

HOUSE CS FOR CS FOR SENATE BILL NO. 92(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/18/18

Referred: Rules

Sponsor(s): SENATOR MICCICHE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to abandoned and derelict vessels; relating to the registration of
2 vessels; relating to certificates of title for vessels; relating to the duties of the
3 Department of Administration; relating to the duties of the Department of Natural
4 Resources; establishing the derelict vessel prevention program; establishing the derelict
5 vessel prevention program fund; relating to the authority of certain persons to enforce
6 laws relating to derelict vessels; and providing for an effective date."

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 * **Section 1.** AS 05.25.055(a) is amended to read:

9 (a) A [AN UNDOCUMENTED] boat placed on water of the state must be
10 titled, registered, and numbered as required by this chapter. The Department of
11 Administration shall adopt by regulation a boat registration and numbering system that
12 is consistent with the national standard for state numbering systems established by the
13 United States Coast Guard.

1 * **Sec. 2.** AS 05.25.055(f) is amended to read:

2 (f) Unless otherwise provided by this chapter, [OR UNLESS THE OWNER
3 HAS BEEN AWARDED A CURRENT, VALID ALASKA CERTIFICATE OF
4 NUMBER FROM THE UNITED STATES COAST GUARD,] the owner of a boat for
5 which a current certificate of number has been awarded under federal law or a
6 federally approved numbering system of another state shall apply for a certificate of
7 number in this state as required by this chapter if the boat is operated on water of the
8 state for more than 90 consecutive days **or if the boat is a barge and is operated on**
9 **water of the state for more than 60 consecutive days**. If a boat has an existing
10 number, the owner may request that the department issue the same number for
11 purposes of this section, and the department shall comply with the request unless
12 compliance would result in a duplication of numbers.

13 * **Sec. 3.** AS 05.25.055(i) is amended to read:

14 (i) The following boats are exempt from the numbering and registration
15 provisions of this section:

16 (1) a boat that

17 **(A)** is **not a barge;**

18 **(B)** is operated in this state for a period not exceeding 90
19 consecutive days; and

20 **(C)** [THAT] has a current, valid certificate of number issued by
21 another state having a federally approved numbering system;

22 (2) a foreign boat operated in water of the state for a period not
23 exceeding 90 consecutive days;

24 (3) a boat owned by the United States or an entity or political
25 subdivision of the United States, or a boat owned by a state or an entity or political
26 subdivision of a state;

27 (4) a boat that is not equipped with mechanical propulsion;

28 (5) a boat with a valid document to operate the boat that is issued by
29 [THE UNITED STATES OR] a foreign government;

30 (6) a handmade nonmotorized umiaq with a walrus or sealskin
31 covering;

(7) a boat that**(A) is a barge;****(B) is operated in this state for a period not exceeding 60 consecutive days; and****(C) has a current, valid certificate of number issued by another state having a federally approved numbering system.**

* **Sec. 4.** AS 05.25 is amended by adding a new section to read:

Sec. 05.25.056. Certificate of title; inadequate evidence of ownership. (a)

Except as provided under (f) of this section, the owner of an undocumented boat subject to registration in this state under AS 05.25.055 shall apply to the Department of Administration for a certificate of title for the boat.

(b) A person who purchases or obtains a majority ownership of an undocumented boat shall, within 30 days after purchasing or obtaining the boat, apply for a new certificate of title that shows the boat's change of ownership.

(c) If the Department of Administration is not satisfied as to the ownership of an undocumented boat or believes there may be an undisclosed security interest in an undocumented boat, the Department of Administration may register the boat without issuing a title and shall type or stamp on the face of the certificate of registration "No Title Issued." A certificate of title may be issued only if the

(1) applicant presents documents sufficient to satisfy the Department of Administration that

(A) the applicant owns the boat; and

(B) there is no undisclosed security interest in the boat; or

(2) title is uncontested for three years following the issuance of the "No Title Issued" registration.

(d) The state and its employees or agents are not liable for damages or costs associated with an act or omission under this section.

(e) The Department of Administration shall adopt regulations to implement this section.

