Concept. #1 Passes

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE LINDSEY HOLMES

TO: CSHB 163 (JUD)

Page 3, lines 25 ~~-26~~: ~~48 hours~~ "

Delete "up to ~~five days~~"

2 days"

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 163
(H) Publish Date: 4/23/07

Revision Date/Time (Note if correction):
Dept. Affected: Law

Title: An Act relating to property foreclosures and executions
RDU: Civil
Component: Commercial & Fair Business

Sponsor: REPRESENTATIVE(s) RAMRAS
Requester: House Labor & Commerce
Component No.:

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

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)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

The bill is intended to streamline and update various processes associated with non-judicial foreclosures, including mandated internet notice of foreclosure, and acceptance of telephonic and email bids. There is no anticipated financial impact on the Department of Law.

Prepared by: Robert Meiners, Admin. Services Manager
Phone: 465-5427
Division: Administrative Services Division
Date/Time: 3/29/07 1:49 PM

Approved by: Robert Meiners for Talis Colberg, Attorney General
Date: 3/29/2007
Agency: Department of Law

(Revised 9/18/2006 OMB)

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 2
Bill Version: HB 163
(H) Publish Date: 4/23/2007

Revision Date/Time (Note if correction):
Dept. Affected: Revenue
Title: Property Foreclosures and Executions
RDU: Alaska Housing Finance Corp.
Component: Operations
Sponsor: Representative Ramras
Requester:
Component No. 110

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

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)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

As written, HB 163 is not anticipated to have a fiscal effect on the operations of the Alaska Housing Finance Corporation.

Prepared by: Bryan Butcher, Director, Govt. Relations/Public Affairs
Phone 907-330-8445
Division: Alaska Housing Finance Corporation
Date/Time:
Approved by:
Date 3/29/2007
Agency:

(Revised 9/18/2006 OMB)

Alaska State Legislature

Session:
State Capitol, Room 118
Juneau, Alaska 99801-1182
Ph: (907) 465-3004
Fax: (907) 465-2070
Toll Free: (877) 465-3004

Interim:
1292 Sadler Way, Suite 324
Fairbanks, Alaska 99701
Ph: (907) 452-1088
Fax: (907) 452-1146
Toll Free: (877) 465-3004

Representative Jay Ramras
House District 10

Chair, House Judiciary Committee • Member, House Labor & Commerce Committee • Member, House Oil & Gas Committee • Member, House Military & Veteran Affairs Committee

Sectional HB 163 Property Foreclosures and Executions

Section 1. AS 09.35.140. Amends AS 09.35.140 to delete the requirements that a notice of the sale of personal property be posted at a post office.

Section 2. AS 09.35.140 – Adds a new subsection to AS 09.35 (execution on property) to require the notice of the sale of real property on execution also be given to an Internet website. Describes the requirements that the Internet website must meet to qualify. Does not require this notice unless there is a qualifying Internet website.

Section 3. Amends AS 09.35.142 to allow an Internet website owner to bring a court action to establish that the website qualifies under AS 09.35.140(b). Makes a conforming change to cross-reference.

Section 4. Amends AS 34.20.070(b) to adjust to 90 days the minimum length of time that must elapse between recording a notice of default on a deed of trust and holding the foreclosure sale. Sets a limit of five days (before a foreclosure sale) when certain defaults on a deed of trust may be cured by a specific payment.

Section 5. Amends AS 34.20.070(c) to require that possession be actual physical possession where possession is required for certain persons to be entitled to receive a notice of default for foreclosure sale. Changes a term used in this subsection.

Section 6. Adds new subsection to AS 34.20.070 (foreclosure by trustee).

Proposed 34.20.070(e) establishes when a person who holds a lien or nonpossessory property interest that can be inferred from an inspection of the property is entitled to receive a notice of default for a foreclosure sale.

Proposed 34.20.070(f) allows a trustee additional time (after recording) to deliver the notice of default when the trustee delivers the notice personally to the property or to an occupant of the property. Allows the trustee to place the notice on the property or as close as practicable to the property under certain conditions.

Proposed sec 34.20.070(g) states that an affidavit signed by a trustee or another person who delivered notice personally under sec. 34.20.070(f) is prima facie evidence that the trustee complied with sec. 34.20.070(f). Establishes a conclusive presumption

(as evidenced by the affidavit) after one year unless a court action is filed within the year to challenge the foreclosure for failure to comply with sec. 34.20.070(f)

Proposed sec. 34.20.070(h) establishes how a trustee may satisfy the notice requirements for a person known by the trustee to be deceased and for whom the trustee or the deed of trust beneficiary knows a personal representative has been appointed.

Proposed sec. 34.20.070(i) establishes how a trustee may satisfy the notice requirements for a person known by the trustee to be deceased and for whom the trustee or the deed of trust beneficiary know that a personal representative has been appointed for the deceased person.

Proposed sec. 34.20.070(j) states that an heir or devisee of a deceased person must challenge a foreclosure sale within three months if alleging non-receipt of notice and if the trustee gave notice as required by (h) – (i).

Proposed sec. 34.20.070(k) describes the persons who may bring a court action to enjoin a foreclosure sale. Includes the attorney general.

Proposed sec. 34.20.070(l) states that when a court injunction action meets certain conditions, a court may impose conditions that it considers appropriate to protect the deed of trust beneficiary.

Proposed sec. 34.20.070(m) defines certain terms for AS 34.20.070

Section 7. Requires that the proceeds from a foreclosure sale be placed in escrow until disbursed. Allows a trustee to accept foreclosure bids by telephone, the Internet, and electronic mail if certain conditions are met.

Section 8. Allows the attorney or another agent of the trustee to conduct the sale. Allows the trustee to set reasonable rules for the conduct of the sale. Adds language that conforms the deed delivery requirements to the new provision in sec. 34.20.070(g) allowing the trustee to rescind the sale under certain circumstances.

Section 9. Limits the postponement of a foreclosure sale to not more than 12 months unless a new notice of sale is given. Establishes that postponement for up to 12 months does not provide a basis for challenging the validity of the foreclosure because of how long the foreclosure has been pending.

Section 10. Adds new subsection to AS 34.20.080(foreclosure sale).

Proposed sec. 34.20.080(f) indicates how any cash proceeds of the sale are to be distributed after delivery of a deed.

Proposed sec. 34.20.080(g) allows a trustee to withhold delivery of the deed for up to five days, prohibits the trustee from issuing the deed under certain conditions, and describes what the trustee must do when rescinding the sale.

Proposed sec. 34.20.080(h) allows the trustee to reschedule a rescinded sale, establishes a minimum time that must elapse after the rescinded sale before the new sale may be held, and establishes the notice procedure that the trustee must follow for the rescheduled sale.

Proposed sec. 34.20.080(i) establishes that if a sale is not rescinded it completely terminates the rights of the trust deed grantor of the property.

E-Mail Representative_Jay_Ramras@legis.state.ak.us

Section 11. Allows the attorneys for the beneficiaries or their successors in interest to execute and acknowledge the substitution of a trustee for certain trust needs.

Section 12. Adds a requirement to the contents of a trustee substitution for the situation when the substitution is executed by the attorneys for the beneficiaries or their successors in interest.

Section 13. Adds a new section.

Proposed sec. 34.20.125(a) requires a trustee to provide a surety bond before performing trustee duties under a deed of trust foreclosure.

Proposed sec. 34.20.125(b) requires the bond to be terminable at any time by the surety by complying with certain requirements, indicates when the bond terminates, and indicates that the surety is not liable after termination for more than the face amount of the bond. States that a revision of the amount of the bond is not cumulative.

Proposed sec. 34.20.125(c) prohibits a person whose bond has been terminated under (b) from acting as a trustee until the person obtains another bond.

Proposed sec. 34.20.125(d) requires a trustee to file evidence of a bond each year with the Department of Commerce, Community, and Economic Development. Requires the department to verify that the evidence is satisfactory, keep an updated list of bonded trustees, and make the evidence and the list available to the public. Allows the department to charge the trustee a reasonable fee for the verification and maintenance of records.

Proposed se. 34.20.125(e) exempts certain persons from the bonding requirements.

Proposed sec. 34.20.125(f) defines "department" for this section.

E-Mail Representative_Jay_Ramras@legis.state.ak.us

[redacted]HOUSE COMMITTEE REPO[redacted]

(7)
Date Referred to Committee: April 23, 2007 **FURTHER REFERRALS:**

Date of Committee Action: April 30, 2007

The JUDICIARY Committee considered: **HB 163**

HOUSE BILL NO. 163 **PROPERTY FORECLOSURES AND EXECUTIONS**

"An Act relating to real property foreclosures, executions, and deeds of trust."

Recommends it be replaced with [ ] HCS *or* [✓] CS *for* HB163 (JUD)
For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR_____ **[ ] Same Title [✓] New Title**

[ ] attach amendments
[ ] add new referral to _____Committee
[ ] Letter of Intent_____Committee

List of Abbrev for Depts.:
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LWF
LAW
LEG
MVA
DNR
DPS
REV
DOT
UA

NEW **FISCAL NOTES** *Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero

PREVIOUS **FISCAL NOTES**				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
LAW				✓
REV				✓

Signing with recommendations	**Printed Last Name**	**DP**	**DNP**	**NR**	**AM**
	Grunberg	–			
	[illegible]	X			
	Coghill			✓	
	[illegible]			X	
	SAMUELS			X	
	Holmes			X	
Chair:	RAMRAS	X			
Chair:					

First American
Title Insurance Company

BRYAN S. MERRELL
REGIONAL COUNSEL

March 12, 2007

Re: Senate Bill 18 *"An Act relating to property foreclosures and executions; and amending Rule 65, Alaska Rules of Civil Procedure."*

House Bill 163 *"An Act relating to real property foreclosures, executions, and deeds of trust."*

To Whom It May Concern:

This letter is written in support of Senate Bill 18 and its companion bill, HB 163, relating to Deeds of Trust and Foreclosures.

I am Regional Counsel for First American Title Insurance Company. First American is the leadin_ title insurer in the United States, and here in Alaska. I am an 18-year member of the Alaska Bar, and a former long time resident of Alaska. In my capacity as an in-house attorney for First American, I have had many occasions to be involved in non-judicial foreclosure related issues and controversies, as First American has produced title insurance products related to such foreclosures, and acted as trustee in many cases as well.

SB 18/HB 163 would clarify a large number of issues relative to non-judicial foreclosure actions. It would fill in gaps in the current statutes relative to procedure. It would clarify issues which Alaska Supreme Court opinions over the years have made unclear. The result of passage of the bill would be a clearer pattern of conduct for the parties to the foreclosure, which should result in less litigation and higher bidding for the properties involved in the process. I urge your yes vote for the bill, and would be happy to answer any questions you may have regarding it.

Very truly yours,

FIRST AMERICAN TITLE INSURANCE CO.

Bryan S. Merrell
Regional Counsel

2101 Fourth Avenue, Suite 800, Seattle, WA 98121
TEL 206.728.0400 • TOLL FREE 800.526.7544 • DIRECT 206.448.6281
bmerrell@firstam.com • www.firstam.com

AlaskaUSA
Federal Credit Union®

March 12, 2007

Mr. Stephen Routh
Routh & Crabtree, APC
3000 A Street, Suite 200
Anchorage, AK 99503

Re: Senate Bill 18 – "An Act relating to property foreclosures and executions; and amending Rule 65, Alaska Rules of Civil Procedure."
House Bill 163 – "An Act related to real property foreclosures, executions, and deeds of trust."

Dear Mr. Routh:

Thank you for alerting us to this legislation. We think the changes proposed in the above-referenced bills are well thought out, necessary, and will benefit borrowers, financial institutions, and title agents.

We are pleased to support this legislation.

Sincerely,

William B. Eckhardt
President

P.O. Box 196613 • Anchorage, Alaska 99519-6613
Phone (907) 563-4567 • (800) 525-9094 outside Anchorage • (800) 742-7084 TTY/Hearing Impaired • www.alaskausa.org

WELLS FARGO

March 12, 2007

Stephen Routh
Routh Crabtree, apc
3000 A Street Suite 200
Anchorage, AK 99503

Re: Senate Bill 18 "An Act relating to property foreclosures and executions; and amending Rule 65, Alaska Rules of Civil Procedure."

House Bill 163 "An Act relating to real property foreclosures, executions, and deeds of trust."

Dear Stephen:

Wells Fargo is pleased to support this bill. It will benefit all parties to the foreclosure process including borrowers, lenders, trustees, and title agents. We believe that the changes are timely, necessary, and well-conceived.

Thanks again for bringing this bill to our attention. We are pleased to support it.

Sincerely,

Richard Strutz
Regional President

Alaska Mortgage Bankers Association
P.O. Box 9-2691
Anchorage, Alaska 99503

March 9, 2007

Re: Senate Bill 18 ***"An Act relating to property foreclosures and executions; and amending Rule 65, Alaska Rules of Civil Procedure."***

House Bill 163 ***"An Act relating to real property foreclosures, executions, and deeds of trust."***

Stephen Routh
Routh Crabtree, apc
3000 A Street Suite 200
Anchorage, AK 99503

Dear Stephen;

The Alaska Mortgage Bankers Association is pleased to support this bill. We believe it will benefit borrowers, lenders, title agents, and trustees alike. The changes proposed are well-thought out, timely, and necessary. They also enjoy wide support among the real estate community.

Thanks as well for explaining the bill at our meeting on February 15, 2007. We appreciated your presentation, as well as answering questions directly from our members.

Thanks again for bringing this bill to our attention. We are pleased to support it.

Sincerely,

Kevin M. Breeland

Kevin M. Breeland
President
Alaska Mortgage Bankers Association
P.O. Box 9-2691
Anchorage, Alaska 99509-2691
907-222-8823 direct
907-743-9623 fax
breelandk@residentialmtg.com
www.akmba.org

Kirk Wickersham
280 W. 34th Ave.
Anchorage, Alaska 99503

561-3726

February 10, 2007

Re: SB 18

Dear Members of the Legislature,

I am a real estate lawyer, real estate broker and title insurance licensee.

I have had the opportunity to review SB 18, which updates the provisions of Alaska's foreclosure law.

The most outstanding provision is the requirement for publication on the Internet. This will improve dissemination of the sale information to the general public, and thus it should increase the number of bids above the offset bid.

Bids above the offset bid are in everyone's interest. The debtor receives the net proceeds of the sale. The lender does not have to take title, renovate and market the property. And the successful bidder is obviously happy.

I encourage you to adopt this bill. It is my understanding that, if adopted, this bill will become a model for legislation in other states. Please contact me if you have any questions.

Sincerely,

Kirk Wickersham

ALASKA CREDIT UNION LEAGUE

March 21, 2007

Stephen Routh
Routh Crabtree, apc
3000 A Street Suite 200
Anchorage, AK 99503

Re: Senate Bill 18 -An Act relating to property foreclosures and executions; and amending Rule 65, Alaska Rules of Civil Procedure.

House Bill 163 -An Act relating to real property foreclosures, executions, and deeds of trust.

Dear Mr. Routh:

Thank you for alerting us to this legislation. We think the changes proposed in the bill are well thought-out, necessary, and will benefit borrowers, financial institutions, and title agents.

We are pleased to support this legislation.

Sincerely,

Robert M. Teachworth
President

HB

164

Alaska State Legislature

HOUSE TRANSPORTATION COMMITTEE

HB 164 – Cruise Ship Location Reports and Ocean Ranger Access to Vessels

This legislation narrows the broad language of Ballot Measure 2: "The Cruise Ship Initiative". This bill will allow the Department of Environmental Conservation (DEC) to implement the initiative in a reasonable way. A way that reflects the low level of risk large cruise ships present to Alaskans and the waters and marine resources of the state. In no way does HB 164 ease or lessen the federal and state environmental laws that have regulated cruise ship discharges since 2001.

This bill:

- Clarifies that hourly reports of vessel locations are to be submitted to the United States Coast Guard
- Clarifies the times that an "Ocean Ranger" is allowed on a vessel as "times designated by the commissioner [of DEC] while the vessel is in an Alaska port
- Clarifies that an "Ocean Ranger" must comply with the vessel's approved United States Coast Guard security plan while aboard the vessel
- Clarifies that while onboard a vessel, the Ocean Ranger's job duties include monitoring, observing, and recording data and information related to the registration, record-keeping, and discharge functions already required by federal and state law

Below are a number of facts that support making these clarifications or changes to the initiative provisions:

- In 2001, only 2 of 24 large cruise ships (8%) entering Alaska waters had installed advanced wastewater treatment systems. In 2006, 24 of 29 large cruise ships (82%) entering Alaska waters had installed wastewater treatment systems
- Of all the large cruise ships operating in Alaska waters, only those with properly maintained and operated advanced wastewater treatment systems were approved under federal and state laws to discharge wastewater in Alaska
- In 2004, DEC issued a report titled: "Assessment of Cruise Ship and Ferry Wastewater Impacts in Alaska" that found wastewater effluent from large cruise ships with advanced wastewater treatment systems does not pose a risk to aquatic organisms.
- The same DEC study also determined that "No human risk is posed by the low concentration of tested pollutants found in wastewater samples"
- The same DEC study found that wastewater samples "indicate that hazardous materials are not being discharged through these (large cruise ship) wastewater systems
- Since 2001, federal and state laws have been implemented regulating cruise ship discharges and already impose requirements such as a Quality Assurance / Quality Control Plan and a Vessel Specific Sampling Plan to ensure accurate monitoring, sampling, recording, and analysis of cruise ship discharges.

This bill should also significantly reduce or eliminate the need for the state to pay an estimated $2.0 million dollars in state general funds to implement the Ocean Ranger program.

N.

25-LS0585\V.2
Kane
4/23/07

AMENDMENT #2

OFFERED IN THE HOUSE BY REPRESENTATIVE GRUENBERG

TO: CSHB 164( ), Draft Version "V"

Page 2, line 7: - B

Delete "between two Alaska ports" FAILED 3-4

Amend #1 P2-L3 - "may" to "shall" - Adopt

25-LS0585\V.1
Kane
4/23/07

AMENDMENT

OFFERED IN THE HOUSE BY REPRESENTATIVE GRUENBERG

TO: CSHB 164( ), Draft Version "V"

Page 1, line 1, following "**vessel location**":

Insert "**and wastewater discharges**"

Page 1, following line 13:

Insert new bill sections to read:

"*** Sec. 2.** AS 46.03.475(f) is amended to read:

(f) **Except as required by (h) of this section, upon** [UPON] request of the department, the information required under this section shall be submitted electronically.

*** Sec. 3.** AS 46.03.475 is amended by adding a new subsection to read:

(h) When operating in the marine waters of the state, the owner or operator of a large commercial passenger vessel shall electronically report to the department each discharge of treated sewage, graywater, and other wastewaters into the marine waters of the state immediately after the discharge occurs."

Renumber the following bill sections accordingly.

Page 2, line 26:

Delete "Sections 1 and 2"

Insert "Sections 1 - 4"

HOUSE COMMITTEE REPORT

(11)
Date Referred to Committee: March 14, 2006 **FURTHER REFERRALS: Finance**

Date of Committee Action: 4/23/07

The JUDICIARY Committee considered: **HB 164**

HOUSE BILL NO. 164 **OCEAN RANGERS & REPORTING VESSEL LOCATION**

"An Act relating to reporting of vessel location by certain commercial passenger vessels operating in the marine waters of the state, to access to vessels by licensed marine engineers for purposes of monitoring compliance with state and federal requirements, and to the obligations of those engineers while aboard the vessels; and providing for an effective date."

Recommends it be replaced with [ ] HCS *or* [✓] CS *for* HB164 (Jud)
For Senate Bills with new title: [ ] Technical Title [ ] New Title: HCR_____ [ ] Same Title [✓] New Title

[ ] attach amendments
[ ] add new referral to _____Committee
[ ] Letter of Intent_____Committee

List of Abbrev for Depts.:
ADM
CED
COR
CRT
EED
DEC
DFG
GOV
HSS
LWF
LAW
LEG
MVA
DNR
DPS
REV
DOT
UA

NEW **FISCAL NOTES** *Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
LAW				✓

PREVIOUS **FISCAL NOTES**				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
DEC		✓		

Signing with recommendations	**Printed Last Name**	**DP**	**DNP**	**NR**	**AM**
	Gruenberg			X	
	LYNN				X
	Coghill	✓			
	Dick				
	SAMUELS			X	
	Holmes			X	
(handed gavel to)	RAMRAS	X			
Chair:			X		
Chair:					

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: HB164-LAW-ENV-4-7-07
Bill Version: HB 164
() Publish Date:

Revision Date/Time (Note if correction):
Dept. Affected: Law

Title: An Act relating to ocean rangers and reporting vessel location
RDU: Civil
Component: Environmental

Sponsor: TRANSPORTATION
Requester: HOUSE JUDICIARY
Component No.

