S-1695.2			
0 1000.4			

READ FIRST TIME 02/22/13.

SUBSTITUTE SENATE BILL 5663

State of Washington 63rd Legislature 2013 Regular Session

By Senate Natural Resources & Parks (originally sponsored by Senators Pearson, Ranker, Tom, Rolfes, Hewitt, Sheldon, Hatfield, Bailey, Parlette, Kline, and Roach; by request of Department of Natural Resources)

1 AN ACT Relating to derelict and abandoned vessels in state waters; 2. amending RCW 88.02.640, 79.100.100, 79A.65.020, 79.100.130, 43.19.1919, 28B.10.029, 88.02.380, 88.02.340, 88.02.550, 79.100.120, 79.100.040, 3 79.100.060, 88.26.020, 53.08.320, 53.08.310, 79A.65.030, 4 43.21B.305; reenacting and amending RCW 43.21B.110 and 43.21B.110; 5 6 adding a new section to chapter 43.19 RCW; adding new sections to 7 chapter 43.30 RCW; adding new sections to chapter 77.12 RCW; adding new sections to chapter 79A.05 RCW; adding new sections to chapter 47.01 8 9 RCW; adding new sections to chapter 35.21 RCW; adding new sections to chapter 35A.21 RCW; adding new sections to chapter 36.32 RCW; adding 10 11 new sections to chapter 53.08 RCW; adding new sections to chapter 12 43.21A RCW; adding new sections to chapter 28B.10 RCW; adding new 13 sections to chapter 79.100 RCW; creating new sections; prescribing penalties; providing an effective date; and providing expiration dates. 14

- 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 16 **Sec. 1.** RCW 88.02.640 and 2012 c 74 s 16 are each amended to read 17 as follows:
- 18 (1) In addition to any other fees and taxes required by law, the

p. 1 SSB 5663

department, county auditor or other agent, or subagent appointed by the director shall charge the following vessel fees and surcharge:

3

28

29

30

31

3233

4	FEE	AMOUNT	AUTHODITY	DICTRIBUTION
		AMOUNT	AUTHORITY	DISTRIBUTION
5	(a) Dealer temporary permit	\$5.00	RCW 88.02.800(2)	General fund
6	(b) Derelict vessel and	Subsection (3) of this	Subsection (3) of this	Subsection (3) of this
7	invasive species	section	section	section
8	removal			
9	(c) Derelict vessel removal	\$1.00	Subsection (4) of this	Subsection (4) of this
10	surcharge		section	section
11	(d) Duplicate certificate of	\$1.25	RCW 88.02.530(1)(c)	General fund
12	title			
13	(e) Duplicate registration	\$1.25	RCW 88.02.590(1)(c)	General fund
14	(f) Filing	RCW 46.17.005	RCW 88.02.560(2)	RCW 46.68.400
15	(g) License plate	RCW 46.17.015	RCW 88.02.560(2)	RCW 46.68.370
16	technology			
17	(h) License service	RCW 46.17.025	RCW 88.02.560(2)	RCW 46.68.220
18	(i) Nonresident vessel	\$25.00	RCW 88.02.620(3)	Subsection (5) of this
19	permit			section
20	(j) Quick title service	\$50.00	RCW 88.02.540(3)	Subsection (7) of this
21				section
22	(k) Registration	\$10.50	RCW 88.02.560(2)	RCW 88.02.650
23	(l) Replacement decal	\$1.25	RCW 88.02.595(1)(c)	General fund
24	(m) Title application	\$5.00	RCW 88.02.515	General fund
25	(n) Transfer	\$1.00	RCW 88.02.560(7)	General fund
26	(o) Vessel visitor permit	\$30.00	RCW 88.02.610(3)	Subsection (6) of this
27				section

- (2) The five dollar dealer temporary permit fee required in subsection (1) of this section must be credited to the payment of registration fees at the time application for registration is made.
- $(3)((\frac{1}{2}))$ The derelict vessel and invasive species removal fee required in subsection (1) of this section is five dollars and must be distributed as follows:
- $((\frac{(i)}{(i)}))$ (a) One dollar and fifty cents must be deposited in the aquatic invasive species prevention account created in RCW 77.12.879;

1 (((ii))) (b) One dollar must be deposited into the aquatic algae 2 control account created in RCW 43.21A.667;

- $((\frac{(iii)}{)})$ <u>(c)</u> Fifty cents must be deposited into the aquatic invasive species enforcement account created in RCW 43.43.400; and
- $((\frac{\text{(iv)}}{\text{)}})$ (d) Two dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100.
- (((b) If the department of natural resources indicates that the balance of the derelict vessel removal account, not including any transfer or appropriation of funds into the account or funds deposited into the account collected under subsection (5) of this section reaches one million dollars as of March 1st of any year, the collection of the two dollars of the derelict vessel and invasive species removal fee that is deposited into the derelict vessel removal account as authorized in (a)(iv) of this subsection must be suspended for the following fiscal year.))
- (4) (($\frac{\text{Until January 1, 2014}}{\text{In addition to other fees required in this section}$, an annual derelict vessel removal surcharge of one dollar must be charged with each vessel registration. The surcharge(($\frac{.}{.}$)
- $\frac{(a)}{i}$) <u>is</u> to address the significant backlog of derelict vessels accumulated in Washington ((state)) waters that pose a threat to the health and safety of the people and to the environment(($\dot{\tau}$
- (b) Is to be used only for the removal of vessels that are less than seventy-five feet in length;)) and
- $((\frac{c}{c}))$ must be deposited into the derelict vessel removal account created in RCW 79.100.100.
- (5) The twenty-five dollar nonresident vessel permit fee must be paid by the vessel owner to the department for the cost of providing the identification document by the department. Any moneys remaining from the fee after the payment of costs must be allocated to counties by the state treasurer for approved boating safety programs under RCW 88.02.650.
- (6) The thirty dollar vessel visitor permit fee must be distributed as follows:
- 34 (a) Five dollars must be deposited in the derelict vessel removal account created in RCW 79.100.100;
- 36 (b) The department may keep an amount to cover costs for providing 37 the vessel visitor permit;

p. 3 SSB 5663

1 (c) Any moneys remaining must be allocated to counties by the state 2 treasurer for approved boating safety programs under RCW 88.02.650; and

- (d) Any fees required for licensing agents under RCW 46.17.005 are in addition to any other fee or tax due for the titling and registration of vessels.
- (7)(a) The fifty dollar quick title service fee must be distributed as follows:
- 8 (i) If the fee is paid to the director, the fee must be deposited 9 to the general fund.
- (ii) If the fee is paid to the participating county auditor or other agent or subagent appointed by the director, twenty-five dollars must be deposited to the general fund. The remainder must be retained by the county treasurer in the same manner as other fees collected by the county auditor.
- 15 (b) For the purposes of this subsection, "quick title" has the same 16 meaning as in RCW 88.02.540.
 - **Sec. 2.** RCW 79.100.100 and 2010 c 161 s 1161 are each amended to read as follows:
 - (1)(a) The derelict vessel removal account is created in the state treasury. All receipts from RCW 79.100.050 and 79.100.060 and those moneys specified in RCW 88.02.640 must be deposited into the account. The account is authorized to receive fund transfers and appropriations from the general fund, deposits from the derelict vessel removal surcharge under RCW 88.02.640(4), as well as gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of this chapter and expend the same or any income according to the terms of the gifts, grants, or endowments provided those terms do not conflict with any provisions of this section or any guidelines developed to prioritize reimbursement of removal projects associated with this chapter.
 - (b) Moneys in the account may only be spent after appropriation. Expenditures from the account ((must)) may only be used by the department for developing and administering the vessel turn-in program created in section 44 of this act and to reimburse authorized public entities for up to ninety percent of the total reasonable and auditable administrative, removal, disposal, and environmental damage costs of

abandoned or derelict vessels when the previous owner is either unknown after a reasonable search effort or insolvent. Reimbursement may not be made unless the department determines that the public entity has made reasonable efforts to identify and locate the party responsible for the vessel, or any other person or entity that has incurred secondary liability under section 36 of this act, regardless of the title of owner of the vessel.

- (c) Funds in the account resulting from transfers from the general fund or from the deposit of funds from the watercraft excise tax as provided for under RCW 82.49.030 must be used to reimburse one hundred percent of ((these)) costs and should be prioritized for the removal of large vessels.
- (d) Costs associated with <u>the</u> removal and disposal of an abandoned or derelict vessel under the authority granted in RCW 53.08.320 also qualify for reimbursement from the derelict vessel removal account.
- (e) In each biennium, up to twenty percent of the expenditures from the <u>derelict vessel removal</u> account may be used for administrative expenses of the department of licensing and department of natural resources in implementing this chapter.
- (2) ((If the balance of the account reaches one million dollars as of March 1st of any year, exclusive of any transfer or appropriation of funds into the account or funds deposited into the account collected under RCW 88.02.640(5), the department must notify the department of licensing and the collection of any fees associated with this account must be suspended for the following fiscal year.
- (3)) Priority for use of this account is for the removal of derelict and abandoned vessels that are in danger of sinking, breaking up, or blocking navigation channels, or that present environmental risks such as leaking fuel or other hazardous substances. The department must develop criteria, in the form of informal guidelines, to prioritize removal projects associated with this chapter, but may not consider whether the applicant is a state or local entity when prioritizing. The guidelines must also include guidance to the authorized public entities as to what removal activities and associated costs are reasonable and eligible for reimbursement.
- $((\frac{4}{}))$ (3) The department must keep all authorized public entities $(\frac{apprized}{})$ apprised of the balance of the derelict vessel removal account and the funds available for reimbursement. The guidelines

p. 5 SSB 5663

developed by the department must also be made available to the other authorized public entities. This subsection ((4)) (3) must be satisfied by utilizing the least costly method, including maintaining the information on the department's internet web site, or any other cost-effective method.

