



Report and Recommendations Related to Abandoned Vessels

**As required by
Assembly Bill 1014 (Canciamilla)
Chapter 357, Statutes of 2004**

**State of California
The Resources Agency
DEPARTMENT OF BOATING AND WATERWAYS**

January 2005

Arnold Schwarzenegger, Governor

Mike Chrisman, Secretary for Resources

**Raynor Tsuneyoshi, Director
Department of Boating and Waterways**

Executive Summary

Assembly Bill 1014 (Canciamilla) required the Director of the Department of Boating and Waterways (Department) to submit recommendations to the Legislature on strategies to prevent recreational vessels from being abandoned and facilitate the ability of owners to turn in their recreational vessels in lieu of abandonment. Further, the Department was required to appoint an Abandoned Vessel Advisory Committee to assist the Department in preparing these recommendations. This report provides eighteen recommendations developed by the Committee along with the Department's response. The Department of Motor Vehicles has provided responses for recommendations relevant to their operations. Some of these recommendations require further analysis and discussions between the Department and the DMV.

The first ten recommendations relate to strategies to prevent recreational vessels from being abandoned. These recommendations relate to revising the lien sale laws and regulations to make it easier for local agencies to dispose of wrecked vessels before they sink and become costlier to remove from the waterways. These recommendations also relate to increasing the penalties for abandoning a vessel to provide a stronger deterrent to vessel owners. Finally, these recommendations address the vessel registration, tracking and enforcement processes available to local law enforcement. Improving these processes should provide law enforcement with better tools to quickly identify vessel owners and dispose of vessels before they sink and become a hazard on the waterways as well as provide a greater deterrent to vessel owners from abandoning their vessels.

The second eight recommendations relate to developing a pilot turn-in program that would allow vessel owners to dispose of their vessel through a local agency rather than abandoning the vessel. The Department currently provides grants to local agencies through the Abandoned Watercraft Abatement Fund to remove abandoned vessels from California waterways.

The pilot turn-in program would be funded through existing Abandoned Watercraft Abatement Fund program revenues and no new financial resources would be required. Approximately \$400,000 was awarded to eight local agencies in 2003-04 to extract 155 vessels. However, the Department does not know the extent to which a vessel turn in program would be utilized by vessel owners. These eight recommendations relate to a pilot turn in program that would provide vessel owners the ability to dispose of their vessel through a local agency rather than abandoning the vessel.

A pilot program would provide the Department a baseline to estimate the extent of a vessel turn-in program statewide. The pilot program would also allow local agencies and the Department to determine best practices for such a program, including the amount of rebate to offer vessel owners to turn in their vessels, where best to establish a site for vessel owners to turn in their vessels (landfills or marinas), and what environmental, economic, safety, and practical problems exist with operating a vessel turn in program. The Department would collect and analyze performance measures to determine the effectiveness of the pilot program and report back to the legislature as to whether such a program would be beneficial statewide.

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I. INTRODUCTION

Assembly Bill 1014 (Canciamilla) required the Director of the Department of Boating and Waterways to appoint an Abandoned Vessel Advisory Committee (AVAC) whose members would represent a cross-section of the boating community, including law enforcement; salvage or disposal operators; boat dealers; boating, sailing and yachting organizations; and owners and operators of public and private marinas. The Committee was tasked with assisting the Department in preparing recommendations to the Legislature on strategies to prevent recreational vessels from being abandoned and to facilitate the ability of owners to turn in their recreational vessels to public agencies for disposal in lieu of abandonment. The Committee met in three public sessions in Sacramento to discuss a variety of issues and formulate their recommendations. Their report was presented to the Department on October 29, 2004. Assembly Bill 1014 also required the Department to present the recommendations to the Legislature by January 1, 2005. Because the Committee took such a comprehensive look at the spectrum of related issues, considered the Department's own key concerns in their analysis and, as individuals, provided a breadth of knowledge in this area, we have made their recommendations the core of this report.

In this report, the Department provides a discussion of the Committee's recommendations for strategies to prevent recreational vessels from being abandoned and strategies to facilitate the ability of owners to turn in their recreational vessels to public agencies for disposal in lieu of abandonment. The Department also provides a response to each recommendation. Finally, the Department of Motor Vehicles has provided a response for recommendations relevant to their operations (recommendations #3 through #9).

II. CONTEMPLATED STRATEGIES TO PREVENT RECREATIONAL VESSELS FROM BEING ABANDONED AND STRATEGIES TO FACILITATE THE ABILITY OF OWNERS TO TURN-IN THEIR RECREATIONAL VESSELS TO PUBLIC AGENCIES IN LIEU OF ABANDONMENT

Department staff analyzed the eighteen recommendations provided by the Committee regarding strategies to prevent vessels from being abandoned and strategies to facilitate the ability of owners to turn-in their recreational vessels to public agencies in lieu of abandonment, and assessments are provided here for each recommendation.

The Department's evaluation of each recommendation was based on the merits of the proposals, and does not include detailed estimates of associated costs. Recommendations 1, 2, 3, 8, 10, 11, and 12 would require enabling legislation. Should any of the proposed recommendations result in legislation, an analysis of cost would be more appropriate at that time. Further, recommendations 4, 5, 6, 7, and 9 would impact the Department of Motor Vehicles which could also result in additional state costs. Again, should any of these recommendations be pursued by the Legislature, an analysis of the corresponding costs would be more appropriate at that time.