(f) This section does not apply to an undocumented boat that is 24 feet or less in length, unless the owner of the boat chooses to apply to the Department of

1 Administration for a certificate of title for the boat.

2 * **Sec. 5.** AS 05.25.090(b), as repealed and reenacted by sec. 20, ch. 28, SLA 2000, is
3 amended to read:

4 (b) A person who violates AS 05.25.010(d), [OR] 05.25.020(b), or 05.25.055
5 is guilty of a violation, as defined in AS 11.81.900, and may be fined up to \$50.

6 * **Sec. 6.** AS 05.25.096 is amended to read:

7 **Sec. 05.25.096. Fees.** (a) The Department of Administration shall assess the
8 following fees:

9 (1) motorized boat registration, registration renewal, and transfer of
10 registration, \$24 for a three-year period;

11 (2) nonmotorized boat registration, registration renewal, and transfer of
12 registration, \$10 for a three-year period;

13 (3) replacement of lost registration, \$5;

14 (4) replacement of lost registration validation decals, \$5;

15 (5) barge registration, registration renewal, and transfer of
16 registration, \$75 for a three-year period;

17 (6) boat title and duplicate boat title, \$20.

18 (b) The Department of Administration shall separately account for fees
19 collected under (a) of this section for boat registration **and titling** that are deposited in
20 the general fund. The annual estimated balance in that account may be used by the
21 legislature to make appropriations to the department and the Department of
22 Administration to carry out the purposes of this chapter **and AS 30.30.**

23 * **Sec. 7.** AS 05.25.100 is amended by adding a new paragraph to read:

24 (16) "barge" means a boat that is

25 (A) motorized or nonmotorized;

26 (B) designed to be towed; and

27 (C) used for carrying freight.

28 * **Sec. 8.** AS 05.25.100, as repealed and reenacted by sec. 23, ch. 28, SLA 2000, is amended
29 by adding new paragraphs to read:

30 (5) "boat" means watercraft used or capable of being used as a means
31 of transportation on water, except for

1 (A) a ship's lifeboat;

2 (B) a seaplane;

3 (C) an inspected passenger vessel; and

4 (D) a single air mattress, single inner tube, or other water toy;

5 (6) "boat dealer" means a person engaged wholly or in part in the
6 business of selling or offering for sale, buying or taking in trade for the purpose of
7 resale, or exchanging, displaying, demonstrating, or offering for sale three or more
8 boats within 12 consecutive months and who receives or expects to receive money,
9 profit, or any other thing of value;

10 (7) "certificate of number" means the document bearing the
11 identification number issued to a boat by the Department of Administration under this
12 chapter, by a federal agency, or by the state of principal use under a federally
13 approved numbering system;

14 (8) "owner" means a person who has a property interest other than a
15 security interest in a boat and the right of use or possession of the boat; "owner" does
16 not include a lessee unless the lease is intended as security;

17 (9) "ownership" means a property interest other than a security
18 interest;

19 (10) "undocumented boat" means a boat that does not possess a valid
20 certificate of documentation issued by the United States Coast Guard under 46 U.S.C.
21 12101 - 12123.

22 * **Sec. 9.** AS 30.30.010(a) is amended to read:

23 (a) A person may not store or leave a **derelect** vessel [IN A WRECKED,
24 JUNKED, OR SUBSTANTIALLY DISMANTLED CONDITION OR
25 ABANDONED]

26 (1) on the waters of the state or **on state or municipal property** [AT
27 A PORT OR HARBOR OF THE STATE OR A MUNICIPALITY] without the
28 consent of the state agency or municipality having jurisdiction over the water **or**
29 **property** [, PORT, OR HARBOR]; or

30 (2) [DOCKED] at any private property without the consent of the
31 owner of the property.

1 * **Sec. 10.** AS 30.30.010(b) is amended to read:

2 (b) **Except as provided under AS 30.30.110 - 30.30.150, a** [A] state agency,
 3 municipality, or peace officer may **impound** [REMOVE] a derelict vessel **subject to**
 4 **this chapter** [FROM WATERS OF THE STATE WHEN THE VESSEL
 5 OBSTRUCTS OR THREATENS TO OBSTRUCT NAVIGATION, CONTRIBUTES
 6 TO AIR OR WATER POLLUTION, OR IN ANY OTHER WAY CONSTITUTES A
 7 DANGER OR POTENTIAL DANGER TO THE ENVIRONMENT].

