<sup>4</sup> and the impracticality of maintaining a pilot on board over an extended period of time.

A Juneau contractor who specializes in provisioning pleasure yachts, has contacted the MPC and BMP chair to suggest the board consider granting waivers on a case-by-case basis. The contractor cites Washington state law that permits the State's pilotage board to grant exemptions to yachts that do not exceed 500 gross tons and 200 feet in length. The waiver statute applies only to waters of the Puget Sound pilotage district, which suggests that BMP or the legislature could limit waivers to specified waterways.

It appears most pilots want the statute better enforced. As discussed in the survey results section of this report, over two-thirds of the pilots responding to our survey opposed exempting foreign-registered yachts from pilotage requirements.

With enforcement problematic, discretionary waivers provide a way to track impact

In practice, the statute is difficult to enforce. Scofflaws face little risk of sanction, while conscientious cruisers may be discouraged from traveling through state waters by the cost of compliance. If enforcement of the statute is unrealistic or given a low priority, the law should be modified to be more workable.

If the board was granted more discretion in statute to provide waivers to large yachts (similar to the situation involving vessels in Puget Sound), there would be documented evidence of the nature and extent of the potential impact.

By being able to consider and issue waivers on a case-by-case basis, the board could develop a sense of the impact of high-end pleasure cruising in the state. BMP could tabulate the average size involved with these larger yachts, and if there were perceived abuses, could begin limiting or eliminating waivers altogether on a discretionary basis. Such action would seem to be preferable to current situation whereby the individuals involved are either flaunting the statute with no effective consequence, or are avoiding Alaska waters due to the cost prohibitive nature of the fees involved.

Accordingly, we suggest the BMP seek authority from the legislature to amend this section of the pilotage statutes to allow it the discretion to grant waivers for foreign-registered pleasure craft that exceed an established size.

---

<sup>4</sup> An individual who had been dissuaded from cruising through the waterways of Southeast Alaska stated in a June 14, 2002, letter to Governor Knowles, that he had been quoted a cost of "\$1,400 to \$2,200 per day depending on [the yacht's schedule]." The letter went on to estimate that this rate would result in a total cost of "approximately \$72,000 for [the] summer cruise."

# ALASKA STATE LEGISLATURE

**Vice Chair:**

Joint Armed Services Committee

**Member:**

Military and Veterans Affairs Committee

Labor and Commerce Committee

State Affairs Committee

Economic Development, Trade, &

Tourism Committee



**Session:**

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## REPRESENTATIVE NANCY DAHLSTROM

ELMENDORF AFB • FORT RICHARDSON • BIRCHWOOD • FIRE LAKE • GOVERNMENT HILL • MULDOON

Representative\_Nancy\_Dahlstrom@legis.state.ak.us

May 15, 2003

Senator Cowdery Chair  
Senate Transportation Committee  
State Capitol  
Juneau, AK 99801-1082

Re: Scheduling/HB 251

Dear Senators:John

As you may be aware, HB 251, "An Act relating to exemption of certain foreign pleasure craft from the mandatory pilotage requirement and to civil fines imposed on the owner or operator of a pleasure craft or foreign registry; and providing for an effective date" passed on the House floor last night. Because of the short time frame before adjournment, I would like to request a committee hearing as soon as possible for this priority legislation.

Thank you for your timely consideration of this request. Please contact my staff person, Rex Shattuck, at 465-3783, if you need further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy Dahlstrom".

Representative Nancy Dahlstrom

**HB**

**280**

## **Bill Analysis**

### **“An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money... “**

#### **Section 1. AS 19.10.060(c) repeal and reenact**

##### **Existing statute language:**

AS 19.10.060(c) The department shall adopt regulations necessary to implement a commercial motor vehicle safety inspection program needed to avoid loss or withholding of federal highway money.