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

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

Sec. 3. RCW 79A.65.020 and 2002 c 286 s 21 are each amended to 22 read as follows:

- (1) The commission may take reasonable measures, including but not limited to the use of anchors, chains, ropes, and locks, or removal from the water, to secure unauthorized vessels located at or on a commission facility so that the unauthorized vessels are in the possession and control of the commission. At least ten days before securing any unauthorized registered vessel, the commission shall send notification by registered mail to the last registered owner or registered owners of the vessel at their last known address or addresses.
- (2) The commission may take reasonable measures, including but not limited to the use of anchors, chains, ropes, locks, or removal from the water, to secure any vessel if the vessel, in the opinion of the commission, is a nuisance, is in danger of sinking or creating other damage to a commission facility, or is otherwise a threat to the

- health, safety, or welfare of the public or environment at a commission facility. The costs of any such procedure shall be paid by the vessel's owner.
 - (3) At the time of securing any vessel under subsection (1) or (2) of this section, the commission shall attach to the vessel a readily visible notice or, when practicable, shall post such notice in a conspicuous location at the commission facility in the event the vessel is removed from the premises. The notice shall be of a reasonable size and shall contain the following information:
 - (a) The date and time the notice was attached or posted;

- (b) A statement that the vessel has been secured by the commission and that if the commission's charges, if any, are not paid and the vessel is not removed by (the thirty-fifth consecutive day following the date of attachment or posting of the notice), the vessel will be considered abandoned and will be sold at public auction to satisfy the charges;
- (c) The address and telephone number where additional information may be obtained concerning the securing of the vessel and conditions for its release; and
- 20 (d) A description of the owner's or secured party's rights under 21 this chapter.
 - (4) With respect to registered vessels: Within five days of the date that notice is attached or posted under subsection (3) of this section, the commission shall send such notice, by registered mail, to each registered owner.
 - (5) If a vessel is secured under subsection (1) or (2) of this section, the owner, or any person with a legal right to possess the vessel, may claim the vessel by:
 - (a) Making arrangements satisfactory to the commission for the immediate removal of the vessel from the commission's control or for authorized storage or moorage; and
 - (b) Making payment to the commission of all reasonable charges incurred by the commission in securing the vessel under subsections (1) and (2) of this section and of all moorage fees owed to the commission.
 - (6) A vessel is considered abandoned if, within the thirty-five day period following the date of attachment or posting of notice in subsection (3) of this section, the vessel has not been claimed under subsection (5) of this section.

p. 7 SSB 5663

- (7) If the owner or owners of a vessel are unable to reimburse the commission for all reasonable charges under subsections (1) and (2) of this section within a reasonable time, the commission may seek reimbursement of ((seventy-five)) ninety percent of all reasonable and auditable costs from the derelict vessel removal account established in RCW 79.100.100.
- **Sec. 4.** RCW 79.100.130 and 2011 c 247 s 2 are each amended to read 8 as follows:
- 9 (1) A ((marina)) private moorage facility owner, as those terms are
 10 defined in RCW 88.26.010, may contract with a local government for the
 11 purpose of participating in the derelict vessel removal program.
 - (2) If a contract is completed under this section, the local government shall serve as the authorized public entity for the removal of ((the)) a derelict or abandoned vessel from the ((marina owner's)) property of the private moorage facility owner. The contract must provide for the ((marina owner)) private moorage facility owner to be financially responsible for the removal and disposal costs that are not reimbursed by the department as provided under RCW 79.100.100, and any additional reasonable administrative costs incurred by the local government during the removal of the derelict or abandoned vessel.
 - (3) Prior to the commencement of any removal which will seek reimbursement from the derelict vessel removal program, the contract and the proposed vessel removal shall be submitted to the department for review and approval. The local government shall use the procedure specified under RCW 79.100.100(6).
 - (4) If the private moorage facility owner has already seized the vessel under chapter 88.26 RCW and title has reverted to the moorage facility, the moorage facility is not considered the owner under this chapter for purposes of cost recovery for actions taken under this section.
 - Sec. 5. RCW 43.19.1919 and 2011 1st sp.s. c 43 s 215 are each amended to read as follows:
- 33 <u>(1)</u> The department shall sell or exchange personal property 34 belonging to the state for which the agency, office, department, or 35 educational institution having custody thereof has no further use, at 36 public or private sale, and cause the moneys realized from the sale of

SSB 5663 p. 8

any such property to be paid into the fund from which such property was purchased or, if such fund no longer exists, into the state general fund. This requirement is subject to the following exceptions and limitations:

 $((\frac{1}{1}))$ (a) This section does not apply to property under RCW 27.53.045, 28A.335.180, or 43.19.1920;

- $((\frac{(2)}{2}))$ (b) Sales of capital assets may be made by the department and a credit established for future purchases of capital items as provided for in RCW 43.19.190 through 43.19.1939;
- ((\(\frac{43}{1}\))) (c) Personal property, excess to a state agency, including educational institutions, shall not be sold or disposed of prior to reasonable efforts by the department to determine if other state agencies have a requirement for such personal property. Such determination shall follow sufficient notice to all state agencies to allow adequate time for them to make their needs known. Surplus items may be disposed of without prior notification to state agencies if it is determined by the director to be in the best interest of the state. The department shall maintain a record of disposed surplus property, including date and method of disposal, identity of any recipient, and approximate value of the property;
- $((\frac{4}{}))$ (d) This section does not apply to personal property acquired by a state organization under federal grants and contracts if in conflict with special title provisions contained in such grants or contracts;
- (((5))) (e) A state agency having a surplus personal property asset with a fair market value of less than five hundred dollars may transfer the asset to another state agency without charging fair market value. A state agency conducting this action must maintain adequate records to comply with agency inventory procedures and state audit requirements.
- (2)(a) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
- (b) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (i) Not transfer the vessel until the conditions

p. 9 SSB 5663

- 1 identified under this subsection have been corrected; or (ii)
- 2 permanently dispose of the vessel by landfill, deconstruction, or other
- 3 related method.

7

8

10

14

15

16 17

18

19 20

21

22

23

2425

26

27

- 4 <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 43.19 RCW 5 to read as follows:
 - (1) Following the inspection required under section 5 of this act and prior to transferring ownership of a department-owned vessel, the department shall obtain the following from the transferee:
 - (a) The purposes for which the transferee intends to use the vessel; and
- 11 (b) Information demonstrating the prospective owner's intent to 12 obtain legal moorage following the transfer, in the manner determined 13 by the department.
 - (2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the department may transfer a vessel with:
 - (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
 - (ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.
 - (c) The department may consult with the department of ecology in carrying out the requirements of this subsection (2).
- 28 (3) Prior to sale, and unless the vessel has a title or valid 29 marine document, the department is required to apply for a certificate 30 of title for the vessel under RCW 88.02.510 and register the vessel 31 under RCW 88.02.550.
- NEW SECTION. Sec. 7. A new section is added to chapter 43.30 RCW to read as follows:
- 34 (1) Prior to transferring ownership of a department-owned vessel, 35 the department shall conduct a thorough review of the physical

condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.

3

4

5

6 7

8

9

17

18

19 20

21

22

23

2425

26

27

2829

- (2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- 10 (3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 8 of this act.
- NEW SECTION. **Sec. 8.** A new section is added to chapter 43.30 RCW to read as follows:
- 14 (1) Following the inspection required under section 7 of this act 15 and prior to transferring ownership of a department-owned vessel, the 16 department shall obtain the following from the transferee:
 - (a) The purposes for which the transferee intends to use the vessel; and
 - (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.
 - (2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the department may transfer a vessel with:
 - (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.
- 34 (c) The department may consult with the department of ecology in 35 carrying out the requirements of this subsection.
- 36 (3) Prior to sale, and unless the vessel has a title or valid

p. 11 SSB 5663

- 1 marine document, the department is required to apply for a certificate
- of title for the vessel under RCW 88.02.510 and register the vessel
- 3 under RCW 88.02.550.

