

AAPA CRUISE SEMINAR

**“Cruise Associations – Policy Issues
Impacting Cruise Ports”**

January 10, 2007

**Michael Crye
Executive Vice President
CLIA**

***Western Hemisphere
Travel Initiative***

Congressional Action

- After much delay and debate, Congress passed the WHTI provision in the Fiscal Year 2007 Homeland Security Appropriations bill.
- The President signed the bill into law on October 4, 2006.

Western Hemisphere Travel Initiative

January 2007

Requires passports for Air travel to enter U.S.

By June 1, 2009

Passports required to enter U.S. via air, sea and land border crossings



Alternative document for land border

▪ **People Access Security Service (PASS)**

PASScard

- Section 7209 of the Intelligence Reform and Terrorism Prevention Act of 2004 authorized the DHS, in consultation with the DOS, to develop an alternative passport document.
- DOS and DHS are developing a “passport card,” a less expensive passport alternative.
- On Tuesday, October 17, 2006, the DOS proposed a rule on the passport card.

PASScard

- The PASScard is intended as a lower cost means of establishing identity and nationality for U.S. citizens for:
 1. Citizens crossing U.S. land borders
 2. Citizens traveling by sea between U.S., Canada, Mexico and the Caribbean and Bermuda.

- The proposed PASScard is \$45 for adults and \$35 for minors.

LEGISLATIVE & POLICY ISSUES

IMO and EU

- *Athens Convention*
 - *Fire Safety / Star Princess*
 - Passenger Vessel Safety
 - Taxation
 - Passenger Rights
 - Ballast Water / MARPOL Annex VI
 - Environment: Air Emissions Policy / Sulphur Directive
 - Green Paper on Maritime Policy
 - ECC economic impact study

Athens Convention

- October 19, 2006: IMO Legal Committee approved a reservation and guidelines
- Capped passenger ship terrorism liability at 340MM SDR's (approx. \$500MM)
- Or at 250K SDR's per passenger (approx. \$375K) and carrier exemption of liability for nuclear biochemical terrorist attacks.
- U.S. only country to speak out against exempting carriers from liability.

Fire Safety/Star Princess

As a result of a six-year (Large) Passenger Ship Safety initiative and the balcony fire on the *Star Princess*, IMO approved a number of amendments to SOLAS.

IMO approved the effective date of July 1, 2010.

Fire Safety/SOLAS Amendments

- Upon review of passenger ship safety, other proposals included changes:
 - Safe Areas
 - Return to Port
 - Floor Level Monitoring
 - Safety Centers
 - Search and Rescue amendments
 - Locally Sounding Fire Alarms

Ballast Water Case in 9th District Of California

Judge rule on September 18 that EPA's exemption of operational discharges is invalid, and that EPA would have to issue regulations on these discharges within two years. ICCL joined a coalition of industry groups and intervened in this pending decision of the 9th District Court of California. EPA and the industry have served Notice of intent to appeal.

Ballast Water Case in 9th District Of California

This could potentially bring other discharges into the regulatory arena, including pool and spa discharges, deck run-off, engine cooling water and certainly gray water. In the NPDES permitting process, the EPA has delegated to the states the authority to set the conditions and issue those permits.

Ballast Water Case in 9th District Of California

Industry has been working on moving federal legislation on ballast water that would establish a single national standard for ballast water discharges and preempt states from issuing requirements on vessels that differ from the national standard.

CRIME REPORTING

Background

1. Congressional Hearings
2. Existing Legislation and Regulation
 - Security of Passenger Vessels
Regs (1998) 33 CFR Part 120
 - Marine Casualty and Inspection
Regs (1936) 46 CFR Part 4
 - Must report all felonies/missing persons on ships based in U.S., or elsewhere if U.S. pax involved

2006 Bills

Two Bills Introduced in 2006

1. **"CLASS Act" – Shays (R-CT)
June 2006**
2. **HR 6023 – Weldon (R-PA) &
Abercrombie (D-HI) July
2006**

CLASS Act – U.S. Victims Only

- Report missing person or overboard w/in 4 hrs if ship calls in U.S.
- Report crime w/in 4 hrs. if cruise ends in U.S. (arson, maiming, murder, manslaughter, kidnapping, aggravated assault, robbery, or state law assault)
- Quarterly reports
- Publication on HS website

CLASS Act (cont'd)

Investigative training and equipment

- **Inspections**
- **Refer customers to HS website for reports**
- **\$100k fine, liability *in rem*, denial of entry**

HR 6023

- Report “crime of violence” against U.S. pax to FBI w/in 24 hrs (force or threat of force [18 U.S.C. § 16])
- AG to publish statistics of reported crimes
- Ban on all commonly owned ships from U.S

CLIA/USCG/FBI

CLIA has been in discussion with the USCG and the FBI to develop a process for crime reporting that will respond to the concerns voiced in the Congressional Hearing earlier this year.

One Industry. One Voice

The new CLIA

The “new” association will retain the CLIA name with Terry L. Dale as its head. Each entity’s activities will continue unabated under the new CLIA banner with heightened effectiveness and value as a single organization representing the interests of the cruise industry. This integration facilitates our ability to speak as “One Industry. One Voice.”

21 Member Lines



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