PROPOSED RULE MAKING

CR-102 (June 2012)
(Implements RCW 34.05.320)
Do NOT use for expedited rule making

Agency: Washington State Department of Natural Resources

Preproposal Statement of Inquiry was filed as WSR 13-15-103; or
Expedited Rule Making--Proposed notice was filed as WSR __________; or
Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).

Title of rule and other identifying information: (Describe Subject)
Vessel Inspection Requirements for Ownership Transfer
After July 1, 2014, owners of vessels more than sixty-five (65) feet in length and more than forty (40) years old must obtain a vessel inspection prior to transferring such vessels. Owners must provide a copy of the vessel inspection documentation to the transferee and the Washington State Department of Natural Resources prior to the ownership transfer. Owners who comply will avoid secondary liability if the vessel is later abandoned by the transferee or becomes derelict prior to a subsequent ownership transfer.

Hearing location(s):
Mount Vernon – Tuesday, March 25, 2014 / 6:00 PM
Mount Vernon City Council Chambers,
1805 Continental Place
Mount Vernon, WA 98273

Vancouver – Wednesday, March 26, 2014 / 6:00 PM.
Vancouver Community Library
901 C Street
Vancouver, WA 98660

Seattle – Thursday, March 27, 2014 / 6:00 PM.
Seattle Public Library, Beacon Hill Branch
2821 Beacon Avenue S.
Seattle, WA 98144

Date: Time:

Date of intended adoption: May 6, 2014
(Note: This is NOT the effective date)

Submit written comments to:
Name: Lisa M. Randlette
Address: Dept. of Natural Resources / MS 47027
Olympia, WA 98504-7027
e-mail lisa.randlette@dnr.wa.gov
fax (360) 902-1786 by (date) March 28, 2014

Assistance for persons with disabilities: Contact
Ms. Megan McKay by March 21, 2014
TTY (360) 902-1125 or ( )

Purpose of the proposal and its anticipated effects, including any changes in existing rules:
This rule specifies financial liability for prior and current owners of commercial and recreational vessels that are greater than sixty-five (65) feet in length and more than forty (40) years old. This rule specifies how sellers/transferors of such vessels will be released from potential, future secondary liability for subsequent abandonment or dereliction of the vessel by providing inspection reports to the prospective buyer and the Washington State Department of Natural Resources.

Reasons supporting proposal: Compliance with this rule will provide sellers/transferors potential, future protection from secondary liability for subsequent abandonment or dereliction of the vessel.

Statutory authority for adoption: RCW 34.05.328
Statute being implemented: RCW 79.100.150

Is rule necessary because of a:
Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No
If yes, CITATION:

DATE February 18, 2014

NAME (TYPE OR PRINT) Megan Duffy

SIGNATURE

TITLE Deputy Supervisor, Aquatics & Environmental Protection
Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization) Washington State Department of Natural Resources

Name of agency personnel responsible for:

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<tr>
<th>Name</th>
<th>Office Location</th>
<th>Phone</th>
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<tbody>
<tr>
<td>Drafting...............Lisa M. Randlette</td>
<td>same</td>
<td>(360) 902-1085</td>
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<tr>
<td>Implementation........Melissa Ferris</td>
<td>same</td>
<td>(360) 902-1100</td>
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<tr>
<td>Enforcement............Melissa Ferris</td>
<td>same</td>
<td>(360) 902-1100</td>
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Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?

☐ Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

☒ No. Explain why no statement was prepared.

Overall the impact on small business is minimal and no formal SBEIS is required. Vessel inspections by either the buyer or seller are considered normal business costs as part of negotiating a sale price, so the rule will not change buyer or seller behavior in most cases. There will be a small subset of cases where the inspection will be an additional cost, however because this will be a small subset, it is expected that the impact on small business overall will be minimal. There also may be minor costs associated with transmitting inspection documentation if a small business proposes to sell a vessel that is 40 years or older, and 65 feet or longer.

Is a cost-benefit analysis required under RCW 34.05.328?

☒ Yes  A preliminary cost-benefit analysis may be obtained by contacting:

Name: Lisa M. Randlette
Address: Aquatic Resources Division
Department of Natural Resources
Mail Stop 47027
Olympia, WA 98504-7027

phone (360) 902-1085
fax (360) 902-1786
email lisa.randlette@dnr.wa.gov

☐ No: Please explain: