Chapter 560

## (Senate Bill 674)

# AN ACT concerning

# Abandoned or Sunken Vessels and Waterway Improvement Fund Grants

FOR the purpose of requiring the owner of a vessel that is required to be numbered to include certain contact information with the application for a certificate of number; requiring the Department of Natural Resources, within a certain number of days before and after seizing, removing, or taking an abandoned or sunken vessel into custody, to attempt to contact certain individuals in a certain manner; requiring the Department to provide certain notice by posting certain information on the Department's website or through social media platforms or by attaching certain information to a vessel under certain circumstances; authorizing the Department to establish and administer a voluntary vessel turn—in program; requiring the Department to distribute each fiscal year at least a certain amount from the Waterway Improvement Fund to a certain organization for certain purposes; and generally relating to abandoned and sunken vessels and the Waterway Improvement Fund.

# BY adding to

Article – Natural Resources Section 8–709(e) and 8–721.2 Annotated Code of Maryland (2023 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,

Article – Natural Resources Section 8–712(b) and 8–721 Annotated Code of Maryland (2023 Replacement Volume and 2023 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

#### **Article - Natural Resources**

8-709.

(E) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE DEPARTMENT SHALL DISTRIBUTE AT LEAST \$250,000 FROM THE WATERWAY IMPROVEMENT FUND TO A STATEWIDE MARYLAND-BASED HISTORIC PRESERVATION NONPROFIT ORGANIZATION WITH DEMONSTRATED EXPERIENCE IN GRANTMAKING.

- (2) A NONPROFIT ORGANIZATION SHALL USE ANY FUNDS RECEIVED UNDER THIS SUBSECTION TO ESTABLISH, OPERATE, AND ADMINISTER A MARITIME HERITAGE COMPETITIVE GRANT PROGRAM TO PROVIDE GRANTS TO NONPROFIT ORGANIZATIONS IN THE STATE AND INSTRUMENTALITIES OF THE STATE, COUNTIES, OR MUNICIPALITIES ENGAGED IN MARITIME HERITAGE PRESERVATION, INTERPRETATION, OR CONSERVATION.
- (3) ON OR BEFORE NOVEMBER 30 EACH YEAR, A NONPROFIT ORGANIZATION THAT RECEIVES FUNDS UNDER THIS SUBSECTION SHALL SUBMIT A REPORT TO THE DEPARTMENT ON THE GUIDELINES, PROMOTION, SELECTION, RECIPIENTS, AND IMPACT OF THE ORGANIZATION'S COMPETITIVE GRANT PROGRAM.

  8–712.
- (b) (1) The owner of any vessel to be numbered by this subtitle shall file an application for a certificate of number with the Department.
- (2) The application is on forms the Department approves, accompanied by the requisite fee, and signed by every vessel owner.
- (3) (I) THE OWNER OF THE VESSEL SHALL INCLUDE WITH THE APPLICATION CONTACT INFORMATION TO BE USED:
  - 1. IN THE EVENT OF AN EMERGENCY; OR
- 2. IF THE VESSEL IS AT RISK OF BECOMING AN ABANDONED OR SUNKEN VESSEL AS DEFINED IN § 8-721 OF THIS SUBTITLE.
- (II) THE CONTACT INFORMATION REQUIRED UNDER THIS PARAGRAPH SHALL INCLUDE THE MAILING ADDRESS, TELEPHONE NUMBER, AND E-MAIL ADDRESS FOR EACH OWNER OF THE VESSEL.
- (III) THE DEPARTMENT MAY REQUIRE THE OWNER OF THE VESSEL TO PROVIDE ALTERNATE EMERGENCY CONTACT INFORMATION.

