



Stephen Land
Newport Harbormaster
City of Newport, Rhode Island
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Chairman Marvin Abney and Honorable Finance Committee Members,

This letter is formally submitted to the Finance Committee Members for consideration of Section 8 of Article 5, "City of Newport – Landing and boarding fees," in budget bill H7127.

As the City of Newport Harbormaster, my department coordinates and organizes all administrative and logistical duties for cruise ships visiting Newport and Newport's Secure Port. We provide the physical security personnel for the Port of Entry, on-water support for the cruise vessel and passenger tenders, and emergency response for passenger medical events. Cruise ship schedules are coordinated and prepared years ahead of time, with an industry standard 18 months' notice to the cruise lines for any adjustments to the schedule or changes in port fees.

With the State's support, the City of Newport recently raised port fees from \$6 per person to \$20 per person. This fee increase was instituted specifically to support vital cruise ship and ferry terminal infrastructure repairs, as well as City run bathroom facility improvements for cruise ship passengers. Cruise lines were notified of this change in port fees more than 20 months in advance.

The proposed additional State cruise ship fee will be detrimental to the Cruise Ship industry in Newport Harbor. With the proposed State tax of an additional \$10 per person, Newport would be the highest priced tender port in New England. From our department's role working with these cruise lines, we understand this additional port fee increase will cause cruise ship lines to remove Newport from their itinerary, effectively "skipping over" the City of Newport and State of Rhode Island. Compounded with inadequate time for Cruise lines to adjust schedules or pass fees to already booked passengers, the industry would be disinclined to include Newport on their cruise itinerary.

I would be happy to discuss the issue further, as well as answer any questions that may arise.

Thank you,

Stephen Land
Newport Harbormaster

SECTION 8.

Section 45-2-35.1 of the General Laws in Chapter 45-2 entitled "City of Newport - Landing and boarding fees" is hereby amended to read as follows:

45-2-35.1. City of Newport – Landing and boarding fees. (a) The city of Newport is authorized to charge, assess, or otherwise collect from every cruise vessel landing in the city of Newport a landing fee of fifteen dollars (\$15.00) per passenger and from every cruise vessel embarking from Newport, a boarding fee of fifteen dollars (\$15.00) per passenger. For the purposes of this section, the term "cruise vessel" does not include ferries and water carriers of persons and/or property doing business as common carriers operating upon waters between termini within the state. (b) Of the total fee collected per passenger, ten dollars (\$10.00) shall be retained by the city of Newport, and five dollars (\$5.00) shall be allocated to the Rhode Island public transit authority as defined in § 39-18-2 to support transit operations in Newport and Aquidneck Island. (c) The city council of the City of Newport shall promulgate rules and regulations to implement the provisions of this section. (d) The city of Newport is authorized to impose a penalty on any delinquency in the payment of any fee imposed under this section, at a rate equal to that assessed by the city on tax delinquencies.