##### **Proposed statute language in Sec. 1**

AS 19.10.060(c) Except for requirements relating to a commercial motor vehicle driver's licensing program under AS 28, the department shall adopt regulations under AS 44.62 (Administrative Procedures Act) that are necessary to implement requirements imposed by federal statute or regulation that relate to commercial motor vehicles and that are necessary to avoid loss or withholding of federal highway money.

##### **Effect of changes**

Existing statutes allow the Department of Transportation and Public Facilities (DOT&PF) to adopt regulations relating to "...a commercial motor vehicle safety inspection program...". The proposed language allows the department to adopt regulations relating to all commercial vehicle activities excluding requirements relating to a commercial motor vehicle driver's licensing program. The intent of Executive Order 98, issued by then Governor Knowles, was to consolidate all truck regulation activities into DOT&PF with the single exception of the commercial motor vehicle driver's licensing program. The repeal and reenactment of AS 19.10.060(c) accomplishes that objective.

#### **Section 2. AS 28.33.130(a) amend**

Proposed change will add the prohibition against operating a commercial motor vehicle after being placed out of service under a regulation adopted under AS 19.10.060(c).

#### **Section 3. AS 28.33.140(a) amend**

Proposed change will provide for immediate disqualification from driving a commercial motor vehicle for the periods set out in this section for driving after being placed out of service in violation of regulations adopted under AS 19.10.060(c).

Bill Analysis

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

---

**Section 4. AS 28.33.190(10) amend**

Proposed change defines an "out of service order" to include an order issued under regulations adopted under AS 19.10.060(c),

**Section 5. AS 28.05.011(a)(8) repealed.**

AS28.05.011(a)(8) provides the Commissioner of Public Safety authority to adopt regulations necessary to implement requirements imposed by federal law or regulation that relate to commercial motor vehicles and that are needed to avoid loss or withholding of federal highway money, other than requirements relating to a commercial motor vehicle driver's licensing program or a commercial motor vehicle safety inspection program. Sec. 5 repeals this paragraph as the adoption authority will now reside in DOT&PF and DOA.

**Section 6. The uncodified law of the State of Alaska is amended.**

Adds a new section to allow for changes in the references to the Alaska Administrative Code in the traffic bail forfeiture schedule for certain commercial motor vehicle offenses.

**Section 7. The uncodified law of the State of Alaska is amended.**

Adds a new section that provides for a transition period to allow current DPS regulations to continue in force until the new regulations are adopted by DOT&PF.

**Section 8. The uncodified law of the State of Alaska is amended.**

Adds a new section that provides that Sections 1-5 and 7 take effect only if Section 6 receives the two-thirds majority vote of each house required by art. IV, sec.15, Constitution of the State of Alaska.

**Section 9. Sets effective date for Section 7.**

**Section 10. Sets effective date for the act.**

Bill Analysis

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

---

**SUMMARY**

Section 1 of the bill accomplishes a necessary change in regulation adoption authority. Prior to the consolidation of commercial motor vehicle regulation and enforcement into DOT&PF, the Department of Public Safety had authority to adopt CMV regulations for driver/vehicle safety and hazardous materials transport standards. Inadvertently, this authority was not transferred. This bill corrects that oversight.

Federal Motor Carrier Safety Administration regulations provide that a state becomes ineligible for Basic Program or Incentive funds under the Motor Carrier Safety Assistance Program for failure to adopt any new regulation or amendment to the Federal Motor Carrier Safety Regulations (FMCSR) or the Hazardous Materials Regulations (HMR) within three years of its effective date. In FFY2003, Alaska will receive \$685.5 in Basic Program and Incentive Funds.

Passage of this bill is critically important as the state's adoption of federal regulations pertaining to CMV operations, driver/vehicle safety standards and hazardous materials transport have not been updated since 1995. As you can see, we are out of compliance. The Department of Transportation and Public needs the authority to adopt these regulations to avoid the loss or withholding of federal funding. Loss of these funds through failure to pass this legislation and the subsequent failure to adopt the current regulations will virtually eliminate our commercial vehicle safety enforcement effort.