  8–721.
  - (a) In this section, "abandoned or sunken vessel" means any vessel that:
- (1) Is left illegally or has remained without permission for more than 30 days on public property, including public marinas, docks, or boatyards;

- (2) Has remained at the following locations for more than 60 days without the consent of the owner or person in control of the property:
  - (i) A private marina or property operated by a private marina; or
  - (ii) A private boatyard or property operated by a private boatyard;
- (3) Has remained at the following locations for more than 30 days without the consent of the owner or person in control of the property:
  - (i) A private dock; or
  - (ii) At or near waters' edge on private property;
- (4) Has remained on private property other than the private property described in items (2) and (3) of this subsection for more than 180 days without the consent of the owner or person in control of the property; or
- (5) (i) Has been found adrift or unattended in or upon the waters of the State and:
  - 1. Is found in a condition of disrepair;
- 2. Presents a hazard or obstruction to the use of the waters of the State; or
  - 3. Presents a potential health or environmental hazard; and
  - (ii) Is not:
- 1. Historic property as defined in  $\S 5A-301$  of the State Finance and Procurement Article; or
- 2. Submerged archaeological historic property as defined in § 5A–333 of the State Finance and Procurement Article.
- (b) (1) The Department may seize, remove, and take into custody any abandoned or sunken vessel.
- (2) For this purpose, the Department may use its own personnel, equipment, and facilities or use other persons, equipment, and facilities for removing, preserving, or storing abandoned or sunken vessels.
- (3) The Department, or a person removing, preserving, or storing an abandoned or sunken vessel on behalf of the Department, may not be held liable for any

damage to an abandoned or sunken vessel which may occur during removal, storage, or custody of the vessel.

- (c) (1) Except as provided in subsection (g)(2) of this section, not later than 15 days before an abandoned or sunken vessel is seized, removed, or taken into custody under subsection (b) of this section, the Department shall [send]:
- (I) SEND a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the [last known] registered owner of the vessel, as shown on the records of the Department; AND

### (II) ATTEMPT, BY TELEPHONE OR E-MAIL, TO CONTACT:

- 1. THE REGISTERED OWNER OF THE VESSEL AT THE TELEPHONE NUMBER OR E-MAIL ADDRESS SHOWN ON THE RECORDS OF THE DEPARTMENT; AND
- 2. IF THE APPLICATION FOR A CERTIFICATE OF NUMBER UNDER § 8–712(B) OF THIS SUBTITLE INCLUDES AN ALTERNATE EMERGENCY CONTACT, THE ALTERNATE EMERGENCY CONTACT.
- (2) (i) Except as provided in subparagraph (ii) of this paragraph, as soon as reasonably possible but not later than 15 days after the Department takes an abandoned or sunken vessel into custody, the Department shall [send]:
- 1. SEND a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the [last known] registered owner of the vessel and to each known secured party, as shown on the records of the Department; AND

## 2. ATTEMPT, BY TELEPHONE OR E-MAIL, TO CONTACT:

- A. THE REGISTERED OWNER OF THE VESSEL AT THE TELEPHONE NUMBER OR E-MAIL ADDRESS SHOWN ON THE RECORDS OF THE DEPARTMENT; AND
- B. If the application for a certificate of number under § 8–712(b) of this subtitle includes an alternate emergency contact, the alternate emergency contact.
- (ii) As soon as reasonably possible but not later than 15 days after the Department takes an abandoned or sunken vessel into custody in accordance with subsection (g)(2) of this section, the Department shall [send]:

- 1. SEND a notice, by certified mail, return receipt requested, bearing a postmark from the United States Postal Service to the last known registered owner of the vessel and to each known secured party, as shown on the records of the Department; AND
  - 2. ATTEMPT, BY TELEPHONE OR E-MAIL, TO CONTACT:
- A. THE REGISTERED OWNER OF THE VESSEL AT THE TELEPHONE NUMBER OR E-MAIL ADDRESS SHOWN ON THE RECORDS OF THE DEPARTMENT; AND
- B. If the application for a certificate of number under § 8–712(b) of this subtitle includes an alternate emergency contact, the alternate emergency contact.
  - (d) The notices required by subsection (c) of this section shall:
    - (1) Describe the vessel;
- (2) If the vessel was taken into custody in accordance with subsection (g)(2) of this section, describe the actual or potential hazard mitigated by removal of the vessel;
  - (3) Give the location where the vessel is being held;
- (4) Inform the owner and secured party of a right to reclaim the vessel within 3 weeks of receipt of the notice required in subsection (c)(2) of this section upon payment to the Department of any expenses incurred during removal and custody of the vessel; and
  - (5) State that failure to claim the vessel will constitute:
    - (i) A waiver of all right, title, and interest in the vessel; and
    - (ii) A consent to the Department's disposition of the vessel.
- (e) (1) If the Department is unable to determine the last registered owner or the identity of any secured party of the abandoned or sunken vessel, or if the certified mail notice required under subsection (c) of this section is returned as undeliverable AND TELEPHONE CALLS AND E-MAILS ARE UNANSWERED, UNRETURNED, OR UNDELIVERABLE, the Department shall give the required notice [by]:
- (I) BY publication in at least 1 newspaper of general circulation in the area where the abandoned or sunken vessel was found;  $\Theta$