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

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)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2007) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

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

The bill would implement the Ocean Ranger program (per the Ballot Initiative #2) in such a way as to only require coverage while cruise ships are in an Alaskan port. Enactment of the bill is not anticipated to have any fiscal impact on the Department of Law.

Prepared by: Robert Meiners, Admin. Services Manager
Phone 465-5427
Division: Administrative Services Division
Date/Time 4/7/07 12:05 PM
Approved by: Robert Meiners for Talis Colberg, Attorney General
Date 4/7/2007
Agency: Department of Law

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 164
(H) Publish Date: 3/14/07

Revision Date/Time (Note if correction):
Dept. Affected: Dept of Environmental Conservation

Title: Commercial passenger vessels operating in Alaska waters
RDU: Division of Water
Component: Water Quality
Sponsor: House Transportation Committee
Requester: House Transportation Committee
Component No.: 2062

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services	(203.1)	(203.1)	(203.1)	(203.1)	(203.1)	(203.1)
Travel	(47.0)	(47.0)	(47.0)	(47.0)	(47.0)	(47.0)
Contractual	(4,340.5)	(4,340.5)	(4,340.5)	(4,340.5)	(4,340.5)	(4,340.5)
Supplies	(195.1)	(195.1)	(195.1)	(195.1)	(195.1)	(195.1)
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

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)	(4,785.7)	(4,785.7)	(4,785.7)	(4,785.7)	(4,785.7)	(4,785.7)
TOTAL	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**	**(4,785.7)**

Estimate of any current year (FY2007) cost: (495.3)
Mark this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal: X

POSITIONS

Full-time	-2	-2	-2	-2	-2	-2
Part-time						
Temporary						

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

The impact of the proposed legislation will reduce the cost significantly from the FY2008 Governor's Amended budget. The total projected cost of implementing the Ocean Ranger program per the Ballot Initiative #2 is $5,600.0. HB 164 would reduce the costs to $814.4. The Governor's Amended budget ($5,600.0) was based on placing 2 Ocean Rangers on board for 24 hour coverage while the ship was in Alaska waters. The proposed legislation would result in coverage only while the ships are in an Alaskan port.

Prepared by: Lynn J. Tomich Kent
Phone: 907-269-7599
Division: Director
Date/Time: 3/7/07 12:00 p.m.
Approved by: Larry Hartig - Commissioner
Date: 3/1/8307
Agency: Department of Environmental Conservation

STATE OF ALASKA **BILL NO.** HB 164
2007 LEGISLATIVE SESSION

ANALYSIS CONTINUATION

Following are the line item expenditure calculations for the for the proposed legislation:

Personal Services: The Governor's Amended FY2008 budget included 4 positions. Under HB 164, DEC needs two positions to administer the program: EPM I program manager (R21), EEII (R23 - head "ocean ranger" based at DEC). This is a reduction of 2 positions from Governor's Amended budget.

Governor's Amended budget	$373.5
Reduction in cost due to HB164	($203.1)
Revised cost	$ 170.4

Travel: Line item includes travel for DEC program staff for implementing the program.

Governor's Amended budget	$55.0
Reduction in cost due to HB164	($47.0)
Revised cost	$8.0

Contractual: The contractual cost includes cost of the ORs and other program related costs such as public notices, staff training, and legal support. DEC will fund ORs under contract, rather than attempt to hire them directly as state employees. Significant reductions from the Governor's Amended budget in needs for wireless work stations, cell phones, and other communication needs with reduction of ORs. In addition, there are significant reductions in cost since there will be no contract with cruiselines for 7-day passage berths for ORs under proposed HB164. 20K reduction in need for GPS tracking as HB164 assumes USCG will do this tracking.

Seven (7) new ocean rangers (ORs), 2 in Juneau, 2 in Ketchikan, 1 in Southcentral area, and 2 that will travel to other Southeast ports of call. No actual ridership between ports. The assumption is that the ORs will work for 12 hours maximum per day, whether inspecting or in travel status. (Contract includes : hourly pay, COLA, and benefits.) Vessel inspections require a minimum of 4 hours per vessel; no more than 2 vessels/day can be inspected per OR.

Governor's Amended budget	$4,931.5
Reduction in cost due to HB164	($4,340.5)
Revised cost	$591.0

Supplies: Some reductions in gear because of reduced number of ORs. Training and monitoring material needs may also see some reductions.

Governor's Amended budget	$240.0
Reduction in cost due to HB164	($195.1)
Revised cost	$45.0

Ballot Measure 2 – Summary

(Sections and subsections of the initiative amended by HB 164 are marked with ******)

Section	Effect
#1 **Excise Tax on Travel Aboard Commercial Passenger Vessels**	Adds an entirely new chapter to Title 43
New AS 43.52.010	Imposes excise tax on overnight accommodations on commercial passenger vessels
New AS 43.52.020	Sets the rate of the tax
New AS 43.52.030	States that passengers are liable for the tax and requires "the department" to collect it in a manner and at times set by the department through regulation
New AS 43.52.040(a)	Requires deposit of the proceeds in a special account "Commercial Vessel Passenger Account" in the general fund and then attempts to restrict the legislature's authority to spend these funds
New AS 43.52.040(b)	Requires the commissioner to identify the first five ports of call in the state and then "subject to" the appropriation by the legislature, distribute to each port of call, $5 per passenger under certain conditions
New AS 43.52.040(c)	Creates a new "Regional Cruise Ship Impact Fund" as a subaccount and requires 25% of the proceeds from the tax to be deposited in the account. Also, sets up a formula for distributing funds to municipalities, and restricts the funds to certain uses
New AS 43.52.050(a)	Requires the department to administer the tax collections, and supervise and enforce collections of taxes and penalties
New AS 43.52.050(b)	Grants the department authority to adopt the regulations necessary for the administration of the chapter
New AS 43.52.060	Preempts municipal laws that tax commercial passenger vessels
New AS 43.52.095	Definitions
#2 **Games of Chance and Contests of Skill on Ships Operating On Waters Within the Jurisdiction of Alaska**	Adds a New Chapter for Taxes on Games of Chance
New AS 05.16.010	Defines what activities the new tax applies

	to
New AS 05.16.020	Levies the tax authorized above and provides that the department of revenue will administer the collection of the taxes
New AS 05.16.030	Provides that the tax proceeds will be deposited in the "Commercial Passenger Tax Account" in the general fund
#3 **Internal Revenue Code Adopted By Reference**	Repeals AS 43.20.021
New AS 43.20.021(a)	Adopts IRS statutes as part of chapter 43.20 except as modified by other provisions
New AS 43.20.021(b)	State that nothing in this chapter or in the Multistate Tax Compact may be construed as an exception to or modification of 26 U.S.C. 883
#4 **Cruise Ships and Wastewater Discharge Permits**	Repeals AS 46.03.462
New AS 46.03.462	Requires owners or operators of large commercial passenger vessels to obtain a permit and comply with its terms and conditions before discharging treated sewage, graywater, or other wastewater; requires owners or operators to maintain reports; requires owners or operators to collect and test samples and provide reports; requires owners and operators to report discharges; requires owners and operators to allow the department access to the vessel at the time samples are taken for purposes of taking the samples or for purposes of verifying the integrity of the sampling process and to submit records, notices and reports to the department
#5 **Cruise Ships and Wastewater Permits**	Amends AS 46.03.463
Repeals AS 46.03.463(d) and reenacts AS 46.03.463(e)	Prohibits discharge unless the owner or operator has a permit and is not in an area where discharge of treated sewage, graywater or other wastewaters is otherwise prohibited
#6 **Cruise Ships and Wastewater Recordkeeping and Other Requirements**	Repeals and reenacts AS 46.03.465
New AS 46.03.465(a)	Information gathering, daily records, period of operation, discharges, and provide

	electronic copies on a monthly basis to the department
New AS 46.03.465(b) **********	Requires a vessel to provide hourly reports on its location and to collect samples using a technique approved by the department
New AS 46.03.465(c)	Allows the department or an independent contractor to collect samples while the vessel is present in the marine waters of the state
New AS 46.03.465(d)	Requires the owner or operator of a vessel to use approved sampling techniques
New AS 46.03.465(e)	Requires owner or operator to pay for costs of sampling, etc.
New AS 46.03.465(f)	When in compliance with information requirements
#7 **Cruise Ships and Wastewater – Ocean Rangers**	Amends AS 46.03 to include new provisions on Ocean Rangers and Citizen lawsuits
New AS 46.03.476(a) **********	Requires owners or operators to have a licensed marine engineer on board the vessel at some time for the purpose of monitoring discharge and pollution requirements
New AS 46.03.476(b) **********	Requires the licensed engineer to monitor information related to the engineering, sanitation, and health related operations of the vessel, etc.
New AS 46.03.476(c)	Requires transmission of information
New AS 46.03.481	Citizen suit provisions
#8 **Fees from Head Tax Dedicated to Paying for the Ocean Ranger Program**	Amends AS 46.03.480
New AS 46.03.480(d)	Imposes additional tax of $4 per berth for the purpose of operating the Ocean Ranger program
#9 **Cruise Ships and Wastewater**	Amends AS 46.03.760
New AS 46.03.760(f)	Civil penalties for violations of wastewater provisions
New AS 46.03.760(f)(1) – (4)	Sets amount of reasonable compensation in formula in the nature of liquidated damages and provides that all parties are entitled to such damages except the state, describes additional damage entitlements and measures
#10 **Required Disclosures in Promotions and Shoreside Sales on Board**	Repeals and reenacts AS 45.50.474

Cruise Ships	
New AS 45.50.474(a) – (c)	Disclosures in promotions on shoreside sales and penalties for violations
#11 **Severability Clause**	Severability clause
#12 **Effective Date**	Effective date clause

Commercial Passenger Vessel Environmental Compliance Program Technical Assistance

Ocean Ranger Program
Cruise Ship Ballot Measure
Implementation

March 7, 2007

Prepared on behalf of the
Alaska Department of Environmental Conservation

Submitted by:

3300 Foster Avenue
Juneau, Alaska 99801

Table 4A: Estimated Costs to Deploy One Ocean Ranger on Each Ship for Options 1-4 (Based on 2006 Season)

Week of	Number of Ships in Alaska	Option 1: Ride Continuously	Option 2: Embark & Disembark at Canadian Pilot Station	Option 3: Board/Disembark at First/Last Alaska Pilot Station	Option 4: Board/Disembark at First/Last Alaska Port of Call
4/30/2006	1	$ 5,200.00	$ 9,000.00	$ 6,900.00	$ 4,650.00
5/7/2006	5	$ 26,000.00	$ 45,000.00	$ 34,500.00	$ 23,250.00
5/14/2006	18	$ 93,600.00	$ 162,000.00	$ 124,200.00	$ 83,700.00
5/21/2006	24	$ 124,800.00	$ 216,000.00	$ 165,600.00	$ 111,600.00
5/28/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
6/4/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
6/11/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
6/18/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
6/25/2006	27	$ 140,400.00	$ 243,000.00	$ 186,300.00	$ 125,550.00
7/2/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
7/9/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
7/16/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
7/23/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
7/30/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
8/6/2006	27	$ 140,400.00	$ 243,000.00	$ 186,300.00	$ 125,550.00
8/13/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
8/20/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
8/27/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
9/3/2006	27	$ 140,400.00	$ 243,000.00	$ 186,300.00	$ 125,550.00
9/10/2006	25	$ 130,000.00	$ 225,000.00	$ 172,500.00	$ 116,250.00
9/17/2006	18	$ 93,600.00	$ 162,000.00	$ 124,200.00	$ 83,700.00
9/24/2006	7	$ 36,400.00	$ 63,000.00	$ 48,300.00	$ 32,550.00
Season Total		$ 2,490,800.00	$ 4,311,000.00	$ 3,305,100.00	$ 2,227,350.00

Table 4B: Estimated Costs to Deploy Ocean Rangers for Cruise Season Using Options 5 and 6

	Option 5: Ride Randomly Selected Legs (Port to Port) of a Cruise Ship Voyage	Option 6: Inspect Vessels While in Port
Number of Ocean Rangers deployed	10	6-8
Cost per Week	$52,000.00	$25,200.00 - $33,600.00
Cost per Season (20 weeks)	$1,040,000.00	$504,000.00 - $672,000.00

Alaska Division of Elections

INITIATIVE PETITION BILL LANGUAGE
by Petition Sponsors

Petition ID: 03CTAX

FOR AN ACT PROVIDING FOR TAXATION OF CERTAIN COMMERCIAL SHIP VESSELS, PERTAINING TO CERTAIN VESSEL ACTIVITIES and RELATED TO SHIP VESSEL OPERATIONS TAKING PLACE IN THE MARINE WATERS OF THE STATE OF ALASKA

Posted 7/13/06

Proposed Bill:

FOR AN ACT PROVIDING FOR TAXATION OF CERTAIN COMMERCIAL SHIP VESSELS, PERTAINING TO CERTAIN VESSEL ACTIVITIES and RELATED TO SHIP VESSEL OPERATIONS TAKING PLACE IN THE MARINE WATERS OF THE STATE OF ALASKA

Be it enacted by the People of the State of Alaska:

***Section 1.** AS 43 is amended by adding a new chapter to read:
Chapter 52. Excise Tax on Travel Aboard Commercial Passenger Vessels.
Sec. 42.52.010. Levy of excise tax on overnight accommodations on commercial passenger vessels. There is imposed an excise tax on travel on commercial passenger vessels providing overnight accommodations in the state's marine waters.
Sec. 43.52.020. Rate of tax. The tax imposed by AS 43.52.010 - 43.52.095 is levied at a rate of $46 a passenger per voyage.
Sec. 43.52.030. Liability for payment of tax. A passenger traveling on a commercial

passenger vessel providing overnight accommodations in state marine water is liable for the tax imposed by AS 43.52.010 -- 43.52.095. The tax shall be collected and is due and payable to the department
(1)) by the person who provides travel aboard a commercial vessel for which the tax is payable; and
(2) in the manner and at the times required by the department by regulation.
Sec. 43.52.040. Disposition of receipts. (a) (a) The proceeds from the tax on travel on commercial passenger vessels providing overnight accommodations in the state's marine water shall be deposited in a special "Commercial Vessel Passenger Tax Account" in the general fund. The legislature may appropriate money from this account for the purposes described in (b) and (c) of this section, for state-owned port and harbor facilities, other services to properly provide for vessel or watercraft visits, to enhance the safety and efficiency of interstate and foreign commerce and such other lawful purposes as determined by the legislature.
(b) For each voyage of a commercial passenger vessel providing overnight accommodations, the commissioner shall identify the first five ports of call in the state and the number of passengers on board the vessel at each port of call. Subject to appropriation by the legislature, the commissioner shall distribute to each port of call $5 per passenger of the tax revenue collected from the tax levied under this chapter. If the port of call is a city located within a borough not otherwise unified with the borough, the commissioner shall, subject to appropriation by the legislature, distribute $2.50 per passenger to the city and $2.50 to the borough. Each port of call receiving funds under this section shall use the funds in a manner calculated to improve port and harbor facilities and other services to properly provide for vessel or water craft visits and to enhance the safety and efficiency of interstate and foreign commerce.
(c) "Regional Cruise Ship Impact Fund" consisting of 25% of the proceeds from the tax on travel aboard commercial passenger vessels providing overnight accommodations in the state's marine water shall be established as sub-account of the funds established in (a), above, and deposited in the general fund. Subject to appropriation by the legislature and regulations adopted by the Department of Revenue, the commissioner shall distribute funds to municipalities or other governmental entities within the Prince William Sound Region, Southeast Alaska or any other distinctive region impacted by cruise ship related tourism activities but not entitled to receive funds based on port of call visitation as allowed by (b), above, provided that any funds used from this account shall be used to provide services and infrastructure directly related to passenger vessel or water craft visits or to enhance the safety and efficiency of interstate and foreign commerce related to vessel or water craft activities.
Sec. 43.52.050. Administration. (a) The department shall
(1) administer this chapter; and
(2) collect, supervise, and enforce the collection of taxes due under this chapter and penalties as provided in AS 43.05.
(b) The department may adopt regulations necessary for the administration of this chapter.
Sec. 43.52.060. Local levies. Any municipality, whether home rule or general law, that receives passenger ship fee funds under this chapter may not impose an additional form of tax on travel on commercial passenger vessels engaged in activities involving overnight accommodations for passengers in state marine waters. Any form of tax on travel on commercial passenger vessels engaged in activities involving overnight accommodations for passengers in state marine waters enacted by a municipality, whether home rule or general law, prior to the effective date of this legislation shall expire one year after enactment of this law if that municipality elects to receive funds under this chapter.
Sec. 43.52.095. Definitions. In this chapter, (1) "commercial passenger vessel" means a boat or vessel that is used in the common carriage of passengers in commerce; "commercial passenger vessel" does not include
(A) vessels with fewer than 250 berths or other overnight accommodations for passengers;

(B) noncommercial vessels, warships, and vessels operated by the state, the United States, or a foreign government;
(2) "marine water of the state" and "state marine water" have the meaning given to "waters" in AS 46.03.900, except that they include only marine waters.
(3) "passenger" means a person whom a common carrier has contracted to carry from one place to another.
(4) "voyage" means any trip or itinerary lasting more than 72 hours.

* **Sec. 2.** AS 05, is amended by adding a new chapter to read:
Chapter 16. Games of Chance and Contests of Skill on Ships Operating on Waters Within the Jurisdiction of Alaska.
Sec. AS 05.16.010. Gambling activities aboard commercial vessels purportedly authorized by federal law. This chapter applies to the use of playing cards, dice, roulette wheels, coin-operated instruments or machines, or other objects or instruments used, designed, or intended for gaming or gambling used in the waters under the jurisdiction of the State of Alaska on a voyage described in 15 U.S.C. Section 1175(c)(2), and to any other gambling activities taking place aboard large passenger vessels in the state.
Sec. 05.16.020. Tax on gambling activities authorized by AS 05.16.010. There is imposed on the operator of a gaming or gambling activities aboard large passenger vessels in the state a tax of 3% of the adjusted gross income from those activities. "Adjusted gross income" means gross income less prizes awarded and federal and municipal taxes paid or owed on the income. The tax shall be collected and is due and payable to the department of revenue in the manner and at the times required by the department of revenue.
Sec. 05.16.030. Disposition of receipts. (a) The proceeds from the tax on gambling operations aboard commercial passenger vessels in the state's marine water shall be deposited in a special "Commercial Vessel Passenger Tax Account" in the general fund.

*Sec. 3.AS 43.20.021 is repealed and reenacted as follows:
Sec. 43.20.021(a). Internal Revenue Code adopted by reference. (a) Sections 26 U.S.C. - 1399 and 6001 - 7872 (Internal Revenue Code), as amended, are adopted by reference as a part of this chapter. These portions of the Internal Revenue Code have full force and effect under this chapter unless excepted to or modified by other provisions of this chapter.
(b) Nothing in this chapter or in AS 43.19 (Multistate Tax Compact) may be construed as an exception to or modification of 26 U.S.C. 883.
(c) The provision in (b), above, does not apply to commercial passenger vessels as defined in AS 43.52.095.