The Abandoned Vessel Advisory Committee's report in its entirety is included in this report as Appendix A.

Although not included in the eighteen formal recommendations, the Committee also recommended that the Director reconvene this Committee (or call on specific Committee members for their expertise) when necessary in the course of implementing these recommendations. Because the Committee members have significant expertise on issues discussed in this report, we believe this would be helpful.

A. Strategies to Prevent Recreational Vessels from Being Abandoned

The first ten recommendations relate to strategies to prevent recreational vessels from being abandoned. If implemented, many of these recommendations would provide additional tools for local law enforcement to use in tracking and identify owners of recreational vessels. This might not seem to directly reduce the number of abandoned vessels but does provide a deterrent to keep vessel owners from abandoning their vessels which, in turn, should lead to fewer abandoned vessels. Further, these tools would assist law enforcement with theft and fraud of recreational vessels which is often a precursor to abandonment.

1. *The State of California should modify the Harbors & Navigation (H&N) Code to revise lien sale laws and regulations.*

DISCUSSION

Existing lien sale laws and regulations require an officer to keep a wrecked or abandoned vessel for 90 days before initiating a lien sale. Existing lien sale laws and regulations also require the 90 day time line be observed for all vessels valued at \$300 or more. The Committee identified both the time line and the dollar as a significant barrier for legally disposing of wrecked vessels.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation. Vessel owners should be able to decide fairly quickly (i.e., within 45 days) what they want to do with their wrecked or abandoned vessel. They should not need 90 days to decide whether to claim the vessel. If implemented, this recommendation would reduce the overall time to dispose of a wrecked or abandoned vessel from 135 days to 90 days.

The Department also agrees with increasing appraised value so that agencies can more swiftly and efficiently remove lower valued wrecked or abandoned vessels. Under this recommendation, if a boat is valued at under \$2,000, it could be sold or disposed of subject to the conditions of Section 526 of the Harbors & Navigation Code. This recommendation should save local agencies money because they won't have to go through the lien sale process and incur expenditures on labor, logistics, etc. for a larger number of lower valued boats. Additional justification for increasing the threshold from \$300 to \$2,000 includes:

- The \$300 threshold was set years ago and has not been adjusted for inflation
- The cost of law enforcement also was not factored into the \$300 threshold
- The likelihood of a vessel valued at under \$2,000 being sold is fairly low. The vast majority of abandoned vessels are derelict and a value of much less than \$2,000
- The Coast Guard has increased the threshold on reporting vessel accidents that they use to modify safety regulations from \$500 to \$2,000
- Cost of salvager, removing hazardous material and other costs are greater than \$300.

- 2. The State of California should modify Harbors & Navigation Code Section 525(c) to increase vessel abandonment from an infraction to a misdemeanor and include the actual cost of removal as a monetary penalty.*

DISCUSSION

Harbors & Navigation Code Section 525(c) makes it an infraction punishable by a fine of \$500 to \$1,500 to abandon a vessel upon a public waterway or public or private property. This recommendation would increase the penalty for abandonment to a misdemeanor including jail time of up to one year and include the actual cost of removal as a monetary penalty.

DEPARTMENT'S RESPONSE

The Department agrees that the penalty for abandonment should be increased to a misdemeanor and that the actual cost of removal should be included as a monetary penalty. However, the Department does not agree that the penalty for vessel abandonment should mandate imprisonment. This would impose an additional cost on local government to imprison violators. The Department would prefer to provide discretion to the courts in deciding whether the penalty warrants imprisonment. Suggested revisions to Harbors & Navigation Code Section 525(c) are:

“Violation of this section is ~~an infraction~~ a misdemeanor and shall be punished by a fine of not less than five hundred dollars (\$500), nor more than one thousand five hundred dollars (\$1,500) in addition to the actual cost of removal, or imprisonment in the county jail for not more than one year, or by both fine and imprisonment.”

- 3. The State of California should amend Vehicle Code Section 9862 to make the late registration fee double the current vessel registration fee for vessel late registration up to 6 months and an additional one-hundred dollar (\$100) penalty thereafter.*

DISCUSSION

Vehicle Code Section 9862 imposes a fee of one-half the vessel registration fee for vessels that are registered late. This equates to an additional five dollars because the current vessel registration fee is ten dollars. The Committee identified the low penalty as an inefficient incentive to get vessel owners to register their vessels in a timely manner. Further, public agencies have a difficult time identifying owners of unregistered vessels that are at risk for becoming abandoned.

DEPARTMENT'S RESPONSE

The Department does not agree with increasing the penalty to more than ten times the current registration fee. This might provide an incentive for some vessels owners to register in a timely manner. However, this could also create an incentive to abandon a vessel that is not worth much rather than pay the late registration penalty thereby increasing the number of abandoned vessels. There are no statistics that show increasing the penalty will result in fewer unregistered vessels. Further, this impacts all vessels, not just those at risk of being abandoned.

DMV RESPONSE

The DMV agrees with the Department's response.

