



This Bill Analysis reflects the contents of the bill as it was presented in committee.

# HOUSE BILL 161: Address Abandoned and Derelict Vessels.

2021-2022 General Assembly

<b>Committee:</b>	House Marine Resources and Aqua Culture. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	March 10, 2021
<b>Introduced by:</b>	Reps. Hanig, McElraft, Iler, Shepard	<b>Prepared by:</b>	Kyle Evans
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

**OVERVIEW:** House Bill 161 would grant statutory authority to the Wildlife Resources Commission (WRC) to seize, tow, remove, impound, or relocate any abandoned or derelict vessel from waters of the State or from public and private land.

### CURRENT LAW AND BACKGROUND:

G.S. 75A-5(i2) provides a method by which a person may acquire ownership of an abandoned vessel by providing proof of abandonment to WRC, but there is otherwise no statutory mechanism for WRC to ensure the safe removal of abandoned or derelict vessels from waters of the State.

Section 2.1(10) of S.L. 2019-224 allocated \$1,000,000 to WRC to "inspect, investigate, and remove derelict and abandoned water vessels." Section 4 of S.L. 2020-74 clarified WRC's authority to dispose of abandoned and derelict vessels and provided additional notice requirements that WRC must comply with before removing any abandoned or derelict vessel. Neither Session Law codified this authority.

### BILL ANALYSIS:

**House Bill 161** would grant statutory authority to WRC to seize, tow, remove, impound, or relocate any abandoned or derelict vessel from waters of the State or from public and private land.

**Section 1** would clarify the definition of "abandoned vessel," as well as define "derelict vessel" and other terms relevant to WRC's new authority.

**Section 2** would establish an Article in Chapter 75A (Boating and Water Safety) that would do the following:

- Grant authority to WRC and other law enforcement officers with general enforcement jurisdiction to handle the removal of abandoned or derelict vessels, including provisions to contract with other government agencies or private contractors to handle removal; to recover reasonable costs from vessel owners; and to exempt historic shipwrecks under the Department of Natural and Cultural Resources' custodial control.
- Establish the Waterway Safety and Access Fund as a special revenue fund consisting of General Fund appropriations, any gifts or grants made to the Fund by non-State entities, and any other revenues specifically allocated to the Fund. The Fund may only be used for:

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- Disposition of abandoned and derelict vessels in State waters and public or private land;
  - Required State match for certain federal programs, grants, or programs;
  - Waterway maintenance; or navigational hazard mitigation and abatement.
- No local match will be required for disbursements from the Fund, but WRC must prioritize vessel removals projects that are matched with funds provided by a local government or nonprofit organization.
- Establish procedures for determining whether a vessel is abandoned or derelict, including exceptions for vessel emergencies or declared emergencies; requirements for notice; and cost recovery.
- Provide that abandoned and derelict vessels, including all cargo, tackle, and equipment, that remain unclaimed after the required notice period are deemed forfeited and that costs incurred by the State for towing, removal, storage, civil fines, and environmental restoration related to the vessels constitute a lien enforceable by sale of the vessel as set forth in Chapter 44A (Statutory Liens and Charges). Any vessels, cargo, tackle, or equipment remaining unsold after being offered at public auction may be disposed of at any suitable solid waste facility permitted for such waste.

**EFFECTIVE DATE:** This act would become effective July 1, 2021.