***Sec 4.**AS 46.03.462 is repealed and re-enacted as follows:
Sec. 46.03.462. Terms and conditions of discharge permits.(a) An owner or operator may not discharge any treated sewage, graywater, or other wastewater from a large commercial passenger vessel into the marine waters of the state unless the owner or operator obtains a permit under AS 46.03.100, which shall comply with the terms and conditions of vessel discharge requirements specified in (b) of this section.
(b) The minimum standard terms and conditions for all discharge permits authorized under this provision require that the owner or operator:
(1) may not discharge untreated sewage, treated sewage, graywater, or other wastewaters in a manner that violates any applicable effluent limits or standards under state or federal law, including Alaska Water Quality Standards governing pollution at the point of discharge;
(2) shall maintain records and provide the reports required under AS 46.03.465(a);
(3) shall collect and test samples as required under AS 46.03.465(b) and (d) and provide the reports with respect those samples required by AS 46.03.475(c);

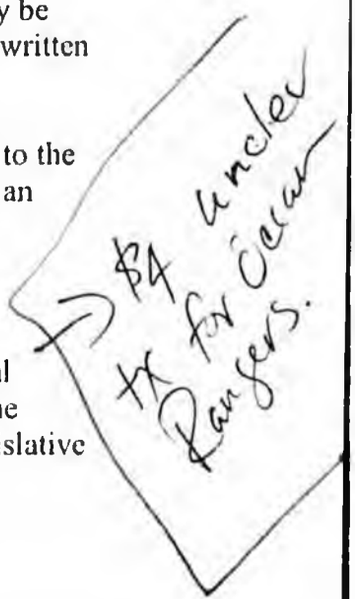
(4) shall report discharges in accordance with AS 46.03.475(a);
(5) shall allow the department access to the vessel at the time samples are taken under AS 46.03.465 for purposes of taking the samples or for purposes of verifying the integrity of the sampling process; and
(6) shall submit records, notices, and reports to the department in accordance with AS 46.03.475(b), (d), and (e).

***Sec. 5.** AS 46.03.463 is amended to read as follows:
Sec. 46.03.463(d) is repealed.
Sec. 46.03.463(e) is repealed and reenacted to read: An owner or operator may not discharge any treated sewage, graywater, or other wastewater from a large commercial passenger vessel into the marine waters of the state unless the owner or operator obtains a permit under AS 46.03.100 and AS 46.03.462, and provided that the vessel is not in an area where the discharge of treated sewage, graywater or other wastewaters is otherwise prohibited.
Sec. 46.03.463(g) is repealed.

***Sec 6. AS 46.03.465** repealed and reenacted to read as follows:
Sec. 46.03.465. Information-gathering requirements (a) The owner or operator of a commercial passenger vessel shall maintain daily records related to the period of operation while in the State, detailing the dates, times, and locations, and the volumes and flow rates of any discharges of sewage, graywater, or other waster into the marine waters of the State, provide electronic copies of such records on a monthly basis to the department no later than 5 days after each calendar month of operation in State waters.
(b) while a commercial passenger vessel is present in the marine waters of the State, the owner or operator of the vessel shall provide an hourly report of the vessel's location based on Global Positioning System technology and collect routine samples of the vessel's treated sewage, graywater, and other wastewaters being discharged into marine waters of the State with a sampling technique approved by the department.
(c) while a commercial passenger vessel is present in the marine waters of the State, the Department, or an independent contractor retained by the Department, may collect additional samples of the vessel's treated sewage, graywater, and other wastewaters being discharged into the marine waters of the State.
(d) the owner or operator of a vessel required to collect samples under (b) of this section shall ensure that all sampling techniques and frequency of sampling events are approved by the department in a manner sufficient to ensure demonstration of compliance with all discharge requirements under AS 46.03.462.
(e) the owner or operator of a commercial passenger vessel shall pay for all reporting, sampling and testing of samples under this section.
(f) if the owner or operator of a commercial passenger vessel has, when complying with another state of federal law that requires substantially equivalent information required under (a), (b), or (d) of this section, the owner or operator shall be considered to be in compliance with that subsection so long as the information is also provided to the department.

***Sec. 7.** AS 46.03 is amended to include new provisions as follows:
Sec. 46.03.476. Ocean Rangers. (a) An owner or operator of a large commercial passenger vessel entering the marine waters of the state is required to have a marine engineer licensed by the United States Coast Guard hired or retained by the department on board the vessel to act as an independent observer for the purpose of monitoring state and federal requirements pertaining to marine discharge and pollution requirements and to insure that passengers, crew and residents at ports are protected from improper sanitation, health and safety practices.

(b) The licensed marine engineer shall monitor, observe and record data and information related to the engineering, sanitation and health related operations of the vessel, including but not limited to registration, reporting, record keeping and discharge functions required by state and federal law.
(c) Any information recorded or gathered by the licensed marine engineer shall be promptly conveyed to the Alaska Department of Environmental Conservation and the United State Coast Guard on a form or in a manner approved by the Commissioner of Environmental Conservation. The Commissioner may share information gathered with other state and federal agencies.
46.03.481. Citizens suits. (a) Any citizen of the State of Alaska may commence a civil action (1) against an owner or operator of a large passenger vessel alleged to have violated any provision of this chapter, or (2) against the department where there is an alleged failure to perform any act or duty under this chapter which is not discretionary. No civil action may be commenced under this section, however, prior to 45 days after the plaintiff has provided written notice of the intent to sue to the Attorney General of Alaska.
(b) Subject to appropriation, as necessary, up to 50% and not less than 25% of any fines, penalties or other funds recovered as a result of enforcement of this chapter shall be paid to the person or entity, other than the defendant, providing information sufficient to commence an investigation and enforcement of this chapter under this provision.



*Sec. 8. AS 46.03.480 is amended as follows:
Sec. 46.03.480 is amended by adding a new section to read:
(d) An additional fee in the amount of $4.00 per berth, is imposed on all large commercial passenger vessels, other than vessels operated by the state, for the purpose of operating the Ocean Ranger program established in AS 46.03.476; said program shall be subject to legislative appropriation.
Sec. 46.03.480(d) shall be repealed and reenacted as 46.03.480(e).

*Sec. 9. As 46.03.760 is amended as follows:
Sec. AS 46.03.760 is amended by a lding a new section to read:
(f) An owner, agent, employee or operator of a commercial passenger vessels as defined in AS 43.52.095 who falsifies a registration or report required by AS 46.03.460 or 46.03.475 or who violates or causes or permits to be violated a provision of AS 46.03.250 - 46.03.314, 46.03.460 - 46.03.490, AS 46.14, or a regulation, a lawful order of the department, or a permit, approval, or acceptance, or term or condition of a permit, approval, or acceptance issued under AS 46.03.250 - 46.03.314, 46.03.460 - 46.03.490, or AS 46.14 is liable, in a civil action, to the state for a sum to be assessed by the court of not less than $5000 nor more than $100,000 for the initial violation, nor more than $10,000 for each day after that on which the violation continues, and that shall reflect, when applicable,
(1) reasonable compensation in the nature of liquidated damages for any adverse environmental effects caused by the violation, that shall be determined by the court according to the toxicity, degradability and dispersal characteristics of the substance discharged, the sensitivity of the receiving environment, and the degree to which the discharge degrades existing environmental quality; for a violation relating to AS 46.14, the court, in making its determination under this paragraph, shall also consider the degree to which the discharge causes harm to persons or property; this paragraph may not be construed to limit the right of parties other than the state to recover for personal injuries or dam ge to their property;
(2) reasonable costs incurred by the state in det ion, investigation, and attempted correction of the violation;
(3) the economic savings realized by the person in not complying with the requirement for which a violation is charged; and
(4) the need for an enhanced civil penalty to deter future noncompliance.

Sec. 46.03.760(f) shall be repealed and reenacted as 46.03.760(g).

***Sec. 10.** AS 45.50.474 is repealed and reenacted to read as follows:
Sec. 45.50.474. Required disclosures in promotions and shore side sales on board cruise ships.(a) A person may not conduct a promotion on board a cruise ship that mentions or features a business in a state port that has paid something of value for the purpose of having the business mentioned, featured or otherwise promoted, unless the person conducting the promotion clearly and fully discloses orally and in all written materials used in the promotion that the featured businesses have paid to be included in the promotion. All such written notice of disclosure shall be in a type not less than 14-point typeface and in a contrasting color calculated to draw attention to the disclosure.
(b) A person or other entity aboard a cruise ship conducting or making a sale of tours, flightseeing operations or other shore-side activities to be delivered by a vendor or other entity at a future port of call shall disclose, both orally and in writing, the amount of commission or percentage of the total sale retained or returned to the person making the sale. The person or entity aboard a cruise ship making or attempting to make a sale of services or goods provided by a shore-side vendor shall disclose the address and telephone number of the shore side vendor if asked by a consumer. All such written notice of disclosure shall be in a type not less than 14-point typeface and in a contrasting color calculated to draw attention to the disclosure.
(c) Each violation of this section constitutes an unfair trade practice under AS 45.50.471, and shall result in a penalty of not more than $100 for each violation. In this section, "cruise ship" means a ship that operates at least 48 hours in length for ticketed passengers, provides overnight accommodations and meals for at least 250 passengers, is operated by an authorized cruise ship operator, and is certified under the International Convention for the Safety of Life at Sea or otherwise certified by the United States Coast Guard.

Section 11. Severability. It is the intention of the people of Alaska that any portion of this legislation that is declared unlawful shall be stricken in a manner that preserves the remaining portion of the remaining legislation to the maximum extent possible.

Section 12. Effective Date. This Act takes effect 90 days after enactment.

End

Initiative Petition Status Report

Alaska Division of Elections Home Page

Statement of Facts from Testimony and Documents Presented to the House Transportation Committee, EPA Records, and U.S. Public Health Service Records Showing the Risk to Alaska From Wastewater Pollution or Health and Sanitation Issues by Today's Fleet of Large Cruise Ships is Very Low

FACT #1: In 2006, 83% Of The Cruise Ship Fleet Operated In Alaska Waters With "State Of The Science" Advanced Wastewater Treatment Systems.

Lynn Kent, Director of the Division of Water for the State DEC, Captain Roussel, and Captain Phillips testified and provided a spreadsheet showing that prior to 2002, (the old fleet) there were only 2 cruise ships in Alaska out of 24 total vessels that operated with advanced wastewater treatment system. (AWTS) In 2006, today's fleet, 24 out of 29 (82%) of large cruise ships have advanced wastewater treatment systems (AWTS) and those numbers have been increasing every year.

This represents an 1100 percent increase in vessels operating with AWTS in Alaska waters in just about the amount of time it took for the 2003 initiative to make it to the ballot in 2006. (The 4 vessels without AWTS are holding wastewater until they are outside state waters)

FACT #2: Cruise Ships With AWTS Produce Effluent So Clean, They Are Certified To Discharge Continuously While Moving Or Tied Up In Port By The United States Coast Guard.

Captain Roussel and Captain Phillips testified that AWTS represent the state of the art in wastewater treatment technology. The technology was described as "a system of bioreactors and filters that basically treat wastewater through enhanced aerobic digestion and low pressure membrane filtration."

Captain Roussel and Captain Phillips testified that AWTS not only allow the ships to meet Alaska's wastewater discharge requirements (AS 46.03.460 – AS 46.03.490) they allow them to beat them. With discharge levels in some areas far below the legal limits.

Lt. Dan Buschbaum, the Assistant Chief of Inspections for the USCG here in Juneau, Alaska has stated: "Some of the wastewater discharged by cruise ships traveling in Alaska's waters [those with AWTS] is actually clean enough to drink" and "the advanced wastewater treatment systems employed with this option are discharging some of the cleanest wastewater ever seen". ***Winter 2005-2006 edition of Coast Guard Proceedings,*** "Cleaning up Wastewater".

Ms. Kent from DEC testified there has not been a Notice of Violation for a wastewater violation issued to a large cruise ship in the last 2 years.

(Note: The USCG has jurisdiction over AWTS and has issued regulations describing how AWTS must be designed, constructed, installed, operated, and maintained, as well as setting effluent levels that must be met before a ship with an AWTS will be certified to discharge continuously. ***33 CFR Part 159.***)

FACT #3: The State DEC Tested Effluents From Ships With Advanced Wastewater Systems And Found They Do Not Present A Hazard To Humans Or The Environment.

On February 9, 2004, the State Department of Environmental Conservation issued a report after collecting and studying several years of data from samples of cruise ship wastewater discharge and concluded:

"Since the passage of the Alaska cruise ship laws, large cruise ships [have] installed advanced wastewater treatment systems that meet the stringent U.S. Coast Guard requirements for continuous discharge. The quality of the wastewater on large ships has therefore improved dramatically." **Page 55**

"WET testing results and a comparison of sample results with Alaska Water Quality Standards indicate that the effluent from these advanced systems is not expected to cause toxicity to the marine environment. No human health risk is posed by the low concentration of tested pollutants found in wastewater samples. The wastewater samples indicate that hazardous materials are not being discharged through these wastewater treatment systems." **Page 35.**

"Test results indicate that wastewater effluent from large ships with advanced wastewater treatment systems does not pose a risk to aquatic organisms, even during stationary discharges. ... None of the pollutants

mentioned above are present in concentrations [that would] cause risks to human health." **Page 55-56.**

FACT #4: The Federal EPA Has Tested Effluent From Ships With AWTS And Found The Systems Are Very Effective In Removing Pollutants.

On December 12, 2000, Congress passed HR 4577 which contained Title XIV. Title XIV set discharge standards for sewage and graywater from large cruise ships in Alaska. The law also authorized EPA to develop additional standards if necessary. EPA conducted sampling of wastewater discharge from 4 vessels in 2004 and made finding like these which are from a test of the wastewater from the cruise ship *Veendam*:

"The Zenon treatment system successfully removed almost all pathogen indicators (greater than 99%) and most classical pollutants, metals, and organics. Two pathogen indicators, fecal coliform and *E. coli* were not detected in any of the 15 effluent treatment samples, … The treatment system removed almost all BOD [biochemical oxygen demand] (greater than 99%), COD [chemical oxygen demand] (97%), total organic carbon (TOC) (93%), settleable residue (greater than 99%) and TSS [total settleable solids] (greater than 99%) …" ***Sampling Episode Report, Holland America Veendam***, Executive Summary, March 2006, p. vii.

FACT #5: Monitoring Of Pollution Discharges From Vessels Is Already Occurring By The USCG, DEC, And Independent Contractors.

Title XIV also required the USCG to expand its current vessel inspection program to include all discharge control equipment on cruise ships, required sampling and testing of sewage and graywater discharges, authorized unannounced inspections and logbooks recording all sewage and graywater discharges. The USCG's system has been put into place in cooperation with DEC and the industry.

Mr. Wetzel from Admiralty Environmental, the independent contractor now conducting sampling and testing on the cruise ships described this process as including unannounced sampling and regularly scheduled sampling by his teams, most of which occur in port.

Mr. Wetzel and Ms. Kent from DEC testified how under the current program, a DEC employee who is actually trained in science and proper monitoring and sample taking, periodically boards a vessel with the teams from Admiralty Environmental, watches them perform their work, evaluates that work, (which includes a list of 25 specific criteria) and reports the results in writing to DEC and the Coast Guard. Admiralty Environmental passed all its DEC and University of Alaska audits in 2006.

Mr. Wetzel also testified that in addition to his two trained employees taking samples, and the DEC employee periodically auditing their work, a scientist with a Ph.D., from the Univ rsity of Alaska also periodically boards the ships to observe and report on the sample procedures and also reviews the testing techniques of the lab receiving and analyzing the samples.

Mr. Wetzel and Ms. Kent also reviewed for the Transportation committee the sampling and testing procedures in the Quality Assurance / Quality Control Plan which is reviewed and updated annually by the Coast Guard and DEC. This plan is designed by the regulating agencies to ensure proper sample taking, proper testing, proper recording of results, and proper reporting of results to the regulating agencies.

Mr. Wetzel and Ms. Kent also discussed how in addition to complying with the QA / QCP each vessel is required to submit a vessel specific sampling plan (VSSP). A VSSP describes the specific AWTS aboard each vessel (Zenon Bioreactor System, etc.) and how contingencies will be handled in the event of a malfunction.

FACT #6: The United States Public Health Service Is Already Conducting Health And Sanitation Inspections On Cruise Ships And The Ships Are Passing The Inspections.

Federal statutes give the United States Public Health Service jurisdiction over health and safety on cruise ships. Those federal statutes are

cited on pages 152 to 162 of the Vessel Sanitation Program Manual published by the Centers for Disease Control.

The 27 large cruise ships operated by major lines in Alaska in 2006 were inspected a total of 403 times by trained federal health, safety, and sanitation inspectors. These ships passed 99% of those inspections. (All but 5 inspections). None of the 27 vessels had failed a health and safety inspection in the last 5 years, and that single failed inspection was the last one for these vessels in over a decade.

Table updated on 5/22/06 by DEC

2006 Large[1] Commercial Passenger Vessels Discharge Status and Wastewater Treatment

Vessel Operator	Vessel Name	Passenger Capacity (actual)	Crew Capacity	Total Persons on Board[2]	Blackwater (BW) Treatment System Manufacturer	Graywater (GW) Treatment System Manufacturer	Discharging In Alaska[3] & Subject to sampling program		Type of Treatment System
							BW	GW	
Carnival Cruise Lines	*Carnival Spirit*	2125	934	3059	Triton/Rochem	Rochem UF	No	Yes	Rochem is a reverse osmosis ultrafiltration system.
Celebrity Cruises	*Infinity*	2038	997	3035	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Celebrity Cruises	*Mercury*	1870	909	2779	Biopure/Rochem	Mixed with BW	Yes	Yes	Rochem is a reverse osmosis ultrafiltration system.
Celebrity Cruises	*Summit*	2449	960	09	Hamann/Lazarus	None	No	No	Hamann/Lazarus is dilution and filtration system.
Holland America	*Oosterdam*	1824	800	2624	Rochem	Mixed with BW	Yes	Yes	Rochem is a reverse osmosis ultrafiltration system.
Holland America	*Ryndam*	1266	588	1854	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Holland America	*Statendam*	1266	588	1854	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Holland America	*Veendam*	1266	588	1854	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Holland America	*Volendam*	1440	620	2060	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Holland America	*Westerdam*	1848	800	2648	Rochem Bio-filtration	Rochem LPRO	Yes	Yes	Rochem is a reverse osmosis ultrafiltration system.
Holland America	*Zaandam*	1460	620	2080	Zenon	Mixed with BW	Yes	Yes	Zenon is a biological reactor and ultrafiltration system.
Holland America	*Zuiderdam*	1848	800	2648	Rochem Bio-filtration	Rochem LPRO	Yes	Yes	Rochem is a reverse osmosis ultrafiltration system.
Kyma Ship Management	*Topaz*	999	Unknown	999 + crew	Unknown	Unknown	No	No	
Mitsui O.S.K. Passenger Line	*Nippon Maru*	500-999	Unknown	Unknown	Unknown	Orca II	No	No	
Norwegian Cruise Lines	*Norwegian Star*	2240	1100	3340	Scanship	Mixed with BW	Yes	Yes	Scanship is a biological reactor and ultrafiltration system.
Norwegian Cruise Lines	*Norwegian Sun*	2002	950	2952	Scanship	Mixed with BW	Yes	Yes	Scanship is a biological reactor and ultrafiltration system.
Norwegian Cruise Lines	*Norwegian Wind*	2100	700	2800	Scanship	Mixed with BW	Yes	Yes	Scanship is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Coral Princess*	1950	850	2800	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Dawn Princess*	1950	900	2850	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Diamond Princess*	2670	1238	3908	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Island Princess*	1950	850	2800	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Regal Princess*	1596	660	2256	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Sapphire Princess*	2670	1238	3908	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Princess Cruise Line	*Sun Princess*	1950	870	2820	Hamworthy Bioreactor	Accomodations mixed with BW	Yes	Accomodations Only	Hamworthy is a biological reactor and ultrafiltration system.
Radisson Seven Seas	*Seven Seas Mariner*	769	431	1200	Hamworthy Bioreactor	Mixed with BW	Yes	Yes	Hamworthy is a biological reactor and ultrafiltration system.
Royal Caribbean Cruises Ltd.	*Radiance of the Seas*	2100	859	2959	Unknown	Unknown	No	No	
Royal Caribbean Cruises Ltd.	*Serenade of the Seas*	2100	850	2950	Scanship	Mixed with BW	Yes	Yes	Scanship is a biological reactor and ultrafiltration system.
Royal Caribbean Cruises Ltd.	*Vision of the Seas*	2400	800	3200	Hydroxyl	Unknown	No	No	Hydroxyl is an activated oxidation process.
Silver Shadow Shipping	*Silver Shadow*	435	305	740	Biopure/Marisan	Mixed with BW	Yes	Yes	

[1] A large vessel has overnight accommodations for 250 or more passengers.