4. *The California Department of Motor Vehicles (DMV) should automatically generate late registration notices for vessels similar to automobiles.*

DISCUSSION

Late registration notices are not generated by the Department of Motor Vehicles when a vessel is not registered on time. This recommendation would require the DMV to automatically generate late registration notices for vessels that are not registered on time. The Committee identified this as a barrier to more vessels keeping current with their registration, which aids local agencies in identifying owners when a vessel is at risk of becoming abandoned.

DEPARTMENT'S RESPONSE

The Department does not agree with this recommendation. Vehicle Code Section 9850 mandates that every vessel using the waters or on the waterways needs to be registered. If a vessel is stored in an owner's back yard and it is not in use, there is no requirement to register or file a statement of non-operation for the vessel (unlike vehicles that are required to be registered as operative or non-operative). The Department does not believe this recommendation is feasible and cost effective since notices would be sent to vessel owners who are not required to register their vessels. Further, this recommendation would impose an additional cost to the DMV which, most likely, would reduce the amount of funds available from Department subvention programs to counties for law enforcement purposes.

DMV RESPONSE

The DMV agrees with the Department's response.

5. *The California Department of Motor Vehicles (DMV) should update their vessel registration database with release of liability information within 30 days of receipt similar to what is done for automobiles.*

DISCUSSION

Sellers of vessels are required to file a release of liability form with the DMV in accordance with Vehicle Code Section 9911. However, the vessel registration database is not updated with release of liability information by the DMV in timely manner based on actual experiences of the Committee members. This results in law enforcement having a difficult time identifying the appropriate vessel owner for an abandoned vessel or a vessel at risk of being abandoned. This recommendation would require the DMV to update the database so that the information available to law enforcement was accurate.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation in principle. An up-to-date database would provide law enforcement with an additional tool for identifying vessel owners through the California Law Enforcement Telecommunications System (CLETS). Officers would not have to spend significant amounts of time researching vessel ownership.

However, the Department does not manage or control the vessel registration database and does not know the cost impact of this recommendation. The Department also is not sure whether the vehicle registration database is updated with release of liability information within 30 days as is

inferred from this recommendation. The Department would need to meet with DMV to discuss and identify the additional costs associated with this recommendation. This could result in an increase to the vessel registration fee to cover the additional costs. The Department would want to analyze the cost effectiveness of this recommendation before implementation.

In its public outreach efforts, the Department will begin to inform vessel owners that they need to file the release of liability with the DMV.

DMV RESPONSE

Notices of Release of Liability (NRL) are not separately identified for vehicles and vessels and, therefore, are updated in the order received. This is currently a manual process and requires significant time to process the multitude of vehicle and vessel NRLs. The DMV is exploring ways to expedite this process and is reviewing the possibility of accepting NRL submissions through a web based internet application.

- 6. The California Department of Motor Vehicles (DMV) should require certified verification by a peace officer or licensed vehicle verifier as a condition of registration for vessels previously outside of California, special construction vessels, revived salvage vessels, and vessels that have not been registered for more than one year.***

DISCUSSION

Currently, the DMV does not require certified verification by a peace officer or licensed vehicle verifier as a condition of registration. This recommendation would require certain vessels to be certified. This would provide local agencies an additional tool to use in identifying vessel owners of abandoned vessels.

DEPARTMENT'S RESPONSE

The Department agrees that this recommendation would provide law enforcement with an additional tool to track vessels and potentially keep them from becoming abandoned. The Department also agrees that this recommendation would assist in the identification of derelict vessels coming from another state.

However, overall, the Department does not agree with this recommendation. This recommendation would create an additional cost of inspection to vessel owners who have not operated and registered their vessels in a year. This recommendation could potentially result in an increase in the number of abandoned vessels because owners won't want to go through the process of having their vessel certified and incur the additional costs of obtaining verification and could abandon vessel instead. This recommendation also would increase the costs to DMV to confirm verification unless costs are born by vessel owners.

DMV RESPONSE

The DMV agrees with the Department's response.

7. ***The California Department of Motor Vehicles (DMV) should revise the vessel registration sticker assignment system so that vessel registration sticker numbers are traceable to a specific CF number and registered owner.***

DISCUSSION

Currently, the DMV does not issue vessel registration stickers specific to a CF number and registered owner. Vessel registration stickers are issued to vessels based on the registration date. This recommendation would require the vessel registration stickers to be issued to a specific vessel and vessel owner so that law enforcement would be able to trace the registration sticker to a specific vessel and vessel owner. The Committee identified this as a barrier for local agencies to identify owners of vessels that are at risk of becoming abandoned.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation from a policy standpoint. This recommendation would provide law enforcement with an additional tool to track vessels.

However, the Department does not manage or control the vessel registration sticker assignment system and does not know the cost of implementing this recommendation. The Department needs to meet with DMV to discuss and identify the additional costs of this recommendation. This could result in an increase to the vessel registration fee to cover the additional costs of this recommendation. The Department needs to analyze the cost effectiveness of this recommendation.

DMV RESPONSE

The DMV can trace a vessel registration sticker in certain instances. This is a labor-intensive process which can only be performed for stickers issued from a DMV field office. However, over 90 percent of vessel registration stickers are issued during registration renewal from DMV's remittance process and are untraceable.

