



Ship Type: All Trade Area: USA

Bulletin 239 - 03/02 - Violation of Pollution Laws - Fines/Arrests/Custodial Sentences - Ship's Officers/Designated Persons - USA

Two separate incidents, one occurring in 2000 and one in February 2002 serve to demonstrate the serious manner in which U.S. Coast Guard, U.S. Department of Justice and other U.S. Federal officials are reacting to violations of pollution laws in the United States.

In the most recent incident, the Master and Chief Engineers of two vessels have been arrested and charged with keeping false Oil Record Books to conceal the dumping of waste oil and sludge from two ships, obstructing a Coast Guard investigation, and obstruction of justice for allegedly telling crew members to lie to a federal grand jury.

Coast Guard boarding officers found oil in the overboard discharge valve, bypass hoses on the two ships which they believed were used to circumvent or "bypass" the Oily Water Separator. Special Agents from the United States Coast Guard, Environmental Protection Agency and the Federal Bureau of Investigation subsequently executed search warrants on the ships, according to documents filed in Court.

According to the criminal complaint, oil contaminated bilge waste and sludge was dumped overboard without the use of the Oily Water Separator and the Master and Chief Engineers of the two ships held meetings at which other crew members were told to lie. Crew members on both ships identified rubber hoses with metal fittings attached on each end that were used to bypass the Oily Water Separator. The criminal complaints further allege that the defendants maintained false Oil Record Books.

If convicted, the Master and Chief Engineers could face up to five years in prison and up to a \$250,000 criminal fine for the alleged false statements and obstruction of an agency proceeding, in violation U.S. laws. The alleged obstruction of justice by ordering subpoenaed crew members to testify falsely, known as "witness tampering," carries a maximum term of imprisonment of ten years.

The United States Coast Guard Criminal Investigative Service, the Environmental Protection Agency Criminal Investigations Division and the Federal Bureau of Investigation are investigating the matter, which will be prosecuted by the United States Attorney's Office for Alaska and the Environmental Crimes Section of the United States Department of Justice.

In the second incident that occurred in Baltimore in March 2000, a U.S. District Judge sentenced a Danish ship management company to pay a \$250,000 criminal fine for conspiring to conceal a hazardous leak in the hull of an oil tanker, for failing to report emergency discharges to save the ship and for presenting false Oil Record Books to the U.S. Coast Guard in order to disguise the leak, emergency discharges and other deliberate acts of dumping oil.

According to court papers, the ship's Master, currently a federal fugitive, asked company officials whether he should report the emergency repair to the hull to the Coast Guard as required by the Port and Waterways Safety Act. In a telex to the Master found on the ship's bridge, a shore-based manager in Copenhagen responsible for the ship's safety wrote back advising that the repair shall not be reported to the U.S. Coast Guard in Baltimore.

Prosecutors provided the Court with a video tape obtained from the Swedish Coast Guard showing the ship dumping an oil slick in its wake for 30 nautical miles only a month before its voyage to Baltimore in March 2000.

In pleading guilty in October 2001 the ship management company admitted that it sought to avoid the expense of maintaining a safe and seaworthy vessel. The company also admitted that it used false Oil Record Books to conceal deliberate dumping of waste oil from the bilges and from cargo tanks using equipment and procedures to bypass the Oily Water Separator and create the overall false impression

that the vessel was being operated properly. The company had employees flush clean water on the Oily Water Separator Oil Content Meter monitoring sensor.

Still facing possible charges are: the Danish owner of the ship; (2) the ship's Master who was arrested in Baltimore in May 2000; (3) the ship's Chief Engineer; (4) a shore-side superintendent and the ship's "designated person" employed in Denmark by the ship management company who is alleged to have sent the telex directing the leak not be reported to the Coast Guard; and (5) the ship management company Vice-President who is alleged to have ordered the dumping of approximately 25,000 gallons of fuel oil contaminated with water during a return voyage from Mexico to Baltimore in April 2000.

We recommend Master's and company personnel be reminded to ensure proper functioning of requirement pollution prevention equipment, record maintenance and reporting.

Source of Information: David Pascoe of Corbett & Holt/Gallagher Marine Systems Inc