8 * **Sec. 11.** AS 30.30.010(e) is amended to read:

9 (e) A person who violates this section, upon conviction, is guilty of a
 10 misdemeanor and is punishable by **one or more of the following:**

11 **(1)** a fine of not **less than \$5,000 or** more than **\$10,000;**

12 **(2)** [\$500, OR BY] imprisonment for a period of not more than **90**
 13 **days;**

14 **(3) forfeiture of the person's vessel** [SIX MONTHS, OR BY BOTH].

15 * **Sec. 12.** AS 30.30.010 is amended by adding a new subsection to read:

16 (f) The department or a municipality may report a violation of this section to
 17 the attorney general, who may institute the proper proceedings to enforce the criminal
 18 penalties provided in (e) of this section.

19 * **Sec. 13.** AS 30.30 is amended by adding a new section to read:

20 **Sec. 30.30.015. Civil penalties.** (a) The department, a municipality, or an
 21 aggrieved person may institute a civil action against a person who violates
 22 AS 30.30.010. In addition to injunctive and compensatory relief, a civil penalty of not
 23 more than \$1,000 may be imposed for each violation. An action to enjoin a violation
 24 may be brought notwithstanding the availability of any other remedy. On application
 25 for injunctive relief and a finding that a person has violated AS 30.30.010, the superior
 26 court may grant the injunction. Each day that a violation occurs constitutes a separate
 27 violation.

28 (b) The department may provide for the payment of a civil penalty under this
 29 section by mail.

30 * **Sec. 14.** AS 30.30.030 is amended to read:

31 **Sec. 30.30.030. Limitation on applicability. A vessel does not constitute a**

1 **derelict vessel under this chapter if the**

2 **(1) department provides written authorization for the owner to**
 3 **anchor, moor, store, or otherwise leave the vessel within 14 days after the owner**
 4 **anchors, moors, stores, or leaves the vessel; and**

5 **(2) vessel is anchored, moored, stored, or otherwise left unattended**
 6 **for more than 14 days**

7 **(A)** [WHEREVER] outside of an organized municipality
 8 **where** [IN THE STATE] it is [, OR HAS BECOME,] the custom, common, or
 9 accepted practice to anchor, moor, **store**, or otherwise leave a vessel in a port
 10 or harbor or in [THE] waters **of the state;**

11 **(B) because** [OF THE STATE IN SUCH A MANNER THAT
 12 IT DOES NOT THREATEN OR OBSTRUCT NAVIGATION, OR TO
 13 STORE OR OTHERWISE LEAVE A VESSEL WITHOUT PERMISSION
 14 ON PUBLIC OR PRIVATE PROPERTY, UNATTENDED FOR MORE
 15 THAN 30 DAYS, WHERE] climatic conditions make use of the vessel
 16 impracticable; or

17 **(C) because other** applicable provisions of law **prohibit**
 18 [PRECLUDE] use of the vessel during that period of time [, THE
 19 UNATTENDED ANCHORING, MOORING, STORING, OR LEAVING OF
 20 THE VESSEL DOES NOT CONSTITUTE ABANDONMENT OF THE
 21 VESSEL AS THAT TERM IS USED IN AS 30.30.010 - 30.30.100].

22 * **Sec. 15.** AS 30.30.040 is amended to read:

23 **Sec. 30.30.040. Pre-impoundment notice and hearing** [NOTICE TO
 24 **OWNER**]. **Except as otherwise provided in this chapter, at least 20 days before**
 25 **impounding a vessel, the state agency or municipality responsible for impounding**
 26 **the vessel shall post** [ON TAKING CUSTODY OF AN ABANDONED VESSEL,] a
 27 written notice [IMMEDIATELY SHALL BE POSTED] on the vessel, **if possible**, and
 28 **on the Alaska Online Public Notice System or the municipality's official website.**
 29 **A copy** [A DUPLICATE] of that notice **must be** sent by [REGISTERED OR]
 30 certified mail, with a return receipt, to the [REGISTERED] owner of the vessel at the
 31 [REGISTERED] owner's last known address **or the address on record with the**

