

HOUSE BILL REPORT

SHB 1919

As Passed House:
February 13, 2024

Title: An act relating to modifying the process by which a private moorage facility may sell an abandoned vessel for failure to pay moorage fees.

Brief Description: Modifying the process by which a private moorage facility may sell an abandoned vessel for failure to pay moorage fees.

Sponsors: House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Bronoske, Corry, Leavitt, Reed and Tharinger).

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/17/24, 1/24/24 [DPS].

Floor Activity:

Passed House: 2/13/24, 97-0.

Brief Summary of Substitute Bill

- Removes the obligation to publish notice in a newspaper before a private moorage operator may sell an abandoned vessel for failure to pay moorage fees.
- Changes, from 90 days to 45 days, the amount of notice that a private moorage operator must provide to a vessel owner before a vessel may be sold for failure to pay moorage fees.
- Changes, from 60 days to 40 days, the timeline by which a lawsuit to challenge the validity of a private moorage facility's impoundment of a vessel must be commenced.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Chapman, Chair; Morgan, Vice Chair; Reeves, Vice Chair; Dent, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Kloba, Kretz, Orcutt, Schmick and Springer.

Staff: Robert Hatfield (786-7117).

Background:

A private moorage facility operator may impound a vessel moored or stored within the private moorage facility so that the vessel cannot be removed from the facility if the vessel's owner fails to pay moorage fees after being notified that such fees are due.

At the time of impounding the vessel, the private moorage facility operator must attach to the vessel a notice providing certain information, including that, if the account is not paid in full within 90 days from the time the notice is attached, the vessel may be sold at public auction to satisfy the charges.

Before the vessel is sold, any person seeking to redeem an impounded vessel may commence a lawsuit in the superior court for the county in which the vessel was impounded to contest the validity of the impoundment or the amount of charges owing. This lawsuit must be commenced within 60 days of the date the notice was provided by the moorage facility.

Before the vessel is sold, notice of the sale must be published at least once, more than 10 but not more than 20 days before the sale, in a newspaper of general circulation in the county in which the moorage facility is located. This notice shall include the name of the vessel, if any, the last known owner and address, and a reasonable description of the vessel to be sold.

Summary of Substitute Bill:

The amount of notice that a private moorage operator must provide to a vessel owner before a vessel may be sold for failure to pay moorage fees is changed from 90 days to 45 days.

The requirement to publish notice in a newspaper before a private moorage operator may sell an abandoned vessel for failure to pay moorage fees is removed.

The amount of time a person has to initiate a lawsuit to contest the validity of the impoundment of the vessel or the amount of charges owing is changed from 60 days to 40 days.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The intent behind the bill is, before a vessel becomes a derelict vessel, to expedite the process by which these vessels can be addressed.

There are derelict vessels throughout Puget Sound. The owners of derelict vessels sometimes walk away from them, and leave them to the impound process. It makes sense to treat private marinas the same as public marinas. Currently, vessels tend to get impounded late in life, when they have little value and few interested buyers. The bill will expedite removal of end-of-life vessels that pose a threat to the marine environment.

The bill is modeled after work done last year for notification for public marinas. There is one suggestion for an amendment that would align timelines under the bill.

Currently, it is almost a four-month process to go through the impound auction process, and that costs marinas money, sometimes as much as \$10,000 to \$20,000 per boat. Reducing the timeline will reduce some of the cost and liability that marinas face with abandoned vessels.

(Opposed) None.

Persons Testifying: Representative Dan Bronoske, prime sponsor; Tarin Todd; Roman Daniels-Brown, Northwest Marine Trade Association; and Jordan Glidden, Elliott Bay Marina .

Persons Signed In To Testify But Not Testifying: None.