

1 WHEREAS, The donation and transfer application for all ex-military and MARAD ships
2 available for use as artificial reefs may be submitted only by states, commonwealths, and
3 territories and possessions of the United States, or municipal corporations or political
4 subdivisions thereof, and

5 WHEREAS, The placement in Florida waters of the U.S.S. Spiegel Grove in 2002 and
6 the U.S.S. Oriskany in 2006 and the U.S.S. General Hoyt S. Vandenberg in 2009 has already
7 provided substantial economic and ecologic benefit to the state and to communities and
8 businesses in the proximity of the placements, and

9 WHEREAS, Each State within the United States, having active Reefing Programs using
10 ex-military, MARAD and other ships available for use as artificial reefs, formally report marked
11 increases in permanent job creation and increased tax revenue through tourism, , global media
12 attention, television productions and documentaries, and supporting industries; and

13 WHEREAS, Since 1984, the New Jersey Bureau of Marine Fisheries has been involved
14 in an intensive program of artificial reef construction and biological monitoring which includes
15 15 artificial reef sites encompassing a total of 25 square miles of sea floor, and

16 WHEREAS, The purpose of the New Jersey reefing program is to create a network of
17 artificial reefs in the ocean waters along the New Jersey coast to provide a hard substrate for fish,
18 shellfish and crustaceans, fishing grounds for anglers, and underwater structures for scuba divers,
19 these reefs are now being used extensively by anglers and divers who catch sea bass, blackfish,
20 porgy and lobster, and

21 WHEREAS, Rhode Island already has defined Marine Recreation in the Ocean Special
22 Area Management Plan (SAMP), a collection of locations that are open to the public in Rhode
23 Island and which currently include four themes, those themes being Marine Recreation in the
24 SAMP area, Cruise Ship Tourism, Recreational Activities Adjacent to the SAMP Area, and
25 Economic and Non-Market Value of Recreation and Tourism in the SAMP area, and

26 WHEREAS, This act would add a new, fifth theme to the Ocean Special Area
27 Management Plan, a vessel Artificial Reef theme, and

28 WHEREAS, The program provides a practical option for disposing of obsolete vessels in
29 a cost-effective and environmentally sound manner that can continue to promote ecotourism
30 associated with recreational diving and fishing in Rhode Island, now, therefore be it

31 RESOLVED, The general assembly determines that a statewide matching grant program
32 to secure and place obsolete ex military, MARAD and other vessels in Rhode Island waters as
33 artificial reefs would be of great benefit to Rhode Islanders in promoting ecotourism associated
34 with recreational diving and fishing in Rhode Island. The Legislature further finds that a pilot

1 program for the preparation and deployment of an ex-military and or a MARAD and or other
2 vessel (optimally one with an historic or cultural connection with Rhode Island, in Block Island
3 Sound would assist in the appropriate development of procedures for the placement of obsolete
4 vessels in Rhode Island waters.

5 THEREFORE, The Legislature hereby authorizes the planning and development of a
6 statewide ships-to-reefs program and a pilot program as described in this subsection to be
7 administered by the Rhode Island economic development corporation (RIEDC). The programs
8 will be implemented subject to: (1) Legislative approval for the state of Rhode Island to accept
9 custody of a designated ex-military and or a MARAD vessel or other; and (2) Approval for the
10 REIDC to secure and administer funding from the legislature or other source(s) for the pilot
11 program.

12 **46-6.2-2. Objectives program. – (a) Assist in reducing the pressures on natural reefs in**
13 **Rhode Island waters and increasing the opportunities for recreational diving and fishing.**

14 **(b) Provide a mechanism through which local counties and municipalities that are**
15 **permitted to place vessels in Rhode Island waters as artificial reefs can apply for and receive state**
16 **matching grants for the placement of obsolete ex military, MARAD or other vessels.**

17 **(c) Provide state funds that would be matched with local funds, federal funds, and funds**
18 **from local businesses or other sources.**

19 **(d) Establish criteria to determine eligibility for such state matching funds.**

20 **(e) Assist local counties and municipalities with the donation and transfer application for**
21 **obsolete ex-military, MARAD or other vessels available for use as artificial reefs in accordance**
22 **with MARAD or other application evaluation criteria.**

23 **(f) Develop a master plan for the purposes of maximizing the number and type of vessels**
24 **to be placed in Rhode Island waters that provides for the location of vessels in the most**
25 **ecologically and economically effective and beneficial manner.**

26 **(g) Establish and promote standards for the placement of obsolete ex-military, MARAD**
27 **or other vessels in Rhode Island waters, consistent with current environmental standards and the**
28 **mandate of Section 3516 of the National Defense Authorization Act for Fiscal Year 2004 and the**
29 **2006 publication, “National Guidance: Best Management Practices for preparing Vessels**
30 **Intended to Create Artificial Reefs”, published jointly by the United States Environmental**
31 **Protection Agency and the MARAD, which emphasizes minimization of the release of harmful**
32 **substances into the environment while obsolete vessels are at anchorage and are undergoing**
33 **disposal processes.**

34 **(h) Provide for and receive interagency comments from the agencies responsible for the**

1 permitting of artificial reefs and the Rhode Island department of environmental management,
2 allowing for a review period consistent with MARAD or other appropriate application deadlines.

3 (i) Establish a vessel artificial reef component as a fifth (5th) theme for Rhode Island's
4 Recreation in the Ocean Special Area Management Plan (SAMP), consistent with the
5 responsibilities of the Rhode Island Commission on Tourism and the Office of Tourism, Trade,
6 and Economic Development under s. with respect to nature-based tourism and heritage tourism.

