

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 293 (Delegate Arentz, *et al.*)
 Environment and Transportation

State Boat Act - Abandoned or Sunken Recreational Vessels - Identification and Removal

This bill authorizes the Department of Natural Resources (DNR) to seize, remove, or take into custody specified abandoned or sunken recreational vessels that have remained in certain fixed locations for more than 60 days. DNR must consider and document specified factors in determining whether a recreational vessel meets the criteria for an abandoned or sunken vessel.

Fiscal Summary

State Effect: Special fund expenditures increase by \$178,700 in FY 2025. Future years reflect annualization and the elimination of one-time costs. Revenues are not materially affected.

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	178,700	217,900	221,000	224,100	227,400
Net Effect	(\$178,700)	(\$217,900)	(\$221,000)	(\$224,100)	(\$227,400)

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local government expenditures may increase minimally to remove abandoned recreational vessels under delegated authority from DNR. Local revenues are not materially affected.

Small Business Effect: Minimal.

Analysis

Bill Summary: For purposes of the State Boat Act, the definition of “abandoned or sunken vessel” is expanded to include a recreational vessel that (1) has remained tied to a privately owned apparatus used to secure, berth, or moor vessels in the waters of the State for more than 60 days without the consent of the owner or person in control of the apparatus or (2) has remained anchored and unattended in the same location for more than 60 days.

For the purposes of determining whether a vessel meets the criteria for an abandoned or sunken vessel, DNR must consider and document (1) whether the vessel has a valid, current registration; (2) any standing water in the vessel; (3) the condition of the vessel; (4) if the vessel is anchored, whether it is equipped with an anchor light; and (5) if the vessel is moored, the condition of the equipment used to moor the vessel.

Current Law: DNR is authorized to seize, remove, and take into custody any abandoned or sunken vessel. 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. DNR, or a person removing, preserving, or storing an abandoned or sunken vessel on the department’s behalf, 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.

“Abandoned or sunken vessel” means any vessel that:

- is left illegally or has remained without permission for more than 30 days on public property, including public marinas, docks, or boatyards;
- has remained for more than 60 days at a private marina or boatyard, or property operated by a private marina or boatyard, without the consent of the owner or person in control of the property;
- has remained for more than 30 days at a private dock or at or near waters’ edge on private property without the consent of the owner or person in control of the property;
- has remained on any other private property for more than 180 days without the consent of the owner or person in control of the property; or
- has been found adrift or unattended in or upon the waters of the State and is found in condition of disrepair, presents a potential health or environmental hazard, and is not specified historic property.

Generally, no later than 15 days before an abandoned or sunken vessel is seized, removed, or taken into custody, DNR must send a specified notice to the last known registered owner of the vessel, as shown on the department’s records. If DNR is unable to determine the

owner, or the notice is returned as undeliverable, the department must publish notice in at least one local newspaper. If the owner or secured party of an abandoned or sunken vessel fails to claim the vessel within three weeks after notice is given, DNR may sell the vessel at public auction, proceed to receive the title to the vessel, or otherwise dispose of the vessel.

DNR may delegate its authority to remove and dispose of abandoned or sunken vessels to any local jurisdiction that consents to the delegation.

State Expenditures: DNR estimates that an additional 30 vessels per year may need to be removed under the bill, at an estimated cost of \$5,000 per vessel. At that volume, the department advises that one additional staff is required. The Natural Resources Police can investigate pilings ownership and vessel conditions with existing budgeted resources. This estimate assumes special funds from the Waterway Improvement Fund are used to cover the additional costs; in the absence of sufficient special funds, general funds may be required.

Accordingly, special fund expenditures for DNR increase by \$178,684 in fiscal 2025, which accounts for the bill’s October 1, 2024 effective date. This estimate reflects the cost of hiring one hydrographic engineer to handle the administrative and operational requirements of abandoned vessel removal. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses, including vessel removal costs.

Position	1.0
Salary and Fringe Benefits	\$51,428
Vessel Removal Costs	120,000
Other Operating Expenses	<u>7,256</u>
Total FY 2025 State Expenditures	\$178,684

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses, along with annualized vessel removal costs.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Department of Natural Resources; Maryland Department of Planning; Maryland Association of Counties; Maryland Municipal League; Department of Legislative Services.

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km/lgc

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