Staff Report 74

PROPOSED ACTION:

Consider supporting the Abandoned and Derelict Vessel Removal Act of 2024 (H.R. 7719) introduced by Representative Garamendi to address abandoned and derelict vessels in state and federal waterways.

BACKGROUND AND PROPOSED LEGISLATION:

Abandoned vessels harm aquatic health and the marine environment, are navigational hazards, create blight, attract crime, and impede public safety. The Commission's abandoned vessel removal program began a little over a decade ago. The Commission can immediately remove abandoned or derelict vessels if the vessel hinders navigation, is a threat to vessel operators, is an environmental hazard, or is a public nuisance. Staff often receive reports of abandoned, derelict, or wrecked vessels. When that happens, staff tries to notify the owner to remove the vessel. But when staff cannot locate a responsible party, which is usually the case, it works with others to remove and dispose of abandoned and derelict vessels, as funding and resources allow.

There are two main types of abandoned vessels—commercial and recreational. The Commission's program encapsulates both but tends to focus on commercial vessels. And while abandoned and derelict vessels pollute waterways throughout California, they are especially pernicious in the Sacramento-San Joaquin River Delta region. The Delta, one of the largest estuaries in western North America, includes 1,100 square miles and roughly 700 miles of waterways. The Sacramento and San Joaquin rivers collectively convey over 30 million acre-feet of water each year. The Delta is home to over 500 plant and animal species. About two-thirds of the salmon that spawn in California access upstream rivers through the Delta. The region lies along the Pacific flyway, where almost half of California's migrating waterfowl pass through each year. Because of its expanse and hundreds of miles of waterways, the Delta is often a dumping group for abandoned vessels. In 2019, the Commission developed an <u>Abandoned Commercial Vessel Removal</u> <u>Plan</u> for the Delta region and submitted it to the Legislature. Shortly thereafter, the Commission received a \$12 million one-time appropriation from the Legislature to remove and dispose of abandoned and derelict vessels in the Delta. The Commission has since removed three large commercial vessels, is surveying the Delta for commercial abandoned vessels, is preparing a programmatic environmental analysis of removal actions, and has established on-call vessel abatement contracts with four marine services vendors. Staff are proposing taking action against a substantial group of abandoned commercial vessels in a separate action on this agenda.

Abandoned and derelict vessels are a global problem with wide-ranging and welldocumented ramifications. It is often impossible to identify vessel owners, and it falls to a patchwork of local, state, and federal government agencies to triage and ensure that vessels are not leaking oil or other hazardous materials into the water. That is usually the first priority. After that, vessels often languish because governmental entities lack funding and resources for removal and disposal.

The Commission's program has facilitated the removal of over 70 abandoned or derelict vessels from state waterways. The Commission was also part of an interagency team that marshaled forces to remove 58 abandoned or derelict vessels from the Oakland-Alameda estuary, the largest coordinated removal effort in California to date. These modest gains, however, are offset by the continued ubiquity of abandoned vessels. People routinely abandon vessels on waterways and the entrenched reasons for that remain. There are areas in the Delta, and elsewhere, where colossal jumbles of abandoned and derelict vessels languish, having drifted together to form a swirled mess. The state lacks funding or resources to remove them and no responsible party can be found. A federal program and additional funding would reduce the number of abandoned and derelict vessels polluting our waterways.

H.R. 7719 would allow the United States Coast Guard and Army Corps of Engineers to remove abandoned and derelict vessels from state and federal waters, would provide additional funding, and would establish a federal counterpart to the Commission's program. The bill would codify recommendations from a <u>2020 blue-ribbon report</u> by the Pacific State Oil Spill Task Force. As the author, Representative Garamendi, states:

"Abandoned and derelict vessels are a safety hazard, blight to our waterways, and major eyesore. As these vessels decay, they pollute our waterways with debris, fiberglass from hulls, leftover gasoline, motor oil, battery fluids, and other harmful chemicals. My bill would unlock billions in new federal funding to remove existing abandoned vessels at no expense to taxpayers and hold those dumping their derelict vessels in our waterways accountable. Every vessel removed is one step closer to keeping our working waterfronts and waterways safe and clean for all to enjoy,"