7 (j) Provide for title of obsolete vessels to be transferred to the state.

8 **46-6.2-3. Rhode Island obsolete vessel placement program – Matching grant**
9 **program.** – The RIEDC is authorized to establish the Rhode Island obsolete vessel placement
10 program, a matching grant program for the securing and placement of obsolete ex-military,
11 MARAD or other vessels in Rhode Island waters to serve as artificial reefs and, pursuant thereto,
12 to make expenditures and enter into contracts with local governments and nonprofit corporations
13 specifically established for the purpose of securing and placing obsolete ex-military, MARAD or
14 other vessels as artificial reefs in Rhode Island waters.

15 **46-6.2-4. Artificial reef program.** – To carry out the provisions as set forth in this
16 chapter, the RIEDC is authorized to adopt regulations regarding the placement of vessels in state
17 waters to form artificial reefs; authorizing the planning and development of a statewide matching
18 grant program to secure and place ex-military, MARAD and other vessels in Rhode Island waters
19 as artificial reefs; authorizing the planning and development of a pilot program for the preparation
20 and deployment of a specified obsolete vessel in Block Island Sound to serve as a model for the
21 development of procedures for the placement of such vessels in Rhode Island waters; providing
22 for administration of the programs by the RIEDC; providing for implementation of the program
23 subject to appropriations; providing objectives of the programs; providing for the establishment
24 of the Rhode Island obsolete vessel Placement Program and matching grant program by the
25 RIEDC; providing a limitation on the total annual allocation of funds for the grant program;
26 providing a limitation on individual grants awarded under the program; specifying the percentage
27 of the state matching grant; and providing procedures and requirements with respect to the
28 programs;

29 **46-6.2-5. Grant approval.** – (a) The RIEDC shall have final approval of grants awarded
30 through this program.

31 (b) The total annual allocation of funds for the grant program may not exceed twelve
32 million dollars (\$12,000,000). Each grant awarded under the program shall be limited to no more
33 than four million dollars (\$4,000,000) and shall be matched. The limit for a state matching grant
34 shall be fifty percent (50%) of total project cost.

1 (c) The RIEDC may:
2 (1) Receive submissions of requests for matching funds and documentation relating to
3 those requests;

4 (2) Evaluate requests for reefing proposals and matching funds; and

5 (3) Approve and allocate matching funds to local governments or nonprofit corporations
6 specifically established and recognized by the state for the purpose of securing and placing
7 obsolete ex-military, MARAD or other vessels as artificial reefs in Rhode Island waters.

8 (d) To demonstrate that a local government or nonprofit corporations meet the required
9 criteria, the local government or nonprofit corporation must submit formal agreements, written
10 pledges, memorandums of understanding, financing arrangements, or other documents
11 demonstrating that non-state matching funds are available for securing and placing the vessel
12 prior to submission of an application. Matching grant funds shall be released only upon
13 documentation that the applicant meets all established criteria.

14 (e) The commission is authorized to adopt rules necessary to administer the matching
15 grants provided in this section.

16 (f) The RIEDC shall establish a pilot program to fund the preparation and deployment of
17 obsolete ex-military, MARAD or other vessels in the waters of Block Island Sound and shall, by
18 January 1, 2014, and, each year thereafter for a period of five years, provide to the governor, the
19 president of the senate, and the speaker of the house of representatives an annual report on the
20 success and outcomes achieved by the pilot program, with a recommendation as to whether the
21 pilot program shall be continued, terminated, or expanded. The RIEDC shall also report on the
22 procedures developed and used for the proper preparation and deployment of the pilot vessel
23 consistent with the objectives stated

24 (g) To the extent that funding is made available, the pilot program shall provide funds to
25 pay for a portion of the cost of the preparation and deployment of the pilot vessel in the waters off
26 Block Island. Such funds are in addition to any other funds appropriated for this purpose. The
27 RIEDC shall develop procedures for conducting the pilot program, including, but not limited to,
28 procedures for determining eligibility, providing payment, and ensuring that payments are made
29 to eligible not-for-profit corporations, persons or local governments until the funds are exhausted.
30 The RIEDC shall examine use, and to the extent possible, assist in the procuring other available
31 options for funding the project cost, including the use of funds raised by private agencies or
32 persons and or services in kind.

33 **46-6.2-6. Appropriation.** – A separate appropriations bill shall be drafted for
34 consideration by the legislature in the sum limited to no more than five million dollars

1 (\$5,000,000), appropriated for the 2013-2014 fiscal year out of any money in the treasury not
2 otherwise appropriated, to the marine resources conservation trust fund. Any unexpended and
3 unencumbered funds remaining at the end of fiscal year 2014 shall be carried over and remain
4 available to the Rhode Island economic development corporation for the uses and purposes set
5 forth in this act.

6 **46-6.2-7. Annual report.** – No later than January 1, 2014, and each January 1 thereafter
7 for a period of five (5) years, the RIEDC shall submit a report to the governor, the president of
8 the senate, and the speaker of the house of representatives detailing the expenditure of the funds
9 appropriated to it for the purposes of carrying out the provisions of this chapter.

10 SECTION 2. This act shall take effect upon passage.

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LC01108
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO WATERS AND NAVIGATION -- ARTIFICIAL REEF PROGRAM

- 1 This act would create the Rhode Island Artificial Reef Program.
- 2 This act would take effect upon passage.

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