1 **United States Coast Guard or the Department of Administration** and to all
 2 lienholders shown on the records of **the United States Coast Guard or** a state [OR
 3 FEDERAL] agency. [THE NOTICE MUST CONTAIN A BRIEF DESCRIPTION OF
 4 THE VESSEL, THE LOCATION OF CUSTODY, AND THE INTENDED
 5 DISPOSITION OF THE VESSEL IF NOT REPOSSESSED WITHIN 20 DAYS
 6 AFTER THE MAILING OF THE NOTICE. A NOTICE NEED NOT BE SENT TO
 7 THE PURPORTED OWNER OR ANY OTHER PERSON WHOSE INTEREST IN
 8 THE VESSEL IS NOT RECORDED WITH A STATE AGENCY OR A FEDERAL
 9 AGENCY.]

10 * **Sec. 16.** AS 30.30.040 is amended by adding new subsections to read:

11 (b) The notice must contain the

- 12 (1) name or number of the vessel, if known;
 13 (2) name and address of the owner, if known;
 14 (3) intended action against the vessel; and
 15 (4) hearing procedure under (c) of this section.

16 (c) Except as provided in AS 30.30.065, the owner of a vessel may file a
 17 written demand for a pre-impoundment hearing with the state agency or municipality
 18 that sent the notice within 15 days after the postmark date of the notice required under
 19 (a) of this section. If the written demand is made by a person who is not the owner of
 20 the vessel, the written demand must establish that the person requesting the hearing
 21 has an interest in the vessel. An owner or a person with a financial or security interest
 22 in a vessel who fails to request or attend a scheduled hearing waives the right to a
 23 hearing.

24 (d) A pre-impoundment hearing must be conducted within 10 business days
 25 after the receipt of a written demand for a pre-impoundment hearing unless the person
 26 requesting the hearing consents to a later date.

27 (e) An individual who has authority to direct the impoundment of a vessel at
 28 issue in a pre-impoundment hearing may not serve as the hearing officer. The hearing
 29 shall be conducted in an informal manner. The provisions of AS 44.62 (Administrative
 30 Procedure Act) do not apply to a hearing conducted under this section.

31 (f) The state agency or municipality responsible for impounding a vessel has

1 the burden of showing substantial evidence that the vessel is derelict. After the
 2 hearing, the hearing officer shall issue a written decision of whether there is
 3 substantial evidence that the vessel is derelict. A copy of the decision shall be
 4 provided to the vessel owner and the person requesting the hearing, if other than the
 5 vessel owner.

6 (g) If the hearing officer determines that there is substantial evidence
 7 establishing that the vessel is derelict, then the state agency or municipality may
 8 impound the vessel and proceed with disposition of the vessel as provided under
 9 AS 30.30.055.

10 * **Sec. 17.** AS 30.30 is amended by adding a new section to read:

11 **Sec. 30.30.045. Notice of disposition of derelict vessel.** (a) After impounding
 12 a derelict vessel, the state agency or municipality shall post a notice of disposition on
 13 the Alaska Online Public Notice System or the municipality's website and, if possible,
 14 on the vessel itself at least 20 days before disposing of the vessel.

15 (b) A duplicate of the notice must be served by certified mail, return receipt
 16 requested, on

17 (1) the owner of the vessel, if known, at the address on record with the
 18 United States Coast Guard or the Department of Administration; and

19 (2) all lienholders who have filed a financing statement indexed in the
 20 name of the owner or who are shown on the records of a state agency or the United
 21 States Coast Guard.

22 (c) The notice of disposition must include

23 (1) a description of the vessel;

24 (2) the name or number of the vessel, if known;

25 (3) the name and address of the owner, if known;

26 (4) the location of the vessel;

27 (5) the means of disposition; and

28 (6) the location, date, and time of a public auction if an auction will be
 29 held to dispose of the vessel.

30 * **Sec. 18.** AS 30.30 is amended by adding a new section to read:

31 **Sec. 30.30.055. Impoundment and disposition of derelict vessel.** (a) A state

1 agency or municipality may impound a derelict vessel by

2 (1) securing the vessel in place;

3 (2) towing or sailing the vessel to a secure mooring in a location that is
4 authorized by the state agency or municipality; or

5 (3) removing the vessel from the water and placing it in storage.