H.R. 7719:

- Makes a new federal offense prohibiting the abandonment of vessels with a maximum \$500 a day penalty for owners who abandon their vessels. Sets guidelines for how the Coast Guard determines whether a vessel is abandoned. Requires the Coast Guard to attempt to identify and notify the vessel owner before determining that a vessel was abandoned.
- 2. Makes removal and disposal of a vessel under the direction of an on-scene coordinator a "removal action" and therefore eligible for payment from the federal Oil Spill Liability Trust Fund.
- 3. Authorizes the President to use the federal Oil Spill Liability Trust Fund to collect and dispose of abandoned vessels not involved in a major oil spill response, providing a new funding mechanism to remove abandoned and derelict vessels in state or federal waters. Establishes a \$1.5 billion cap per year on costs for using funds from the Oil Spill Liability Trust Fund to remove and dispose of abandoned and derelict vessels, which mirrors the cap for a single oil spill incident. Holds vessel owners liable for the cost of collecting and disposing of abandoned or derelict vessels and redeposits recovered expenses into the Oil Spill Liability Trust Fund.
- 4. Sets standards for people purchasing federally auctioned vessels, such as holding liability insurance for the vessel and proof of sufficient financial resources to maintain the vessel, helping to ensure that federally auctioned vessels do not contribute to the problem of abandoned and derelict vessels.
- 5. Authorizes the US Army Corps of Engineers to remove abandoned and derelict vessels from federally regulated waterways and requires certain protocols for that. The US Army Corps of Engineers currently only has the authority to remove vessels that impede navigation. Holds vessel owners liable for the costs of removing abandoned and derelict vessels.

- 6. Directs the Coast Guard and US Army Corps of Engineers to issue joint regulations for determining that a vessel is abandoned.
- 7. Directs the Coast Guard to consult with the National Oceanic and Atmospheric Administration and states to establish a national inventory of abandoned and derelict vessels, which would have to be publicly available online and include geographic information. Allows states, tribal governments, and individuals to report potential abandoned and derelict vessels for listing in the new inventory.

The federal Oil Spill Liability Trust Fund was established as part of the 1990 Oil Pollution Act and is funded by a federal excise tax on every barrel of crude oil sold or imported into the nation. The Fund's balance is currently nearly \$10 billion. H.R. 7719 would authorize up to \$1.5 billion of that to be used annually to remove abandoned and derelict vessels from state and federal waterways.

Five federal agencies are involved in addressing abandoned and derelict vessels: the National Oceanic and Atmospheric Administration, the U.S. Army Corps of Engineers, the U.S. Coast Guard, the U.S. EPA, and the Federal Emergency Management Agency.

OTHER PERTINENT INFORMATION:

- 1. The Abandoned and Derelict Vessel Removal Act of 2024 was introduced in March 2024.
- 2. The Abandoned and Derelict Vessel Removal Act of 2024 is supported by the Delta Stewardship Council, The Delta Protection Commission, National Marine Manufacturers Association, American Sportfishing Association, Restore the Delta, Dredging Contractors of America, and the Congressional Sportsmen's Foundation. There is no known opposition.
- 3. The Abandoned and Derelict Vessel Removal Act of 2024 was referred to the House Committee on Transportation and Infrastructure and the committees on Armed Services and Ways and means.
- 4. On March 20, the House Committee on Transportation and Infrastructure passed the Abandoned and Derelict Vessel Removal Act of 2024 as part of the Coast Guard Authorization Act of 2024 (H.R. 7659).

RECOMMENDED ACTION:

It is recommended that the Commission:

Support the Abandoned and Derelict Vessel Removal Act of 2024 introduced by Representative Garamendi to address abandoned and derelict vessels in state and federal waterways.