DEPARTMENT'S PLAN OF ACTION

It appears it would be prohibitively expensive to match the vessel registration sticker to specific CF numbers and registered owners. The Department will work with the DMV to analyze to cost of this recommendation.

8. ***The State of California should propose legislation to make it a misdemeanor to lend or allow improper use of a vessel registration sticker on a vessel other than the vessel for which the vessel registration sticker was issued.***

DISCUSSION

Currently, the DMV does not issue vessel registration stickers specific to a CF number and registered owner. Vessel registration stickers are issued to vessels based on the registration date. Thus, there is no reason to be concerned about improper use of a vessel registration sticker because local agencies have no ability to determine the validity of the vessel registration sticker on a specific vessel. This recommendation would make it a misdemeanor to improperly use the

vessel registration stickers. The Committee identified this as a barrier for local agencies to identify owners of vessels that are at risk of becoming abandoned.

DEPARTMENT'S RESPONSE

Again, the Department agrees in principle with this recommendation. This recommendation would make State law consistent for vessel registration stickers and vehicle registration stickers. However, unless there is a tracking system between the vessel registration sticker and the vessel hull identification number, there is no reason for this recommendation.

DMV RESPONSE

See response to recommendation #7.

- 9. The California Department of Motor Vehicles (DMV) should revise and maintain the vessel registration database for the same timeframe as the automobile registration database.***

DISCUSSION

Currently, the DMV maintains the vessel registration database for four years at which point, vessel registration records are archived and cannot be accessed in a timely manner by local law enforcement or by the Department of Boating and Waterways. In contrast, according to the Committee, automobile registration information can be accessed irrespective of whether the registration is in the database. This recommendation would require the DMV to maintain the vessel registration database for a longer period of time.

DEPARTMENT'S RESPONSE

The Department agrees with recommendation in principle. This recommendation would provide a tool for law enforcement to track vessel owners. The Department also receives requests for information from various stakeholders that a database such as this would aid in providing information. However, the Department does not manage or control the vessel registration database and does not know the cost of this recommendation. Also, it is unclear whether this recommendation represents the only approach to obtaining timely information as identified as the primary problem by the Committee. If the issue is access to vessel registration information for vessels that have been archived from the database, the Department can work with the DMV to implement an improved retrieval process similar to what is used for automobile registrations.

DMV RESPONSE:

The DMV retains the information in the vessel registration database for the same timeframe as motor vehicles.

DEPARTMENT'S PLAN OF ACTION

The Department will work with the DMV to determine the ability to implement a better retrieval process than currently exists for vessels registrations that have been archived from the database.

10. *The State of California should amend the Harbors & Navigation Code by adding section 523(a)(7) to allow law enforcement to remove unregistered vessels that meet certain conditions from public waterways.*

DISCUSSION

Harbors & Navigation Code Section 523 provides six circumstances under which law enforcement may remove a vessel from public waterways. This recommendation would add those vessels that have not been registered with the California Department of Motor Vehicles for over one year as a condition by which law enforcement could remove a vessel from public waterways. This would assist law enforcement by allowing them to remove unregistered vessels from waterways before the vessels sink and require additional costs to remove. The Committee identified this as a major barrier to removing derelict vessels from public waterways before they sink.

DEPARTMENT'S RESPONSE

The Department agrees with recommendation with one modification. This recommendation would provide law enforcement an additional tool to use in removing potentially abandoned vessels from waterways. As a result of the vessel registration process, this effectively provides an owner two years to renew their vessel registration by paying the ten dollar registration fee and five dollar late registration fee before having their boat removed from waterways. The Department recommends modifying the proposed language as follows: **“When the vessel has not been registered with the California Department of Motor Vehicles or documented with the federal government for over one year.”**

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B. Strategies to Facilitate the Ability of Owners to Turn-in their Recreational Vessels to Public Agencies in Lieu of Abandonment

Assembly Bill 1014 required the Department to consider data available to the Department in relation to the existing Abandoned Watercraft Abatement Fund (AWAF) program administered by the Department and to consider an estimate of the number of vessels that may be turned into local agencies in lieu of abandonment. In fiscal year 2002-03, the Department provided \$534,000 to ten local agencies for the removal of 253 abandoned vessels through the AWAF program and, in 2003-04, the Department provided \$414,000 to eight local agencies for the removal of 155 vessels. Since 1998, a total of \$2.765 million has been awarded to agencies for the removal of 427 abandoned vessels. Table 1, below, shows the number of registered vessels for each of the last five years.

Table 1
Annual Number of Registered Vessels

Registered Vessels	
2000	967,909
2001	904,843
2002	896,090
2003	963,379
2004	894,884

However, neither the AWAF program statistics nor the number of vessel registrations provides a good indication of the number of recreational vessels that would be turned into local agencies in lieu of abandonment. Furthermore, cost prohibitions preclude the Department to obtain the vessel registration database to determine the age, hull type, or length of recreational vessels that could potentially provide an indication of the number of recreational vessels that may be turned into local agencies in lieu of abandonment.