- (II) THROUGH DIGITAL MEDIA, INCLUDING POSTING ON THE DEPARTMENT'S WEBSITE AND SOCIAL MEDIA PLATFORMS; OR
- (III) BY ATTACHING TO THE VESSEL IN A CLEARLY VISIBLE PLACE A DISTINCTIVELY COLORED NOTIFICATION STICKER OR TAG THAT CONTAINS THE FOLLOWING INFORMATION:
- 1. The date and time the notification was affixed to the vessel;
- 2. A STATEMENT THAT, IN ACCORDANCE WITH THIS SECTION, IF THE VESSEL IS NOT REMOVED WITHIN 60 DAYS AFTER THE DATE THE NOTIFICATION STICKER OR TAG WAS AFFIXED, THE VESSEL MAY BE SEIZED, REMOVED, TAKEN INTO CUSTODY AND SOLD AT PUBLIC AUCTION, ACQUIRED BY TITLE UNDER § 8–722 OF THIS SUBTITLE, OR OTHERWISE DISPOSED OF; AND
- 3. THE LOCATION AND TELEPHONE NUMBER WHERE ADDITIONAL INFORMATION MAY BE OBTAINED.
- (2) The notice by publication shall contain the information required under subsection (d) of this section and shall be published within 30 days of the seizure of the abandoned or sunken vessel, or within 15 days of [the]:
  - (I) THE return of the certified mail notice as undeliverable; AND
- (II) THE ATTEMPT, BY TELEPHONE OR E-MAIL, TO CONTACT THE REGISTERED OWNER.
- (f) If the owner or secured party fails to claim the abandoned or sunken vessel within 3 weeks after the [certified mail] notice **REQUIRED UNDER SUBSECTION** (C) OF THIS SECTION or after the notice by publication is given <u>OR WITHIN 60 DAYS AFTER THE NOTICE AUTHORIZED UNDER SUBSECTION</u> (E)(1)(III) OF THIS SECTION, the Department may sell the vessel at public auction, proceed to receive title to the vessel pursuant to § 8–722 of this subtitle, or otherwise dispose of the vessel.
- (g) (1) If the abandoned or sunken vessel is in such a condition of disrepair that the Department cannot remove the vessel intact, the Department may dispose of the vessel in whatever manner is reasonable without providing the notice required under subsections (c) through (e) of this section.
- (2) (i) If the Department determines that an abandoned or sunken vessel poses an immediate hazard or obstruction to navigation, a potential health hazard, or a potential environmental hazard, the Department shall take the vessel into custody without providing the notice required under subsection (c)(1) of this section.

- (ii) The Department shall keep a written record of a determination made under this paragraph, including the actual or potential hazards mitigated by removal of the vessel.
- (h) The Department may delegate the Department's authority to remove and dispose of abandoned or sunken vessels under this section to any local jurisdiction that consents to the delegation.
- (i) The Department, in consultation with the Director of the Maryland Historical Trust, may adopt regulations to implement this section.
- (j) The Department may not use funds budgeted for the Natural Resources Police for the purpose of removing or storing abandoned or sunken vessels under this section.

