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AND

CHAIRMAN, ATTORNEY GENERAL'S ADVISORY COMMITTEE  
SUBCOMMITTEE ON ENVIRONMENTAL ENFORCEMENT

BEFORE THE  
U.S. COMMISSION ON OCEAN POLICY

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INTRODUCTION

Admiral Watkins and members of the U.S. Commission on Ocean Policy, I thank you for your invitation and am pleased to be here today to discuss the Department of Justice's enforcement efforts to protect the coastal waters and oceans of Alaska. The equitable enforcement of environmental law helps to ensure the future of our fisheries and marine resources.

As Assistant Attorney General Thomas L. Sansonetti recently stated

before the United States Senate Judiciary Committee, the firm and fair enforcement of the law is an important component of environmental protection. It helps to ensure that our citizens can breathe clean air, drink pure water, and enjoy our Nation's natural resources; that law-abiding businesses have a level economic playing field on which to compete; and that those who fail to comply with the law will be penalized and deterred from non-compliance.

Attorney General Ashcroft has identified protection of our natural resources through strong enforcement of the environmental law as a top priority for the Department. I will discuss how investigators and prosecutors in Alaska and throughout the Nation are meeting this goal: first through our efforts to protect the security of our marine resources, ports, waterways and maritime commerce; second, through the protection of our marine resources from vessel pollution; and third, through our fisheries enforcement efforts.

### HOMELAND SECURITY

Attorney General Ashcroft has directed that the first priority of the

Department of Justice is the detection, deterrence and prevention of terrorist acts. Even prior to September 11, law enforcement in Alaska worked steadily to prevent terrorist acts which could seriously harm marine resources. My office continues to work closely with the Federal Bureau of Investigation (FBI), United States Coast Guard, and state and local law enforcement to safeguard our ports, waterways and marine commerce.

At the direction of the Attorney General, an Anti-Terrorism Task Force, consisting of federal, state and local law enforcement, as well as the military, has been established in Alaska and in each federal district throughout the nation, to share information in a coordinated response to terrorism. As United States Attorney, I chair Alaska's Anti-Terrorism Task Force. We work together with the FBI and its Joint Terrorism Task Force, law enforcement's operational response to terrorism threats.

As Rear Admiral Underwood noted in his remarks, the close cooperation between federal, state and local law enforcement in Alaska is not new. Many of the steps taken post-September 11 formalized

working relationships that have existed for years. For example, the military, federal law enforcement, and state and local law enforcement conducted large-scale anti-terrorism exercises in Alaska this year. The planning of these exercises began two years ago. We also meet and work with representatives of the cruise industry and the oil industry regularly to discuss prevention and detection efforts.

### STOPPING ILLEGAL VESSEL DISCHARGES

I would like now to discuss enforcement efforts designed to protect our oceans and waterways. Earlier today, I announced the indictment by a federal grand jury of a corporate director, two corporate managers, a ship's captain and first engineer on numerous criminal charges for their roles in a pollution conspiracy involving the direct discharges of oil from a fleet of large refrigerated cargo ships that regularly travel through Alaskan waters. Today's charges in *United States v. Boyang Maritime et al.* represent the latest in the United States' ongoing investigation into vessels that illegally circumvent required pollution control systems and dump oil sludge and prohibited wastes at sea.

The charges against In Seok Yang, a member of the Board of Directors of Boyang Maritime Kycong Shin Deep Sea Fisheries Company of Pusan, Korea, are the first such charges to ever have been filed against a corporate board member for his role in an oil pollution conspiracy.

I also announced today that Boyang Maritime, Boyang Limited, Trans-Ports International (TPI) and Oswego Limited, the maritime companies that operated, managed and controlled the fleet of more than a dozen cargo freighters at issue in this investigation, pled guilty to being part of a wide-ranging conspiracy designed to hide routine discharges of oil sludge and oil contaminated bilge water directly into the ocean from their fleet of ships since at least 1995.

Boyang Maritime, Boyang Limited, TPI and Oswego Limited acknowledged that the companies worked together to maintain false records, obstruct justice and tamper with witnesses in order to avoid the expenditure of time, money and other resources that would have been required to comply with the laws designed to prevent oil pollution from

ships.

Under the terms of a plea agreement reached with the United States Attorney's Office for the District of Alaska, and the Department of Justice Environmental Crimes Section, the four corporate defendants pled guilty and agreed to pay a five million dollar fine, institute a comprehensive court-monitored environmental compliance plan, and serve five years on probation. One million dollars of the fine will be directed to the National Fish and Wildlife Foundation to be used for the Alaska Maritime National Wildlife Refuge, an area that encompasses the Aleutian Islands.