6 (b) The state agency or municipality that impounds a vessel may sell, donate,
7 or destroy the vessel if the vessel is not repossessed by the owner or a person with a
8 financial or security interest in the vessel within 20 days after the postmark date of the
9 notice mailed under AS 30.30.045(a). The sale of a vessel may be by public auction or
10 by sealed bids or, if no bids are received, by negotiated sale.

11 (c) A state agency or municipality may, by regulation or ordinance, adopt sale
12 or disposal methods that are consistent with the provisions of this chapter.

13 (d) A state agency or municipality shall apply the proceeds from the sale of a
14 vessel under this chapter in the following order:

15 (1) to the administrative costs associated with impounding the vessel;

16 (2) to the costs of towing, handling, and storing the vessel;

17 (3) to the administrative costs of conducting the sale;

18 (4) to a lienholder to the extent of the lien;

19 (5) to the owner of the vessel if the owner can be found; if the owner
20 cannot be found, the balance shall be deposited into the derelict vessel prevention
21 program fund under AS 30.30.096.

22 (e) A state agency or municipality shall disperse the proceeds of the sale of a
23 vessel at a public auction under federal law in accordance with federal law.

24 (f) The state agency or municipality or its designees, employees, or agents are
25 not liable for the disposition of a vessel to the owner, operator, or any lienholder of the
26 vessel.

27 (g) The transfer of title and interest by sale under this section is a transfer by
28 operation of law. However, a bill of sale executed by an authorized seller is
29 satisfactory evidence authorizing the transfer of the title or interest.

30 * **Sec. 19.** AS 30.30.060 is amended to read:

31 **Sec. 30.30.060. Possession by interested party.** An owner or a [A] person

1 having **a financial or security** [AN] interest in **a derelict** [AN ABANDONED] vessel
 2 may take possession of it before the date of the public auction, **destruction, or**
 3 **donation of the vessel** upon payment to the state agency or municipality of all port or
 4 harbor use fees, towing, handling, storage, appraisal, advertising, and any other
 5 expenses incurred by the state agency or municipality in connection with the vessel.
 6 [IF THE PERSON TAKING POSSESSION OF THE VESSEL IS NOT THE
 7 REGISTERED OWNER, THE PERSON SHALL, BEFORE TAKING POSSESSION
 8 OF THE VESSEL, PAY THE EXPENSES INCURRED BY THE STATE AGENCY
 9 OR MUNICIPALITY AND POST ADEQUATE SECURITY, WHICH MAY NOT
 10 EXCEED THE APPRAISED VALUE OF THE VESSEL. THE SECURITY, IF NOT
 11 FORFEITED, SHALL BE RETURNED TO THE PERSON ONE YEAR AFTER
 12 RECEIPT.]

13 * **Sec. 20.** AS 30.30 is amended by adding a new section to read:

14 **Sec. 30.30.065. Impoundment of derelict vessels posing imminent clear**
 15 **and present danger.** (a) Notwithstanding any other provision of law, a state agency or
 16 municipality may impound a derelict vessel immediately if the vessel constitutes a
 17 clear and present danger to public health, safety, or general welfare.

18 (b) When action is taken to impound a derelict vessel under (a) of this section,
 19 the state agency or municipality impounding the vessel shall, after 24 hours of the
 20 impoundment, provide notice of the action and the opportunity for a post-
 21 impoundment hearing by hand-delivery or certified mail, return receipt requested, to
 22 the owner of the vessel if the name and location of the owner is known.

23 (c) The owner of the vessel or a person with a financial or security interest in
 24 the vessel may file a written demand for a post-impoundment hearing within 15 days
 25 after the postmark date of the notice of impoundment under (b) of this section. An
 26 owner or a person with a financial or security interest in the vessel who fails to request
 27 or attend a scheduled post-impoundment hearing waives the right to the hearing.