7

8

24

25

26

2728

32

- 4 <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 77.12 RCW 5 to read as follows:
 - (1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
- (2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- 17 (3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 10 of this act.
- NEW SECTION. Sec. 10. A new section is added to chapter 77.12 RCW to read as follows:
- 21 (1) Following the inspection required under section 9 of this act 22 and prior to transferring ownership of a department-owned vessel, the 23 department shall obtain the following from the transferee:
 - (a) The purposes for which the transferee intends to use the vessel; and
 - (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.
- (2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the department may transfer a vessel with:
- 33 (i) Those containers or materials described under (a) of this 34 subsection where the transferee demonstrates to the department's 35 satisfaction that the container's or material's presence is consistent 36 with the anticipated use of the vessel; and

(ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.

5

6 7

8

9

13

14

15

16

17

18

19 20

21

22

23

- (c) The department may consult with the department of ecology in carrying out the requirements of this subsection.
- (3) Prior to sale, and unless the vessel has a title or valid marine document, the department is required to apply for a certificate of title for the vessel under RCW 88.02.510 and register the vessel under RCW 88.02.550.
- NEW SECTION. Sec. 11. A new section is added to chapter 79A.05 RCW to read as follows:
 - (1) Prior to transferring ownership of a commission-owned vessel, the commission shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
 - (2) If the commission determines the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, that the commission may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- 24 (3) Vessels taken into custody under chapter 79.100 RCW are not 25 subject to this section or section 12 of this act.
- NEW SECTION. Sec. 12. A new section is added to chapter 79A.05 RCW to read as follows:
- 28 (1) Following the inspection required under section 11 of this act 29 and prior to transferring ownership of a commission-owned vessel, the 30 commission shall obtain the following from the transferee:
- 31 (a) The purposes for which the transferee intends to use the 32 vessel; and
- 33 (b) Information demonstrating the prospective owner's intent to 34 obtain legal moorage following the transfer, in the manner determined 35 by the commission.

p. 13 SSB 5663

- 1 (2)(a) The commission shall remove any containers or other 2 materials that are not fixed to the vessel and contain hazardous 3 substances, as defined under RCW 70.105D.020.
 - (b) However, the commission may transfer a vessel with:

5

6 7

8

21

22

23

24

25

26

27

2829

3031

- (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the commission's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- 9 (ii) A reasonable amount of fuel as determined by the commission, 10 based on factors including the vessel's size, condition, and 11 anticipated use of the vessel, including initial destination following 12 transfer.
- 13 (c) The commission may consult with the department of ecology in 14 carrying out the requirements of this subsection.
- 15 (3) Prior to sale, and unless the vessel has a title or valid 16 marine document, the commission is required to apply for a certificate 17 of title for the vessel under RCW 88.02.510 and register the vessel 18 under RCW 88.02.550.
- NEW SECTION. Sec. 13. A new section is added to chapter 47.01 RCW to read as follows:
 - (1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
 - (2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- NEW SECTION. Sec. 14. A new section is added to chapter 47.01 RCW to read as follows:
- 34 (1) Following the inspection required under section 13 of this act 35 and prior to transferring ownership of a department-owned vessel, the 36 department shall obtain the following from the transferee:

1 (a) The purposes for which the transferee intends to use the vessel; and

3

5

6

7

8

10

1112

13

18

19

24

25

26

27

2829

3031

32

3334

35

36

- (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the department.
- (2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the department may transfer a vessel with:
- (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.
 - (c) The department may consult with the department of ecology in carrying out the requirements of this subsection.
- 20 (3) Prior to sale, and unless the vessel has a title or valid 21 marine document, the department is required to apply for a certificate 22 of title for the vessel under RCW 88.02.510 and register the vessel 23 under RCW 88.02.550.
 - <u>NEW SECTION.</u> **Sec. 15.** A new section is added to chapter 35.21 RCW to read as follows:
 - (1) Prior to transferring ownership of a city or town-owned vessel, the city or town shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
 - (2) If the city or town determines the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the city or town may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.

p. 15 SSB 5663

- 1 (3) Vessels taken into custody under chapter 79.100 RCW are not subject to this section or section 16 of this act.
- 3 <u>NEW SECTION.</u> **Sec. 16.** A new section is added to chapter 35.21 RCW 4 to read as follows:

7

13

14

15 16

17

18

19 20

- (1) Following the inspection required under section 15 of this act and prior to transferring ownership of a city or town-owned vessel, a city or town shall obtain the following from the transferee:
- 8 (a) The purposes for which the transferee intends to use the 9 vessel; and
- 10 (b) Information demonstrating the prospective owner's intent to 11 obtain legal moorage following the transfer, in the manner determined 12 by the city or town.
 - (2)(a) The city or town shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the city or town may transfer a vessel with:
 - (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the city or town's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the city or town, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.
- 25 (c) The city or town may consult with the department of ecology in carrying out the requirements of this subsection.
- 27 (3) Prior to sale, and unless the vessel has a title or valid 28 marine document, the city or town is required to apply for a 29 certificate of title for the vessel under RCW 88.02.510 and register 30 the vessel under RCW 88.02.550.
- NEW SECTION. Sec. 17. A new section is added to chapter 35A.21 RCW to read as follows:
- 33 (1) Prior to transferring ownership of a code city-owned vessel, 34 the code city shall conduct a thorough review of the physical condition 35 of the vessel, the vessel's operating capability, and any containers 36 and other materials that are not fixed to the vessel.

- (2) If the code city determines that the vessel is in a state of 1 2 advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, 3 4 the code city may: (a) Not transfer the vessel until the conditions 5 identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other 6 7 related method.
- 8 (3) Vessels taken into custody under chapter 79.100 RCW are not 9 subject to this section or section 18 of this act.
- NEW SECTION. Sec. 18. A new section is added to chapter 35A.21 RCW to read as follows:
- 12 (1) Following the inspection required under section 17 of this act 13 and prior to transferring ownership of a code city-owned vessel, a code 14 city shall obtain the following from the transferee:
- 15 (a) The purposes for which the transferee intends to use the 16 vessel; and

18

19 20

21

22

23

2425

26

27

2829

3031

- (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the code city.
- (2)(a) The code city shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the code city may transfer a vessel with:
- (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the code city's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the code city, based on factors including the vessel's size, condition, and anticipated use of the vessel, including initial destination following transfer.
- 32 (c) The code city may consult with the department of ecology in 33 carrying out the requirements of this subsection.
- 34 (3) Prior to sale, and unless the vessel has a title or valid 35 marine document, the code city is required to apply for a certificate 36 of title for the vessel under RCW 88.02.510 and register the vessel 37 under RCW 88.02.550.

p. 17 SSB 5663

NEW SECTION. Sec. 19. A new section is added to chapter 36.32 RCW to read as follows:

3

4 5

6 7

8

9

1112

13

23

24

25

26

27

2829

3031

32

33

- (1) Prior to transferring ownership of a county-owned vessel, the county shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
- (2) If the county determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the county may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- 14 (3) Vessels taken into custody under chapter 79.100 RCW are not 15 subject to this section or section 20 of this act.
- NEW SECTION. Sec. 20. A new section is added to chapter 36.32 RCW to read as follows:
- 18 (1) Following the inspection required under section 19 of this act 19 and prior to transferring ownership of a county-owned vessel, a county 20 shall obtain the following from the transferee:
- 21 (a) The purposes for which the transferee intends to use the 22 vessel; and
 - (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the county.
 - (2)(a) The county shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the county may transfer a vessel with:
 - (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the county's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the county, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.

- 1 (c) The county may consult with the department of ecology in 2 carrying out the requirements of this subsection.
- 3 (3) Prior to sale, and unless the vessel has a title or valid 4 marine document, the county is required to apply for a certificate of 5 title for the vessel under RCW 88.02.510 and register the vessel under 6 RCW 88.02.550.
- NEW SECTION. **Sec. 21.** A new section is added to chapter 53.08 RCW to read as follows:

10 11

12

13

14

15 16

17

18

19 20

25

26

27

36

- (1) Prior to transferring ownership of a vessel owned by a port district and used primarily to conduct port business, the port district shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
- (2) If the port district determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the port district may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- 21 (3) Vessels taken into custody under chapter 79.100 RCW are not 22 subject to this section or section 22 of this act.
- NEW SECTION. Sec. 22. A new section is added to chapter 53.08 RCW to read as follows:
 - (1) Following the inspection required under section 21 of this act and prior to transferring ownership of a port district-owned vessel, a port district shall obtain the following from the transferee:
- 28 (a) The purposes for which the transferee intends to use the 29 vessel; and
- 30 (b) Information demonstrating the prospective owner's intent to 31 obtain legal moorage following the transfer, in the manner determined 32 by the port district.
- 33 (2)(a) The port district shall remove any containers or other 34 materials that are not fixed to the vessel and contain hazardous 35 substances, as defined under RCW 70.105D.020.
 - (b) However, the port district may transfer a vessel with:

p. 19 SSB 5663

1 (i) Those containers or materials described under (a) of this 2 subsection where the transferee demonstrates to the port district's 3 satisfaction that the container's or material's presence is consistent 4 with the anticipated use of the vessel; and