The remaining eight recommendations relate to strategies to facilitate the ability of owners to turn-in their recreational vessels to public agencies in lieu of abandonment. Recommendations 11 through 17 relate to development and implementation of a three year pilot turn-in program as an enhancement to the existing Abandoned Watercraft Abatement Fund (AWAF) Program. A pilot turn-in program would allow the Department to develop an estimate of the number of vessels that potentially would be turned into local agencies in lieu of abandonment as well as allow the pilot turn-in programs to identify the best practices for addressing environmental, economic, safety and practical problems. The Department, in principle, agrees with development and implementation of a pilot turn-in program because a pilot turn-in program would provide vessel owners an opportunity to dispose of vessels in lieu of abandonment. However, the Department has concerns with specific aspects of the pilot program as recommended below. Specific concerns along with proposed modifications are discussed under each recommendation.

11. *The State of California should propose legislation to implement a pilot vessel turn-in program which, if successful, would be expanded.*

DISCUSSION

There are many unknowns with respect to a vessel turn-in program. Specifically, the Department does not have statistics on the number of abandoned vessels or on the potential number of abandoned vessels. A pilot turn-in program would provide the Department the ability to collect critical data on the impacts of a turn-in program while leveraging resources in the Abandoned Watercraft Abatement Fund Program so as not to create an entirely new program. This recommendation included piloting the program in five Delta region counties (Sacramento, San Joaquin, Contra Costa, Solano and Yolo counties) during a three year period.

DEPARTMENT'S RESPONSE

The Department, in principle, agrees with development and implementation of a three year pilot vessel turn-in program. Existing Department personnel could absorb the workload associated with the pilot turn-in program. The Department may need to develop regulations to implement the pilot turn-in program.

However, the Department does not agree with limiting the pilot vessel turn-in program to the Delta region. The Department believes more meaningful performance outcome statistics could be obtained if the Richardson Bay Regional Agency, City of Santa Barbara Waterfront Department and Contra Costa County Sheriff's Department were included in the pilot vessel turn-in program rather than the five Delta region counties due to their geographic diversity and historical participation in the AWAFF.

Also, if legislation is enacted, the Department would recommend that each of the three local agencies submit a proposal in a format determined by the Department in order to apply for funding under the pilot turn-in program. The pilot program would not be a mandate for any of these agencies nor would all of the agencies be guaranteed funding.

12. *The Department of Boating and Waterways should fund the pilot vessel turn-in program through enhanced Abandoned Watercraft Abatement Fund (AWAF) funding.*

DISCUSSION

This recommendation would provide the Department the ability to collect critical data on the impacts of a turn-in program while leveraging resources in the Abandoned Watercraft Abatement Fund Program so as not to create an entirely new program.

DEPARTMENT'S RESPONSE

The Department, in principle, agrees with this recommendation. The Department does not want all the existing and budgeted AWAFF funds dedicated to the pilot program and believes no more than \$120,000 of the funds normally budgeted for the AWAFF (\$500,000) should be annually dedicated to the pilot program based on historical applications for AWAFF funds. Both administration and operation of the pilot turn-in program as well as the rebate in recommendation 14 should come from this funding, with the result that no new funding would be

required for the pilot program. The Department also believes the local agencies in the pilot program should be responsible for a ten percent contribution (similar to the AWAFF requirements) to show commitment to the program. Grants of up to \$40,000 would be available to the three local agencies in order to foster competition among the local agencies.

- 13. *The Department of Boating and Waterways should allow the pilot vessel turn-in program to be administered through existing DBW local law enforcement boating safety and enforcement programs.***

DISCUSSION

This recommendation would allow the pilot vessel turn-in program to be administered through law enforcement agencies that currently participate in the Department's Boating Safety and Enforcement programs. These agencies already have a relationship with the Department and are under contract with the Department to provide boating safety and enforcement activities.

DEPARTMENT'S RESPONSE

The Department disagrees with this recommendation. The Department recommends that the pilot turn-in program be administered through the local agency participating in the AWAFF program in each county.

- 14. *The State of California through local government should provide boaters with a rebate for disposing of recreational vessels through pilot vessel turn-in program.***

DISCUSSION

This recommendation would provide vessel owners with a rebate for disposing of their vessel through the pilot vessel turn-in program. The rebate amounts would be established by each agency participating in the pilot turn-in program in consultation with Department staff. This would provide agencies the opportunity to test various rebate amounts to see what works the best.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation. The Department agrees that the local agencies should determine the amount of rebate which should vary by county. Department staff should review the proposed rebates in order to ensure such amounts are not excessive.

- 15. *The Department of Boating and Waterways should provide local flexibility to administer the pilot vessel turn-in program.***

DISCUSSION

This recommendation would provide local agencies flexibility in determining how to set up the pilot vessel turn-in program in their county. Agencies would have the ability to establish turn-in sites at either landfills or at marinas depending on the capabilities of the local agency. Various other aspects of a pilot turn-in program could be tested by providing the local agencies flexibility in administering the pilot turn-in program in their county.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation. The Department will provide oversight and monitor the pilot turn-in programs in order to ensure the best results from the pilot turn-in programs.

16. The Department of Boating and Waterways should capture performance measures during operation of the pilot vessel turn-in program.

DISCUSSION

This recommendation would require the Department to capture performance measures during the operation of the pilot vessel turn-in program. The results of collecting these measures could be used to develop an expanded pilot vessel turn-in program in other areas.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation. Capturing performance measures will be required of the local agencies participating in the pilot turn-in program. The results should be analyzed per recommendation 17.