28 (d) The state agency or municipality that impounded the vessel shall conduct a
 29 post-impoundment hearing within 48 hours after receiving a written demand for a
 30 post-impoundment hearing. The 48-hour period does not include Saturdays, Sundays,
 31 days that the state agency or municipality that impounded the vessel is officially

1 closed, and legal holidays. The state agency or municipality shall conduct the post-
 2 impoundment hearing in an informal manner. The provisions of AS 44.62
 3 (Administrative Procedure Act) do not apply to a post-impoundment hearing.

4 (e) A post-impoundment hearing officer shall determine whether there is
 5 substantial evidence establishing that the derelict vessel constituted a clear and present
 6 danger. If the hearing officer determines that there is substantial evidence to impound
 7 the vessel, the state agency or municipality or its designee may proceed to dispose of
 8 the vessel as provided under AS 30.30.055. If the hearing officer determines that there
 9 was not substantial evidence to impound the vessel, the state agency or municipality
 10 that impounded the vessel

11 (1) shall release the vessel to the owner;

12 (2) may not require the owner to pay the towing, storage,
 13 impoundment, or abatement charges; and

14 (3) shall refund or reimburse any towing, storage, impoundment, or
 15 abatement charges previously paid by the owner.

16 * **Sec. 21.** AS 30.30 is amended by adding a new section to read:

17 **Sec. 30.30.075. Liability for derelict vessels.** Except as provided in
 18 AS 30.30.065(e), the owner of a vessel and a person entitled to possession of a vessel
 19 impounded under this chapter are jointly and severally liable for all costs incurred by
 20 the state agency or municipality in connection with the impoundment, storage, and
 21 removal of the vessel.

22 * **Sec. 22.** AS 30.30.090 is amended to read:

23 **Sec. 30.30.090. Derelict vessel.** A vessel [THAT HAS BEEN LEFT
 24 UNATTENDED FOR MORE THAN 24 CONSECUTIVE HOURS] is a derelict
 25 vessel if

26 (1) the vessel is sunk or in immediate danger of sinking, is obstructing
 27 a waterway, or is endangering public health, safety, [LIFE OR] property, or the
 28 environment; [OR]

29 (2) the vessel has been anchored, moored, stored, abandoned, or
 30 otherwise left in the waters of the state or on state or municipal [PUBLIC] property
 31 contrary to law;

1 **(3)** [OR REGULATIONS ADOPTED BY A STATE AGENCY OR
 2 MUNICIPALITY OR THE VESSEL HAS BEEN LEFT ON PRIVATE PROPERTY
 3 WITHOUT AUTHORIZATION OF THE OWNER OR OCCUPANT OF THE
 4 PROPERTY, AND IF

5 (A) the vessel's certificate [OF] number or marine document
 6 **number** has expired and the [REGISTERED] owner no longer resides at the
 7 address listed in the vessel registration or marine document records of a state
 8 agency or the United States Coast Guard;

9 **(4)** [(B)] the last [REGISTERED] owner of record disclaims
 10 ownership and the current owner's name or address cannot be determined;

11 **(5)** [(C)] the vessel identification numbers and other means of
 12 identification have been obliterated or removed in a manner that nullifies or precludes
 13 efforts to locate or identify the owner;

14 **(6)** [OR (D)] the vessel registration records of a state agency and the
 15 marine document records of the United States Coast Guard contain no record that the
 16 vessel ever has been registered or documented, and the owner's name or address
 17 cannot be determined; **or**

18 **(7) the vessel has been anchored, moored, stored, abandoned, or**
 19 **otherwise left unattended on private property without authorization by the**
 20 **owner or occupant of the property.**

21 * **Sec. 23.** AS 30.30 is amended by adding new sections to read:

22 **Sec. 30.30.095. Duties and powers of the department.** The department shall,
 23 to the extent that funds are available from the derelict vessel prevention program fund
 24 (AS 30.30.096),

25 (1) establish and administer the derelict vessel prevention program to
 26 prevent and deter the abandonment and operation of derelict vessels in the waters of
 27 the state and on state, municipal, and private property and to ensure that all state and
 28 municipal entities have the authority to identify, remove, and discourage derelict
 29 vessels from being stored, operated, or abandoned on the waters of the state and on
 30 state or municipal property;

31 (2) establish

1 (A) education and community outreach programs, derelict
2 vessel disposal programs, and funding options for derelict vessel removal
3 efforts; and

4 (B) a derelict vessel advisory council to implement education
5 and community outreach programs that inform and incentivize the removal of
6 derelict vessels from the waters of the state;

7 (3) develop and maintain a publicly available database of known
8 derelict vessels in the state.