5

6 7

8

17

18

1920

21

22

23

24

25

2627

- (ii) A reasonable amount of fuel as determined by the port district, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.
- 9 (c) The port district may consult with the department of ecology in carrying out the requirements of this subsection.
- 11 (3) Prior to sale, and unless the vessel has a title or valid 12 marine document, the port district is required to apply for a 13 certificate of title for the vessel under RCW 88.02.510 and register 14 the vessel under RCW 88.02.550.
- NEW SECTION. Sec. 23. A new section is added to chapter 43.21A RCW to read as follows:
 - (1) Prior to transferring ownership of a department-owned vessel, the department shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
 - (2) If the department determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the department may: (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- NEW SECTION. Sec. 24. A new section is added to chapter 43.21A RCW to read as follows:
- 30 (1) Following the inspection required under section 23 of this act 31 and prior to transferring ownership of a department-owned vessel, the 32 department shall obtain the following from the transferee:
- 33 (a) The purposes for which the transferee intends to use the 34 vessel; and
- 35 (b) Information demonstrating the prospective owner's intent to

- obtain legal moorage following the transfer, in the manner determined by the department.
 - (2)(a) The department shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
 - (b) However, the department may transfer a vessel with:

4

5

6 7

8

9

11 12

13 14

21

22

23

24

25

26

27

28

29

3031

32

35

- (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the department's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
- (ii) A reasonable amount of fuel as determined by the department, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.
- 15 (3) Prior to sale, and unless the vessel has a valid marine 16 document, the department is required to apply for a title or 17 certificate of title for the vessel under RCW 88.02.510 and register 18 the vessel under RCW 88.02.550.
- NEW SECTION. Sec. 25. A new section is added to chapter 28B.10 RCW to read as follows:
 - (1) Prior to transferring ownership of an institution-owned vessel, an institution of higher education shall conduct a thorough review of the physical condition of the vessel, the vessel's operating capability, and any containers and other materials that are not fixed to the vessel.
 - (2) If the institution of higher education determines that the vessel is in a state of advanced deterioration or poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination, the institution of higher education may:

 (a) Not transfer the vessel until the conditions identified under this subsection have been corrected; or (b) permanently dispose of the vessel by landfill, deconstruction, or other related method.
- NEW SECTION. Sec. 26. A new section is added to chapter 28B.10 RCW to read as follows:
 - (1) Following the inspection required under section 25 of this act

p. 21 SSB 5663

and prior to transferring ownership of an institution-owned vessel, the institution of higher education shall obtain the following from the transferee:

4

5

6 7

8

9

10

11

14

15

16

1718

19

2021

- (a) The purposes for which the transferee intends to use the vessel; and
- (b) Information demonstrating the prospective owner's intent to obtain legal moorage following the transfer, in the manner determined by the institution of higher education.
- (2)(a) The institution of higher education shall remove any containers or other materials that are not fixed to the vessel and contain hazardous substances, as defined under RCW 70.105D.020.
- 12 (b) However, the institution of higher education may transfer a 13 vessel with:
 - (i) Those containers or materials described under (a) of this subsection where the transferee demonstrates to the institution of higher education's satisfaction that the container's or material's presence is consistent with the anticipated use of the vessel; and
 - (ii) A reasonable amount of fuel as determined by the institution of higher education, based on factors including the vessel's size, condition, and anticipated use of the vessel including initial destination following transfer.
- (c) The institution of higher education may consult with the department of ecology in carrying out the requirements of this subsection.
- 25 (3) Prior to sale, and unless the vessel has a title or valid 26 marine document, the institution of higher education is required to 27 apply for a certificate of title for the vessel under RCW 88.02.510 and 28 register the vessel under RCW 88.02.550.
- 29 **Sec. 27.** RCW 28B.10.029 and 2012 c 230 s 4 are each amended to 30 read as follows:
- 31 (1)(a) An institution of higher education may, consistent with 32 sections 25 and 26 of this act, exercise independently those powers 33 otherwise granted to the director of enterprise services in chapter 34 43.19 RCW in connection with the purchase and disposition of all 35 material, supplies, services, and equipment needed for the support, 36 maintenance, and use of the respective institution of higher education.

(b) Property disposition policies followed by institutions of higher education shall be consistent with policies followed by the department of enterprise services.

- (c)(i) Except as provided in (c)(ii) and (iii) of this subsection, purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapters 39.19, 39.29, and 43.03 RCW, and RCW ((43.19.1901, 43.19.1906, 43.19.1911,)) 43.19.1917, ((43.19.1937,)) 43.19.685, ((43.19.700 through 43.19.704)) 39.26.260 through 39.26.271, and 43.19.560 through 43.19.637.
- (ii) Institutions of higher education may use all appropriate means for making and paying for travel arrangements including, but not limited to, electronic booking and reservations, advance payment and deposits for tours, lodging, and other necessary expenses, and other travel transactions based on standard industry practices and federal accountable plan requirements. Such arrangements shall support student, faculty, staff, and other participants' travel, by groups and individuals, both domestic and international, in the most costeffective and efficient manner possible, regardless of the source of funds.
- (iii) Formal sealed, electronic, or web-based competitive bidding is not necessary for purchases or personal services contracts by institutions of higher education for less than one hundred thousand dollars. However, for purchases and personal services contracts of ten thousand dollars or more and less than one hundred thousand dollars, quotations must be secured from at least three vendors to assure establishment of a competitive price and may be obtained by telephone, electronic, or written quotations, or any combination thereof. As part of securing the three vendor quotations, institutions of higher education must invite at least one quotation each from a certified minority and a certified woman-owned vendor that otherwise qualifies to perform the work. A record of competition for all such purchases and personal services contracts of ten thousand dollars or more and less than one hundred thousand dollars must be documented for audit purposes.
- (d) Purchases under chapter 39.29, 43.19, or 43.105 RCW by institutions of higher education may be made by using contracts for materials, supplies, services, or equipment negotiated or entered into by, for, or through group purchasing organizations.

p. 23 SSB 5663

1 (e) The community and technical colleges shall comply with RCW 2 43.19.450.

- (f) Except for the University of Washington, institutions of higher education shall comply with RCW 43.19.769, 43.19.763, and 43.19.781.
- (g) If an institution of higher education can satisfactorily demonstrate to the director of the office of financial management that the cost of compliance is greater than the value of benefits from any of the following statutes, then it shall be exempt from them: RCW 43.19.685 and 43.19.637.
- (h) Any institution of higher education that chooses to exercise independent purchasing authority for a commodity or group of commodities shall notify the director of enterprise services. Thereafter the director of enterprise services shall not be required to provide those services for that institution for the duration of the enterprise services contract term for that commodity or group of commodities.
- (2) The council of presidents and the state board for community and technical colleges shall convene its correctional industries business development advisory committee, and work collaboratively with correctional industries, to:
- (a) Reaffirm purchasing criteria and ensure that quality, service, and timely delivery result in the best value for expenditure of state dollars;
- (b) Update the approved list of correctional industries products from which higher education shall purchase; and
- (c) Develop recommendations on ways to continue to build correctional industries' business with institutions of higher education.
- (3) Higher education and correctional industries shall develop a plan to build higher education business with correctional industries to increase higher education purchases of correctional industries products, based upon the criteria established in subsection (2) of this section. The plan shall include the correctional industries' production and sales goals for higher education and an approved list of products from which higher education institutions shall purchase, based on the criteria established in subsection (2) of this section. Higher education and correctional industries shall report to the legislature

regarding the plan and its implementation no later than January 30, 2005.

- (4)(a) Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2006, to purchase one percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections. Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2008, to purchase two percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections.
- (b) Institutions of higher education shall endeavor to assure the department of corrections has notifications of bid opportunities with the goal of meeting or exceeding the purchasing target in (a) of this subsection.
- NEW SECTION. Sec. 28. (1) The department of natural resource must reevaluate the criteria developed under RCW 79.100.100 regarding the prioritization of vessel removals funded by the derelict vessel removal account. This reprioritization process must occur by January 30, 2014, and consider how vessels located in the vicinity of aquaculture operations and other sensitive areas should be prioritized.
 - (2) This section expires July 31, 2015.

- **Sec. 29.** RCW 88.02.380 and 2010 c 161 s 1006 are each amended to read as follows:
 - (1) Except as otherwise provided in this chapter, and, in part, in order to prevent the future potential dereliction or abandonment of a vessel, a violation of this chapter and the rules adopted by the department is a ((misdemeanor punishable only by a fine not to exceed one hundred dollars per vessel for the first violation. Subsequent violations in the same year are subject to the following fines:
- 32 (a) For the second violation, a fine of two hundred dollars per 33 vessel;
- 34 (b) For the third and successive violations, a fine of four hundred 35 dollars per vessel)) class 2 civil infraction.

p. 25 SSB 5663

1 (2) A ((violation designated in this chapter as a)) civil 2 infraction <u>issued under this chapter</u> must be ((punished accordingly 3 pursuant to)) processed under chapter 7.80 RCW.