The bill provisions correcting the regulation adoption authority problems and supporting the language in existing statute have been supported in the past by both the Alaska Trucking Association and Teamsters Local 959. The Department of Public Safety also supports this legislation.



Aves D. Thompson, Director  
Measurement Standards and  
Commercial Vehicle Enforcement  
Alaska Department of Transportation  
and Public Facilities  
907.341.3210

**Bill Analysis**

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

---

**Applicable Code of Federal Regulation references:**

**49 CFR Sec. 350.335(b)** A State that fails to adopt any new regulation or amendment to the Federal Motor Carrier Safety Regulations (FMCSR) or the Hazardous Materials Regulations (HMR) within three years of its effective date will be deemed to have incompatible regulations and will not be eligible for Basic Program nor Incentive Funds.

**49 CFR Sec. 355** promotes adoption and enforcement of state laws and regulations pertaining to commercial motor vehicles that are compatible with appropriate parts of the Federal Motor Carrier Safety Regulations (FMCSRs).

**49 CFR Sec. 355.5**, defines Compatible or Compatibility as meaning that State laws and regulations applicable to interstate commerce and to intrastate movement of hazardous materials are identical to the FMCSRs and the HMRs or have the same effect as the FMCSRs; and that State laws applicable to intrastate commerce are either identical to, or have the same effect as, the FMCSRs or fall within the established limited variances under Secs. 350.341, 350.343, and 350.345 of this subchapter. Federal Hazardous Materials Regulations (FMHRs) means those safety regulations which are contained in parts 107, 171-173, 177, 178 and 180, except part 107 and Secs. 171.15 and 171.16. Federal Motor Carrier Safety Regulations (FMCSRs) means those safety regulations which are contained in parts 390, 391, 392, 393, 395, 396, and 397 of this subchapter.

## **BULLET POINTS FOR CS HB 280 (FIN):**

- Corrects an oversight that occurred with the implementation of 2 executive orders in 1997.
- The correction is needed in order to prevent the loss of federal highway funds.
- Specifically, HB 280 transfers some authority to regulate commercial vehicles from the Department of Public Safety to the Department of Transportation.
- The authority to be transferred has to do with adopting regulations related to safety inspections and driver licensing.

Alaska State Legislature  
House Finance Committee

REPRESENTATIVE  
BILL WILLIAMS

Co-Chair  
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Fax: (907) 465-3793

INTERIM ADDRESS

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REPRESENTATIVE  
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Juneau, AK 99801-1182

**Sponsor Statement for CSHB 280(FIN)  
Commercial Motor Vehicles: Regulations**

**“An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money, and to out-of-service orders concerning commercial motor vehicles; moving authority for commercial motor vehicle regulation from the Department of Public Safety to the Department of Transportation and Public Facilities; amending Rule 43.1, Alaska Rules of Administration; and providing for an effective date.”**

House Bill 280 would transfer certain authority to regulate commercial motor vehicles from the Department of Public Safety (DPS) to the Department of Transportation and Public Facilities (DOT&PF). This change is needed to avoid losing federal highway money. The bill also directly amends Rule 43.1 of the Alaska Rules of Administration.

Under current law, the authority to adopt regulations regarding commercial motor vehicles is divided among: the Department of Administration (DOA) for licensing of drivers of commercial motor vehicles; the DOT&PF for matters relating to commercial motor vehicle inspections; and the DPS for all matters relating to commercial motor vehicles. Under this bill, the authority to adopt regulations necessary to avoid the loss or withholding of federal highway money would be vested in DOT&PF, except for matters that relate to licensing of drivers of commercial motor vehicles.