[2] Capacity is calculated from Registration, Vessel Specific Sampling Plan, or Juneau Cruiseship Schedule. Actual number of passenger aboard varries dependent upon sales.

[3] Alaska water extends 3 miles from the coastline and includes the Alexander Archipelago. Only vessels that discharge into Alaska waters are required to meet wastewater sampling and reporting requirements.

The wastewater systems on these vessels meet stringent effluent limits and are approved by the U.S. Coast Guard to discharge continuously.
These vessels are not discharging in Alaska waters during the 2006 season.

Table updated 5/4/06 by DEC

2006 Small[1] Commercial Passenger Vessels Wastewater Treatment

Vessel Operator	Vessel Name	Passenger Capacity (lower berth)	Crew Capacity	Total Persons on Board	Blackwater Treatment System Manufacturer	Graywater treatment	Discharging in Alaska[2] & Subject to sampling program		Type of Treatment System
							BW	GW	
Alaska Marine Highway System	*Columbia*	157	66	223	Omnipure	Mixed with BW	Yes	Yes	Macerator Chlorinating System
Alaska Marine Highway System	*Kennicott*	162	42	204	Orca	Mixed with BW	Yes	Yes	Macerator Chlorinating System
Alaska Marine Highway System	*Malaspina*	138	50	188	Omnipure	Mixed with BW	Yes	Yes	Macerator Chlorinating System
Alaska Marine Highway System	*Matanuska*	136	50	186	Omnipure	Mixed with BW	Yes	Yes	Macerator Chlorinating System
Alaska Marine Highway System	*Taku*	55	42	97	Effluent Technology	Mixed with BW	Yes	Yes	Macerator Chlorinating System
America West Steamship	*Empress of the North*	235	85	320	Orca	Chlorine	Yes	Yes	Macerator Chlorinating System
CruiseWest	*Spirit of 98*	96	26	122	Red Fox	None	Yes	Yes	Biological Chemical
CruiseWest	*Spirit of Alaska*	78	21	99	Omnipure	None	Yes	Yes	Macerator Chlorinating System
CruiseWest	*Spirit of Columbia*	78	21	99	Omnipure	None	Yes	Yes	Electrocatalytic
CruiseWest	*Spirit of Discovery*	84	21	105	Red Fox	None	Yes	Yes	Biological Chemical
CruiseWest	*Spirit of Endeavour*	102	28	130	Omnipure	None	Yes	Yes	Electrocatalytic
CruiseWest	*Spirit of Oceanus*	114	64	178	Hamworthy	None	Yes	Yes	Biological & Filtration
Hapag-Lloyd	Bremen	164	94	258	unknown	unknown	No	No	Unknown
New World Management	*Yorktown Clipper*	138	37	175	Omnipure 12MX824-27	Chlorine	Yes	Yes	Electrocatalytic
Lindblad Expeditions	*Sea Bird*	70	28	98	Omnipure 12M	Chlorine	Yes	Yes	Electrocatalytic
Lindblad Expeditions	*Sea Lion*	68	28	96	Omnipure 12M	Chlorine	Yes	Yes	Electrocatalytic
New World Management	*Clipper Odyssey*	128	76	204	Consillium Neptumatic	Chlorine	Yes	Yes	Macerator Chlorinating System

[1]A small vessel has overnight accommodations for 50-249 passengers. A large vessel has overnight accommodations for 250 or more passengers.

[2]Alaska water extends 3 miles from the coastline and includes the Alexander Archipelago. Vessels discharging in Alaska water must sample their wastewater twice per season.

Cleaning Up Wastewater

The Coast Guard, state and federal regulators, and the cruise ship industry collaborate to improve wastewater quality.

by Lt. Dan Buchsbaum
Assistant Chief of Inspections, U.S. Coast Guard Marine Safety Office Juneau, Alaska

and Ms. Jennifer Kiefer
Technical Writer, SAGE Systems Technologies

We all know that the quality of drinking water is stringently regulated. But did you know that wastewater is also regulated? In fact, some of the wastewater discharged by cruise ships traveling in Alaska's waters is actually clean enough to drink! Perhaps drinkable wastewater does not sound too exciting, but the partnership and technology that has created it definitely is.

Regulating Wastewater...as a Team

Alaska is renowned for its spectacular scenery, and cruise ships are a highly visible part of that scene. Each year, the ships transport more than one million people around the beautiful coastlines, bringing with them great revenue—and leaving behind a considerable amount of wastewater. Concerned by this growing environmental pollution, Alaska has spent the last decade focused on implementing cleaner wastewater standards. The result has been crystal clear success.

In 1999 the Alaska Department of Environmental Conservation (ADEC) organized the Alaska Cruise Ship Initiative (ACSI) to review the cruise ship industry's waste management and disposal practices within Alaskan waters. There were many groups involved, including the U.S. Coast Guard, Environmental Protection Agency (EPA), cruise industry representatives, various Alaskan tribes, environmental groups, and concerned Alaskans. It quickly became apparent that the concern first voiced by Alaskans was shared by many.

In a great display of solidarity, the regulatory agencies

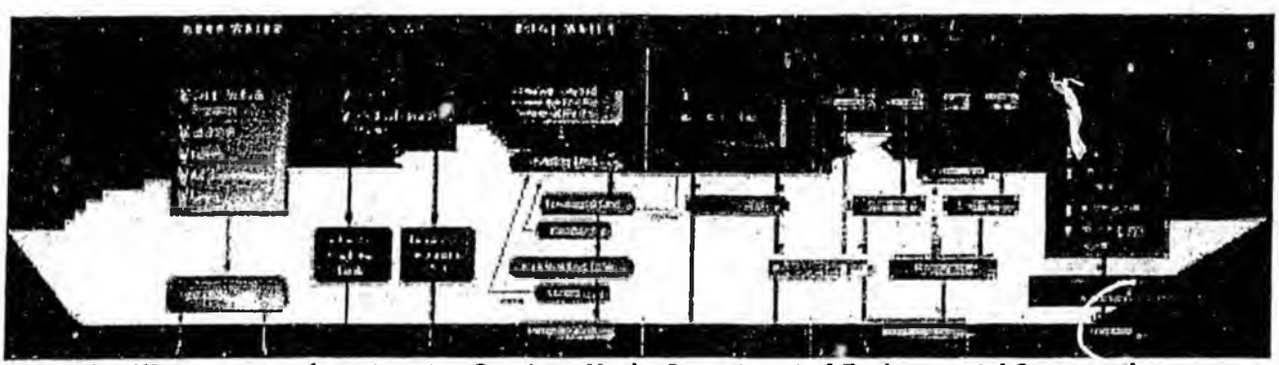


Figure 1: Different types of wastewater. Courtesy Alaska Department of Environmental Conservation.

tion regarding the type of wastewater being discharged (Figure 1), but also the location and quantity of the discharges. With the passing of the various regulations, this information is now effectively captured and monitored. Specifically, the state's CPVEC program requires that each ship maintain comprehensive records of its wastewater discharges. Included in these records are the amount and types of pollutants being discharged.

Figure 3: Scanship advanced wastewater treatment system on a Norwegian Cruise Line vessel. Pictured are two shipboard marine engineers charged with running the system. Courtesy Norwegian Cruise Lines.

Understandably, there is some overlap between the federal and state requirements, so ADEC (specifically, its CPVEC program staff) and the Coast Guard work together closely. For example, if a ship plans to discharge in Alaskan waters, it must provide both ADEC and the Coast Guard with a vessel specific sampling plan (VSSP). The VSSP contains the intended sampling techniques and analytical testing methods of the ship's discharge; it must demonstrate that samples will be representative of the wastewater discharged from that specific ship.

According to Ms. Moana Leirer, an environmental program specialist with ADEC, large cruise ships—which are defined by Alaskan law as 250+ passengers and federal law as 500+ passengers—have one of three options for wastewater discharge that must first be approved by the CPVEC program. These ships can:

1. hold their wastewater, discharging it outside of Alaskan waters (wastewater is therefore not sampled);
2. discharge their wastewater once they are at least one nautical mile from shore and traveling at least six knots (wastewater samples are required and must meet certain effluent standards); or
3. operate advanced wastewater treatment systems that are certified by the Coast Guard for continuous discharge.

A continuous discharge of wastewater, allowed by option three, initially sounds contradictory to the environmental concerns that provided the impetus for the many wastewater discharge regulations. However, the advanced wastewater treatment systems employed with this option are discharging some of the cleanest wastewater ever seen.

Advanced Wastewater Treatment Systems

In addition to the great partnership forged between the regulatory agencies and industry for this massive environmental cleanup, the second part of this success story is the technology that has been developed to improve the wastewater itself. While the regulations were first being formed, many of the cruise ship companies were already evaluating several advanced wastewater treatment systems. These included chemical treatment and mechanical decanting, activated oxidation and oxidant disinfection, reverse osmosis filtration, and bio-reactor/filtration.

Today, while some employ a reverse osmosis filtration system, the majority of cruise ships are using various combinations of enhanced bio-reactor/filtration systems. There are currently four basic designs from dif-

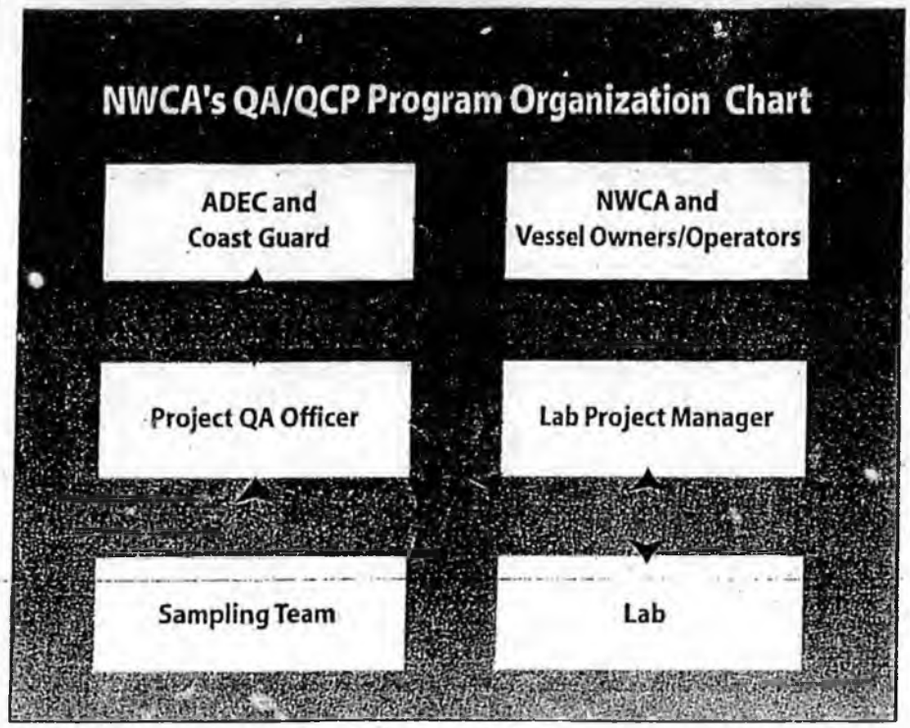


Figure 4: North West Cruise Ship Association's QA/QCP organization chart. Courtesy North West Cruise Ship Association.

set of sampling standards and lab analysis. According to Mr. Wetzel, reliable and representative samples are crucial to achieving valid readings. Therefore, specific sample collection procedures are detailed in each QA/QCP and each ship's VSSP is also submitted to the sampling team. With all groups working from the same documents, there is a stronger certainty that consistent sampling methods are followed and that samples are collected from appropriate and representative locations.

The Coast Guard also verifies installation of the sampling ports on the ships and reviews operations of the advanced wastewater treatment systems during their annual vessel examinations. Additional verification occurs during sampling events because exactness is vital to obtaining a true reading. For example, if a sample port is located too close to certain equipment, then the wastewater has not had a chance to mix before discharging and can produce a tainted sample.

While a third-party sampler takes all the required wastewater samples, it is the responsibility of the ship owner or operator to submit a report on the analytical results of sampling. The sampling analytical report must include the following:

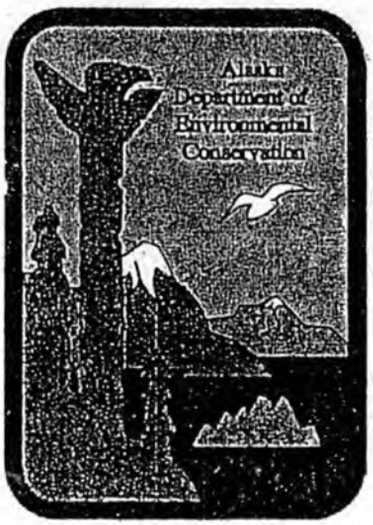
1. date, time, and onboard location where each sample was collected;
2. sampling technique and analytical testing method used for each sample;
3. quality assurance and quality control analysis of the sampling, analytical testing, and analytical data;
4. analytical results;
5. any deviation from the approved plans submitted under 18 AAC 69;
6. type of wastewater sampled; and
7. if necessary, a notification that re-sampling is occurring. [1]

All sample analysis results are submitted by the independent labs directly to the Coast Guard and are reviewed to ensure that each ship is actually meeting all the requirements. The information is later released by ADEC. While samples do occasionally fall out of range, a compliance scheme allows the Coast Guard to average samples to ensure a ship meets compliance on a monthly basis versus an individual sampling event. Since the QA/QCP's inception in 2002, there has been an average of only one bad sample every two months, but these bad samples are usually later shown to have been tainted.

While it may sound confusing, the primary goal of a QA/QCP is to keep wastewater discharge as clean and pollutant-free as possible. In fact, NWCA's QA/QCP tests for 250 different pollutants, substantially more than the 16 pollutant tests required by the Coast Guard.

Other States Implement Alaska's Standards

Alaska's success story has traveled far, including to such distant states as Maine, Washington, and Hawaii. In a great example of knowing when not to reinvent the wheel, the state of Maine essentially adopted the Coast Guard's existing regulations for Alaska (33CFR159, Subpart E) with only two noticeable changes: substituting "Maine" for "Alaska" and "State of Maine Department of Conservation" for "Coast Guard Captain of the Port." Regulations in Washington have also adopted many of Alaska's regulations but require additional record keeping requirements. Officials in Hawaii are currently working on



Assessment of Cruise Ship and Ferry Wastewater Impacts in Alaska

Alaska Department of Environmental Conservation

Commercial Passenger Vessel Environmental Compliance Program

February 9, 2004

Risk Characterization

ADEC expects that only large cruise ships with advanced wastewater treatment systems will discharge wastewater in Alaska in the future. WET testing results and a comparison of sample results with Alaska Water Quality Standards indicate that the effluent from these advanced systems is not expected to cause toxicity to the marine environment. No human health risk is posed by the low concentration of tested pollutants found in wastewater samples.

The wastewater samples indicate that hazardous materials are not being discharged through these wastewater treatment systems.

Most organisms need some minimum concentration of zinc to function properly. Toxicity of zinc to an organism depends on feeding habits. Plants and most fish would not be adversely affected, but many invertebrates could be affected by ingestion of sufficient quality of particulates containing zinc. The toxicity of zinc, as well as other metals, is reported to be influenced by a number of chemical factors including cadmium, magnesium, hardness, pH, and ionic strength. These factors appear to affect the toxicity of zinc by influencing the proportion of available zinc or by inhibiting the sorption or binding available by biological tissues. Alaska has a water quality standard of 81.0 µg/L of dissolved zinc in saltwater based on chronic effects to aquatic life.

As with copper, zinc is an essential element in humans at low doses. Human ingestion of zinc is generally not a concern. The Recommended Daily Allowances for adults is 15 mg/day.[98]

7.2. Cumulative Impact

Large Ships

Since the passage of the Alaska cruise ship laws, large cruise ships installed advanced wastewater treatment systems that meet the stringent U.S. Coast Guard requirements for continuous discharge. The quality of the wastewater on large ships has therefore improved dramatically. During 2003, all the large cruise ships that discharged wastewater in Alaska had these advanced systems. Ships that did not have advanced systems discharged outside 3 nautical miles. The 2003 data is the most representative of the wastewater quality that ADEC expects in the future. Therefore, we will focus on the risks presented by the 2003 data.

In 2003, ships were sampled for 16 conventional pollutants and 160 priority pollutants. **The vast majority of these pollutants were not detected.** Only ammonia, copper, nickel, and zinc did not regularly meet Alaska Water Quality Standards at the end of pipe (Table 10).

The Science Advisory Panel concluded in *The Impact of Cruise Ship Wastewater Discharge on Alaska Waters* that effluent from a typical large ship will be diluted by a factor of at least 50,000 during underway discharge.[99] By applying this dilution factor, the concentration of all pollutants would meet Alaska Water Quality Standards in the receiving water during underway discharge.

ADEC was concerned about the impacts on the receiving water caused by stationary wastewater discharge. In order to address this issue, ADEC calculated the dilution factor during stationary discharge for each large ship during a worst case scenario. (See Appendix D Cruise Ship Stationary Discharge Modeling for more information.) The lowest dilution value for each effluent type was then used to calculate the anticipated concentration of each pollutant in receiving water during stationary discharge (Table 11). After applying the dilution factor, no tested pollutant would exceed Water Quality Standards.

Whole Effluent Toxicity (WET) testing was done in 2003 on 4 of the 18 large ships that discharged in Alaska. Test results indicate that **wastewater effluent from large ships with advanced wastewater treatment systems does not pose a risk to aquatic organisms,** even

---

[98] EPA 440/5-80-079 October 1980 Ambient Water Quality Criteria for Zinc.

[99] Science Advisory Panel "The Impact of Cruise Ship Wastewater Discharge on Alaska Waters," November 2002 http://www.state.ak.us/dec/press/cruise/documents/impact/dilutionwastewater.htm

during stationary discharges. ADEC will continue WET testing on the advanced wastewater treatment systems during 2004. This test gives insight into the wastewater's effect on marine organisms. This test indicates that exceedances of ammonia, copper, nickel and zinc Water Quality Standards at the end of pipe are not harming aquatic life.

None of the pollutants mentioned above are present in concentrations should cause risks to human health.

Small Ships

ADEC reviewed data collected from small commercial passenger vessels from 2001 through 2003. These ships have not installed new wastewater treatment systems on their vessels and the effluent quality has remained relatively consistent.

During the evolution of the sampling protocol, pollutants have been added and deleted as appropriate. In 2003, ships were sampled for 16 conventional pollutants and 160 priority pollutants. **The vast majority of these pollutants were not detected.** The eight (8) pollutants that did not regularly meet Alaska Water Quality Standards at the end of pipe are included in Table 15.

The Science Advisory Panel concluded that the dilution factor caused by the underway discharge by a small ship would be based on the width, draft, and speed of the vessel divided by the discharge rate and multiplied by a factor of 3.[100] With the aid of this dilution, we would expect all pollutants to meet Alaska Water Quality Standards during underway discharge.

ADEC was concerned about the impacts on the receiving water caused by stationary wastewater discharge. In order to address this issue, ADEC calculated the dilution factor caused by stationary discharge for each small ship during a worst case scenario. (See Appendix D Cruise Ship Stationary Discharge Modeling for more information.) The lowest dilution value for each effluent type was then used to calculate the expected concentration of each pollutant in receiving water during stationary discharge (Table 16). Even with the benefit of dilution, we predict the stationary discharge of wastewater from small ships contain concentrations of free chlorine, fecal coliform, copper, and zinc that exceed Alaska Water Quality Standards.

The marine environment is very sensitive to the concentrations of free chlorine. In fact the water quality standards are below the methods of detection for chlorine. The concentration of chlorine in mixed blackwater and graywater during 2002 was found in excess of 100 times the Alaska Water Quality Standards. The predicted concentration of chlorine from this discharge was 10 times the standard in receiving water and therefore did pose a risk to aquatic life during stationary discharges.