17. The Department of Boating and Waterways should analyze outcomes of the pilot vessel turn-in program.

DISCUSSION

This recommendation requires the Department to analyze the outcomes collected as part of recommendation 16. This analysis could be used to develop an expanded pilot vessel turn-in program, if warranted.

DEPARTMENT'S RESPONSE

The Department agrees with this recommendation. Performance measures should be captured in accordance with recommendation 16. Performance outcomes will be used to determine whether the pilot turn-in program should be recommended for statewide expansion.

18. The Department of Boating and Waterways should develop public information material on the problems associated with the abandonment of recreational vessels and information on the pilot recreational turn-in program.

DISCUSSION

The Department currently prepares and disseminates information on a variety of boating issues. The Department provides information regarding the AWF program through its website. However, the Department does not distribute brochures regarding the consequences of abandoning a vessel. This recommendation would require the Department to develop and distribute information on the effects of abandoned vessels as well as on the pilot vessel turn-in program. The boating public's lack of knowledge regarding abandoned vessels is one cause of vessel abandonment.

DEPARTMENT'S RESPONSE

The Department agrees with recommendation. The Department will prepare a brochure on problems associated with abandonment vessels. Also, the Department would work with the local agencies included in the pilot turn-in program to develop an outreach program if the program is enacted into statute. The Department will implement this recommendation with existing resources.

APPENDIX A

ABANDONED VESSEL ADVISORY COMMITTEE REPORT

Memorandum

To: Raynor Tsuneyoshi, Director
California Department of Boating and Waterways

From: Abandoned Vessel Advisory Committee

Date: October 29, 2004

Re: Recommendations Related to Abandoned Vessels

The Abandoned Vessel Advisory Committee, appointed by the Director of Boating and Waterways pursuant to Section 525.5 of the Harbors and Navigation Code, is pleased to present its recommendations on strategies to prevent recreational vessels from being abandoned and to facilitate the ability of owners to turn in their recreational vessels to public agencies for disposal in lieu of abandonment. These recommendations represent the combined thinking of representatives from the boating community, as specified by the enabling legislation.

We ask that you keep the Committee members advised as to the progress of the Department's report to the Legislature, and other related activities. The Committee also wishes to thank the Department of Boating and Waterways' staff for their outstanding support, resources, and hard work.

Ken Hanley
Public Member

Herb Hickman
Blackfin Marine Services

Mick Kronman
Harbor Masters & Port Captains Assoc.

Doug Powell
California Boating Safety Officers Assoc.

Bill Price
Richardson Bay Regional Agency

Todd Hickman
Contra Costa Health Services Dept.

Russ Robinson
Recreational Boaters of California

Steve McAdam
San Francisco Bay Conservation and Development Comm.

M'K Veloz
Northern California Marine Assoc.

Chris Lauritzen
Lauritzen Yacht Harbor

Jim Wagner
Zaccor Company, Inc.

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INTRODUCTION

The passage of Assembly Bill 1014, authored by Assembly Member Canciamilla, required the Director of the Department of Boating and Waterways (DBW) to appoint an Abandoned Vessel Advisory Committee to assist the Department in preparing recommendations on strategies to:

- Prevent recreational vessels from being abandoned; and
- Facilitate the ability of owners to turn in their recreational vessels to public agencies for disposal in lieu of abandonment.

In accordance with the legislation, DBW Director Raynor Tsuneyoshi appointed a Committee representing a wide spectrum of California's boating community. The Committee developed 18 recommendations and presented these recommendations to the Department in this report. The DBW will use the Committee's report to prepare a second report which will be presented to the Legislature by January 1, 2005.

LIST OF COMMITTEE MEMBERS

Boating Law Enforcement Agencies

Doug Powell

California Boating Safety Officers Association

Mick Kronman

California Association of Harbor Masters and Port Captains

Salvage and Disposal Operators

Herb Hickman

Blackfin Marine Services

Jim Wagner

Zaccor Company, Inc.

Boat Dealers

M'K Veloz

Northern California Marine Association

Boating Public

Ken Hanley

Owners/Operators of Public & Private Marinas

Bill Price

Richardson Bay Regional Agency

Chris Lauritzen

Lauritzen Yacht Harbor

Environmental Agencies

Todd Hickman

Contra Costa County Health Services Department

Steve McAdam

San Francisco Bay Conservation and Development Commission

Boating, Sailing and Yachting Organizations

Russ Robinson

Recreational Boaters of California

SUMMARY OF WORKSHOP PROCESS

The Committee held three workshops, assisted by meeting facilitators, to arrive at the recommendations presented in this report. The following is a summary of the workshop process.

Workshop 1 - Problem Identification Workshop

Eight of the 11 Committee members attended the first workshop in Sacramento, California on May 12, 2004. The DBW Department Director provided an introduction to the Committee emphasizing the Committee's charge and the importance of the Committee. The Committee members introduced themselves and provided an example of the problems they have had with abandoned vessels. The Committee agreed upon the ground rules and spent the remainder of the workshop identifying factors that cause recreational vessels to be abandoned, barriers from safely disposing of vessels, external influences to the various processes, and critical success factors for a successful vessel disposal program. The Committee also identified recommendations, though that was not the charge of this particular workshop. The Committee requested that additional data be provided by the Department of Motor Vehicles (DMV) on the age and type of vessels currently registered with the DMV to gain an understanding of the magnitude of the problem and that Contra Costa County Sheriff's Department distribute a copy of their Agreement of a successful partnership between Contra Costa County and their local waste management company to dispose of unwanted vessels.

