



2013 Legislative Proposal: A policy dialog

Addressing the challenges of derelict and abandoned vessels

Problems and questions for discussion

Derelict or abandoned vessels cause oil and hazardous substance pollution, pose safety and navigational hazards to other boaters, damage aquatic habitats and wildlife, and decrease the aesthetic value of Washington waters.

In 2003, the Washington State Department of Natural Resources (DNR) began removing these vessels under the **Derelict Vessel Removal Program (DVRP)** ([RCW 79.100](#)). Since that time, the award-winning, nationally recognized program has removed more than 400 derelict or abandoned vessels. Yet, despite 10 years of successful effort, derelict and abandoned vessels are a growing problem in Washington State.

Problem No. 1: Preventing derelict and abandoned vessels

In Washington state, both the public and private sectors have been unable to reduce the increasing rate at which vessels become derelict and abandoned, either due to lack of resources or authority—or both.

Preventing vessels from becoming derelict or abandoned is far less expensive than removing and disposing of them, especially after they've sunk and become a risk to navigation and to the environment.

Problem No. 2: Costs to remove and clean up

Currently, more than 220 vessels have been reported to DNR as derelict or abandoned. Of these vessels, 20 are over 100 feet in length; the removal and disposal of any one of these vessels would meet or exceed DVRP's annual budget of \$880,500. Further, DNR is increasingly challenged by problems with large commercial ships that were never intended to be addressed by the DVRP's budget. Getting rid of these large vessels takes away much of the funding meant to remove and dismantle smaller vessels.

What's being done?

A community of interested parties in the public and private sectors are searching for solutions. Together, we can put Washington State on a solid path toward comprehensively addressing derelict and abandoned vessels that plague state waters. We are meeting with our partners to collect ideas about how to reduce the amount of derelict and abandoned vessels and how to fund their removal and clean up. We invite you to provide your recommendations in writing by October 1, 2012 to chris.lyons@dnr.wa.gov.

The following is a list of overarching issues presented to begin the conversations.

1. Lack of funding

- Additional funding is necessary to remove existing large derelict and abandoned vessels. By proactively investing in the removal of these vessels now, the state can avoid a much costlier disposal later when the vessels sink and pollute Washington waters.

For example, the *Deep Sea* cost the state and federal governments nearly \$3 million for abatement, removal, and disposal. If the state had the resources to address the *Deep Sea* before it sank, it would have cost roughly \$1 million. In another example, the *Davy Crockett* cost the state

and federal governments nearly \$24 million for abatement, removal, and disposal. If the state had the resources to address the *Davy Crockett* proactively, it would have cost no more than \$3 million.

- The \$1 surcharge on recreational vessel registrations sunsets in 2013 ([RCW 88.02.640](#)). This surcharge provides the Derelict Vessel Removal Account (DVRA) with approximately \$283,000 annually (one third of DVRA's annual budget, spent on derelict recreational vessels under 100 ft in length).

Discussion Questions:

- *How can we secure at least an additional \$3 million annually for the DVRA to proactively address more recreational boats and large ships?*

2. Lack of equity

- Recreational boaters disproportionately bear the burden of funding DVRA, even though the program also addresses commercial vessels that tend to be more expensive on a cost-per-boat basis.

Discussion Questions:

- *How can we more equitably distribute the financial responsibility of supporting DVRA across all users?*

3. Lack of vessel owner accountability

- Old vessels commonly become derelict or abandoned shortly after they are sold if the new owner lacks the resources or desire to maintain or properly dispose of the vessel. This is the case whether it is a private company or a public agency selling the vessel.
- There are no requirements for potential owners to demonstrate they have the resources to properly maintain or dispose of a vessel. As vessels age, they often become cheaper to acquire and more expensive to maintain and dispose of. In most cases, the state and federal government bear the cost of pollution response and vessel recovery.
- Many derelict and abandoned vessels are former federal and state government vessels, such as surplus state ferries and military vessels. In addition, vessels participating in the NOAA fisheries buyback program have a history of becoming abandoned as well.
- Vessels that are disposed of under federal bankruptcy are often abandoned if they have no worth.
- Asbestos, PCBs, and fuels/oils are expensive to abate and can harm the environment if the vessel sinks. These substances become a public burden when an agency has to remove a derelict or abandoned vessel.

Discussion Questions:

- *How can we reduce the number of vessels being sold to owners who lack sufficient means or will to maintain their vessels and keep them from becoming decrepit??*
- *How can we increase vessel owner accountability (both public and private)?*

4. Lack of disposal options

- Legitimate disposal options are very limited, costly, and time consuming for vessels that commercial shipyards won't accept or if shipyards are unavailable.
- There are no accepted best management practices (BMPs) or a clear process for disposal of vessels that are unable to get to a Washington shipyard.

- BMPs for asbestos abatement are conducted on a case-by-case basis because there are no streamlined asbestos abatement procedures that apply to all vessels.

Discussion Questions:

- *How can we assist vessel owners who lack the means or options who voluntarily want to dispose of vessels properly?*
- *How can we make it easier for vessel owners with financial resources to dismantle vessels rather than sell them?*

5. Lack of compliance and enforcement

- An estimated 25 percent of Washington recreational boats are not registered. This deprives the state of at least \$962,500 in licensing fees annually, approximately \$175,000 of which would fund DVRA.. On top of this, the state would generate additional revenues through the Watercraft Excise Tax.
- Law enforcement lacks resources necessary to enforce registration and trespass statutes ([RCW 79.105](#)) and anchorage rules ([WAC 332-52-155](#)).

Discussion Questions:

- *How can we increase compliance with existing laws and regulations, including registration?*
- *How can we boost enforcement of existing state laws and regulations?*

6. Lack of public sector empowerment

- Vessel salvage and disposal projects are subject to state sales tax, while vessel towing is exempt.
- Vessels that are trespassing on state lands in violation of [RCW 79.02.300](#) are subject to nominal financial penalties that do not effectively deter trespass (depends on location).
- Ecology's vessel boarding authority ([RCW 90.56.410](#)) is unclear about inspection and removal of hazardous materials on derelict and abandoned vessels.

Discussion Questions:

- *How can we enhance state laws and regulations to empower the public sector to assist in preventing derelict and abandoned vessels?*
- *How can we clarify state laws and regulations to improve current procedures?*

7. Lack of private sector empowerment

- Before public and private marina owners can pursue disposal of decrepit vessels, they are first required by law to attempt to sell these vessels at public auction (RCW 53.08 and RCW 88.26).
- Citizens lack a clear process/means to contact owners of abandoned vessels that have been dumped on their property if they wish to facilitate the junk vessel's disposal.
- The vessels adrift statute (RCW 79A.60.230 to .300) is cumbersome and outdated, making it difficult for willing citizens to help with adrift vessels.

Discussion Questions:

- *How can we enhance state laws and regulations to empower the private sector to assist in preventing derelict and abandoned vessels?*
- *How can we enhance state laws and regulations to empower citizens to assist with derelict and abandoned vessels?*