The fecal coliform concentrations in receiving water indicate that it is important for these ships to avoid anchoring in areas used for shellfish aquaculture or areas frequently used for subsistence and recreational shellfish harvesting. Most of the shellfish farms in Southeast Alaska are located between Ketchikan and Petersburg. ADEC evaluated the small ship routes and the location of

---

[100] The Science Panel has developed a formula for predicting dilution/dispersion in the wake of small cruise ships.
Dilution factor = 3 x (ship width x ship draft x ship speed)/(volume discharge rate);
http://www.state.ak.us/dec/press/cruise/documents/impact/dilutionwastewater.htm

-CFR Data is current as of August 4, 2005

Title 33: Navigation and Navigable Waters

Browse Previous

PART 159—MARINE SANITATION DEVICES

Section Contents

Authority: 33 U.S.C. 1322(b)(1); 49 CFR 1.45(b). Subpart E also issued under authority of sec. 1(a)(4), Pub. L. 106–554, 114 Stat. 2763; Department of Homeland Security Delegation No. 0170.1.

Source: CGD 73–83, 40 FR 4624, Jan. 30, 1975, unless otherwise noted.

Subpart A—General
top
§ 159.1 Purpose.
top
This part prescribes regulations governing the design and construction of marine sanitation devices and procedures for certifying that marine sanitation devices meet the regulations and the standards of the Environmental Protection Agency promulgated under section 312 of the Federal Water Pollution Control Act (33 U.S.C. 1322), to eliminate the discharge of untreated sewage from vessels into the waters of the United States, including the territorial seas. Subpart A of this part contains regulations governing the manufacture and operation of vessels equipped with marine sanitation devices.

§ 159.3 Definitions.
top
In this part:

Coast Guard means the Commandant or his authorized representative.

Discharge includes, but is not limited to, any spilling, leaking, pouring, pumping, emitting, emptying, or dumping.

Existing vessel includes any vessel, the construction of which was initiated before January 30, 1975.

Fecal coliform bacteria are those organisms associated with the intestine of warm-blooded animals that are commonly used to indicate the presence of fecal material and the potential presence of organisms capable of causing human disease.

Inspected vessel means any vessel that is required to be inspected under 46 CFR Ch. I.

Length means a straight line measurement of the overall length from the foremost part of the vessel to the aftermost part of the vessel, measured parallel to the centerline. Bow sprits, bumpkins, rudders, outboard motor brackets, and similar fittings or attachments are not to be included in the measurement.

Manufacturer means any person engaged in manufacturing, assembling, or importing of marine sanitation devices or of vessels subject to the standards and regulations promulgated under section 312 of the Federal Water Pollution Control Act.

Marine sanitation device and device includes any equipment for installation on board a vessel which is designed to receive, retain, treat, or discharge sewage, and any process to treat such sewage.

New vessel includes any vessel, the construction of which is initiated on or after January 30, 1975.

Person means an individual, partnership, firm, corporation, or association, but does not include an individual on board a public vessel.

Public vessel means a vessel owned or bare-boat chartered and operated by the United States, by a State

Sampling Episode Report
Holland America Veendam
Sampling Episode 6503

Executive Summary

March 2006

EXECUTIVE SUMMARY

Sampling Episode Report for Holland America Veendam

This Sampling Episode Report describes the sampling and analysis activities to characterize wastewater (graywater and sewage) generated and discharged by the cruise vessel Holland America Veendam while in Alaska waters. This sampling took place from June 20 through June 25, 2004, under the direction of the U.S. Environmental Protection Agency (EPA). The sampling program is part of EPA's data collection effort to evaluate whether to develop wastewater discharge standards, under 33 USC 1901 Note, for cruise vessels authorized to carry 500 or more passengers for hire when operating in the waters of the Alexander Archipelago or the navigable waters of the United States within the State of Alaska or within the Kachemak Bay National Estuarine Research Reserve. EPA will use information from the sampling of this vessel and three other cruise ships in Alaska to characterize wastewater generated and discharged by large cruise vessels with advanced wastewater treatment systems.

EPA selected the Holland America Veendam to characterize the performance of the Zenon Environmental Inc. membrane bioreactor treatment system, an advanced wastewater treatment system that uses aerobic biological oxidation followed by ultrafiltration and ultraviolet disinfection. Samples were collected of vario wastewater sources (laundry, accommodations, food pulper, and galley wastewater); influent to the treatment system (combined graywater and sewage); influent to the ultraviolet (UV) disinfection component of the treatment system; effluent from the treatment system; source water; wastewater treatment residuals (screening solids and wastewater biosludge); and incinerator ash. Wastewater source samples were collected for a single 24-hour sampling period, while samples of the influent to and effluent from the treatment system were collected for five consecutive 24-hour sampling periods.

Strap-on ultrasonic flow meters were installed near the sampling locations for laundry wastewater, influent to treatment, and effluent from treatment to collect flow data and, in some cases, to trigger automatic sampling machines. In addition, flow data were collected from the Veendam's in-line flow meters installed on the graywater and sewage feeds to the treatment

system (which, combined, represent the influent to the treatment system) and on the effluent from the treatment system.

Various sample collection methods (composite by flow, composite by time, grab, and grab composite) were used depending on the sampling point and analyte. Tested analytes included pathogen indicators (fecal coliform, *E. coli*, enterococci), classical pollutants, total and dissolved metals, volatile and semivolatile organics, pesticides, polychlorinated biphenyls, and dioxins and furans. Not all samples were analyzed for all target analytes.

The food pulper wastewater samples showed the highest concentration among graywater sources for the majority of analytes, most notably *E. coli* and enterococci, oil and grease, nutrients, and solids. Accommodations wastewater samples had the highest concentration for 11 of the analytes, including fecal coliform, organics, and several metals. Laundry wastewater samples showed the highest concentration for five analytes, including alkalinity and several dissolved metals.

Because of water conservation measures onboard cruise ships (such as vacuum toilets), key analytes such as pathogen indicators, biochemical oxygen demand (BOD_5), chemical oxygen demand (COD), and total suspended solids (TSS) are found at much higher concentrations in the influent to the Veendam wastewater treatment system than in typical domestic wastewater. Of the 54 metal analytes tested for, 27 were detected in every influent to treatment system sample. Among the 365 target analytes for volatile and semivolatile organics, pesticides, and polychlorinated biphenyls, only 9 were detected in any influent to treatment samples, most at concentrations close to their detection limits.

The Zenon treatment system successfully removed almost all pathogen indicators (>99%) and most classical pollutants, metals, and organics. Two pathogen indicators, fecal coliform and *E. coli*, were not detected in any of the 15 effluent treatment samples, while one indicator, enterococci, was detected in 2 samples at close to the detection limit. The treatment system removed almost all BOD_5 (>99%), COD (97%), total organic carbon (TOC) (93%), settleable residue (>99%) and TSS (>99%). The treatment system reduced ammonia, total

Kjeldahl nitrogen (TKN, which measures both ammonia and organic forms of nitrogen), and total phosphorus by approximately 75%, while nitrate/nitrite levels remained relatively unchanged. The treatment system was highly efficient at removing particulate metals, and removed dissolved metals at an average of 37%. The treatment system removed most of the volatile and semivolatile organics to concentrations below detection levels.

The Zenon wastewater treatment system generates two types of residual waste: screening solids (from two coarse screens at the beginning of the treatment system) and waste biosludge (excess biological mass from the treatment system's bioreactor). Screening solids are collected monthly for disposal on shore. Waste biosludge is pumped to a double-bottom holding tank for overboard discharge outside of 12 nautical miles from shore. Most of the analytes detected in these residual wastes were also detected in the influent to the treatment system. For many analytes, concentrations in the screening solids and waste biosludge exceeded those in the influent to treatment, suggesting that these analytes are removed from the system in these waste streams.

On average, each person generated approximately 62 gallons of untreated sewage (17 gallons) and graywater (45 gallons) per day. The average discharge from the treatment system was approximately 58 gallons of treated wastewater per person per day.

Summary of CDC Health Inspections
Cruise Ships Operating in Alaska

Cruise Ships Of Major Cruise Lines Operating in Alaska / 2006	Number of Inspections / Time Period	Failed Inspections
Carnival Spirit	13 inspections / 6 year time period	0
Infinity	12 inspections / 6 year time period	0
Mercury	19 inspections / 10 year time period	0
Summit	11 inspections / 7 year time period	0
Oosterdam	7 inspections / 4 year time period	0
Ryndam	26 inspections / 14 year time period	0
Statendam	30 inspections / 14 year time period	2 failed inspections both of which occurred in 1993 ship first put into service. No failed inspections since 1993.
Veendam	23 inspections / 12 year time period	0
Volendam	15 inspections / 7 year time period	0
Westerdam	5 inspections / 3 year time period	0
Zaandam	15 inspections / 8 year time period	0
Zuiderdam	9 inspections / 5 year time period	0
Norwegian Star	11 inspections / 6 year time period	0
Norwegian Sun	11 inspections / 6 year time period	0
Norwegian Wind	28 inspections / 15 year time period	0
Coral Princess	9 inspections / 4 year period	0
Dawn Princess	23 inspections / 11 year period	0
Diamond Princess	7 inspections / 4 year period	0
Island Princess	8 inspections / 4 year period	0
Regal Princess	33 inspections / 16 year period	2 failed inspections, no failed inspections since 1994.
Sapphire Princess	5 inspections / 3 year period	0

Sun Princess	23 inspections / 11 year period	0
Seven Seas Mariner	13 inspections / 6 year period	1 failed inspection, no failed inspection since 2001.
Radiance of the Seas	13 inspections / 6 year period	0
Serenade of the Seas	8 inspections / 4 year period	0
Silver Shadow	8 inspections / 6 year period	0
Vision of the Seas	18 inspections / 10 year period	0
27 Ships	**Total: 403 inspections**	**Total failed inspections: 5**

Cleaning Up Wastewater

The Coast Guard, state and federal regulators, and the cruise ship industry collaborate to improve wastewater quality.

by Lt. Dan Buchsbaum
Assistant Chief of Inspections, U.S. Coast Guard Marine Safety Office Juneau, Alaska

and Ms. Jennifer Kiefer
Technical Writer, SAGE Systems Technologies

We all know that the quality of drinking water is stringently regulated. But did you know that wastewater is also regulated? In fact, some of the wastewater discharged by cruise ships traveling in Alaska's waters is actually clean enough to drink! Perhaps drinkable wastewater does not sound too exciting, but the partnership and technology that has created it definitely is.

Regulating Wastewater...as a Team

Alaska is renowned for its spectacular scenery, and cruise ships are a highly visible part of that scene. Each year, the ships transport more than one million people around the beautiful coastlines, bringing with them great revenue—and leaving behind a considerable amount of wastewater. Concerned by this growing environmental pollution, Alaska has spent the last decade focused on implementing cleaner wastewater standards. The result has been crystal clear success.

In 1999 the Alaska Department of Environmental Conservation (ADEC) organized the Alaska Cruise Ship Initiative (ACSI) to review the cruise ship industry's waste management and disposal practices within Alaskan waters. There were many groups involved, including the U.S. Coast Guard, Environmental Protection Agency (EPA), cruise industry representatives, various Alaskan tribes, environmental groups, and concerned Alaskans. It quickly became apparent that the concern first voiced by Alaskans was shared by many.

In a great display of solidarity, the regulatory agencies

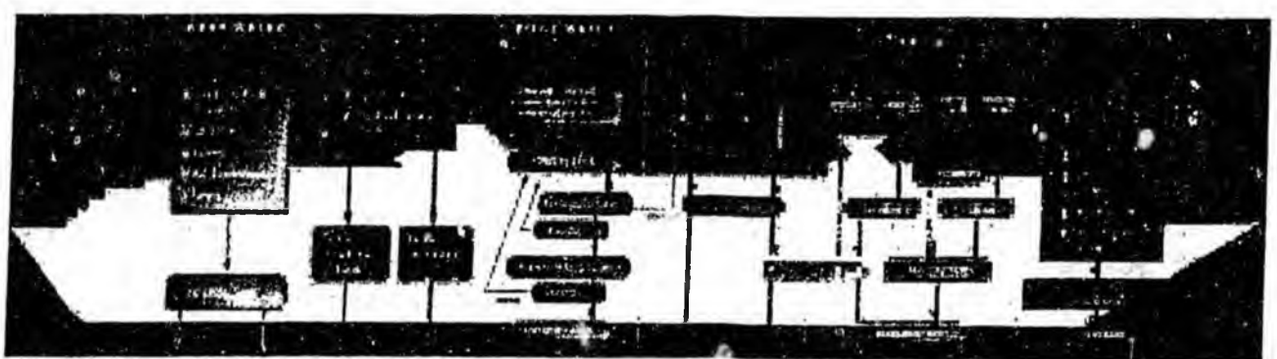


Figure 1: Different types of wastewater. Courtesy Alaska Department of Environmental Conservation.

and the cruise ship industry approached the problem from the same side. All parties seemed willing to contribute as much assistance and information as possible. Mr. David Eley, a consultant at that time for ADEC, noted that "cruise ships are very competitive in marketing, but, when it comes to such matters as environmental standards and security, they all work very closely together. They know that one accident or dirty discharge affects the health of the entire industry, not just one line. One definitely gets the impression that the cruise industry feels that collaboration is not only the right thing to do, it is good business practice."

While federal standards already defined concentration limits of certain pollutants, many unknowns remained. How much wastewater the cruise ships were actually discharging was not really known. The ACSI set out to establish baseline information regarding the wastewater discharges, enlisting most of the cruise ships to conduct voluntary wastewater sampling during the summer of 2000. The sampling included treated blackwater (such as sewage) and graywater (such as wastewater from showers, the galley, and laundry).

There were no standards for graywater at that time. However, the Coast Guard required that blackwater waste from cruise ships contain no more than 200 fecal coliforms per 100 ml. Fecal coliform is a bacteria found in the intestines of mammals and is used as an indicator that other disease-causing organisms may be present. ACSI's sampling revealed that the blackwater contained as many as 16 million fecal coliform per 100 ml and that the graywater contained as many as 32 million fecal coliform per 100 ml. Needless to say, the surprising results demanded immediate improvement.

The Alaska legislative community sprang into action, and the first set of regulatory improvements was passed by Congress in December 2000, with Title XIV-Certain Alaska Cruise Ship Operations. These regulations set wastewater discharge standards for large cruise ships in Alaskan waters. Tasked with implementing and enforcing Title XIV, the Coast Guard soon after published Title 33 of the U.S. Code of Federal Regulations, Part 159, Subpart E, which prescribed the regulations governing the discharges. Alaska Statute 46.03.460 – 46.03.490 joined the federal law in July 2001, placing its own set of strict guidelines on wastewater discharge. This statute also established ADEC's Commercial Passenger Vessel Environmental Compliance (CPVEC) program to ensure cruise ship compliance with the established discharge standards. Regulation 18 AAC 69, which became effective in November 2002, presented the requirements necessary to join the CPVEC program.

Throughout the two years that these various regulations were being formed, the cruise ship industry continued to play a valuable role in their development. Recognizing that lots of money and time would need to be invested to improve the wastewater discharges, the industry was understandably eager to have the standards established. Set standards allowed the industry to contract for new, advanced wastewater treatment technologies.

The Regulations Take Effect

A major concern since the beginning of the Alaska Cruise Ship Initiative was not just the lack of informa-

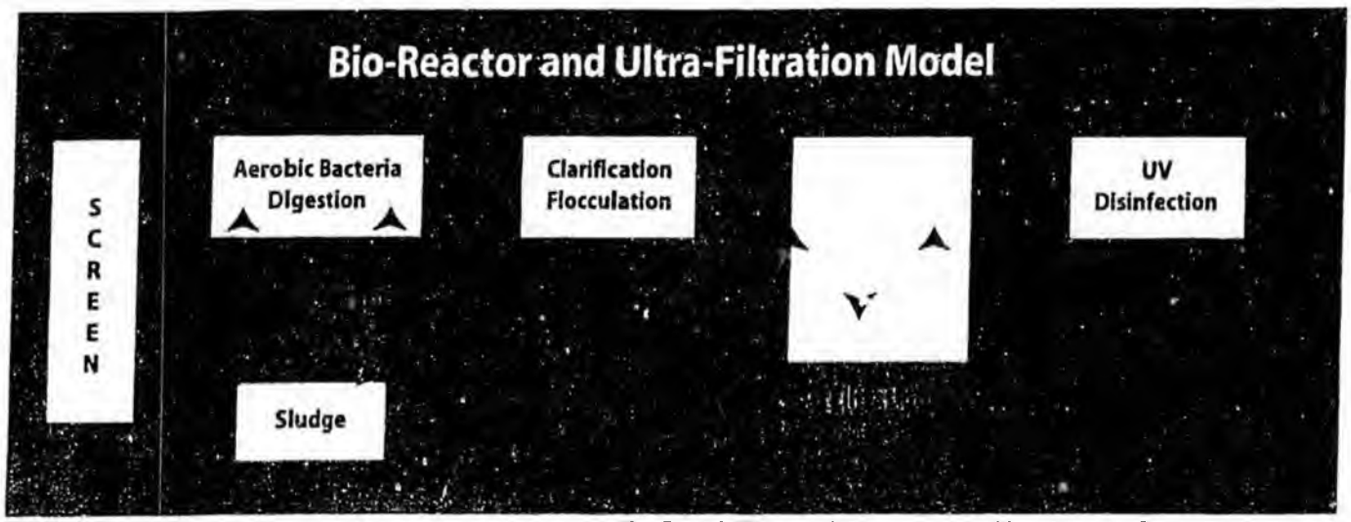


Figure 2: Wastewater treatment systems. Courtesy Mr. David Eley and Ms. Carolyn Morehouse, Cape Decision International Services, Inc.

tion regarding the type of wastewater being discharged (Figure 1), but also the location and quantity of the discharges. With the passing of the various regulations, this information is now effectively captured and monitored. Specifically, the state's CPVEC program requires that each ship maintain comprehensive records of its wastewater discharges. Included in these records are the amount and types of pollutants being discharged.

Figure 3: Scanship advanced wastewater treatment system on a Norwegian Cruise Line vessel. Pictured are two shipboard marine engineers charged with running the system. Courtesy Norwegian Cruise Lines.

Understandably, there is some overlap between the federal and state requirements, so ADEC (specifically, its CPVEC program staff) and the Coast Guard work together closely. For example, if a ship plans to discharge in Alaskan waters, it must provide both ADEC and the Coast Guard with a vessel specific sampling plan (VSSP). The VSSP contains the intended sampling techniques and analytical testing methods of the ship's discharge; it must demonstrate that samples will be representative of the wastewater discharged from that specific ship.

According to Ms. Moana Leirer, an environmental program specialist with ADEC, large cruise ships—which are defined by Alaskan law as 250+ passengers and federal law as 500+ passengers—have one of three options for wastewater discharge that must first be approved by the CPVEC program. These ships can:

1. hold their wastewater, discharging it outside of Alaskan waters (wastewater is therefore not sampled);
2. discharge their wastewater once they are at least one nautical mile from shore and traveling at least six knots (wastewater samples are required and must meet certain effluent standards); or
3. operate advanced wastewater treatment systems that are certified by the Coast Guard for continuous discharge.

A continuous discharge of wastewater, allowed by option three, initially sounds contradictory to the environmental concerns that provided the impetus for the many wastewater discharge regulations. However, the advanced wastewater treatment systems employed with this option are discharging some of the cleanest wastewater ever seen.

Advanced Wastewater Treatment Systems

In addition to the great partnership forged between the regulatory agencies and industry for this massive environmental cleanup, the second part of this success story is the technology that has been developed to improve the wastewater itself. While the regulations were first being formed, many of the cruise ship companies were already evaluating several advanced wastewater treatment systems. These included chemical treatment and mechanical decanting, activated oxidation and oxidant disinfection, reverse osmosis filtration, and bio-reactor/filtration.

Today, while some employ a reverse osmosis filtration system, the majority of cruise ships are using various combinations of enhanced bio-reactor/filtration systems. There are currently four basic designs from dif-

ferent manufacturers—Hamworthy, Rochem, Scanship, and Zenon being the most popular—but all function relatively the same (Figure 2). Hamworthy, Scanship (Figure 3) and Zenon are each biological reactor and ultrafiltration systems, while Rochem is a reverse osmosis ultrafiltration system.