4

5

6 7

8

16

17

18

1920

21

22

23

24

25

26

27

- (3) After the subtraction of court costs and administrative collection fees, moneys collected under this section must be credited to the ((current expense fund of the arresting jurisdiction)) ticketing jurisdiction and used only for the support of the enforcement agency, department, division, or program that issued the violation.
- 9 (4) All law enforcement officers may enforce this chapter and the 10 rules adopted by the department within their respective jurisdictions. 11 A city, town, or county may contract with a fire protection district 12 for enforcement of this chapter, and fire protection districts may 13 engage in enforcement activities.
- 14 **Sec. 30.** RCW 88.02.340 and 2010 c 161 s 1004 are each amended to read as follows:
 - (1) Any person charged with the enforcement of this chapter may inspect the registration certificate of a vessel to ascertain the legal and registered ownership of the vessel. A vessel owner or operator who fails to provide the registration certificate for inspection upon the request of any person charged with enforcement of this chapter ((is a class 2 civil infraction)) may be found to be in violation of this chapter.
 - (2) The department may require the inspection of vessels that are brought into this state from another state and for which a certificate of title has not been issued and for any other vessel if the department determines that inspection of the vessel will help to verify the accuracy of the information set forth on the application.
- 28 **Sec. 31.** RCW 88.02.550 and 2010 c 161 s 1017 are each amended to 29 read as follows:
- (1) Except as provided in this chapter, a person may not own or operate any vessel, including a rented vessel, on the waters of this state unless the vessel has been registered and displays a registration number and a valid decal in accordance with this chapter. A vessel that has or is required to have a valid marine document as a vessel of the United States is only required to display a valid decal. ((**\frac{A}{200}) violation of this section is a class 2 civil infraction.))

(2) A vessel numbered in this state under the federal boat safety act of 1971 (85 Stat. 213, 46 U.S.C. 4301 et seq.) is not required to be registered under this chapter until the certificate of number issued for the vessel under the federal boat safety act expires. When registering under this chapter, this type of vessel is subject to the amount of excise tax due under chapter 82.49 RCW that would have been due under chapter 82.49 RCW if the vessel had been registered at the time otherwise required under this chapter.

- **Sec. 32.** RCW 79.100.120 and 2010 c 210 s 34 are each amended to read as follows:
 - (1) A person seeking to contest an authorized public entity's decision to take temporary possession or custody of a vessel under this chapter, or to contest the amount of reimbursement owed to an authorized public entity under this chapter, may request a hearing in accordance with this section.
 - (2)(a) If the contested decision or action was undertaken by a state agency, a written request for a hearing related to the decision or action must be filed with the pollution control hearings board and served on the state agency in accordance with RCW 43.21B.230 (2) and (3) within thirty days of the date the authorized public entity acquires custody of the vessel under RCW 79.100.040, or if the vessel is redeemed before the authorized public entity acquires custody, the date of redemption, or the right to a hearing is deemed waived and the vessel's owner is liable for any costs owed the authorized public entity. In the event of litigation, the prevailing party is entitled to reasonable attorneys' fees and costs.
 - (b) Upon receipt of a timely hearing request, the pollution control hearings board shall proceed to hear and determine the validity of the decision to take the vessel into temporary possession or custody and the reasonableness of any towing, storage, or other charges permitted under this chapter. Within five business days after the request for a hearing is filed, the pollution control hearings board shall notify the vessel owner requesting the hearing and the authorized public entity of the date, time, and location for the hearing. Unless the vessel is redeemed before the request for hearing is filed, the pollution control hearings board shall set the hearing on a date that is within ten business days of the filing of the request for hearing. If the vessel

p. 27 SSB 5663

is redeemed before the request for a hearing is filed, the pollution control hearings board shall set the hearing on a date that is within sixty days of the filing of the request for hearing.

- (c) Consistent with RCW 43.21B.305, a proceeding brought under this subsection may be heard by one member of the pollution control hearings board, whose decision is the final decision of the board.
- (3)(a) If the contested decision or action was undertaken by a metropolitan park district, port district, city, town, or county, which has adopted rules or procedures for contesting decisions or actions pertaining to derelict or abandoned vessels, those rules or procedures must be followed in order to contest a decision to take temporary possession or custody of a vessel, or to contest the amount of reimbursement owed.
- (b) If the metropolitan park district, port district, city, town, or county has not adopted rules or procedures for contesting decisions or actions pertaining to derelict or abandoned vessels, then a person requesting a hearing under this section must follow the procedure established in ((RCW 53.08.320(5) for contesting the decisions or actions of moorage facility operators)) subsection (2) of this section.
- **Sec. 33.** RCW 43.21B.110 and 2010 c 210 s 7 and 2010 c 84 s 2 are each reenacted and amended to read as follows:
 - (1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, ((and)) the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:
- 30 (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431,
- $31 \qquad 70.105.080\,, \quad 70.107.050\,, \quad 76.09.170\,, \quad 77.55.291\,, \quad 78.44.250\,, \quad 88.46.090\,,$
- 32 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.
- 33 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060,
- 34 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070,
- 35 90.14.130, 90.46.250, 90.48.120, and 90.56.330.
- 36 (c) A final decision by the department or director made under 37 chapter 183, Laws of 2009.

(d) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

- (e) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.
- (f) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.
- (g) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.
- (h) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.
- (i) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter $34.05\ RCW$.
- (j) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).
- 30 (k) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.
- 32 (1) Decisions of the department of fish and wildlife to issue, 33 deny, condition, or modify a hydraulic project approval permit under 34 chapter 77.55 RCW.
- 35 (m) Decisions of the department of natural resources that are 36 reviewable under RCW 78.44.270.
- 37 (n) Decisions of ((a state agency that is)) an authorized public

p. 29 SSB 5663

- 1 entity under RCW 79.100.010 to take temporary possession or custody of 2 a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120. 3
 - (2) The following hearings shall not be conducted by the hearings board:

5

6

21

22 23

24

25

26

27 28

- (a) Hearings required by law to be conducted by the shorelines 7 hearings board pursuant to chapter 90.58 RCW.
- (b) Hearings conducted by the department pursuant to RCW 70.94.332, 8 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180. 9
- 10 (c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220. 11
- 12 (d) Hearings conducted by the department to adopt, modify, or 13 repeal rules.
- 14 (((e) Appeals of decisions by the department as provided in chapter 15 43.21L RCW.))
- 16 (3) Review of rules and regulations adopted by the hearings board 17 shall be subject to review in accordance with the provisions of the 18 administrative procedure act, chapter 34.05 RCW.
- Sec. 34. RCW 43.21B.110 and 2010 c 210 s 8 and 2010 c 84 s 3 are 19 20 each reenacted and amended to read as follows:
 - (1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70.94 RCW, local health departments, the department of natural resources, the department of fish and wildlife, ((and)) the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:
- (a) Civil penalties imposed pursuant to RCW 18.104.155, 70.94.431, 29 30 70.105.080, 70.107.050, 76.09.170, 77.55.291, 78.44.250, 88.46.090, 31 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.
- 32 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70.94.211, 70.94.332, 70.105.095, 86.16.020, 88.46.070, 33 90.14.130, 90.46.250, 90.48.120, and 90.56.330. 34
- 35 Except as provided in RCW 90.03.210(2), the issuance, 36 modification, or termination of any permit, certificate, or license by 37 the department or any air authority in the exercise of its

p. 30 SSB 5663

jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70.95.300.

- (d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70.95 RCW.
- (e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70.95J.080.
- (f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70.95.205.
- (g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.
- (h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.
- (i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).
- (j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.
- (k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW.
- (1) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.
- (m) Decisions of ((a state agency that is)) an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

p. 31 SSB 5663

- 1 (2) The following hearings shall not be conducted by the hearings 2 board:
- 3 (a) Hearings required by law to be conducted by the shorelines 4 hearings board pursuant to chapter 90.58 RCW.
- (b) Hearings conducted by the department pursuant to RCW 70.94.332,
 70.94.390, 70.94.395, 70.94.400, 70.94.405, 70.94.410, and 90.44.180.
- 7 (c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.
- 9 (d) Hearings conducted by the department to adopt, modify, or 10 repeal rules.
- 11 (((e) Appeals of decisions by the department as provided in chapter 12 43.21L RCW.))
- 13 (3) Review of rules and regulations adopted by the hearings board 14 shall be subject to review in accordance with the provisions of the 15 administrative procedure act, chapter 34.05 RCW.
- 16 **Sec. 35.** RCW 79.100.040 and 2007 c 342 s 2 are each amended to read as follows:
- 18 (1) Prior to exercising the authority granted in RCW 79.100.030, 19 the authorized public entity must first obtain custody of the vessel. 20 To do so, the authorized public entity must:
 - (a) Mail notice of its intent to obtain custody, at least twenty days prior to taking custody, to the last known address of the previous owner to register the vessel in any state or with the federal government and to any lien holders or secured interests on record. A notice need not be sent to the purported owner or any other person whose interest in the vessel is not recorded with a state or federal agency;
 - (b) Post notice of its intent clearly on the vessel for thirty days and publish its intent at least once, more than ten days but less than twenty days prior to taking custody, in a newspaper of general circulation for the county in which the vessel is located; and
 - (c) Post notice of its intent on the department's internet web site on a page specifically designated for such notices. If the authorized public entity is not the department, the department must facilitate the internet posting.
- 36 (2) All notices sent, posted, or published in accordance with this 37 section must, at a minimum, explain the intent of the authorized public

SSB 5663 p. 32

21

2223

24

25

26

27

28

2930

31

32

33

3435

entity to take custody of the vessel, the rights of the authorized public entity after taking custody of the vessel as provided in RCW 79.100.030, the procedures the owner must follow in order to avoid custody being taken by the authorized public entity, the procedures the owner must follow in order to reclaim possession after custody is taken by the authorized public entity, and the financial liabilities that the owner may incur as provided for in RCW 79.100.060.