9 **Sec. 30.30.096. Derelict vessel prevention program fund.** (a) The derelict
10 vessel prevention program fund is created in the general fund. The purpose of the fund
11 is to provide a source from which the department may

12 (1) reimburse state agencies and municipalities for expenses related to
13 removal of derelict vessels from waters of the state and from state or municipal
14 property;

15 (2) pay for development and implementation of programs that
16 incentivize compliance with this chapter;

17 (3) subsidize projects directly related to the derelict vessel prevention
18 program; and

19 (4) pay the costs of administering the fund.

20 (b) The fund consists of money appropriated to the fund, including

21 (1) donations;

22 (2) money received from the sale of a vessel under this chapter;

23 (3) income from the fund and other program receipts;

24 (4) money collected under AS 05.25.096(a)(5) and (6);

25 (5) civil penalties collected under AS 30.30.015.

26 (c) Appropriations to the derelict vessel prevention program fund do not lapse.

27 (d) Money appropriated to the fund may be used by the department for the
28 purposes of the fund without further appropriation.

29 (e) Nothing in this section creates a dedicated fund.

30 * **Sec. 24.** AS 30.30.110 is amended to read:

31 **Sec. 30.30.110. Disposition of vessels by persons in vessel storage or repair**

1 **business.** When a person abandons a vessel on the premises of a vessel **storage or**
 2 repair business, the owner of the business or the business owner's authorized
 3 representative may

4 **(1) sell or dispose of the vessel under AS 30.30.110 - 30.30.150; or**

5 **(2) notify a state agency, municipality, or peace officer that the**
 6 **vessel is a derelict vessel subject to impoundment under AS 30.30.010 - 30.30.090.**

7 * **Sec. 25.** AS 30.30.120 is amended to read:

8 **Sec. 30.30.120. When vessel abandoned.** A vessel is abandoned on the
 9 premises of a vessel **storage or** repair business when all of the following conditions
 10 have been satisfied:

11 (1) the service requested or required by a person whose vessel is towed
 12 or brought to a vessel **storage or** repair business, including [BUT NOT LIMITED
 13 TO] towing and rendering estimates of the cost of repairs, has been performed;

14 (2) no authorization is given to perform any further service with
 15 respect to the vessel, but the vessel is left on the **storage or** repair business premises;

16 (3) the owner of the **storage or** repair business or the business owner's
 17 authorized representative has given notice by registered or certified mail, with a return
 18 receipt, to the registered owner of the vessel at the address on record at the vessel
 19 **storage or** repair business and the address on record in a state agency or the United
 20 States Coast Guard, and to any person with a recorded interest in the vessel, stating
 21 that, if the vessel is not repossessed within 30 days after the mailing of the notice, it
 22 will be sold or disposed of; the notice also must contain a description of the vessel and
 23 its location, and it need not be sent to an owner or a person with an unrecorded interest
 24 in the vessel whose name or address cannot be determined; and

25 (4) the vessel is not repossessed within the 30-day period specified in
 26 (3) of this section.

27 * **Sec. 26.** AS 30.30.130 is amended to read:

28 **Sec. 30.30.130. Sale or disposition of vessel.** When a vessel is abandoned, the
 29 owner of the vessel **storage or** repair business, or the business owner's authorized
 30 representative, after one public advertisement in a newspaper of general circulation in
 31 the state, may negotiate a sale of the vessel or dispose of it. However, the vessel may

1 not be sold or disposed of within less than **30** [FIVE] days after publication of the
2 advertisement.

3 * **Sec. 27.** AS 30.30 is amended by adding a new section to article 4 to read:

4 **Sec. 30.30.165. Enforcement authority.** (a) The following persons are peace
5 officers of the state for the purpose of enforcing the provisions of this chapter and
6 regulations adopted under this chapter on the waters of the state:

7 (1) an employee of the department or other person authorized by the
8 commissioner of natural resources;

9 (2) an employee of a municipality authorized by the chief executive
10 officer of the municipality; or

11 (3) a peace officer, as that term is defined in AS 01.10.060.