The bill corrects an oversight that occurred when implementing Executive Orders 98 and 99 in 1997. EO 98 transferred the responsibility for commercial motor vehicle safety inspections from the DPS to the DOT&PF. EO 99 transferred most functions related to motor vehicles found in Title 28 from DPS to the Department of Administration (DOA). After the issuance of EO's 98 and 99, DPS retained the authority to adopt regulations related to commercial motor vehicles, except for safety inspections and driver licensing. HB280 would transfer the remaining regulation authority in DPS relating to commercial motor vehicles to DOT&PF. The Department needs the authority to adopt these regulations to avoid the loss or withholding of federal funding.

Federal Motor Carrier Safety Administration regulations provide that a state becomes ineligible for Basic Program or Incentive funds under the Motor Carrier Safety Assistance Program for failure to adopt any new regulation or amendment to the Federal Motor Carrier Safety Regulations (FMCSR) or

the Hazardous Material's Regulations (HMR) within three years of its effective date. Since the state's adoption of federal regulations pertaining to CMV operations, driver/vehicle safety standards and hazardous materials transport has not been updated since 1995, Alaska is out of compliance.

Alaska will receive \$685.5 in Basic Program and Incentive Funds in FFY2003. Loss of these funds through failure to pass this legislation and the subsequent failure to adopt the current regulations will virtually eliminate commercial vehicle safety enforcement effort in Alaska.

The Alaska Trucking Association, Teamsters Local 959 and the Associated General Contractors of Alaska support the bill provisions correcting the regulation adoption authority problems and supporting the language in existing statute. The Departments of Public Safety and Administration also support this legislation.

The Committee Substitute, which passed the House Finance Committee without objection, changes the title to add the phrase "moving authority for commercial motor vehicle regulation from the Department of Public Safety to the Department of Transportation and Public Facilities". This has the effect of tightening the title to clarify what the bill does.

*Contact: Tim Barry, Aide to Representative Bill Williams, at (907) 465-3424*

# LEGAL SERVICES

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Juneau, Alaska 99801-1182  
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## MEMORANDUM

May 5, 2003

**SUBJECT:** Regulation of commercial motor vehicles CSHB 280(FIN)

**TO:** Representative Bill Williams  
Attn: Tim

**FROM:** Michael F. Ford   
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

**Section 1.** Requires the Department of Transportation and Public Facilities to adopt regulations regarding commercial motor vehicles that are necessary to avoid loss of federal highway money, except for commercial driver's license provisions under AS 28, that are within the authority of the Department of Administration.

**Section 2.** Technical amendment regarding operation of a commercial motor vehicle.

**Section 3.** Technical amendment regarding operation of a commercial motor vehicle.

**Section 4.** Technical amendment regarding operation of a commercial motor vehicle.

**Section 5.** Repeals the authority of the Department of Public Safety to adopt regulations regarding commercial motor vehicles that are necessary to avoid loss of federal highway money.

**Section 6.** Provision that indirectly amends Rule 43.1 of the Alaska Rules of Administration, relating to traffic bail forfeiture for certain commercial motor vehicle offenses.

**Section 7.** Transition provision regarding adoption of regulations by the Department of Transportation and Public Facilities.

Representative Bill Williams  
May 5, 2003  
Page 2

**Section 8.** Provides that secs. 1 - 5 and 7 of this Act take effect only if sec. 6 receives a two-thirds majority vote of each house.

**Section 9.** Effective date for sec. 7(a).

**Section 10.** Effective date for all sections but sec. 7.

MFF:med  
03-482.med

## **Bill Analysis**

### **“An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money... ”**

#### **Section 1. AS 19.10.060(c) repeal and reenact**

##### **Existing statute language:**

AS 19.10.060(c) The department shall adopt regulations necessary to implement a commercial motor vehicle safety inspection program needed to avoid loss or withholding of federal highway money.

##### **Proposed statute language in Sec. 1**

AS 19.10.060(c) Except for requirements relating to a commercial motor vehicle driver's licensing program under AS 28, the department shall adopt regulations under AS 44.62 (Administrative Procedures Act) that are necessary to implement requirements imposed by federal statute or regulation that relate to commercial motor vehicles and that are necessary to avoid loss or withholding of federal highway money.