- (3)(a) ($(\frac{1}{1} + a)$) Any authorized public entity may tow, beach, or otherwise take temporary possession of a vessel if the owner of the vessel cannot be located or is unwilling or unable to assume immediate responsibility for the vessel and if the vessel ($(\frac{1}{1} + a)$):
- (i) <u>Is in immediate danger of sinking</u>, breaking up, or blocking navigational channels; or
- (ii) Poses a reasonably imminent threat to human health or safety, including a threat of environmental contamination((; and (iii) the owner of the vessel cannot be located or is unwilling or unable to assume immediate responsibility for the vessel, any authorized public entity may tow, beach, or otherwise take temporary possession of the vessel)).
- (b) Before taking temporary possession of the vessel, the authorized public entity must make reasonable attempts to consult with the department or the United States coast guard to ensure that other remedies are not available. The basis for taking temporary possession of the vessel must be set out in writing by the authorized public entity within seven days of taking action and be submitted to the owner, if known, as soon thereafter as is reasonable. If the authorized public entity has not already provided the required notice, immediately after taking possession of the vessel, the authorized public entity must initiate the notice provisions in subsection (1) of this section. The authorized public entity must complete the notice requirements of subsection (1) of this section before using or disposing of the vessel as authorized in RCW 79.100.050.

NEW SECTION. Sec. 36. A new section is added to chapter 79.100 RCW to read as follows:

(1) Beginning July 1, 2014, a vessel owner must obtain a vessel inspection under this section prior to transferring a vessel that is:

p. 33 SSB 5663

- 1 (a) More than sixty-five feet in length and more than forty years old; and
 - (b) Either:

6 7

8

9

23

2425

26

27

2829

32

3334

- 4 (i) Is registered or required to be registered under chapter 88.02 5 RCW; or
 - (ii) Is listed or required to be listed under chapter 84.40 RCW.
 - (2) Where required under subsection (1) of this section, a vessel owner must provide a copy of the vessel inspection documentation to the transferee and, if the department did not conduct the inspection, to the department prior to the transfer.
- (3) Failure to comply with the requirements of subsections (1) and (2) of this section will result in the transferor having secondary liability under RCW 79.100.060 if the vessel is later abandoned by the transferee or becomes derelict prior to a subsequent ownership transfer.
- NEW SECTION. Sec. 37. (1) By December 31, 2013, the department shall adopt by rule procedures and standards for the vessel inspections required under section 36 of this act. The procedures and standards must identify the public or private entities authorized to conduct inspections, the required elements of an inspection, and the manner in which inspection results must be documented. The vessel inspection required under this section must be designed to:
 - (a) Provide the transferee with current information about the condition of the vessel, including the condition of its hull and key operating systems, prior to the transfer;
 - (b) Provide the department with information under (a) of this subsection for each applicable vessel and, more broadly, to improve the department's understanding of the condition of the larger, older boats in the state's waters;
- 30 (c) Discourage the future abandonment or dereliction of the vessel;
 31 and
 - (d) Maximize the efficiency and effectiveness of the inspection process, including with respect to the time and resources of the transferor, transferee, and the state.
- 35 (2) The department shall work with appropriate government agencies 36 and stakeholders in designing the inspection process and standards 37 under this section.

(3) This section expires July 31, 2014.

- **Sec. 38.** RCW 79.100.060 and 2006 c 153 s 4 are each amended to read as follows:
 - (1) The owner of an abandoned or derelict vessel, or any person or entity that has incurred secondary liability under section 36 of this act, is responsible for reimbursing an authorized public entity for all reasonable and auditable costs associated with the removal or disposal of the owner's vessel under this chapter. These costs include, but are not limited to, costs incurred exercising the authority granted in RCW 79.100.030, all administrative costs incurred by the authorized public entity during the procedure set forth in RCW 79.100.040, removal and disposal costs, and costs associated with environmental damages directly or indirectly caused by the vessel. An authorized public entity that has taken temporary possession of a vessel may require that all reasonable and auditable costs associated with the removal of the vessel be paid before the vessel is released to the owner.
 - (2) Reimbursement for costs may be sought from an owner, or any person or entity that has incurred secondary liability under section 36 of this act, who is identified subsequent to the vessel's removal and disposal.
 - (3) If the full amount of all costs due to the authorized public entity under this chapter is not paid to the authorized public entity within thirty days after first notifying the responsible parties of the amounts owed, the authorized public entity or the department may bring an action in any court of competent jurisdiction to recover the costs, plus reasonable attorneys' fees and costs incurred by the authorized public entity.
- **Sec. 39.** RCW 88.26.020 and 1993 c 474 s 2 are each amended to read 29 as follows:
 - (1) Any private moorage facility operator may take reasonable measures, including the use of chains, ropes, and locks, or removal from the water, to secure vessels within the private moorage facility so that the vessels are in the possession and control of the operator and cannot be removed from the facility. These procedures may be used if an owner mooring or storing a vessel at the facility fails, after being notified that charges are owing and of the owner's right to

p. 35 SSB 5663

- commence legal proceedings to contest that such charges are owing, to pay charges owed or to commence legal proceedings. Notification shall be by two separate letters, one sent by first-class mail and one sent by registered mail to the owner and any lienholder of record at the last known address. In the case of a transient vessel, or where no address was furnished by the owner, the operator need not give notice prior to securing the vessel. At the time of securing the vessel, an operator shall attach to the vessel a readily visible notice. notice shall be of a reasonable size and shall contain the following information:
 - (a) The date and time the notice was attached;

- (b) A statement that if the account is not paid in full within ninety days from the time the notice is attached the vessel may be sold at public auction to satisfy the charges; and
- (c) The address and telephone number where additional information may be obtained concerning release of the vessel.

After a vessel is secured, the operator shall make a reasonable effort to notify the owner and any lienholder of record by registered mail in order to give the owner the information contained in the notice.

- (2) A private moorage facility operator, at his or her discretion, may move moored vessels ashore for storage within properties under the operator's control or for storage with a private person under their control as bailees of the private moorage facility, if the vessel is, in the opinion of the operator, a nuisance, in danger of sinking or creating other damage, or is owing charges. The costs of any such procedure shall be paid by the vessel's owner.
- (3) If a vessel is secured under subsection (1) of this section or moved ashore under subsection (2) of this section, the owner who is obligated to the private operator for charges may regain possession of the vessel by:
- (a) Making arrangements satisfactory with the operator for the immediate removal of the vessel from the facility or for authorized moorage; and
- (b) Making payment to the operator of all charges, or by posting with the operator a sufficient cash bond or other acceptable security, to be held in trust by the operator pending written agreement of the parties with respect to payment by the vessel owner of the amount

owing, or pending resolution of the matter of the charges in a civil action in a court of competent jurisdiction. After entry of judgment, including any appeals, in a court of competent jurisdiction, or after the parties reach agreement with respect to payment, the trust shall terminate and the operator shall receive so much of the bond or other security as agreed, or as is necessary, to satisfy any judgment, costs, and interest as may be awarded to the operator. The balance shall be refunded immediately to the owner at the last known address.

- (4) If a vessel has been secured by the operator under subsection (1) of this section and is not released to the owner under the bonding provisions of this section within ninety days after notifying or attempting to notify the owner under subsection (1) of this section, the vessel is conclusively presumed to have been abandoned by the owner.
- (5) If a vessel moored or stored at a private moorage facility is abandoned, the operator may authorize the public sale of the vessel by authorized personnel, consistent with this section, to the highest and best bidder for cash as follows:
- (a) Before the vessel is sold, the vessel owner and any lienholder of record shall be given at least twenty days' notice of the sale in the manner set forth in subsection (1) of this section if the name and address of the owner is known. The notice shall contain the time and place of the sale, a reasonable description of the vessel to be sold, and the amount of charges owed with respect to the vessel. The notice of sale shall be published at least once, more than ten but not more than twenty days before the sale, in a newspaper of general circulation in the county in which the 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. The operator may bid all or part of its charges at the sale and may become a purchaser at the sale.
- (b) Before the vessel is sold, any person seeking to redeem an impounded vessel under this section 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 sixty days of the date the notification was provided under subsection (1) of this section, or the

p. 37 SSB 5663

right to a hearing is deemed waived and the owner is liable for any charges owing the operator. In the event of litigation, the prevailing party is entitled to reasonable attorneys' fees and costs.