### 8-721.2.

- (A) THE DEPARTMENT MAY ESTABLISH AND ADMINISTER A VOLUNTARY VESSEL TURN—IN PROGRAM THAT ALLOWS THE OWNER OF A VESSEL DETERMINED BY THE DEPARTMENT TO BE AT RISK OF BECOMING AN ABANDONED OR SUNKEN VESSEL, AS DEFINED IN § 8–721 OF THIS SUBTITLE, TO TURN THE VESSEL IN TO THE DEPARTMENT TO BE DESTROYED.
- (B) TO APPLY TO PARTICIPATE IN A PROGRAM AUTHORIZED UNDER THIS SECTION, A VESSEL OWNER SHALL SUBMIT TO THE DEPARTMENT AN APPLICATION IN THE FORM THAT THE DEPARTMENT REQUIRES.
- (C) IN ORDER TO PARTICIPATE IN A PROGRAM AUTHORIZED UNDER THIS SECTION, THE OWNER OF A VESSEL SHALL DEMONSTRATE TO THE SATISFACTION OF THE DEPARTMENT THAT: THE APPLICANT IS THE OWNER OF THE VESSEL AND A RESIDENT OF THE STATE.
  - (1) THE APPLICANT IS THE OWNER OF THE VESSEL;
  - (2) THE APPLICANT IS A RESIDENT OF THE STATE; AND
- (3) THE VESSEL IS AT RISK OF BECOMING AN ABANDONED OR SUNKEN VESSEL.
- (D) THE DEPARTMENT MAY DETERMINE THAT A VESSEL IS AT RISK OF BECOMING AN ABANDONED OR SUNKEN VESSEL, AS DEFINED IN § 8–721 OF THIS SUBTITLE, IF ANY OF THE FOLLOWING CONDITIONS EXIST:
- (1) THE VESSEL IS TAKING ON OR HAS TAKEN ON WATER WITHOUT AN EFFECTIVE MEANS TO DRAIN OR EMPTY THE WATER:

- (2) SPACES ON THE VESSEL THAT ARE DESIGNED TO BE ENCLOSED ARE INCAPABLE OF BEING SEALED OFF OR REMAIN OPEN TO THE ELEMENTS FOR EXTENDED PERIODS OF TIME;
- (3) THE VESSEL HAS BROKEN FROM OR IS IN DANGER OF BREAKING LOOSE FROM ITS ANCHOR: OR
- (4) THE VESSEL IS TIED IN AN UNLAWFUL OR UNPERMITTED MANNER TO A STRUCTURE OR MOORING.
- (D) IN EVALUATING WHETHER A VESSEL IS ELIGIBLE FOR THE PROGRAM, THE DEPARTMENT SHALL PRIORITIZE, IN ORDER OF PRIORITY, THE FOLLOWING VESSELS:
- (1) A VESSEL THAT IS ABANDONED OR SUNKEN AS DEFINED IN § 8–721 OF THIS SUBTITLE;
- (2) A VESSEL THAT IS AT RISK OF BECOMING ABANDONED OR SUNKEN IF:
- (I) THE VESSEL IS TAKING ON OR HAS TAKEN ON WATER WITHOUT AN EFFECTIVE MEANS TO DRAIN OR EMPTY THE WATER;
- (II) SPACES ON THE VESSEL THAT ARE DESIGNED TO BE ENCLOSED ARE INCAPABLE OF BEING SEALED OFF OR REMAIN OPEN TO THE ELEMENTS FOR EXTENDED PERIODS OF TIME; OR
- (III) THE VESSEL HAS BROKEN FROM OR IS IN DANGER OF BREAKING LOOSE FROM ITS ANCHOR; AND
- (3) ANY OTHER VESSEL THE DEPARTMENT DETERMINES IS ELIGIBLE FOR PARTICIPATION IN THE PROGRAM.
- (E) THE DEPARTMENT, IN ITS SOLE DISCRETION, MAY DETERMINE ELIGIBILITY FOR PARTICIPATION IN A PROGRAM AUTHORIZED UNDER THIS SECTION.
- (F) THE DEPARTMENT, OR A PERSON REMOVING, TOWING, STORING, OR DISPOSING OF A VESSEL THAT IS ACCEPTED INTO A PROGRAM AUTHORIZED UNDER THIS SECTION ON BEHALF OF THE DEPARTMENT, MAY NOT BE HELD LIABLE FOR ANY DAMAGE TO THE VESSEL WHICH MAY OCCUR DURING REMOVAL, STORAGE, OR CUSTODY OF THE VESSEL.

(G) IF THE DEPARTMENT ESTABLISHES A PROGRAM AUTHORIZED UNDER THIS SECTION, THE DEPARTMENT SHALL ADOPT REGULATIONS TO IMPLEMENT AND CARRY OUT THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

Approved by the Governor, May 9, 2024.