##### **Effect of changes**

Existing statutes allow the Department of Transportation and Public Facilities (DOT&PF) to adopt regulations relating to "...a commercial motor vehicle safety inspection program...". The proposed language allows the department to adopt regulations relating to all commercial vehicle activities excluding requirements relating to a commercial motor vehicle driver's licensing program. The intent of Executive Order 98, issued by then Governor Knowles, was to consolidate all truck regulation activities into DOT&PF with the single exception of the commercial motor vehicle driver's licensing program. The repeal and reenactment of AS 19.10.060(c) accomplishes that objective.

#### **Section 2. AS 28.33.130(a) amend**

Proposed change will add the prohibition against operating a commercial motor vehicle after being placed out of service under a regulation adopted under AS 19.10.060(c).

#### **Section 3. AS 28.33.140(a) amend**

Proposed change will provide for immediate disqualification from driving a commercial motor vehicle for the periods set out in this section for driving after being placed out of service in violation of regulations adopted under AS 19.10.060(c).

Bill Analysis

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

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**Section 4. AS 28.33.190(10) amend**

Proposed change defines an "out of service order" to include an order issued under regulations adopted under AS 19.10.060(c),

**Section 5. AS 28.05.011(a)(8) repealed.**

AS28.05.011(a)(8) provides the Commissioner of Public Safety authority to adopt regulations necessary to implement requirements imposed by federal law or regulation that relate to commercial motor vehicles and that are needed to avoid loss or withholding of federal highway money, other than requirements relating to a commercial motor vehicle driver's licensing program or a commercial motor vehicle safety inspection program. Sec. 5 repeals this paragraph as the adoption authority will now reside in DOT&PF and DOA.

**Section 6. The uncodified law of the State of Alaska is amended.**

Adds a new section to allow for changes in the references to the Alaska Administrative Code in the traffic bail forfeiture schedule for certain commercial motor vehicle offenses.

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Adds a new section that provides for a transition period to allow current DPS regulations to continue in force until the new regulations are adopted by DOT&PF.

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Adds a new section that provides that Sections 1-5 and 7 take effect only if Section 6 receives the two-thirds majority vote of each house required by art. IV, sec.15, Constitution of the State of Alaska.

**Section 9. Sets effective date for Section 7.**

**Section 10. Sets effective date for the act.**

Bill Analysis

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

---

**SUMMARY**

Section 1 of the bill accomplishes a necessary change in regulation adoption authority. Prior to the consolidation of commercial motor vehicle regulation and enforcement into DOT&PF, the Department of Public Safety had authority to adopt CMV regulations for driver/vehicle safety and hazardous materials transport standards. Inadvertently, this authority was not transferred. This bill corrects that oversight.

Federal Motor Carrier Safety Administration regulations provide that a state becomes ineligible for Basic Program or Incentive funds under the Motor Carrier Safety Assistance Program for failure to adopt any new regulation or amendment to the Federal Motor Carrier Safety Regulations (FMCSR) or the Hazardous Materials Regulations (HMR) within three years of its effective date. In FFY2003, Alaska will receive \$685.5 in Basic Program and Incentive Funds.

Passage of this bill is critically important as the state's adoption of federal regulations pertaining to CMV operations, driver/vehicle safety standards and hazardous materials transport have not been updated since 1995. As you can see, we are out of compliance. The Department of Transportation and Public needs the authority to adopt these regulations to avoid the loss or withholding of federal funding. Loss of these funds through failure to pass this legislation and the subsequent failure to adopt the current regulations will virtually eliminate our commercial vehicle safety enforcement effort.

The bill provisions correcting the regulation adoption authority problems and supporting the language in existing statute have been supported in the past by both the Alaska Trucking Association and Teamsters Local 959. The Department of Public Safety also supports this legislation.