The felony corporate guilty pleas and the filing of charges against corporate managers come on the heels of the successful prosecution of Doo Hyun Kim, the captain of the Khana, In Ho Kim, the chief engineer of the Khana, and Je Yong Lee, the chief engineer of the Sohoh. These three were arrested and detained in federal custody in late February for falsifying records, obstructing the Coast Guard's inspection and tampering with the ongoing federal grand jury investigation related to the

discharge of oil from the vessels under their command. The sentences ranged from six to eight months' incarceration. This case demonstrates the Department's commitment to prosecuting responsible corporate employees and managers, as well as the corporations for criminal misconduct. For it is individuals that make the decisions that result in criminal misconduct. We are committed to insuring that those who violate the law in an effort to save money and obtain an unfair advantage over law-abiding competitors must be stopped and held accountable.

The problem of vessel pollution, including the dumping of oil, plastics and hazardous wastes in oceans, is a world-wide problem. The Department has responded through the creation of a Vessel Pollution Enforcement Initiative. In coordinating this program, the Department of Justice Environmental Crimes Section works closely with the Coast Guard, the EPA, the FBI and U.S. Attorneys' Offices. One of the critical elements of the Initiative has been the training of key Coast Guard personnel and enforcement personnel from other federal and state agencies. In fact, it was this training that permitted Coast Guard officials

in Alaska to discover the violations in *United States v. Boyang Maritime* during a routine vessel inspection.

A very successful series of prosecutions arose from the Enforcement Initiative in Alaska and elsewhere in 1998 and 1999. In 1998, in *United States v. Royal Caribbean Cruise Lines, Ltd. (RCCL)*, the corporation pled guilty to conspiracy involving the dumping of oil wastes and lying to the Coast Guard in Miami and Puerto Rico. The company agreed to pay a \$9 million fine and establish a fleet-wide environmental compliance program.

In 1999, the continuing investigation of RCCL revealed violations of the law in six additional districts, including Alaska. In six plea agreements filed around the country, RCCL admitted that it routinely dumped waste oil from its fleet of cruise ships, and that it deliberately dumped many other types of pollutants, including hazardous chemicals from photo processing equipment, dry-cleaning shops and printing presses into U.S. harbors and coastal areas. The company also admitted making false statements to the Coast Guard about these activities. RCCL

was sentenced to pay a fine of \$18 million and to serve five years probation, while operating under the court-supervised compliance program. Two individuals were also charged in that matter.

In another Alaskan case, Hal Beheer, the company which operated the Holland American Line cruise ship, the *ss Rotterdam*, was sentenced in 1998 to pay a \$1 million fine, with an additional \$1 million in restitution paid to the National Park Foundation. Hal Beheer received five years' probation after pleading guilty to violations of the Act to Prevent Pollution from Ships. The case came to light after an assistant engineer told the United States and Canadian Coast Guard that he had refused an order to pump untreated oily bilge water overboard. Four corporate employees were also charged with related criminal violations. One remains a fugitive from justice, while the remaining three defendants, Nanne Hogendoorn, Dirk Smeenk and Hantje DeJong, were each sentenced to pay a \$10,000 fine and serve two years' probation after pleading guilty to misdemeanor Clean Water Act charges. Hogendoorn's case represented the first time that a land-based cruise ship corporate

employee was convicted for illegal discharges at sea.

These cases demonstrate the Department's commitment—through prosecutors in the U.S. Attorney's Offices and trial attorneys in the Environmental Crimes Section of the Environment and Natural Resources Division—to protect our natural resources through vigorous enforcement.

### FISHERIES ENFORCEMENT

Alaska is blessed with some our Nation's richest marine resources. We work closely with the Coast Guard, the National Marine Fisheries Service and the National Oceanic and Atmospheric Administration (NOAA) General Counsel in implementing the laws and regulations designed to protect these marine resources. One of our most effective tools in this effort is the Magnuson-Stevens Fishery Conservation and Management Act (MSA). The first goal of our enforcement efforts is deterrence of violations. We do this by making sure that the penalty for breaking the law is more than the cost of doing business. This not only protects our marine resources, it also insures a level playing field for

those who follow the law.

The law permits a range of sanctions depending upon the seriousness of the violation. In addition to criminal prosecution, violations of the MSA can result in warnings, permit sanctions and revocations. In more serious cases, fishing vessels can be seized, fish catches and gear can be forfeited and significant fines can be imposed. Two foreign fishing vessels, the *Ming Chang* and the *Orchid*, were seized by the Coast Guard in 2000 for illegally fishing in the U.S. Exclusive Economic Zone and each paid fines of approximately \$750, 000.

For the most serious offenders, the MSA permits the seizure and forfeiture of a fishing vessel, its gear and its catch. As you know, there is presently a global ban on High Seas Drift Net fishing. Only a handful of cases have been brought world-wide against this illegal practice, several of them here in Alaska.

The fishing vessels *Ying Fa*, a stateless fishing ship, and *Arctic Wind*, were caught High Seas Drift Net fishing by the Coast Guard in 1999 and 2000. Both vessels attempted to flee and were ultimately

caught with miles of illegal nets and tons of illegal salmon aboard.

Because of the seriousness of their violations, each vessel was ultimately forfeited to the United States and sold at auction.

### CONCLUSION

Admiral Watkins, this concludes my prepared remarks. I would be glad to answer any questions that the Commission may have.