The bio-reactor/filtration systems use an integrated system of enhanced aerobic digestion and low-pressure membrane filtration to treat the wastewater. Tank collection and sorting of waste that contains oils is critical to the process, since most of the systems cannot handle the introduction of oils. Soapy materials and biological agents are the primary targets for treatment. Ultraviolet radiation, which prevents reproduction of live bacteria like fecal coliform, is typically applied to the wastewater before it is sent to a holding tank or discharged overboard. Filtration is essential to all systems in sorting out solids, which are then handled by incineration or other solid waste disposal methods. One of the drawbacks of these bio-reactor/filtration systems, which also occurs with the reverse osmosis system, is that solid sludge is produced and must, therefore, be properly handled and disposed.

Maintaining Quality Assurance

As mentioned earlier, any cruise ship operating an advanced wastewater treatment system that wishes to have continuous discharge allowances must be certified by the Coast Guard for this purpose. First, though, each ship must submit the required VSSP to ADEC for approval. Once approved, the VSSP is submitted to the Coast Guard Captain of the Port, along with certification that the ship's treated wastewater already meets the minimum regulatory standards. The ship must present satisfactory sampling results from five separate days over a 30-day period.

Also crucial to receiving the continuous discharge permit is the development of a quality assurance/quality control plan (QA/QCP), which formalizes and standardizes the manner in which discharge sampling tests are collected and analyzed. To best ensure accurate samples, the QA/QCP also requires duplicate sampling, sampling audits, and a lab technical systems audit. It also lists all the pollutants to be tested and the EPA analytical methods to be used.

The QA/QCP must be approved by all affected parties, including the Coast Guard, ADEC, each participating laboratory project manager since multiple labs can be used to test samples, and the overall project quality assurance officer who oversees all the labs. This multiple approval requirement helps standardize the lab work and provides some oversight to ensure that the labs provide consistent data.

Once certified for continuous discharge, the Coast Guard requires the ship to submit two samples per month. The ship is also tested randomly twice per season by a third-party sampling team—once for conventional pollutants and once for conventional and priority pollutants. All testing is paid for by the cruise ships. These samples are closely monitored by the Coast Guard and ADEC, most notably through the QA/QCP.

To remain eligible for the continuous discharge permit, each ship's QA/QCP must be updated yearly to include the following information:

- sampling techniques and equipment;
- sampling preservation methods and holding times;
- transportation protocols, including chain of custody;
- lab analytical information including methods used, calibration, detection limits, and the lab's internal QA/QC procedures;
- quality assurance audits to determine the effectiveness of the QA program; and
- procedures and deliverables for data validation, to assess data precision and accuracy, the representative nature of the samples drawn, comparability, and completeness of measure parameters.[1]

While each ship is allowed to maintain its own QA/QCP, the majority of the 47 large cruise ships transiting Alaskan waters during the 2005 season have been represented by the North West Cruise Ship Association (NWCA) and use its specific QA/QCP (Figure 4).

Sampling

The number of samples in each sampling event is based upon the ship's configuration, its wastewater management practices, and the wastewater quantities discharged during the sample team's visit. Blind sample duplicates are also collected, which assess overall method variability and can assess bias or analytical errors not otherwise detected by the lab.

Mr. David Wetzel, president of Admiralty Environmental and lab project manager for NWCA's QA/QCP sampling project, helped develop the initial

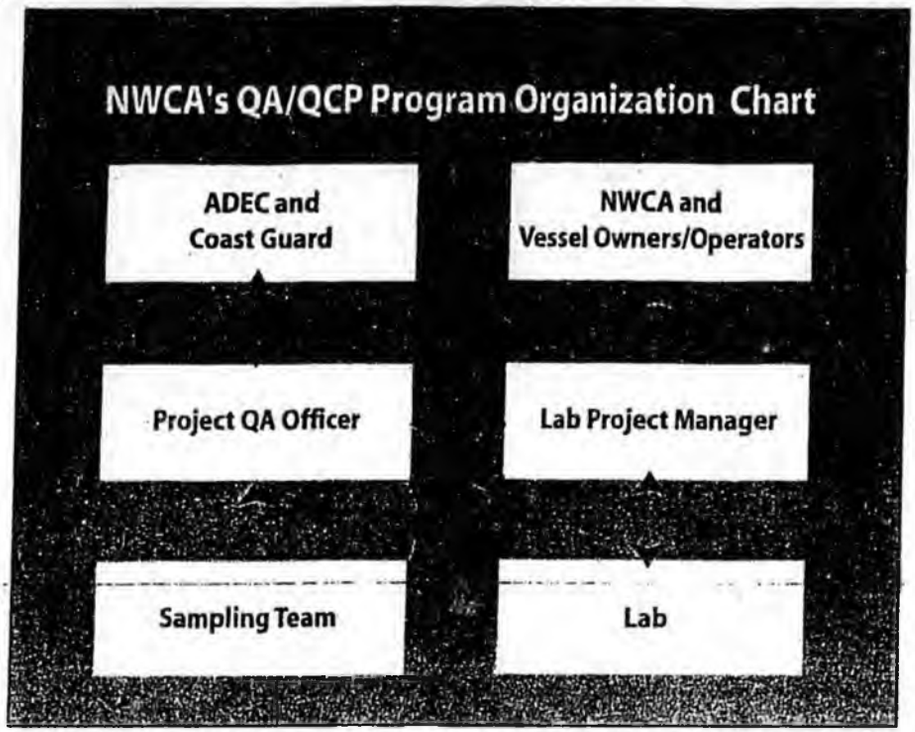


Figure 4: North West Cruise Ship Association's QA/QCP organization chart. Courtesy North West Cruise Ship Association.

set of sampling standards and lab analysis. According to Mr. Wetzel, reliable and representative samples are crucial to achieving valid readings. Therefore, specific sample collection procedures are detailed in each QA/QCP and each ship's VSSP is also submitted to the sampling team. With all groups working from the same documents, there is a stronger certainty that consistent sampling methods are followed and that samples are collected from appropriate and representative locations.

The Coast Guard also verifies installation of the sampling ports on the ships and reviews operations of the advanced wastewater treatment systems during their annual vessel examinations. Additional verification occurs during sampling events because exactness is vital to obtaining a true reading. For example, if a sample port is located too close to certain equipment, then the wastewater has not had a chance to mix before discharging and can produce a tainted sample.

While a third-party sampler takes all the required wastewater samples, it is the responsibility of the ship owner or operator to submit a report on the analytical results of sampling. The sampling analytical report must include the following:

1. date, time, and onboard location where each sample was collected;
2. sampling technique and analytical testing method used for each sample;
3. quality assurance and quality control analysis of the sampling, analytical testing, and analytical data;
4. analytical results;
5. any deviation from the approved plans submitted under 18 AAC 69;
6. type of wastewater sampled; and
7. if necessary, a notification that re-sampling is occurring. [2]

All sample analysis results are submitted by the independent labs directly to the Coast Guard and are reviewed to ensure that each ship is actually meeting all the requirements. The information is later released by ADEC. While samples do occasionally fall out of range, a compliance scheme allows the Coast Guard to average samples to ensure a ship meets compliance on a monthly basis versus an individual sampling event. Since the QA/QCP's inception in 2002, there has been an average of only one bad sample every two months, but these bad samples are usually later shown to have been tainted.

While it may sound confusing, the primary goal of a QA/QCP is to keep wastewater discharge as clean and pollutant-free as possible. In fact, NWCA's QA/QCP tests for 250 different pollutants, substantially more than the 16 pollutant tests required by the Coast Guard.

Other States Implement Alaska's Standards

Alaska's success story has traveled far, including to such distant states as Maine, Washington, and Hawaii. In a great example of knowing when not to reinvent the wheel, the state of Maine essentially adopted the Coast Guard's existing regulations for Alaska (33CFR159, Subpart E) with only two noticeable changes: substituting "Maine" for "Alaska" and "State of Maine Department of Conservation" for "Coast Guard Captain of the Port." Regulations in Washington have also adopted many of Alaska's regulations but require additional record keeping requirements. Officials in Hawaii are currently working on

similar regulations and have a memorandum of understanding signed, but there are some area-specific concerns. Because freshwater has a negative reaction on coral, Hawaii is understandably—but ironically—worried about too much clean water being discharged with the advanced wastewater treatment systems.

For other states or areas wanting to implement advanced wastewater treatment systems and the requirements that come with them, Mr. Wetzel points out that the focus should first be an agreement among all affected parties of the end goal, such as what types of discharges will be allowed or the quantity of the overall discharge. Mr. Wetzel observed that both the regulatory agencies and industry in Alaska recognized early on that completely eliminating discharges in Alaskan waters was not realistic, but that creating certain discharge standards was a more appropriate goal. Because this mutual agreement and goal recognition were realized early on, Mr. Wetzel notes, the positive changes were implemented so quickly.

EPA is also looking closely at Alaska's success. Authorized to create additional standards at its discretion, EPA is currently in the process of evaluating the cruise ship wastewater discharge requirements in Alaska. It recently distributed a review, "Survey Questionnaire to Determine the Effectiveness, Costs, and Impacts of Sewage and Graywater Treatment Devices for Large Cruise Ships Operating in Alaska," to all cruise ships authorized to carry 500 or more passengers for hire that traveled to Alaska in 2004. EPA also sampled wastewater from cruise ships to evaluate the onboard performance of various advanced wastewater treatment systems. Under Title XIV, EPA plans to develop standards for discharges of blackwater and graywater from cruise ships into Alaskan waters. Proposed changes to existing regulations are expected in mid-2006.

Proving the Technology Valuable

According to Mr. Wetzel, the greatest benefit of advanced wastewater treatment systems is the vast improvement of Alaska's water quality. He notes that these systems have reduced the discharge to being superior to even a municipal discharge on land. Mr. Wetzel attributes these improvements, in large part, to the collaboration between regulatory agencies and industry.

Mr. Eley wholeheartedly agrees. As one of the first participants in the ACSI, Mr. Eley remains involved today as a member of the QA/QCP review team. He remarks that the process from its very beginnings evolved quickly but that everyone was working toward the same goal: "I've never seen new technology and new engineering move so fast. And now all the groups are taking the technology and different practices and moving it forward; doing what's best for the environment."

These systems are not without obstacles, however, notes Mr. Richard Pruitt, director of environmental and public health programs for Royal Caribbean Cruise Lines (RCCL). Since RCCL installed its first advanced wastewater treatment system in 2001, RCCL has endured many learning curves. First, installation of the systems themselves has proven tricky. According to Mr. Pruitt, each system takes up a tremendous amount of space—a precious commodity on ships. Lots of technical resourcefulness is required in figuring out how to fit a system into an already compact area. This task is made especially more difficult since ships—even those in the same class—are often designed differently, thereby presenting each installation with its own set of placement dilemmas.

Financially, there is a huge initial cost in capital, and the continual costs of personnel time and operations, including electricity consumption, are substantial. Mr. Pruitt also observes that the systems themselves are still relatively new and continually being modified to meet the demands of each ship, so there are added costs involved with working out those specific issues. However, despite any drawbacks or concerns, both RCCL and Norwegian Cruise Lines have already agreed to install these systems fleet-wide.

In 2003 the cruise ships operating advanced wastewater treatment systems were sampled for 16 conventional pollutants and 160 priority pollutants. The vast majority of these pollutants were not detected, showing a dramatic improvement in the quality of the wastewater. Success is undeniable.

References

[1] Http://www.dec.state.ak.us/water/cruise_ships/pdfs/2004qaqcplan.pdf.

[2] Alaska law 18 AAC 69.055: Sampling and analytical testing report.

About the authors: Lt. Dan Buchsbaum has been in Coast Guard Reserve for 15 years serving as a marine inspector and recently assigned as assistant chief of Marine Inspection, Marine Safety Office Juneau, Alaska, where he is in charge of approvals for advanced wastewater treatment systems. His civilian career includes marine surveyor, marine insurance investigator, and offshore pipeline construction.

Ms. Jennifer Kiefer is a freelance technical writer currently working with SAGE Systems Technologies, LLC, on Coast Guard-specific projects. Prior to this assignment, Ms. Kiefer spent six years contracting as a technical writer at U.S. Coast Guard Headquarters in Washington, D.C.

Permits Estimates by Sector*

Summary - there are just over 200 permits covering approximately 2500 facilities. Of those, almost 1800 are placer mines, mostly small, recreational-sized mines.

	Individual Permits	General Permits	Facilities
Domestic	136	8	173
Seafood	9	3	203
Mining	14		14
Placer mines		3	1765
Industrial Stormwater		1	224
Log Transfer	2	2	90
Oil and Gas	14	3	68
Other	13		13
Municipal Stormwater	4		4
	192	20	2554

*Permit estimates are pending continued data reconciliation between state and EPA. Once the state recieves primacy for the permitting program, DEC will cover additional domestic discharges under general permits.

LETTERS ABOUT OCEAN RANGERS: Both of these letters appeared in the Anchorage Daily News and Juneau Empire.

Ocean rangers should be onboard cruise ships 100 percent of time

I have been following the ocean ranger argument with interest. When I voted for the initiative I thought it called for 100 percent at-sea coverage of cruise ships, and that the head tax on cruise ship passengers would cover the costs of the program. Now the Legislature wants to tweak the initiative so coverage at best would be intermittent at sea. Meanwhile, the state would have to pay for the ocean rangers' staterooms.

The fishing industry in Alaska has been required to carry at-sea observers for years at the individual vessel's expense. The fishing vessels pay (through third-party contractors) all expenses for the observers including salaries, insurance and travel. In addition, the fishing vessels provide meals and lodging while the observers are onboard. Why should the cruise industry get a free ride? Why should the state of Alaska have to pay the cruise line to berth an ocean ranger?

The cruise industry utilizes the resources of Alaska just as the fishing industry does and should be bound by the same principles and standards. Ocean rangers should be onboard 100 percent of the time and their costs should be borne by the cruise ship industry.

---- Jim H. Branson, executive director (retired)

North Pacific Fishery Management Council

Need for cruise ship observers imperative to ensure compliance

While negotiating with the cruise industry over delinquent head tax, the people of Yakutat discovered that cruise ships were discharging sewage from the 480,000 passengers and crew that visit each year into our bay. Our beaches are where our residents gather clams, kelp, muscles and a multitude of other subsistence foods, so you can imagine our concern. In addition to subsistence, Yakutat Bay is the home of our gillnet and troll fishery. After extensive negotiations, the industry reluctantly agreed to stop dumping, but there is no way to determine if they're living up to our agreement.

During the negotiations, we were assured we would be notified immediately of any environmental mishaps. A week after our 2003 meeting, a cruise ship struck a reef at the head of our bay, putting a 120-foot crease and a 10-foot hole in its hull, dumping whatever was in its ballast tanks. Yakutat was not notified, like promised a week earlier. The ship went aground at the head of our bay and continued on to Seward, a distance of over 300 miles, with a 10-foot hole in its hull.

An observer would ensure that ships are not dumping illegally, and environmental mishaps are reported.

---- Dave Stone, mayor

City and Borough of Yakutat

As cruise-ship traffic rises, so does the muck

4/20/07

By LAURIN SELLERS
THE ORLANDO SENTINEL

PORT CANAVERAL, Fla. — The few weathered shrimp boats that still sail into Port Canaveral are dwarfed by a fleet of luxury liners.

In the past two decades, Canaveral has transformed itself from a commercial fishing and cargo hub into the world's second-busiest cruise port, more than tripling its passenger counts to 4.6 million last year and pumping hundreds of millions of dollars into the region.

But what's good for the economy could be harming the environment, activists warn.

More ships certainly means more pollution," said Terri Shore, spokeswoman for Friends of the Earth, a national organization pushing for stricter regulations on the cruise industry. "There are very few enforceable standards on cruise-ship dumping and air pollution."

Seven cruise ships now call Port Canaveral home, and several others include it in their seasonal and special-occasion itineraries. Also, the gambling vessels Sterling Casino and SunCruz Casino sail daily from the Brevard County coast.

Environmentalists say a typical cruise ship on a one-week voyage generates more than 50 tons of garbage; 210,000 gallons of sewage; 1 million gallons of "gray water" from sinks, showers and galleys; and 35,000 gallons of oil-contaminated water. Much of the waste — some treated and some not — is dumped directly into the ocean, Shore said.

Ballast water, which is seawater pumped into the hulls of ships to keep them stable, also has created concerns. The water typically is taken in at one port and dumped at a destination port, possibly introducing invasive species into the area.

In recent years, the cruise industry, which paid hefty fines for illegal dumping during the 1990s and early 2000s, has taken steps to clean up its act by retrofitting cruise ships with advanced wastewater-treatment systems, upgrading systems to separate oil from water, and recycling or incinerating other waste.

But Shore and other environmentalists say it is not enough.

They are anxiously awaiting the results of a seven-year study by the U.S. Environmental Protection Agency to determine whether additional standards are needed. EPA's report could be released later this year, a spokeswoman said.

Port Canaveral officials said they routinely monitor water quality around the port and have found no problems.

"Port Canaveral is one of the most proactive ports in the country when it comes to protecting the environment, but we're cognizant of the limitations of state and federal laws," said Stan Payne, executive director.

Under federal law, it is illegal to dump untreated sewage closer than three miles from shore. Laws also regulate releasing bilge, ballast water and other waste.

But from 1993 to 1998, cruise ships nationwide were involved in 87 confirmed cases of illegal discharges of oil, garbage and hazardous waste, records show. Officials could not recall any recent cases involving cruise ships at Port Canaveral, whose passenger count is topped only by Port of Miami.

In 2001, Royal Caribbean admitted it had installed special piping to bypass pollution-control devices and was ordered to pay $33.5 million to settle dumping complaints that occurred between 1994 and 1998.

In 2002, Carnival Corp. was fined $18 million and placed on probation for falsifying records to cover up pollution by six ships. That same year, Norwegian Cruise Lines paid a $1 million fine for falsifying records involving the discharge of oily and other hazardous waste into the ocean.

And in April 2003, several cruise lines agreed to pay $75,000 to research ways of handling ballast water after environmental groups sued, saying it was being discharged illegally into shoreline waters.

The industry says it has cleaned up its act.

"The cruise-line industry has come an extremely long way since the days of the pollution violations a decade ago," said Michael Crye, vice president of Cruise Lines International Association, the largest in the nation with 160 vessels, including the major cruise lines. "The cruise industry today recognizes this environment is one we all share and is very important to our future. In order for us to prosper, we have to be good stewards, good neighbors."

Crye said CLIA's mandated practices and procedures now meet or exceed federal laws. For instance, the industry voluntarily agreed to follow stricter international guidelines that prohibit dumping sewage within 12 miles of shore, instead of three.

"But nobody is sure how well it's enforced," Shore said. "They (Coast Guard inspectors) would have to be there right at the moment to catch them. It's amazing that any got caught at all."

The law only requires that ships have approved and operable sanitation devices on board, said Lt. Patrick Eiland, supervisor of the Coast Guard's marine-safety detachment at Port Canaveral.

At least twice a year, inspectors board the ships to ensure the devices are working properly, he said. But no tests are done on the effluent that is pumped from them into the ocean.

"It could be filled with contaminants," Shore said.

Florida's gambling ships typically follow the minimum state standards, dumping hundreds of gallons of human waste daily three miles from shore.

"Each year, 1 million people use the bathroom off Canaveral alone," said state Rep. Bob Allen, a Republican, who is pushing state legislation to force gaming ships to haul their sewage to land-based pump-out stations.

"We're not picking on the gambling ships," Allen said. "It wouldn't matter if they were hosting a Christian Science Monitor reading room. It's the quantity and the frequency."

4/11/07

Dear Representative Fairclough,

Thank you for requesting information substantiating the need for the Ocean Ranger Program. The following table represents a partial list of discharges, violations, and convictions by the cruise industry in recent years. This list is by no means exhaustive, in large part because the industry is not under independent observation while under way. It is reasonable to assume there are more significant incidents that never see the light of day. I have also attached a recent newspaper article regarding the November 2006 dumping by a P&O cruise ship of ~100,000 gallons of waste oil on the island of Vanuatu. I hope this information helps you understand why Alaskans voted to establish the Ocean Ranger program, based on the analogous fisheries observer program that has served Alaska well for over thirty years.