Aves D. Thompson, Director  
Measurement Standards and  
Commercial Vehicle Enforcement  
Alaska Department of Transportation  
and Public Facilities  
907.341.3210

Bill Analysis

"An Act relating to the regulation of commercial motor vehicles to avoid loss or withholding of federal highway money..."

---

**Applicable Code of Federal Regulation references:**

**49 CFR Sec. 350.335(b)** A State that fails to adopt any new regulation or amendment to the Federal Motor Carrier Safety Regulations (FMCSR) or the Hazardous Materials Regulations (HMR) within three years of its effective date will be deemed to have incompatible regulations and will not be eligible for Basic Program nor Incentive Funds.

**49 CFR Sec. 355** promotes adoption and enforcement of state laws and regulations pertaining to commercial motor vehicles that are compatible with appropriate parts of the Federal Motor Carrier Safety Regulations (FMCSRs).

**49 CFR Sec. 355.5**, defines Compatible or Compatibility as meaning that State laws and regulations applicable to interstate commerce and to intrastate movement of hazardous materials are identical to the FMCSRs and the HMRs or have the same effect as the FMCSRs; and that State laws applicable to intrastate commerce are either identical to, or have the same effect as, the FMCSRs or fall within the established limited variances under Secs. 350.341, 350.343, and 350.345 of this subchapter. Federal Hazardous Materials Regulations (FMHRs) means those safety regulations which are contained in parts 107, 171-173, 177, 178 and 180, except part 107 and Secs. 171.15 and 171.16. Federal Motor Carrier Safety Regulations (FMCSRs) means those safety regulations which are contained in parts 390, 391, 392, 393, 395, 396, and 397 of this subchapter.

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: HB 280  
 (H) Publish Date: 4/30/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title An act relating to the regulation of BRU Motor Vehicles  
commercial motor vehicles.... Component Motor Vehicles  
 Sponsor (H) FIN  
 Requester (H) TRA Component No. 2348

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

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

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<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						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

This bill has no fiscal impact on DMV.

Prepared by: Charles R. Hosack Phone 269-5559  
 Division Motor Vehicles Date/Time 4/28/03  
 Approved by: Mike Miller, Commissioner Date 4/28/2003  
 Agency Department of Administration

HCR

2

23-LS0157\Q  
Utermohle  
3/3/03

**SENATE CS FOR CS FOR HOUSE CONCURRENT RESOLUTION NO. 2(CRA)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-THIRD LEGISLATURE - FIRST SESSION**

**BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE**

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES LYNN, Chenault, Coghil, Foster, Gatto, Harris, Hawker, Kohring, Kott, Morgan, Rokeberg, Seaton, Stoltze, Whitaker, Wolf, Dahlstrom, Gutteneberg, Fate, Gruenberg, Holm, Masek, Anderson, Meyer, Wilson

**A RESOLUTION**

1 **Relating to the extension of the Alaska Railroad to Delta Junction and Fort Greely to**  
2 **support expanding resource development, agricultural, and military activities.**

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

4 **WHEREAS** the United States Department of Defense has begun to construct an anti-  
5 ballistic missile testing and launch facility at Fort Greely, Alaska; and

6 **WHEREAS** United States Army Alaska is developing new range areas at Fort Greely  
7 to support the training of the new Stryker Brigade; and

8 **WHEREAS** the world-class mining operation at Pogo located near Delta Junction is  
9 projected to commence construction in the fall of 2003 and operate for at least 11 years, and a  
10 more cost-efficient transportation system would assist such a mining venture; and

11 **WHEREAS** the agricultural industry in the Delta Junction area would become more  
12 cost efficient, competitive, and able to expand if access to markets were less expensive; and

13 **WHEREAS** a railroad is well suited to provide the transportation support required to  
14 sustain military operations as well as provide a cost-efficient method of transporting goods  
15 and services for both mining and agricultural activities in the region; and