Workshop 2 – Recommendation Development Workshop

Eight of the 11 Committee members attended the second workshop in Sacramento, California on July 14, 2004. Committee members had spent time reviewing the summarized notes from the initial workshop and in prioritizing the issues to be addressed by the recommendations. The Committee was informed that the vessel age information requested of the DMV would require approximately \$30,000 to produce by the DMV which, at this point, the Committee decided not to pursue. The Committee focused on refining the recommendations identified in the first workshop, identifying additional recommendations and on identifying barriers to implementation of the recommendations. Details of the recommendations were fleshed out for several of the recommendations. The Committee also identified several issues that required additional research by DBW staff prior to the third workshop.

Workshop 3 – Recommendation Finalization Workshop

Nine of the 11 Committee members attended the third and final workshop in Sacramento, California on September 30, 2004. Committee members had spent time reviewing the recommendations developed in the second workshop and came prepared to discuss these recommendations. Findings in areas researched by DBW staff following the second workshop were presented to the Committee. Specifically, the Committee was informed that:

- Use of the Abandoned Watercraft Abatement Fund (AWAF) to fund a pilot vessel turn-in program would require legislation;

- The Committee could recommend changing the penalty for vessel abandonment from an infraction to a misdemeanor; and
- The California Integrated Waste Management Board had a grant program available to local governments for solid waste management.

The Committee was also provided a description of the differences between the DMV's vehicle registration process and the vessel registration process, and the Committee was presented with a summary of key provisions of Assembly Bill 107 that failed in the 2001-02 legislative session.

The Committee then systematically worked through each of the proposed recommendations and, in many cases, made significant changes to the initial recommendation. When the language of a recommendation was considered complete, Committee members cast their vote on each item. One Committee member indicated that his votes were subject to his presentation of the recommendations to the board that he represented so that his votes were considered conditional pending the approval of the board. The remainder of the votes were considered final. The choices for voting included Strongly Support, Support, Neutral, Oppose, Strongly Oppose, and Abstain. For all but one recommendation, the entire Committee voted to strongly support the recommendations.

A draft of the final report was mailed to Committee members for review. Final changes were incorporated into the final report.

EXCERPTS FROM ASSEMBLY BILL 1014

525.5 (a) On or before January 1, 2005, the department shall submit recommendations to the Legislature on strategies to prevent recreational vessels from being abandoned and to facilitate the ability of owners to turn in their recreational vessels to public agencies for disposal in lieu of abandonment

(b) The recommendations shall be based on the expertise and data available to the department in relation to the existing abandoned watercraft abatement program administered by the department

(d) (1) The director shall appoint an Abandoned Vessel Advisory Committee to assist the department in preparing the recommendations.

(2) The membership of the committee shall include, but need not be limited to, representatives of all of the following:

(A) Boating law enforcement agencies.

(B) Entities that engage in the salvage or disposal of recreational vessels

(C) Boat dealers.

(D) Boating, sailing, and yachting organizations

(E) Owners and operators of public and private marina facilities.

RECOMMENDATIONS

Below are the 18 recommendations from the Committee, with additional comments where necessary. These recommendations were developed by the Committee through thoughtful and lively discussions, with consideration given to the consequences and impacts of each recommendation. It is worth noting that all of the 18 recommendations were strongly supported by Committee members (with the exception of Recommendation #3, where one Committee member was neutral). Recommendations are organized into those that represent strategies to prevent recreational vessels from being abandoned, and those that represent strategies to facilitate the ability of owners to turn-in their recreational vessels to public agencies in lieu of abandonment.

In addition to the recommendations below, the Committee recommended that the DBW Director reconvene this Committee (or call on specific Committee members for their expertise) when necessary in the course of implementation of these recommendations. For example, the DBW Director may reconvene the Committee to assist in developing specific legislative language for some of the recommendations or to serve as an advisory Committee with respect to the proposed pilot vessel turn-in program.

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STRATEGIES TO PREVENT RECREATIONAL VESSELS FROM BEING ABANDONED

1. *The State of California should modify the Harbors & Navigation (H&N) Code to revise lien sale laws and regulations.*

Reduce the holding period from 90 days to 45 days in H&N Code Section 518:

“If, within ~~90~~ 45 days after saving wrecked property, no claimant of the property appears, or, if within 60 days after a claim, the salvage and expenses are not paid, or a suit for the recovery of the property is not commenced, the officer who has custody of the property may sell it at public auction and transmit the proceeds of the sale, after deducting salvage, storage, property tax liens, other liens, and other expenses, to the Treasurer for deposit in the General Fund. Deduction of salvage, storage, and other expenses shall not be made, unless the amount has been determined by the superior court of the county. A copy of the order, and the evidence in its support, shall be transmitted by the judge to the Controller.”