I appreciate your concern for this matter.

Gershon Cohen Ph.D., Co-sponsor of the Alaska Cruise Ship Ballot Initiative

907-766-3005, Gershon@aptalaska.net

Significant Pollution and Environmental Violations and Fines, 1998 - 2007

(The information in this table was copied from the website www.cruisejunkie.com, and includes incidents reported by the media and in public documents)

Year	Ship, Cruise Line Explanation of Offense(s)	Fine	Nature of Offense
January 2007	*Dawn Princess*, Princess Cruises The cruise line agreed to a plea bargain under which it pays a fine of $200,000 and restitution of $550,000 after criminal charges were filed. The company was charged with failing to operate at a slow, safe speed while near humpback whales and in 2001 hit and killed a humpback.	$750,000	Whale strike
November 2006	*Mercury*, Celebrity Cruises The Seattle Times reports today that Celebrity Cruises faces a fine for the Mercury dumping 500,000 gallons of untreated wastewater into Puget Sound. Though it initially claimed it hadn't dumped, shipboard documents contradicted the company's claim. The dumping happened 10 times over nine days in September and October 2005.	$100,000	Untreated Wastewater
March 2006	*Texas Treasure*, Corpus Christi Day Cruise The ship's operator pled guilty to obstructing a US Coast Guard investigation into whether the ship had illegally discharged waste oil and deliberately bypassed its pollution prevention equipment. The incidents occurred in October 2004. Sentencing is scheduled for April 25, 2006; the proposed plea agreement includes a $300,000 fine and the institution of an Environmental	$300,000	Oil discharges

	Compliance Plan.		
March 2005	Disclosures of violation of MOU between the State of Hawai'i and the cruise industry: On March 12th the Honolulu Advertiser reported that Norwegian Cruise Line America's Pride of Aloha discharged about 70 tons of treated effluent into Honolulu Harbor last month, violating a voluntary agreement with the state. The state's agreement with the cruise ships allows such discharges at least a mile out from shore while traveling at least 6 knots. On March 16th, West Hawaii Today reported it had received numerous calls that Holland America's Statendam discharged what appeared to be "brown water" into Kailua Bay for about 15 minutes to 20 minutes before it moved further out to sea. Several of the callers reported the discharge left a "brown mark" on the vessel's side.	None	Violation of MOU
January 2005	The Washington State Department of Ecology issued a press release indicating 3 violations of its MOU with the cruise industry. One violation occurred on May 13 in Port Angeles, when Holland America Line's *Zaandam* discharged treated effluent through an advanced wastewater treatment system that Ecology had not approved. The *Zaandam* made only one port call in Washington in 2004. Princess Cruises' *Sapphire Princess* discharged treated effluent throughout the 2004 season through an advanced treatment system that had not received Ecology approval. The ship also released untreated waste water from its galleys and laundry during one voyage between Seattle and Victoria in June. Ecology is investigating the June discharge.	None	Violation of MOU
December 2004	*SunCruz*, JAB America JAB America, Inc., pled guilty to charges that one (1) of its vessels, the SunCruz VI, dumped garbage off its deck into waters of the United States while departing from Port Everglades on April 24, 2004. US Coast Guard surveillance equipment observed and recorded several filled plastic garbage bags being dumped overboard from the vessel into Government Cut near Fort Lauderdale.	Unknown	Plastic and garbage
November 2004	Holland America Line (Carnival Corporation) In August 2004, Holland America Line was notified by the National Park Service that the Volendam and Statendam may have violated opacity standards while operating in Glacier Bay. On November 10, 2004, NPS notified Holland America Line in separate letters that a Violation of Record would be entered in the permanent park files for each ship.	None	Air opacity
October 13, 2004	*Pride of Aloha*, NCL America Discharged approximately 300 gallons of effluent into Hilo Harbor	None	Violation of MOU
June 2004	Holland America Line (Carnival Corporation) Former Vice President, Richard K. Softye, was fined $10,000 after pleading guilty to falsely certifying that Holland America Line was performing environmental audits when it wasn't. He was also ordered to perform 450 hours of community service while on probation for	$10,000	Falsifying record

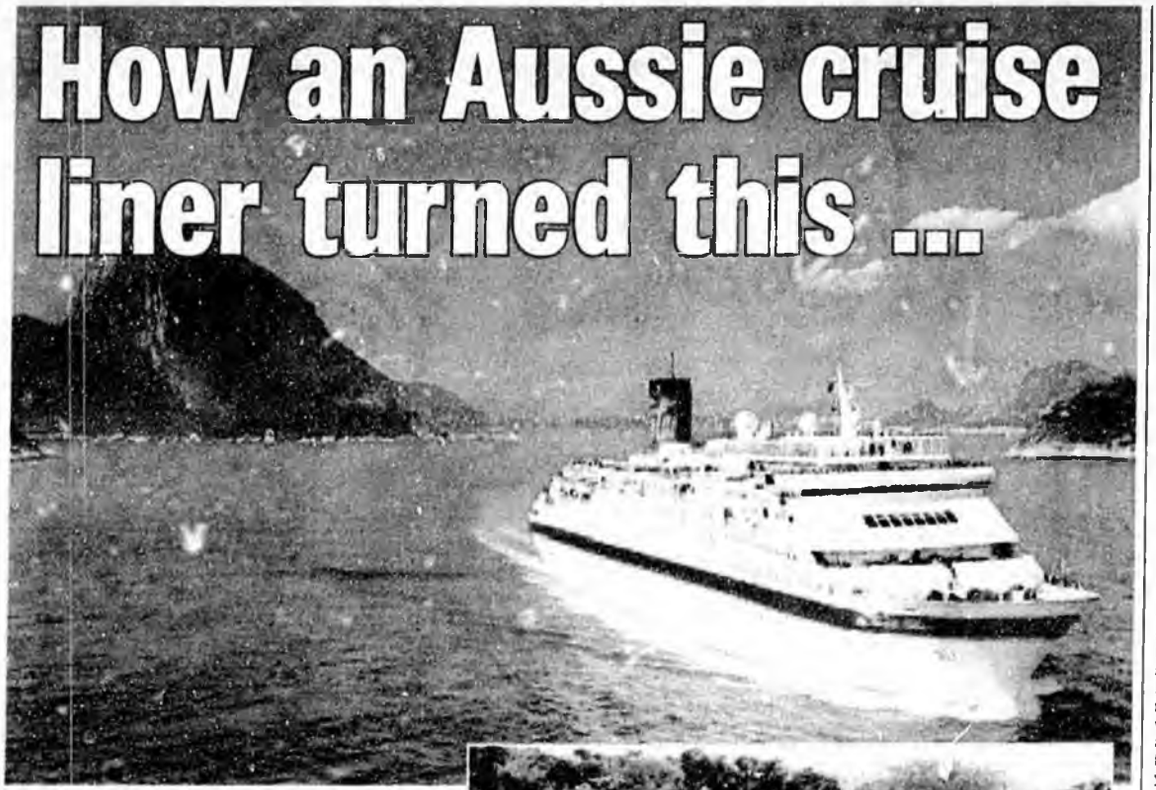
	three years.		
March 2004	Carnival Corporation Carnival Corporation reported in its 10Q filing with the Securities and Exchange Commission tha. on March 5, 2004, Holland America Line notified the United States and Netherlands governmental authorities that one of its chief engineers had admitted to improperly processing bilge water on the Noordam. A subsequent internal investigation determined that the improper operation may have begun in January 2004 and may have continued sporadically through March 4, 2004. The matter had also been raised by Coast Guard officials in San Juan, Puerto Rico to their counterparts in Tampa following a report to them of the incidents. It isn't clear whether Holland America's self-report predates the report made by the Coast Guard. Holland America Line and three shipboard engineers have received grand jury subpoenas from the Office of the U.S. Attorney in Tampa, FL (where the ship was homeported). (See CCL 10Q filed with the SEC on April 8, 2004)		Bilge water
December 2003	The Honolulu Advertiser reported there had been at least 14 violations of Hawai'i's MOU with the cruise industry in the first year. See Hawai'i MOU.html	None	Violation of MOU
October 2003	Carnival Cruise Line Carnival Cruise Line paid $200,000 administrative fee to settle with the California State Lands Commission over the cruise line's noncompliance with state ballast water discharge law.	$200,000	Ballast water
August 2003	Carnival Corporation In a petition filed with the U.S. District Court in Miami late last month, Carnival's probation officer in Fort Lauderdale, Fla., accused the company of violating terms of its probation by filing 12 false audit reports and asked that Carnival be required to pay another community-service fine. Carnival officials said they fired three environmental-compliance employees responsible for the reports. But the company did not admit to violating its probation.		Falsifying records
August 2003	At the new cruise ship terminal at the Port of Seattle, cruise ships fail to abide by requirement to use low-sulfur diesel while docked – a violation of the state environmental mandates for the project.		Air pollution
May 2003	Norwegian Sun, Norwegian Cruise Line The ship is cited by the State of Washington for an illegal discharge of 16,000 gallons (40 tons) of raw sewage into the Strait of Juan de Fuca (just off Whidbey Island, a popular vacation resort). The strait is known to be habitat for Orca whales.		Sewage discharge
February 2003	Norwegian Wind, Norwegian Cruise Line A couple aboard the ship reported observing whole beer bottles, whole wine bottles, beer and pop cans, corks, plastic plates, plastic utensils, plastic cups and organic material all being tossed into the ocean from the back of the ship. The ship was between Hawaii and Fanning Island. The company insists it did nothing	None	Disposal of plastics and other garbage

	illegal. The incident is being investigated by the US Coast Guard and EPA.		
January 2003	*Ecstasy*, Carnival Cruise Line The company reported an accidental discharge of 60 gallons of grey water while anchored at Avalon Bay (Catalina Island, California), approximately one-half mile from land.	None	Graywater discharge
October 2002	*Crystal Harmony, Crystal Cruises* Reported in March 2003 that contrary to a written promise to not discharge in the Monterey Bay Marine Sanctuary, the ship discharged 36,000 gallons of treated bilge, treated sewage, and grey water. The company stated that it didn't report the discharge because it wasn't illegal -- it only represented that they didn't keep their promise.	None -- but ship banned for life from Monterey, CA; Crystal banned for 15 years	Sewage discharge
Summer 2002	Holland America Line 1 ship cited for violations of air opacity regulations	$27,500	Air pollution
August 2002	*Ryndam*, Holland America Line Approximately 40,000 gallons (250 according to HAL) of sewage sludge discharged into Juneau harbor. The incident was reported by harbormaster staff. The brown, thick substance is being tested by Alaska's DEC for fecal coliform, pH, and biochemical demand levels.	$2 million in December 2004	Sewage discharge
July 2002 Plea Agreement	*Norway and "at least one other ship"*, Norwegian Cruise Line Norwegian Cruise Line pled guilty to on numerous occasions from 1997 through April 2000 that it routinely circumvented the oily water separator, allowing oily bilge to be discharged directly into the sea. The company was given a lenient sentence because it reported its practices to the Department of Justice.	$1.5 million ($1 million fine and $500,000 in court-ordered community service to fund environmental projects in South Florida	Oil discharges
April 2002 Plea Agreement	*Ecstasy, Fantasy, Imagination, Paradise, Sensation, Tropicale*, Carnival Corporation Carnival Corporation pled guilty to numerous occasions from 1996 through 2001 that it discharged oily waste into the sea from their bilges by improperly using pollution prevention equipment. In addition, the company falsified Oil Record Books in order to conceal its practices. The plea agreement only focuses on Carnival Cruise Line (and dismisses any future charges against other Carnival Corp. subsidiaries), however it only applies to the Southern District of Florida. Other federal jurisdictions may pursue independent investigation and prosecution.	$18 million ($9 million fine and $9 million in court-ordered community service to fund environmental projects in South Florida	Oil discharges
December 2001	*Zenith*, Celebrity Cruises A compliance audit under the plea agreement between Royal Caribbean and the US Department of Justice found that a 55-gallon drum of hazardous waste generated by the print shop was landed at Tampa as non-hazardous waste.	None	Improper disposal of hazardous waste
October 2001	*Spirit of Oceanus*, Cruise West Discharged 24,000 gallons of graywater in the port of San Diego		Graywater discharge
Summer 2001	Carnival Cruise Line, Celebrity Cruises, Crystal Cruises, Holland America Line, Norwegian Cruise Line,	Carnival Cruise Line ($27,500 -- suspended) Celebrity Cruises ($55,000, 1.2	Air pollution

	Princess Cruises 11 ships (six companies) cited for violations of air opacity regulations	suspended) Crystal Cruises ($55,000 – 1/2 suspended) Holland America ($27,500 – suspended) Norwegian Cruise Line ($27,500) Princess Cruises ($55,000 – suspended) Royal Caribbean Int'l ($27,5000 – suspended)	
June 2001	*Rhapsody of the Seas*, Royal Caribbean International Discharged 200 gallons of graywater into Juneau harbor.	Unknown (up to $25,000 is allowed)	Graywater discharge
June 2001	*Mercury*, Celebrity Cruises Discharged treated wastewater at Juneau without required permits. Tests of the wastewater indicated that it was more acidic than permitted for discharging within a mile of shore.	Unknown (up to $25,000 is allowed)	Wastewater discharge
May 2001	*Westerdam*, Holland America Line Discharged gray wastewater while docked in Juneau – estimated by Holland America Line at 30 to 100 gallons (the pump's output is 200 gallons per minute, so the estimate appears low).	Unknown (up to $25,000 is allowed)	Graywater discharge
May 2001	*Norwegian Sky*, Norwegian Cruise Line Discharged black water (sewage) for 20 to 30 minutes (meaning a waste stream of up to three-quarters of a mile) while the vessel was en route from Juneau to Ketchikan and within 3 miles of the Alexander Archipelago. Fecal coliform counts were 3500 times the allowable federal standard and total suspended solids 180 times the standard.	Unknown (up to $25,000 is allowed)	Sewage discharge
Jan - May 2001	*Holiday*, Carnival Cruise Line Discharges 768,000 gallons of greywater (nearly 40,000 gallons per week for 20 weeks) into the port of San Pedro, California	None	Graywater discharge
Summer 2000	Carnival Cruise Line, Celebrity Cruises, Crystal Cruises, Holland America Line, Norwegian Cruise Line, Princess Cruises, World Explorer Cruises 15 ships (7 companies) cited for violating Alaska's state smoke-opacity standards when they were docked in Juneau between mid-July and mid-August	Carnival Cruise Line ($27,500) Celebrity Cruises ($55,000) Crystal Cruises ($55,000) Holland America ($165,000 – $55,000 suspended) Norwegian Cruise Line ($27,500) Princess Cruises ($55,000) World Explorer Cruises ($27,500 – $10,000 suspended)	Air pollution
January 2000 Plea Agreement	Royal Caribbean Cruises Ltd. State of Alaska charged RCCL in August 1999 for seven counts of violating state laws governing oil and hazardous waste disposal. In January 2000, RCCL pled guilty to dumping toxic chemicals (including dry-cleaning fluid) and oil-contaminated water into the state's waters.	$3.5 million	Discharge of toxic chemicals, oil discharge
Summer 1999	Carnival Cruise Line, Celebrity Cruises, Holland America Line, Norwegian Cruise Line, Princess Cruises, World Explorer Cruises 13 ships(six companies) charged by the Environmental Protection Agency for air pollution violations in the waters of Juneau, Seward and Glacier Bay	Carnival Cruise Line ($55,000) Celebrity Cruises Holland America ($55,000) Norwegian Cruise Line ($55,000) Princess Cruises ($110,000) World Explorer Cruises (unknown)	Air pollution
July 1999 Plea Agreement	*Grandeur of the Seas, Majesty of the Seas, Monarch of the Seas, Nordic Empress, Nordic Prince, Song of America, Song of Norway, Sovereign of the Seas, Sun*	$18 million ($3.5 million designated for the National Fish and	Oil discharge, discharge of hazardous

	Viking, Royal Caribbean Cruises Ltd. The company pled guilty in six jurisdictions to charges of fleet wide practices of discharging oil-contaminated waste, regularly and routinely discharging without a permit wastewater contaminated by pollutants through its ships' gray water systems, and making false material statements to the Coast Guard. These practices occurred fleet-wide into 1995 and occurred on one ship as late as 1998. Among the violations supporting this guilty plea were repeated oil discharges from the Nordic Prince into the waters of Alaska's Inside Passage during 1994. Jurisdictions: Miami ($3 million), New York City ($3 million), Los Angeles ($3 million), Anchorage ($6.5 million), Puerto Rico ($1 million), US Virgin Islands ($1.5 million)	Wildlife Foundation and $2.5 million to the National Park Foundation)	waste, falsifying records
September 1998	*Island Adventure*, Meridian Ship Managers 200 gallons of fuel oil spilled into the Intracoastal Waterway, Port Everglades, FL	$5000	Oil spill
June 1998 Plea Agreement	*Sovereign of the Seas, Monarch of the Seas, Song of America, Nordic Prince, Nordic Empress*, Royal Caribbean Cruises Ltd After *Sovereign of the Seas* was found discharging oily bilge waste approximately 8-12 miles from San Juan Harbor, PR on October 25, 1994, an investigation found the ship's engineers routinely discharged oily waste overboard instead of processing it through the ship's oily water separator. In addition, employees on all five ships falsified oil record books and made false statements to the Coast Guard to conceal illegal discharge practices.	$8 million ($1 million designated to the National Fish and Wildlife Foundation	Oil discharge, falsifying records
June 1998 Plea Agreement	*Nordic Empress*, Royal Caribbean Cruise Ltd Ship observed and filmed by Coast Guard aircraft as it discharged oil while en route to Miami, FL. The company pled guilty to the willful presentation of a false oil record book for the ship during a US Coast Guard Investigation. In addition, investigations revealed that the ship had been fitted with a bypass pipe allowing employees to discharge bilge waste from the ship without first processing it through an oily water separator	$1 million	Oil discharge, falsifying records
June 1998 Plea Agreement	*Rotterdam*, Holland America Line In 1994, discharged waste 13 times in 10 days into Alaskan waters. The ship had fixed, permanent piping that allowed oily waste to be discharged directly overboard.	$2 million ($1 million fine, $1 million restitution)	Oil discharge
March 1998	*Statendam*, Holland America Line 210 gallons of oil spilled into Los Angeles Main Channel, CA	$800 fine $50,000 restitution	Oil discharge

How an Aussie cruise liner turned this ...



ENVIRONMENTAL HAZARD: Vanuatu locals are outraged over the dumped engine "sludge".

P&O PASSENGERS on the Brisbane-based Pacific Star have faced a backlash from Vanuatu locals, furious over allegations the cruise liner has illegally dumped up to 500,000 litres of oil.

News of the mass dumping of engine "sludge" infuriated taxi drivers who went on strike, refusing to transport P&O passengers from the cruise ship terminal to Port Vila and forcing them to walk the 5km into town.

Police and the Vanuatu Maritime Authority are investigating the dumped oil while local government authorities are calling for harsh fines, totalling $35 million (VUV 3 billion), to be issued.

P&O has apologised for the dumping since it was discovered by Sunshine Coast Daily journalist Michele Sternberg, who visited the Teouma dump site while holidaying on the island.

She said the level of environmental vandalism was "unimaginable".

"This is dumping on a massive scale.

"It appears they've dug deep holes, lined some with a thin plastic and just poured hundreds of thousands of litres of oil in.

"When news broke, someone's come in and tried to cover some of the oil with dirt but it's still seeping out."

She said the main concern at the picturesque Teouma site was that about 100 villagers lived within 800 metres of the dump site and a school was less than 1km away.

"This area is on the side of a hill and below is a river which the villagers use for drinking, washing and their children swim in.

"The river is in the direct line of this oil spill."

Pacific Star passengers were horrified to learn of the oil dumping when they arrived in Vanuatu last week, some saying they would boycott P&O in future.

"I would get off now and fly home, except I've paid so much money for this cruise," said one passenger, who did not want to be named.

The captain of the P&O Pacific Sky would have been "well aware that Vanuatu is not capable of receiving engine dirty oil", according to Commissioner of Maritime Affairs Jess John Napuati.