16 **WHEREAS** the Alaska Railroad already has rail lines extending to Eielson Air Force

1 Base, which is within 70 miles of Delta Junction and Fort Greely; and

2       **WHEREAS** the Alaska Railroad can efficiently provide transportation services for  
3 heavy cargo and large quantities of supplies to the region from the ports of Seward, Whittier,  
4 and Anchorage while economically delivering the region's mining and agricultural products to  
5 market; and

6       **WHEREAS** the extension of the Alaska Railroad to Delta Junction and Fort Greely is  
7 consistent with the long-term goals of the Alaska Railroad Corporation and the State of  
8 Alaska to extend rail service through Canada to the lower 48 states;

9       **BE IT RESOLVED** that the Alaska State Legislature respectfully requests Governor  
10 Frank Murkowski to encourage the Alaska Railroad Corporation to undertake the extension of  
11 the Alaska Railroad to Delta Junction and Fort Greely in order to support the region's  
12 expanding resource development, agricultural, and military activities.

13       **COPIES** of this resolution shall be sent to the Honorable George W. Bush, President  
14 of the United States; the Honorable Donald Rumsfeld, United States Secretary of Defense;  
15 Patrick Gamble, President and Chief Executive Officer, Alaska Railroad Corporation; and to  
16 the Honorable Ted Stevens and the Honorable Lisa Murkowski, U.S. Senators, and the  
17 Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.

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Consistent with these actions is our policy for making selections to the Board of Fisheries.

The Board of Fisheries began its meeting earlier this week in Sitka, so I expedited the selection of new members. This allowed them to take their seats at the meeting.

I requested each board member, as a consideration of appointment, adhere to representing the best interests of all Alaska fisheries and affected communities. I want not only a balanced but also an objective Board of Fisheries. This means:

- That they not side with one gear group, or one fishing group.
- That they not commit to vote for the interests of, solely commercial... versus subsistence... versus sport fish interests,
- But that they act in the interest of what is best for all Alaskans.
- And in the best interest of the renewability of our vast fisheries resources.

I intend to apply these same criteria of objectivity and fairness to all board appointees so they do what's best for Alaska and the resource as their priority.

### Mining Industry.

Now to Alaska's mining industry:

Mining holds the potential to provide thousands of high-paying jobs to Alaskans – but that potential is not being realized.

- Permitting problems, lack of infrastructure, and environmental litigation delay development and increase costs.
- Other parts of the world do a better job of attracting investment because their costs are lower.

We have begun to turn this around by:

- eliminating redundant permitting requirements;
- coordinating permits through the large project team concept;
- and developing infrastructure in our important mining regions.

One example of the latter is the potential for infrastructure support for the Donlin Creek project in Western Alaska.

We are seeking the support of the Bush administration for rail extension to Fort Greely to access the new missile defense system.

The rail extension would not only benefit the military, but the mining and agricultural sectors, as well.

THE  
FOLLOWING  
DOCUMENT(S)  
ARE  
POOR  
ORIGINAL  
COPIES

JAN 22 2003

# ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510  
327 West Ship Creek Avenue, Anchorage, Alaska 99501  
www.alaskarailroad.com

January 23, 2003

The Honorable Bob Lynn  
State House  
Alaska State Capitol, Room 415  
Juneau, Alaska 99801

*Original in the Mail*  
Post-It® Fax Note 7671

Post-It® Fax Note 7671		Date	# of pages
To	Tom Mott		
From	Wanda Lindberg		
Co./Dept			
Co.			
Phone #		Phone # 265-2498	
Fax # 465-4316		Fax #	

Dear Representative Lynn:

Thank you for offering the Alaska Railroad the opportunity to comment on House Concurrent Resolution No. 2 relating to the extension of the Alaska Railroad to Fort Greely. The Alaska Railroad shares a long history with the United States military and we believe it is appropriate to extend the railroad to Fort Greely to support national defense objectives.

