S-1147.1

SUBSTITUTE SENATE BILL 5058

State of Washington 61st Legislature 2009 Regular Session

By Senate Natural Resources, Ocean & Recreation (originally sponsored by Senator Rockefeller)

READ FIRST TIME 01/30/09.

AN ACT Relating to creating a pilot vessel amnesty disposal program within the department of natural resources; amending RCW 79.100.100; creating new sections; and providing an expiration date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. Sec. 1. The legislature finds that the derelict vessel removal program has proven highly successful. б A vessel 7 generally becomes abandoned or derelict after a long chain of legal ownership transactions in which successive owners either lack the 8 9 inclination or financial resources to properly maintain the vessel and 10 pass it along in progressive stages of decline. The result is a decrepit vessel selling for nominal cost to someone who cannot bring it 11 back to a safe working condition, or properly dispose of it. 12 The 13 vessel often becomes abandoned or derelict, resulting in cost to the 14 state for removal and disposal. It is more expensive to solve the 15 problem at this point. Therefore, the legislature authorizes the 16 department of natural resources to create a pilot vessel amnesty 17 disposal program to prevent vessels from becoming abandoned or derelict 18 and to address this issue when it is less expensive and poses fewer 19 threats.

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<u>NEW SECTION.</u> Sec. 2. (1) The department of natural resources,
through its derelict vessel removal program, shall develop and
administer a pilot vessel amnesty disposal program.

4 (2) The purpose of the pilot vessel amnesty disposal program is to 5 allow the department to dismantle and dispose of vessels that pose a high risk of becoming a derelict vessel or abandoned vessel, but that б do not yet meet the definition of "derelict vessel" or "abandoned 7 vessel" as those terms are defined under RCW 79.100.010. 8 The department of natural resources shall seek to dismantle and dispose of 9 as many vessels as possible, particularly those posing the greatest 10 11 risk of becoming abandoned or derelict in the future.

12 (3) In determining the geographic scope of the pilot vessel amnesty 13 disposal program, the department of natural resources shall consider 14 the purpose of the pilot program set forth in subsection (2) of this 15 section. In particular, the department shall give consideration to 16 counties that have experienced the highest number of vessels on the 17 department's inventory of abandoned and derelict vessels, regardless of 18 whether or not the vessels have been removed.

19 department of natural resources shall (4) The disseminate information about the pilot vessel amnesty disposal program, including 20 21 information about the application process, on its internet site and 22 through appropriate agency publications and information sources as 23 determined by the department. The department shall disseminate such 24 information during and for a reasonable time prior to accepting applications, as determined by the department. 25

(5) The department of natural resources shall accept and review pilot vessel amnesty disposal program applications from eligible vessel owners during the period or periods identified by the department. To be eligible for the pilot vessel amnesty disposal program, an applicant must demonstrate to the department's satisfaction that the applicant:

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(a) Is a Washington state resident;

32 (b) Owns a vessel that is in an advanced state of disrepair, has no 33 material value, and has a high likelihood of becoming an abandoned or 34 derelict vessel as those terms are defined under RCW 79.100.010; and

35 (c) Has insufficient resources to properly dispose of the vessel
36 outside of the pilot vessel amnesty disposal program.

37 (6) The department of natural resources may take other actions not

inconsistent with this section in order to develop and administer the
pilot vessel amnesty disposal program.

3 (7) The department of natural resources must provide a brief 4 summary of the pilot vessel amnesty disposal program to the appropriate 5 committees of the senate and house of representatives by September 1, 6 2011, to include information about applications for the pilot vessel 7 amnesty disposal program, the vessels disposed of, and a recommendation 8 whether the pilot vessel amnesty disposal program should be made 9 permanent.

10 <u>NEW SECTION.</u> Sec. 3. The department of natural resources may 11 expend two hundred thousand dollars, or as much thereof as may be 12 necessary, from any moneys appropriated to the department from the 13 derelict vessel removal account in the omnibus appropriations act for 14 the biennium ending June 30, 2011, for the purposes of this act.

