2013 Legislation / ESHB 1245
Revised RCW 79.100.150 / Directed DNR to adopt vessel inspection rules
Vessel Inspection Rule

• Applies to vessels that are:
  – 65 feet and longer;
  – 40 years and older; and
  – Registered or licensed in Washington State.
  – Applies when vessel owners sell or transfer ownership.

• Requires:
  – Seller to provide inspection to buyer & DNR before sale.
  – DNR to maintain vessel inspection records, and
  – DNR may seek secondary liability / cost recovery from prior vessel owner if:
    • No inspection was provided prior to sale;
    • Vessel subsequently becomes derelict and DNR must respond; and
    • Current owner cannot be located or held financially responsible.

• Rule implementation (effective July 1, 2014)
# Timeline for Rulemaking

<table>
<thead>
<tr>
<th>Ongoing</th>
<th>DNR communicates w/ stakeholders on rule issues</th>
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<tbody>
<tr>
<td>January - February 2014</td>
<td>DNR prepares draft rule language and supporting documentation.</td>
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<tr>
<td>Late March, 2014</td>
<td>DNR conducts public outreach / hearings on draft rule.</td>
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<tr>
<td>April, 2014</td>
<td>DNR revises rule to reflect public input.</td>
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<tr>
<td>May, 2014</td>
<td>BNR considers rule language for adoption.</td>
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Summary of Proposed Rule

• Amends 3 existing sections:
  – Administrative clarification that the owner or lienholder of an abandoned or derelict vessel may file appeals of a DNR decision or action with the pollution control hearing board, as provided in RCW 79.100 (Derelict and Abandoned Vessel Act).

• Adds 3 new sections:
  – Defines when and to whom the rule applies; what inspection information is needed; and how / where to file inspection documents.
Specific Provisions

WAC 332-08-122 Transfer of certain vessels – Vessel inspection required – Secondary liability.

- Effective July 1, 2014.

- A seller / transferor of a qualifying vessel must provide vessel inspection document before they transfer ownership of a vessel.

- DNR may pursue secondary liability if the prior owner(s) did not provide documentation before transferring ownership of the vessel.
Specific Provisions

WAC 332-08-123 Minimum criteria for vessel inspection

• For the purpose of this rule, the term “seaworthy” means the vessel and its equipment are physically fit and in working order; able to encounter and withstand the ordinary perils of the sea during its contemplated use; and is suitable for its intended purpose.

• Vessel inspection report include: general description of vessel, current legal owner, condition rating, surveyor recommendations, market and replacement values, intended use, physical suitability of vessel and equipment for intended use; and whether the cost of any necessary repairs are likely to exceed the market value of the vessel.
Specific Provisions

WAC 332-08-124 Procedure for vessel inspection documentation

• Seller / transferor to file hard copy of documentation and acknowledgement form - signed by sell and buyer - with DNR.
• DNR will transmit notice of receipt w/I 10 business days. (Receipt does not constitute concurrence that documentation meets minimum criteria.)
• DNR will maintain records for future reference.
• DNR may notify a prior owner they have secondary liability, if:
  – An authorized public entity has taken custody of the derelict or abandoned vessel’
  – The current owner cannot be identified or is financially insolvent;
  – DNR does not have vessel inspection documentation on record for the vessel; AND
  – The vessel was transferred after July 1, 2014.