The Alaska Railroad takes its lead from state and federal policy makers regarding rail extension initiatives. We support extending or building new railroad lines and believe this falls under our mission to foster state and community economic development. We stand ready to provide technical, engineering and operating expertise to help with planning.

While we support expanding Alaska's rail infrastructure, the additional maintenance and operations expense is an issue, since this would represent a 15 percent growth of the main line. We would depend on added revenue to pay those bills.

Again, we appreciate the opportunity to express our support and look forward to participating in the upcoming Military and Veteran's Affairs committee hearing.

Regards,

Patrick K. Gamble  
President & CEO

FRANK H. MURKOWSKI, GOVERNOR

DEPARTMENT OF MILITARY & VETERANS AFFAIRS  
OFFICE OF THE COMMISSIONER

P.O. BOX 5300

FT. RICHARDSON, AK 99505-5800

PH: (907) 428-6003

January 28, 2003

The Honorable Bob Lynn  
State House  
Alaska State Capital, Room 415  
Juneau, Alaska 99801-1182

Dear Representative Lynn:

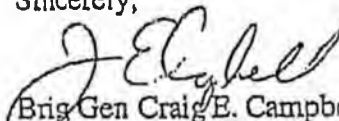
The Department of Military and Veterans Affairs (DMVA) supports House Concurrent Resolution No. 2 pertaining to the extension of the Alaska Railroad from Fairbanks to Fort Greely.

Fort Greely is currently being converted into the primary anti-ballistic missile launch facility as part of our nations decision to employ a national missile defense system. Missile defense of the United States is a national priority. The DMVA has been assigned the responsibility to provide both operational and security personnel for the facility.

This Administration is interested in expanding the Alaska's transportation infrastructure to provide greater access and cost effective alternatives to areas of the state with limited access. The extended operation of Fort Greely will require substantial quantities of supplies and materials. To meet this projected demand, we support the extension of rail service from Fairbanks to Fort Greely. This would provide a significant ability to support the long-term operations at Fort Greely.

We appreciate the opportunity to submit our position on this important transportation issue and would be available to participate in a committee meeting, if so requested.

Sincerely,

  
Brig Gen Craig E. Campbell  
Commissioner

Distributed by Rep. Lynn

907-465-4316

February 6, 2002

To: Representative Bob Lynn

From: Jeannette James

Re: HCR2

Thank you for sponsoring HCR2, supporting the railroad extension from Eielson Air Force Base to Fort Greeley. I understand this resolution will be on the House Floor tomorrow. I appreciate the opportunity to make a few positive comments.

Certainly, the plans for Fort Greeley and the Missile Defense Program could be much improved if this rail connection were already built. It will take time. However, the anticipated ongoing activities indicate a growing need for a better transportation connection. Large amounts of construction materials and heavy equipment will be transported into the Delta Junction area. The agricultural community in Delta Junction could enjoy a benefit as well particularly for fertilizer and equipment.

It is wise to put the support for this project on the Legislative record, in the event funding becomes available through the Department of Defense or Homeland Security. This could take us seventy miles closer to the goal of connecting Alaska's railroad with that of British Columbia and the rest of the North American rail system.

Thanks again for your efforts.

Phone 907-488-9339

Fax 907-488-9669



**Sen. John J. Cowdery, Chair**

**Senate Transportation Committee**

Call: 465-4921 Fax: 465-2069

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- D Excerpt from the Governor's State of the State address**
- E Letter of support: Dept. Military and Veterans Affairs**
- F Letter of support: Alaska Railroad Pres. & CEO Pat Gamble**
- G Letter of support: former Rep. Jeannette James**
- H Segment from Alaska Railroad annual report.**

Sen. Pres. THEPRIAULT  
Sen. LINCOLN  
Sen. WAGONER  
Sen. OLSON