- (c) The proceeds of a sale under this section shall be applied first to the payment of any liens superior to the claim for charges, then to payment of the charges, then to satisfy any other liens on the vessel in the order of their priority. The balance, if any, shall be paid to the owner. If the owner cannot in the exercise of due diligence be located by the operator within one year of the date of the sale, the excess funds from the sale shall revert to the department of revenue under chapter 63.29 RCW. If the sale is for a sum less than the applicable charges, the operator is entitled to assert a claim for deficiency, however, the deficiency judgment shall not exceed the moorage fees owed for the previous six-month period.
- (d) In the event no one purchases the vessel at a sale, or a vessel is not removed from the premises or other arrangements are not made within ten days of sale, title to the vessel will revert to the operator.
- (e) Either a minimum bid may be established or a letter of credit may be required from the buyer, or both, to discourage the future abandonment of the vessel.
- (6) The rights granted to a private moorage facility operator under this section are in addition to any other legal rights an operator may have to hold and sell a vessel and in no manner does this section alter those rights, or affect the priority of other liens on a vessel.
- **Sec. 40.** RCW 53.08.320 and 2011 c 247 s 3 are each amended to read 27 as follows:

A moorage facility operator may adopt all rules necessary for rental and use of moorage facilities and for the expeditious collection of port charges. The rules may also establish procedures for the enforcement of these rules by port district, city, county, metropolitan park district or town personnel. The rules shall include the following:

(1) Procedures authorizing moorage facility personnel to take reasonable measures, including the use of chains, ropes, and locks, or removal from the water, to secure vessels within the moorage facility so that the vessels are in the possession and control of the moorage

facility operator and cannot be removed from the moorage facility. These procedures may be used if an owner mooring or storing a vessel at the moorage facility fails, after being notified that charges are owing and of the owner's right to commence legal proceedings to contest that such charges are owing, to pay the port charges owed or to commence legal proceedings. Notification shall be by registered mail to the owner at his or her last known address. In the case of a transient vessel, or where no address was furnished by the owner, the moorage facility operator need not give such notice prior to securing the At the time of securing the vessel, an authorized moorage facility employee shall attach to the vessel a readily visible notice. The notice shall be of a reasonable size and shall contain the following information:

(a) The date and time the notice was attached;

- (b) A statement that if the account is not paid in full within ninety days from the time the notice is attached, the vessel may be sold at public auction to satisfy the port charges; and
- (c) The address and telephone number where additional information may be obtained concerning release of the vessel.

After a vessel is secured, the operator shall make a reasonable effort to notify the owner by registered mail in order to give the owner the information contained in the notice.

- (2) Procedures authorizing moorage facility personnel at their discretion to move moored vessels ashore for storage within properties under the operator's control or for storage with private persons under their control as bailees of the moorage facility, if the vessel is, in the opinion of port personnel a nuisance, if the vessel is in danger of sinking or creating other damage, or is owing port charges. Costs of any such procedure shall be paid by the vessel's owner. If the owner is not known, or unable to reimburse the moorage facility operator for the costs of these procedures, the mooring facility operators may seek reimbursement of ninety percent of all reasonable and auditable costs, including costs from permanent disposal under section 41 of this act, from the derelict vessel removal account established in RCW 79.100.100.
- (3) If a vessel is secured under subsection (1) of this section or moved ashore under subsection (2) of this section, the owner who is obligated to the moorage facility operator for port charges may regain possession of the vessel by:

p. 39 SSB 5663

(a) Making arrangements satisfactory with the moorage facility operator for the immediate removal of the vessel from the moorage facility or for authorized moorage; and

- (b) Making payment to the moorage facility operator of all port charges, or by posting with the moorage facility operator a sufficient cash bond or other acceptable security, to be held in trust by the moorage facility operator pending written agreement of the parties with respect to payment by the vessel owner of the amount owing, or pending resolution of the matter of the charges in a civil action in a court of competent jurisdiction. After entry of judgment, including any appeals, in a court of competent jurisdiction, or after the parties reach agreement with respect to payment, the trust shall terminate and the moorage facility operator shall receive so much of the bond or other security as is agreed, or as is necessary to satisfy any judgment, costs, and interest as may be awarded to the moorage facility operator. The balance shall be refunded immediately to the owner at his or her last known address.
- (4) If a vessel has been secured by the moorage facility operator under subsection (1) of this section and is not released to the owner under the bonding provisions of this section within ninety days after notifying or attempting to notify the owner under subsection (1) of this section, the vessel shall be conclusively presumed to have been abandoned by the owner.
- (5) If a vessel moored or stored at a moorage facility is abandoned, the moorage facility operator may, consistent with section 41 of this act, by resolution of its legislative authority, authorize the public sale of the vessel by authorized personnel to the highest and best bidder for cash as prescribed by this subsection (5). Either a minimum bid may be established or a letter of credit may be required, or both, to discourage the future reabandonment of the vessel.
- (a) Before the vessel is sold, the owner of the vessel shall be given at least twenty days' notice of the sale in the manner set forth in subsection (1) of this section if the name and address of the owner is known. The notice shall contain the time and place of the sale, a reasonable description of the vessel to be sold, and the amount of port charges owed with respect to the vessel. The notice of sale shall be published at least once, more than ten but not more than twenty days before the sale, in a newspaper of general circulation in the county in

which the moorage facility is located. Such 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. The moorage facility operator may bid all or part of its port charges at the sale and may become a purchaser at the sale.

- (b) Before the vessel is sold, any person seeking to redeem an impounded vessel under this section 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 the port charges owing. Such lawsuit must be commenced within ten days of the date the notification was provided pursuant to subsection (1) of this section, or the right to a hearing shall be deemed waived and the owner shall be liable for any port charges owing the moorage facility operator. In the event of litigation, the prevailing party shall be entitled to reasonable attorneys' fees and costs.
- (c) The proceeds of a sale under this section shall first be applied to the payment of port charges. The balance, if any, shall be paid to the owner. If the owner cannot in the exercise of due diligence be located by the moorage facility operator within one year of the date of the sale, the excess funds from the sale shall revert to the derelict vessel removal account established in RCW 79.100.100. If the sale is for a sum less than the applicable port charges, the moorage facility operator is entitled to assert a claim for a deficiency.
- (d) In the event no one purchases the vessel at a sale, or a vessel is not removed from the premises or other arrangements are not made within ten days of sale, title to the vessel will revert to the moorage facility operator.
- 29 (6) The rules authorized under this section shall be enforceable 30 only if the moorage facility has had its tariff containing such rules 31 conspicuously posted at its moorage facility at all times.
- 32 <u>NEW SECTION.</u> **Sec. 41.** A new section is added to chapter 53.08 RCW 33 to read as follows:
 - (1) Prior to selling or otherwise transferring ownership of a vessel greater than sixty-five feet in length and more than forty years old lawfully under its control, a moorage facility operator must

p. 41 SSB 5663

conduct a review of the physical condition of the vessel and the vessel's operating capability.

1 2

3

5

6 7

8

9

11

12

25

26

27

2829

3031

32

- (2)(a) If the moorage facility operator determines that the vessel satisfies the specific element of the definition of derelict vessel as provided in RCW 79.100.010(5)(c), then the moorage facility operator may not sell or transfer ownership of the vessel unless the vessel is being sold for scrap, salvage, or another use that will remove the vessel from state waters. The moorage facility operator must, prior to sale, require the submittal of a business plan from the buyer confirming the buyer's intent to use the vessel for scrap, salvage, or another use that will remove the vessel from state waters.
- (b) The business plan must include the following elements:
- (i) Confirmation of the potential owner's intent to scrap, salvage,or otherwise remove the vessel from state waters;
- 15 (ii) Information necessary to implement the plan, including how the 16 vessel will be moved, moored, or stored prior to dismantling; and
- 17 (iii) A description of the vessel's final destination and the 18 facilities and equipment available at that site.
- 19 (3) Nothing in this section prevents a moorage facility operator 20 from removing, dismantling, and lawfully disposing of any vessel 21 lawfully under the moorage facility's control or pursuing custody of 22 derelict or abandoned vessels under chapter 79.100 RCW.
- 23 **Sec. 42.** RCW 53.08.310 and 1986 c 260 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this section $((and))_{\perp}$ RCW 53.08.320 and section 41 of this act.

- (1) "Port charges" means charges of a moorage facility operator for moorage and storage, and all other charges owing or to become owing under a contract between a vessel owner and the moorage facility operator, or under an officially adopted tariff including, but not limited to, costs of sale and related legal expenses.
- (2) "Vessel" means every species of watercraft or other artificial contrivance capable of being used as a means of transportation on water and which does not exceed two hundred feet in length. "Vessel" includes any trailer used for the transportation of watercraft.