He said the ports of Apra in Guam, Noumea in New Caledonia, Papeete in French Polynesia and Suva, Vuda Point and Lautoka in Fiji are Regional Ships' Waste Reception Centres. Vanuatu is not.

The cost of oil disposal in nearby Noumea and Fiji is about $US30,000.

P&O is alleged to have paid just $A230 per truckload to dump in Vanuatu.

"The oil spill ... is of high interest to every inhabitant of Vanuatu since such an incident may occur in the future if appropriate measures are not taken," said Mr Napuati.

Port Vila Municipality confirmed the dumping site at Teouma was approved only for sewage disposal and similar wastes.

Ernest Bani, of the Vanuatu Environment Unit, has called for the company to remove all the oil from the dump site.

"I don't think that P&O giving an apology is enough because it doesn't help the situation.

"It's something we can't accept and just saying 'we're sorry' is not good enough."

Vanuatu law provides for the boat to be confiscated and held until a court case settles the matter, according to Michele Kalwarat, Acting Secretary-General of Shefa Provincial Council.

Meanwhile, a former Pacific Star employee has alleged that he witnessed the dumping of oil at sea from the cruise ship in October 2005, which left a 3km oil slick.

He said that from the casual nature in which the dumping was carried out, it appeared that the practice was not a one off.

NEWS BRIEFS

Body in river

POLICE have found a body in a river in south-east Queensland where a man went missing on Saturday night. A police spokeswoman said the discovery was made in the Mary River, south of Maryborough, at about 11.15am yesterday. Police are yet to confirm whether the body is that of a 21-year-old man who went missing after swimming in Maryborough's Riverside Park. — AAP

Chemical scare

ELEVEN coal miners have received treatment in a central Queensland hospital after being exposed to a potentially hazardous substance. The workers from the underground section of BHP Billiton's Gregory mine, north of Emerald, were taken by ambulance to Emerald Hospital about 12.30am yesterday. A spokeswoman said the men had been exposed to the industrial chemical potassium superoxide. — AAP

Anti-smoking ads

A GRAPHIC new anti-smoking commercial which features a female smoker disfigured by mouth and throat cancer has aired in Queensland. The commercial is the second in a series of major health warnings about smoking, with the first focusing on amputation risks. Because of its graphic nature, the new advertisement will air after 9.30pm. — AAP

Track drinkers

POLICE patrolling Flemington racecourse during Melbourne Cup Week have reported an "alarming" surge in underage drinking. Victoria Police Inspector Stephen Mutton said 138 young people were caught either drinking or in possession of alcohol during the four race days. Police and security staff also confiscated almost 50 false or altered forms of identification in just one day. — AAP

Tip-off claims

NSW coalition MPs Adrian Piccoli and Andrew Constance have strongly rejected claims they tipped off sacked Aboriginal Affairs Minister Milton Orkopoulos about a police investigation into child sex allegations. The pair were dragged into the scandal after sworn claims by ALP backbencher Jan Burnswoods. — AAP

HB164

Investor Relations

Overview

Latest Conference Call

Q4 2006 Royal Caribbean Cruises Ltd. Earnings Conference Call
Monday, February 5, 2007 10:00 a.m. ET

Latest Press Release

04/02/07
Royal Caribbean International, Celebrity Cruises Award 15 Marine Conservation Grants Totaling $796,000

View all Press Releases

RCL (Common Stock)	
Exchange	NYSE (US Dollar)
Price	$42.12
Change (%)	▼ 0.04 (0.09%)
Volume	849,000

Data as of 04/02/07 4:00 p.m. ET
Minimum 20 minute delay
Refresh quote

Corporate Information

1050 Caribbean Way
Miami, FL 33132
Phone (305) 539-6000

Transfer Agent

American Stock Transfer and Trust Company
6201 15th Avenue
Brooklyn, New York 11219
800-937-5449
www.amstock.com

Corporate Counsel

Bradley Stein
Royal Caribbean Cruises Ltd
1050 Caribbean Way
Miami, FL 33132

Independent Accountants

PricewaterhouseCoopers, LLP
1441 Brickell Avenue, Suite 1100
Miami, FL 33131-2330

Investor Relations Contact

Greg Johnson
Phone (305) 539-6153
Fax (305) 539-0562
investorrelations@rccl.com

Press Releases

View printer-friendly version

<< Back

Royal Caribbean International, Celebrity Cruises Award 15 Marine Conservation Grants Totaling $796,000

MIAMI, April 2 /PRNewswire-FirstCall/ -- The Royal Caribbean International and Celebrity Cruises Ocean Fund awarded $796,000 on March 30 in 15 new grants to marine conservation and environmental organizations, including a $100,000 grant to The Conservation Fund for its Alaska land preservation program and a $100,000 grant to Conservation International for its campaign to conserve Caribbean biodiversity.

Almost $9 million has been awarded to 64 non-profit organizations working to protect the marine environment since the fund's inception in 1996. The mission of the Ocean Fund is to support efforts to restore and maintain a healthy marine environment, minimize the impact of human activity on this environment, and promote awareness of ocean and coastal issues and respect for marine life.

"There are so many fascinating and vital marine conservation efforts under way by our grant applicants," said Richard Fain, chairman and CEO of Royal Caribbean Cruises Ltd. "We applaud our 2007 Ocean Fund grant recipients for their efforts in research, education and developing innovative technologies that help preserve the world's oceans."

The complete list of 2007 Ocean Fund grant recipients is as follows:

-- Audubon of Florida: $30,000 to continue satellite telemetry tracking of migration patterns of roseate spoonbills in the Florida Bay Ecosystem.
-- Blue Ocean Institute: $50,000 to support Safe Seas, a program that works with communities in the Pacific to keep albatrosses and sea turtles from drowning in longline and gillnet fishing gear, and to reduce hunting of sea turtles in Latin America.
-- Caribbean Conservation Corp.: $40,000 to produce a video series, "Ocean Fund Eco-Explorations," in partnership with Open Water Media. The videos will be used in the new Barrier Island Sanctuary Management and Education Center in Melbourne Beach, and for distribution to schools and museums.
-- Conservation International: $100,000 for continued support for its Campaign to Conserve Caribbean Biodiversity: in the Saba Bank/Netherlands Antilles; the Straits of Florida; the Dominican Republic; and the Southern Caribbean World Heritage Site.
-- Earthwatch Institute: $25,000 for creating an Ocean Fund Marine Science Educators fellowship program for high school teachers from Florida and Texas to participate in field research expeditions.
-- Harvard Medical School, Center for Health & Global Environment: $50,000 to create exhibits for its "Healthy Ocean, Healthy Humans" project to accompany a related film, which will be shown at aquariums and museums.
-- Island Dolphin Care: $25,000 to fund developing educational materials and to maintain the facility's touch tank, seven aquariums, and exterior tidal pool to serve critically ill and special-needs children in Key Largo, Fla.
-- The Nature Conservancy: $50,000 for its program to promote conservation of coastal habitats in southeast Alaska; and $50,000 to design coral reef management strategies in Florida.
-- Oregon Institute of Marine Biology of the University of Oregon: $45,000 to buy a scanning electron microscope to help identify and determine growth rates of small organisms related to toxic algal blooms, invasive species, and fisheries management.
-- Perry Institute for Marine Science: $30,000 to evaluate marine-

protected areas in the Bahamas, both existing and proposed, and to improve protection of coral reefs through adaptive management.

-- Shake-A-Leg Foundation Miami: $75,000 for continued support for $3.95-million eco-island project to provide educational, recreational, and island restoration activities for students with disabilities and at-risk youth.

-- South Florida National Parks Trust: $25,000 to hire a second full-time ranger to lead environmental education programs for 4th- through 8th-grade students at Biscayne National Park.

-- University of Miami Rosenstiel School of Marine & Atmospheric Science: $51,000 for to continue the Royal Caribbean Fellowship Program to support two incoming graduate students.

-- World Wildlife Fund: - $50,000 in support of its Smart Gear initiative, to reduce the bycatch of endangered marine species by encouraging the development of innovative, practical and cost-effective fishing technologies.

Royal Caribbean Cruises Ltd. is a global cruise vacation company that operates Royal Caribbean International, Celebrity Cruises and Pullmantur. The company has a combined total of 34 ships in service and six under construction. It also offers unique land-tour vacations in Alaska, Australia, Canada, Europe and Latin America. Additional information can be found on www.royalcaribbean.com, www.celebrity.com, www.pullmantur.es or www.rclinvestor.com.

SOURCE Royal Caribbean Cruises Ltd.
-0- 04/02/2007
/CONTACT: Lynn Martenstein, +1-305-539-6573, or Jennifer Smith +1-305-539-6574, both of Royal Caribbean Cruises Ltd.
/Web site: http://www.royalcaribbean.com
http://www.celebrity.com
http://www.pullmantur.es
http://www.rclinvestor.com /
(RCL)

CO: Royal Caribbean Cruises Ltd; The Royal Caribbean International and Celebrity Cruises Ocean Fund
ST: Florida
IN: TRA LEI ENV
SU: NPT RCY

AM-HB
-- CLM356 --
6520 04/02/2007 14:10 EDT http://www.prnewswire.com

TO : House Judiciary Committee Members
FR: Chip Thoma, Juneau, Cruise Initiative Supporter
RE: HB 164, relating to Ocean Rangers
DATE: March 28, 2007

The Cruise Initiative was approved by 81,000 Alaska voters in the August, 2006 primary election. It is scheduled for implementation in May. The proposal today in HB 164 would gut the onboard observer program, though it is fully paid for and supported by cruise passengers. Every passenger poll has shown widespread support for these anti-pollution measures, worldwide.

There is no good reason to eliminate this section. In fact, doing so begs the question, What Are The Cruise Lines So Afraid Of? HB 164 repeals part of the Cruise Initiative before it is even implemented.

The issue is certainly not cost. The initiative language does not require 24/7 coverage, as all ship discharges are made at night, while underway. Consequently, only one Ranger is appropriate per ship, working the night shift, and observing the ship discharges.

Full funding is there, and will be every year, to run an accountable cruise ship observer program. It will not cost "more than $5 million" as the critics have portrayed it. Most of that exaggerated cost involves paying the ships $3000 per week for each observer to have a berth and meals. THAT is the budget problem, not the $4 observer tax.

Also, there has been a very successful fisheries observer program in the North Pacific for 30 years that has never been a burden to the industry. In fact, fisheries and consumers benefit from this program.

In conclusion, the observer section of the Cruise Initiative should be supported by the Governor and the Alaska Legislature. Alaska voters and cruise passengers approve of the measure, and there are adequate funds to operate every year.

The onboard observer program of the cruise initiative is vital to "Trust, but Verify" the actions of these foreign-owned ships as they do business, BIG BUSINESS, in Alaska waters. Thank you.

A.D.N. Compass Submission

A loose definition of a watershed event might be "a singular defining moment that marks a paradigm shift in thought and actions, and which causes long –term systematic change of lasting significance".
On a symbiotic note, a "watershed event" of a more base definition, the Cruise Ship Initiative of 2006, which demanded long –term changes of lasting significance in physically managing our watersheds-------and had the impetus to become a reality through the initiative and legislative processes----- instead has been altered by the House Transportation Committee to something not even remotely similar to its original intent.

When pondering the Cruise Ship Initiative or indeed the Pebble Mine, a number of similarities continue to crop up in how the affected economic/industrial parties respond when they feel their corporate interests threatened. First they mount vast campaigns spending millions of dollars spinning the web of half-truths and dire economic predictions if things don't go their way. Then they divide area towns with the promise of wealth on one hand, and economic catastrophe on the other if they don't get their way. This tactic was used against Haines, Seward and Whittier. The initiative resolved this divide and conquer ploy by making it a state-wide policy.

When their propaganda fails and initiatives pass, rather than being good citizens and conceding the people of Alaska mean business in keeping our waters clean, the companies immediately respond by hiring high-priced P.R. lobbyists such as former heads of purely pro-tourist organizations in Anchorage and another high-profile politician/tour entrepreneur individual from Interior Alaska. Pebble is reportedly paying one prominent S.W. Alaska Native political activist $300,000 annually to tout its gospel. They would much rather fight for every dime they can get than actually working with seriously concerned citizens for a long term productive relationship. The cruise industry refers to our state as their "Alaska Property" in the tourism parlance and I find it offensive that they would be so presumptuous after so many years of callously polluting our waterways.

This lack of transparency on their part further hurts their cause when they lobby legislators to water down (how appropriate) the heart of an initiative's intent.
I've worked in the resource extractive sector of our economy for many years including marine transportation and it could be said I'm going against work opportunity for myself by speaking out. So be it. I'm also a passionate advocate for shellfish mariculture which depends on clean water to maintain our reputation for the worlds' best seafood
I am certainly not a raving greenie who is against rational development and I find a former House Speaker's comments as usual disturbing and offensive. She doesn't have any more roots in this place than me, but she is always willing to advocate for any project no matter the ultimate cost.
Jobs are absolutely necessary indeed, but jobs at the cost of destruction of what makes Alaska the unique place it is will always be unacceptable no matter how many foreign owned corporations howl about their sacred profits.

The cruise industry says "Trust us", just as they did in the recent committee hearings where they violated the intent and turned the Ocean Ranger program into a redundant, emasculated Dock Ranger show. How absolutely despicable when you get the true picture of how inconsequential the dollar amounts are to effect a ship-board observation program relative to the cruise industry's world-wide revenues.
In an AP story from Miami (home of Carnival Cruises) just after last years election, it was estimated the cost of the industry absorbing the head tax and implementing the observer program out of pocket would cost between .09 and .11 cents on values of approximately $40 per share. This is indeed a big business and no matter how they sugar-coat it they are about profits and nothing else.

Their supposedly new "green" approach as evidenced by deeds such as last year where a friend of mine hauled up a shrimp trawl full of chef-cut melon rinds from 200 fathoms in Wells Passage (PWS) begs to differ. Canadian beaches on the Inside Passage are fouled with greasy soap scum from their wakes. If they cared you'd think they would obey laws and voluntarily change, but think again. Alaskans have been victimized for years and unless vigilant, the industry bean counters will prevail.

Our watersheds from Bristol Bay through Canada are priceless. So whatever these companies have to pay to keep them as noted, it is still the best deal for us and them.

David Otness
Seward, Alaska

Jobs are Alaska's Future

ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

FAX Transmittal

SARAH PALIN, GOVERNOR

Employment Security Division

Seward Job Center
PO Box 1009
Seward, AK 99664-1009
Phone: 907-224-5276
Fax: 907-224-5277

To: REP NANCY DAHLSTROM	**Date:** 3-29-07
Fax No.:	**Fax No. of Sender:**
From: DAVID OTNESS	**Subject:**

Page 1 **of** 4

COMMENTARY ON HB 164

FROM 3-28 TESTIMONY

HB 164
House Judiciary Committee

March 29, 2007
Seward, Alaska

Dear Rep Dahlstrom,

This is regarding my testimony on HB 164 yesterday. My comments were off the cuff as I wasn't aware of the committee meeting until reading the ADN late in the morning. I shall try to clarify.

FYI, I am a quite conservative individual, although not politically affiliated. I was one of Gov. Palin's most ardent supporters for the duration of the 2006 campaign and first offered my encouragement in 2005. In yet another pro-Palin commentary piece unpublished by the ADN, I brought up the injustices heaped upon you and Rep Lynn by the former power structure and how change was needed, even if it meant getting some Democrats elected. Rep Doogan is actually surprising me positively. The point is, we constituents were very dissatisfied with how our state's business was being conducted and that people of principles were being excluded. Working for candidate Palin refocused and energized myself and obviously many others.

Regarding HB 164, I know of no other means to describe the efforts of Reps Jonansen and Ramras than as an unmitigated attempt to thwart the will of the people as expressed in Proposition 2. Even in heavily cruise industry dependent Seward it passed by a reasonable margin after the summer-long onslaught of commercials from the industry. These two representatives, by all appearances, show an apparent industry bias masked as "efficiency" in HB164 and the proposed amendment.

We, the People, did not ask for funding for the Sea Life Center, GOA Keeper, or the other group mentioned in the proposed amendment; we demanded on-board oversight of an industry with a bad track record world-wide, rather than probation or unconditional parole. Indeed, the ballot initiative's passage should be viewed as posting a bond rather than the outright pardon this bill ingenuously pre-supposes to foist upon a very educated public. This puts foxes in the hen house and inmates running the asylum. I <u>am</u> trying to be civil in the face of my perceived corruption of the initiative's intent. Please forgive my seeming temerity, I am passionate about my life-long home and at 56 years of age see a lot of forces arrayed against the long term gain we might achieve by getting this right the first time.

Because of yesterday's technical difficulties during the committee hearing, I was not able to hear the full testimony until it came up on "Gavel to Gavel" at 0100 hrs this morning. I found Mr. Shively's comments somewhat perplexing regarding a full-time cruise ship supervisor needed for individual Ocean Rangers based on "security". A U.S. Merchant Mariner's Document, (MMD), is a Federally recognized high security I.D. issued by the Department of Homeland Security, which oversees the U.S. Coast Guard. We are even being required to obtain biometric-scan I.D. cards in addition to our original documents. I know because it is another $140.00 out of my pocket to stay employed.

As Merchant Mariners we are sworn in and take an oath to protect and defend the U.S. Constitution just as other members of the Armed Forces.
I feel Ocean Rangers should take the same oath to the State of Alaska.
We also have extensive first aid, firefighting and other relevant required safety procedural training at AB (able bodied seaman) ratings and above.

With the intent of the initiative intact, I would like to offer up a logical and reasonable compromise to the parties.

Whether through smaller tonnage Marine Engineer endorsements, or even Unlicensed Engineers, there is a pool of people who can qualify to do the job description with adequate training specific to the wastewater systems of these ships. I would even consider the wastewater training myself, and know others who would. If this is construed as looking for a job, forget it. There is so much work in the marine field right now we are worried about Congress authorizing foreign nationals to fill U.S. jobs. It only points to the need we have to encourage young people to fill so many available jobs in all sectors of our economy. Last year, the average age in the U.S. Merchant Marine was 48 years. And these are well paying jobs. Whatever occurs, this suggestion is a possible solution

It seems to me the sanitation aspects of passenger safety and health should be monitored onshore by HACCP trained DEC personnel. It's a whole new ballgame with re-circulating air systems that harbor potential pathogens.
Mr. Ruaro's assertion of passing 405 USPHS inspections makes me wonder how many were based on Norwalk virus outbreaks rather than overboard discharge issues, and if it is really possible to get a handle on these diseases without a trained epidemiologist aboard as well.
Perhaps a comparative study could be initiated to ascertain our DEC efforts relative to containment in other states/countries. This is a serious health issue in our state that could cause further, more serious outbreaks than we have experienced in our towns so far.

This industry is a double –edged sword, there is as much not to like about it as there is to like. We must address both sides honestly and effectively.

Any help I can offer on this matter, please don't hesitate to contact me at: 907-362-6100 or

diounderthevolcano@yahoo.com

Sincerely, Captain David J. Otness

I am enclosing an ADN Compass piece submission I sent in this week.
Thanks for hearing me out.

Emily Stancliff

From: Terry [terry@pobox.mtaonline.net]
Sent: Monday, March 26, 2007 12:55 PM
To: Rep. Jay Ramras
Cc: Rep. John Coghill; Rep. Ralph Samuels; Rep. Nancy Dahlstrom; Rep. Bob Lynn; Rep. Lindsey Holmes; Rep. Max Gruenberg
Subject: ocean rangers

Rep Ramras:

I have mostly found as a legislator in Juneau, you voting with the voice of reason. I hope that you are ready to buck the tide regarding the eliminating the ocean rangers in HB164.

I urge you to do the right thing and drop any amendments to this citizen's initiative. Everyone knows you can massage numbers to make a point. If your members really feel that cost is a factor then I suggest you let the initiative stand as it is written and bring it back to the table after the time in which you have real numbers to make the point.

These kinds of antics in Juneau are why the public loses faith in the system. Again I urge you as chair to allow the initiative to remain as it was originally passed by a vote of the people.

Thank you for your consideration.

Terry Snyder
Big Lake, Alaska