12 (b) A person designated in (a) of this section, when enforcing the provisions of
13 this chapter or a regulation adopted under this chapter, may

14 (1) execute a warrant or other process issued by an officer or court of
15 competent jurisdiction;

16 (2) administer or take an oath, affirmation, or affidavit; and

17 (3) issue a citation or arrest a person who violates a provision of this
18 chapter or a regulation adopted under this chapter.

19 (c) A citation issued under (b) of this section must comply with the provisions
20 of AS 12.25.175 - 12.25.230.

21 * **Sec. 28.** AS 30.30.170(3) is amended to read:

22 (3) "vessel" means every description of watercraft, **floating facility**, or
23 other artificial contrivance, other than a seaplane on the water, used or capable of
24 being used as a means of transportation on or through the water;

25 * **Sec. 29.** AS 30.30.170 is amended by adding new paragraphs to read:

26 (5) "abandoned" means a vessel has been left unattended on private,
27 state, or municipal land or waters of the state without the consent of the landowner or
28 lessee for more than 30 days;

29 (6) "department" means the Department of Natural Resources;

30 (7) "owner" means a person who

31 (A) has a property interest, other than a financial or security

1 interest, in a vessel;

2 (B) is the last named owner of a vessel with the Department of
3 Administration or the United States Coast Guard; or

4 (C) is designated as having an interest in a vessel in an
5 agreement with a municipality, state agency, or political subdivision of the
6 state;

7 (8) "state agency" means a department, agency, division, or office in
8 the executive branch of state government.

9 * **Sec. 30.** AS 30.30.180 is amended to read:

10 **Sec. 30.30.180. Short title.** This chapter may be cited as the [ABANDONED
11 AND] Derelict Vessels Act.

12 * **Sec. 31.** AS 37.05.146(45) is amended to read:

13 (45) receipts of the Department of Administration from the boat
14 registration **and titling** program under AS 05.25.096;

15 * **Sec. 32.** AS 37.05.146 is amended by adding a new paragraph to read:

16 (90) civil penalties collected under AS 30.30.015, money received
17 from the sale of vessels under AS 30.30, and donations and other receipts deposited to
18 the derelict vessel prevention program fund under AS 30.30.096.

19 * **Sec. 33.** Section 27, ch. 28, SLA 2000, is amended to read:

20 Sec. 27. AS 05.25.052, 05.25.053, [05.25.055,] 05.25.057, 05.25.095 [,
21 05.25.096]; and AS 09.25.120(a)(9) are repealed.

22 * **Sec. 34.** AS 30.30.010(d), 30.30.020, 30.30.050, 30.30.070, 30.30.080, and 30.30.100 are
23 repealed.

24 * **Sec. 35.** The uncodified law of the State of Alaska is amended by adding a new section to
25 read:

26 TRANSITION: REGULATIONS. The Department of Natural Resources and the
27 Department of Administration may adopt regulations necessary to implement the changes
28 made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act),
29 but not before the effective date of the law implemented by the regulation.

30 * **Sec. 36.** Section 35 of this Act takes effect immediately under AS 01.10.070(c).

31 * **Sec. 37.** Section 5 of this Act takes effect on the date that sec. 20, ch. 28, SLA 2000, takes

1 effect under sec. 30, ch. 28, SLA 2000, as amended by sec. 3, ch. 34, SLA 2004, by sec. 1, ch.
2 19, SLA 2009, by sec. 1, ch. 47, SLA 2010, and by sec. 3, ch. 31, SLA 2012.

3 * **Sec. 38.** Section 8 of this Act takes effect on the date that sec. 23, ch. 28, SLA 2000, takes
4 effect under sec. 30, ch. 28, SLA 2000, as amended by sec. 3, ch. 34, SLA 2004, by sec. 1, ch.
5 19, SLA 2009, by sec. 1, ch. 47, SLA 2010, and by sec. 3, ch. 31, SLA 2012.

6 * **Sec. 39.** Except as provided in secs. 36 - 38 of this Act, this Act takes effect January 1,
7 2019.