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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

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A N A C T

RELATING TO WATERS AND NAVIGATION -- ARTIFICIAL REEF PROGRAM

Introduced By: Senators Tassoni, DeVall, Cote, Pichardo, and Pinga

Date Introduced: January 18, 2012

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 46 of the General Laws entitled "WATERS AND NAVIGATION" is  
2 hereby amended by adding thereto the following chapter:

3 CHAPTER 6.2

4 RHODE ISLAND ARTIFICIAL REEF PROGRAM

5 46-6.2-1. Declaration of purpose. –

6 WHEREAS, In the past, the United States has used unneeded ships as targets for military  
7 exercises known as sinking exercises, and

8 WHEREAS, Now the United States has devised an alternative means of disposing of  
9 obsolete Ex-military vessels that allows the vessels to serve in a productive capacity for hundreds  
10 of years past their intended use, and

11 WHEREAS, The National Defense Authorization Act for Fiscal Year 2004 allows  
12 appropriate obsolete ships to be donated for use as artificial reefs, and

13 WHEREAS, The process of using obsolete vessels as man-made artificial reefs not only  
14 promotes marine life and fishing but relieves pressure on natural ocean bottom features and reefs,  
15 and

16 WHEREAS, The measure allows the United States to accomplish the overall process for  
17 the cost-effective donation or sale and transfer of available vessels, and

18 WHEREAS, The United States Maritime Administration (MARAD) will coordinate the  
19 federal agency solicitation and application for obtaining the vessels for use as artificial reefs, and

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.** – The sum of five million dollars (\$5,000,000) is appropriated  
34 for the 2012-2013 fiscal year out of any money in the treasury not otherwise appropriated, to the

1 marine resources conservation trust fund. Any unexpended and unencumbered funds remaining at  
2 the end of 2012-2013 fiscal year shall be carried over and remain available to the Rhode Island  
3 economic development corporation for the uses and purposes set forth in this act.

4 **46-6.2-7. Annual report.** – No later than January 1, 2014, and each January 1 thereafter  
5 for a period of five (5) years, the RIEDC shall submit a report to the governor, the president of  
6 the senate, and the speaker of the house of representatives detailing the expenditure of the funds  
7 appropriated to it for the purposes of carrying out the provisions of this chapter.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO WATERS AND NAVIGATION -- ARTIFICIAL REEF PROGRAM

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

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