Increase the vessel appraised value from \$300 to \$2,000 in H&N Code Section 526(a)(1):

“Notwithstanding any other provision of law, any wrecked property, or abandoned property as described in Section 522, or property removed from a navigable waterway pursuant to Section 523 or 524, may be sold or otherwise disposed of by the public agency that removed or caused the removal of the property pursuant to this section, subject to the following conditions: (1) The property has been appraised by disinterested persons, and has an estimated value of less than ~~three hundred dollars (\$300)~~ **two-thousand dollars (\$2,000).**”

2. ***The State of California should modify Harbors & Navigation Code Section 525(c) to increase vessel abandonment from an infraction to a misdemeanor and include the actual cost of removal as a monetary penalty.***

“Violation of this section is ~~an infraction~~ a **misdemeanor punishable by jail time for up to one year** and shall be punished by a fine of not less than five hundred dollars (\$500), nor more than one thousand five hundred dollars (\$1,500), **in addition to the actual cost of removal.**”

3. ***The State of California should amend Vehicle Code Section 9862 to make the late registration fee double the current vessel registration fee for vessel late registration up to 6 months and an additional one-hundred dollar (\$100) penalty thereafter.***

4. ***The California Department of Motor Vehicles (DMV) should automatically generate late registration notices for vessels similar to automobiles.***

5. ***The California Department of Motor Vehicles (DMV) should update their vessel registration database with release of liability information within 30 days of receipt similar to what is done for automobiles.***

This would provide local law enforcement with access to information on unregistered vessels through CLETS (California Law Enforcement Telecommunication System).

6. ***The California Department of Motor Vehicles (DMV) should require certified verification by a peace officer or licensed vehicle verifier as a condition of registration for vessels previously outside of California, special construction vessels, revived salvage vessels, and vessels that have not been registered for more than one year.***

7. ***The California Department of Motor Vehicles (DMV) should revise the vessel registration sticker assignment system so that vessel registration sticker numbers are traceable to a specific CF number and registered owner.***

8. ***The State of California should propose legislation to make it a misdemeanor to lend or allow improper use of a vessel registration sticker on a vessel other than the vessel for which the vessel registration sticker was issued.***

9. ***The California Department of Motor Vehicles (DMV) should revise and maintain the vessel registration database for the same timeframe as the automobile registration database.***

The database should either be maintained longer than the current 4 years or provide law enforcement timely access to archived records similar to the access provided for automobile records. Vessel registration records should not be deleted.

10. *The State of California should amend the Harbors & Navigation Code by adding section 523(a)(7) to allow law enforcement to remove unregistered vessels that meet certain conditions from public waterways.*

“Any California peace officer as described in Section 663 H&NC or any local government employee as authorized by Section 830 of the Penal Code, may remove, and, if necessary, store a vessel removed from a public waterway under any of the following circumstances: **(7) When the vessel has not been registered with the California Department of Motor Vehicles for over one year.**”

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STRATEGIES TO FACILITATE THE ABILITY OF OWNERS TO TURN-IN THEIR RECREATIONAL VESSELS TO PUBLIC AGENCIES IN LIEU OF ABANDONMENT

11. *The State of California should propose legislation to implement a pilot vessel turn-in program which, if successful, would be expanded.*

- Three year pilot program
- Initially implemented in the Delta region (Sacramento, San Joaquin, Contra Costa, Solano and Yolo counties)

12. *The Department of Boating and Waterways should fund the pilot vessel turn-in program through enhanced Abandoned Watercraft Abatement Fund (AWAF) funding.*

- The current AWAFF program should continue with annual funding of \$500,000.00
- Requires legislative change to H & N Code 525 (d) (1) (A)

13. *The Department of Boating and Waterways should allow the pilot vessel turn-in program to be administered through existing DBW local law enforcement boating safety and enforcement programs.*

14. *The State of California through local government should provide boaters with a rebate for disposing of recreational vessels through pilot vessel turn-in program.*

- Amount to be determined by DBW project staff in consultation with the pilot programs.
- DBW would act as an agent for the State in monitoring this process

15. *The Department of Boating and Waterways should provide local flexibility to administer the pilot vessel turn-in program.*

16. *The Department of Boating and Waterways should capture performance measures during operation of the pilot vessel turn-in program.*
17. *The Department of Boating and Waterways should analyze outcomes of the pilot vessel turn-in program.*
18. *The Department of Boating and Waterways should develop public information material on the problems associated with the abandonment of recreational vessels and information on the pilot recreational turn-in program.*

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FUNDING

The Committee members discussed and debated how to fund the vessel turn-in program should the pilot program succeed and warrant statewide implementation. The Committee recommended that the pilot vessel turn-in program be funded through an enhancement to the Abandoned Watercraft Abatement Fund (AWAF). However, the AWAF most likely will not suffice to expand the pilot program statewide, if successful. Other funding options discussed included increasing vessel registration fees (which are currently \$10 every two years) or using existing vessel fuel taxes that are redirected from the DBW to the Department of Parks and Recreation (approximately \$27 million in fiscal year 2004-05). The general consensus was that the vessel fuel taxes should be used for programs that directly impact boaters (such as a vessel turn-in program) rather than be redirected to the Department of Parks and Recreation. This is an issue that the Legislature should be aware of and may need to face in two years, should the pilot vessel program succeed and justify statewide expansion.