15 Sec. 4. RCW 79.100.100 and 2007 c 342 s 4 are each amended to read 16 as follows:

(1) The derelict vessel removal account is created in the state 17 treasury. All receipts from RCW 79.100.050 and 79.100.060 and those 18 19 moneys specified in RCW 88.02.030 and 88.02.050 must be deposited into 20 the account. The account is authorized to receive fund transfers and 21 appropriations from the general fund, deposits from the derelict vessel 22 removal surcharge under RCW 88.02.270, as well as gifts, grants, and 23 endowments from public or private sources as may be made from time to 24 time, in trust or otherwise, for the use and benefit of the purposes of 25 this chapter and expend the same or any income according to the terms of the gifts, grants, or endowments provided those terms do not 26 27 conflict with any provisions of this section or any guidelines 28 developed to prioritize reimbursement of removal projects associated 29 with this chapter. Moneys in the account may only be spent after 30 appropriation. Expenditures from the account shall be used by the department: (a) To reimburse authorized public entities for up to 31 ninety percent of the total reasonable and auditable administrative, 32 33 removal, disposal, and environmental damage costs of abandoned or 34 derelict vessels when the previous owner is either unknown after a 35 reasonable search effort or insolvent; and (b) until June 30, 2011, for the purposes of the pilot vessel amnesty disposal program authorized 36

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under this act. Reimbursement shall not be made unless the department 1 2 determines that the public entity has made reasonable efforts to identify and locate the party responsible for the vessel, regardless of 3 the title of owner of the vessel. Funds in the account resulting from 4 transfers from the general fund or from the deposit of funds from the 5 6 watercraft excise tax as provided for under RCW 82.49.030 shall be used to reimburse one hundred percent of these costs and should be 7 prioritized for the removal of large vessels. Costs associated with 8 9 removal and disposal of an abandoned or derelict vessel under the authority granted in RCW 53.08.320 also qualify for reimbursement from 10 11 the derelict vessel removal account. In each biennium, up to twenty 12 percent of the expenditures from the account may be used for 13 administrative expenses of the department of licensing and department of natural resources in implementing this chapter. 14

15 (2) If the balance of the account reaches one million dollars as of 16 March 1st of any year, exclusive of any transfer or appropriation of 17 funds into the account or funds deposited into the account collected 18 under RCW 88.02.270, the department must notify the department of 19 licensing and the collection of any fees associated with this account 20 must be suspended for the following fiscal year.

21 (3) Priority for use of this account is for the removal of derelict 22 and abandoned vessels that are in danger of sinking, breaking up, or 23 blocking navigation channels, or that present environmental risks such 24 as leaking fuel or other hazardous substances. The department must develop criteria, in the form of informal guidelines, to prioritize 25 26 removal projects associated with this chapter, but may not consider 27 whether the applicant is a state or local entity when prioritizing. The guidelines must also include guidance to the authorized public 28 entities as to what removal activities and associated costs are 29 30 reasonable and eligible for reimbursement.

(4) The department must keep all authorized public entities 31 apprized of the balance of the derelict vessel removal account and the 32 funds available for reimbursement. The guidelines developed by the 33 department must also be made available to the other authorized public 34 35 entities. This subsection (4) must be satisfied by utilizing the least 36 costly method, including maintaining the information the on 37 department's internet web site, or any other cost-effective method.

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1 (5) An authorized public entity may contribute its ten percent of 2 costs that are not eligible for reimbursement by using in-kind 3 services, including the use of existing staff, equipment, and 4 volunteers.

(6) This chapter does not guarantee reimbursement for an authorized 5 public entity. Authorized public entities seeking certainty in 6 reimbursement prior to taking action under this chapter may first 7 notify the department of their proposed action and the estimated total 8 9 costs. Upon notification by an authorized public entity, the department must make the authorized public entity aware of the status 10 11 of the fund and the likelihood of reimbursement being available. The department may offer technical assistance and assure reimbursement for 12 13 up to two years following the removal action if an assurance is appropriate given the balance of the fund and the details of the 14 15 proposed action.

16 <u>NEW SECTION.</u> Sec. 5. Sections 1 through 4 of this act expire June 17 30, 2011.

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