(3) "Moorage facility" means any properties or facilities owned or operated by a moorage facility operator which are capable of use for the moorage or storage of vessels.

- (4) "Moorage facility operator" means any port district, city, town, metropolitan park district, or county which owns and/or operates a moorage facility.
- (5) "Owner" means every natural person, firm, partnership, corporation, association, or organization, or agent thereof, with actual or apparent authority, who expressly or impliedly contracts for use of a moorage facility.
- 11 (6) "Transient vessel" means a vessel using a moorage facility and 12 which belongs to an owner who does not have a moorage agreement with 13 the moorage facility operator. Transient vessels include, but are not 14 limited to: Vessels seeking a harbor of refuge, day use, or overnight 15 use of a moorage facility on a space-as-available basis.
- **Sec. 43.** RCW 79A.65.030 and 2002 c 286 s 22 are each amended to read as follows:
 - (1)(a) The commission may provide for the public sale of vessels considered abandoned under RCW 79A.65.020 unless the vessel is greater than sixty-five feet in length and more than forty years old and satisfies the specific elements of the definition of derelict vessel provided in RCW 79.100.010(5)(c). At such sales, the vessels shall be sold for cash to the highest and best bidder. The commission may establish either a minimum bid or require a letter of credit, or both, to discourage the future reabandonment of the vessel.
 - (b)(i) Vessels that satisfy the specific element of the definition of derelict vessel provided in RCW 79.100.010(5)(c) must be disposed of consistent with the authority granted to the commission in chapter 79.100 RCW or sold for scrap, salvage, or another use that will remove the vessel from state waters. If the vessel is sold for sale, the commission must require the submittal of a business plan from the buyer confirming the buyer's intent to use the vessel for scrap, salvage, or another use that will remove the vessel from state waters. The business plan must include the following elements:
- 35 (A) Confirmation of the potential owner's intent to scrap, salvage, 36 or otherwise remove the vessel from state waters;

p. 43 SSB 5663

1 (B) Information necessary to implement the plan, including how the vessel will be moved, moored, or stored prior to dismantling; and

- (C) A description of the vessel's final destination and the facilities and equipment available at that site.
- (ii) The commission may use the authority granted under RCW 79.100.100 regardless of whether or not the vessel has been found to be abandoned under RCW 79A.65.020.
- (2) Before a vessel is sold, the commission shall make a reasonable effort to provide notice of sale, at least twenty days before the day of the sale, to each registered owner of a registered vessel and each owner of an unregistered vessel. The notice shall contain the time and place of the sale, a reasonable description of the vessel to be sold, and the amount of charges then owing with respect to the vessel, and a summary of the rights and procedures under this chapter. A notice of sale shall be published at least once, more than ten but not more than twenty days before the sale, in a newspaper of general circulation in the county in which the commission facility is located. This notice shall include: (a) If known, the name of the vessel and the last owner and the owner's address; and (b) a reasonable description of the vessel. The commission may bid all or part of its charges at the sale and may become a purchaser at the sale.
- (3) Before a vessel is sold, any person seeking to redeem a secured vessel may commence a lawsuit in the superior court for the county in which the vessel was secured to contest the commission's decision to secure the vessel or the amount of charges owing. This lawsuit shall be commenced within fifteen days of the date the notification was posted under RCW 79A.65.020(3), or the right to a hearing is deemed waived and the owner is liable for any charges owing the commission. In the event of litigation, the prevailing party is entitled to reasonable attorneys' fees and costs.
- (4) The proceeds of a sale under this section shall be applied first to the payment of the amount of the reasonable charges incurred by the commission and moorage fees owed to the commission, then to the owner or to satisfy any liens of record or security interests of record on the vessel in the order of their priority. If an owner cannot in the exercise of due diligence be located by the commission within one year of the date of the sale, any excess funds from the sale, following the satisfaction of any bona fide security interest, shall revert to

the derelict vessel removal account established in RCW 79.100.100. If the sale is for a sum less than the applicable charges, the commission is entitled to assert a claim for the deficiency against the vessel owner. Nothing in this section prevents any lien holder or secured party from asserting a claim for any deficiency owed the lien holder or secured party.

- (5) If no one purchases the vessel at a sale, the commission may proceed to properly dispose of the vessel in any way the commission considers appropriate, including, but not limited to, destruction of the vessel or by negotiated sale. The commission may assert a claim against the owner for any charges incurred thereby. If the vessel, or any part of the vessel, or any rights to the vessel, are sold under this subsection, any proceeds from the sale shall be distributed in the manner provided in subsection (4) of this section.
- NEW SECTION. Sec. 44. A new section is added to chapter 79.100 RCW to read as follows:
 - (1) The department may develop and administer a voluntary vessel turn-in program.
 - (2) The purpose of the voluntary vessel turn-in program is to allow the department to dismantle and dispose of vessels that pose a high risk of becoming a derelict vessel or abandoned vessel, but that do not yet meet the definition of those terms. The department shall design the program with the goal of dismantling and disposing of as many vessels as available resources allow, particularly those vessels posing the greatest risk of becoming abandoned or derelict in the future.
 - (3) The department shall disseminate information about the vessel turn-in program, including information about the application process, on its internet site and through appropriate agency publications and information sources as determined by the department. The department shall disseminate this information for a reasonable time as determined by the department prior to accepting applications.
 - (4) The department shall accept and review vessel turn-in program applications from eligible vessel owners, including private marinas that have gained legal title to a vessel in an advanced state of disrepair, during the time period or periods identified by the department. In order to be eligible for the vessel turn-in program, an

p. 45 SSB 5663

1 applicant must demonstrate to the department's satisfaction that the 2 applicant:

(a) Is a Washington resident or business;

3

5

6 7

8

9 10

11

23

35

- (b) Owns a vessel that is in an advanced state of disrepair, has minimal or no value, and has a high likelihood of becoming an abandoned or derelict vessel; and
 - (c) Has insufficient resources to properly dispose of the vessel outside of the vessel turn-in program.
- (5) Decisions regarding program eligibility and whether to accept a vessel for dismantling and disposal under the turn-in program are within the sole discretion of the department.
- 12 (6) The department may take other actions not inconsistent with 13 this section in order to develop and administer the vessel turn-in 14 program.
- 15 (7) The department may not spend more than two hundred thousand 16 dollars in any one biennium on the program established in this section.
- NEW SECTION. Sec. 45. (1) In compliance with RCW 43.01.036, the department of natural resources must provide a brief summary of the vessel turn-in program authorized under section 44 of this act to the legislature by September 1, 2014, including information about applications for the program, the vessels disposed of, and any recommendations for modification of the program.
 - (2) This section expires July 31, 2015.
- 24 **Sec. 46.** RCW 43.21B.305 and 2005 c 34 s 2 are each amended to read 25 as follows:
- (1) In an appeal that involves a penalty of fifteen thousand 26 dollars or less or that involves a derelict or abandoned vessel under 27 28 RCW 79.100.120, the appeal may be heard by one member of the board, 29 whose decision shall be the final decision of the board. 30 shall define by rule alternative procedures to expedite appeals involving penalties of fifteen thousand dollars or less or involving a 31 derelict or abandoned vessel. These alternatives may include: 32 33 Mediation, upon agreement of all parties; submission of testimony by 34 affidavit; or other forms that may lead to less formal and faster

SSB 5663 p. 46

resolution of appeals.

- 1 (2) For appeals that involve a derelict or abandoned vessel under
 2 RCW 79.100.120 only, an administrative law judge employed by the board
 3 may be substituted for a board member under this section.
 - <u>NEW SECTION.</u> **Sec. 47.** (1) The department of natural resources must, in consultation with the department of ecology and appropriate stakeholders, evaluate potential changes to the derelict and abandoned vessel program that increases vessel owner responsibility and addresses challenges associated with the economics of removing vessels from the water. This evaluation must include the development and analysis of:
 - (a) Administrative and legislative vessel owner responsibility options that seek to ensure the prevention and cleanup of derelict and abandoned vessels; and
 - (b) The identification of challenges and roadblocks to deconstructing derelict vessels and transforming them into a viable scrap metal product.
 - (2) The department of natural resources may choose which appropriate stakeholders are consulted in the implementation of this section. However, persons with relevant expertise on financial responsibility mechanisms, such as insurance and surety bonds and letters of credit, must be included. The department of natural resources must also seek to ensure opportunities for interested members of the senate and house of representatives to provide input into the work group process and conclusions.
- (3) The department of natural resources must provide a summary of the options developed by the work group, or a draft of proposed legislation, to the legislature consistent with RCW 43.01.036 by December 15, 2013.
- 28 (4) This section expires June 30, 2014.

5

7

8

10

11

12

13

14

15

16

17

18

19 20

21

22

23

- NEW SECTION. Sec. 48. Section 33 of this act expires June 30, 30 2019.
- 31 <u>NEW SECTION.</u> **Sec. 49.** Section 34 of this act takes effect June 32 30, 2019.

--- END ---

p. 47 SSB 5663