



# **MEETING PACKET**

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## **Committee on Conservation & State Lands**

**Wednesday, December 12, 2007  
8 AM – 9:45 AM  
216 Capitol**

**Marco Rubio  
Speaker**

**Rep. Will Kendrick  
Chair**

# Committee Meeting Notice

## HOUSE OF REPRESENTATIVES

Speaker Marco Rubio

### Committee on Conservation & State Lands

**Start Date and Time:** Wednesday, December 12, 2007 08:00 am

**End Date and Time:** Wednesday, December 12, 2007 09:45 am

**Location:** 216 Capitol

**Duration:** 1.75 hrs

#### Consideration of the following bill(s):

HB 39 POW-MIA Flag by Boyd

HB 179 Placement of Vessels in State or Federal Waters Seaward of the State to Form Artificial Reefs by Holder

Update by the Department of Environmental Protection on the Apalachicola, Chattahoochee, and Flint Rivers.

**NOTICE FINALIZED on 12/05/2007 13:50 by SIMS-DAVIS.LINDA**

# **The Florida House of Representatives**

**Environment & Natural Resources Council**

**Committee on Conservation & State Lands**

**Marco Rubio  
Speaker**

**Will Kendrick  
Chair**

## **AGENDA**

**Wednesday, December 12, 2007**

**8:00 AM. Room 216, the Capitol**

1. CALL TO ORDER/OPENING REMARKS
  
2. CONSIDERATION OF THE FOLLOWING BILLS:
  - HB 39 POW-MIA FLAG - REPRESENTATIVE BOYD
  
  - HB 179 PLACEMENT OF VESSELS IN STATE OR FEDERAL WATERS SEAWARD OF THE STATE TO FORM ARTIFICIAL REEFS - REPRESENTATIVE HOLDER
  
3. UPDATE ON THE APALACHICOLA-CHATTAHOOCHEE-FLINT RIVERS BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION
  
4. ADJOURNMENT

HB 39

2008

1                   A bill to be entitled  
2           An act relating to the POW-MIA flag; creating s. 256.14,  
3           F.S.; requiring the Department of Environmental Protection  
4           to display the POW-MIA flag at state parks displaying the  
5           United States flag; providing an effective date.

6

7   Be It Enacted by the Legislature of the State of Florida:

8

9           Section 1. Section 256.14, Florida Statutes, is created to  
10   read:

11           256.14 POW-MIA flag; display at state parks.--The  
12   Department of Environmental Protection shall display the POW-MIA  
13   flag year round at each of the state parks where the flag of the  
14   United States is displayed.

15           Section 2. This act shall take effect July 1, 2008.

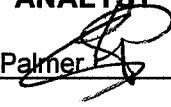

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 39  
SPONSOR(S): Boyd  
TIED BILLS:

POW-MIA Flag

IDEN./SIM. BILLS: SB 274

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Conservation &amp; State Lands</u>	_____	<u>Palmer</u> 	<u>Zeiler</u> 
2) <u>Environment &amp; Natural Resources Council</u>	_____	_____	_____
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

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SUMMARY ANALYSIS

The bill requires the Department of Environmental Protection (DEP) to display the POW-MIA flag year round at each state park where the flag of the United States is displayed.

The bill would become effective on July 1, 2008.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

#### B. EFFECT OF PROPOSED CHANGES:

##### Background on POW-MIA Flag<sup>1</sup>

In 1971, Mrs. Michael Hoff, an MIA wife and member of the National League of Families of American Prisoners and Missing in Southeast Asia (League), recognized the need for a symbol of our prisoner of war (POW) and missing in action (MIA) military personnel. Prompted by an article in the Jacksonville, Florida Times-Union, Mrs. Hoff contacted Norman Rivkees, Vice President of Annin & Company which had made a banner for the newest member of the United Nations, the People's Republic of China, as a part of their policy to provide flags to all United Nations member states. Mrs. Hoff found Mr. Rivkees very sympathetic to the POW/MIA issue, and he, along with Annin's advertising agency, designed a flag to represent our missing military personnel. Following League approval, flags were manufactured for distribution.

On March 9, 1989, an official League flag, which flew over the White House on 1988 National POW/MIA Recognition Day, was installed in the U.S. Capitol Rotunda as a result of legislation passed overwhelmingly during the 100th Congress. In a demonstration of bipartisan Congressional support, the leadership of both Houses hosted the installation ceremony.

The League's POW/MIA flag is the only flag ever displayed in the U.S. Capitol Rotunda where it will stand as a powerful symbol of national commitment to America's POW-MIA's until the fullest possible accounting has been achieved for U.S. personnel still missing and unaccounted for from the Vietnam War.

On August 10, 1990, the 101st Congress passed U.S. Public Law 101-355, which recognized the League's POW/MIA flag and designated it *"as the symbol of our Nation's concern and commitment to resolving as fully as possible the fates of Americans still prisoner, missing and unaccounted for in Southeast Asia, thus ending the uncertainty for their families and the Nation"*.

The importance of the League's POW/MIA flag lies in its continued visibility, a constant reminder of the plight of America's POW/MIAs. Other than the flag of the United States, the League's POW/MIA flag is the only flag ever to fly over the White House, having been displayed in this place of honor on National POW/MIA Recognition Day since 1982. With passage of Section 1082 of the 1998 Defense Authorization Act during the first term of the 105th Congress, the League's POW/MIA flag will fly each year on Armed Forces Day, Memorial Day, Flag Day, Independence Day, National POW-MIA Recognition Day and Veterans Day on the grounds or in the public lobbies of major military installations as designated by the Secretary of the Defense, all Federal national cemeteries, the national Korean War Veterans Memorial, the National Vietnam Veterans Memorial, the White House, the United States Postal Service post offices and at the official offices of the Secretaries of State, Defense and Veteran's Affairs, and Director of the Selective Service System.

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<sup>1</sup> History adapted from <http://www.dtic.mil/dpmo/powday/flaghistory.htm>; © 1998, National League of POW/MIA Families.

## Present Situation

Section 256.12, F.S., requires that on or after September 19, 1990, each state-owned building at which the flag of the United States is displayed a POW-MIA flag must also be displayed if the POW-MIA flag is available free of charge to the agency that occupies the building and if such display is in accordance with federal laws and regulations. Federal regulations regarding the display of the POW-MIA flag are found in 4 USC § 7 and 36 USC § 902. At present there is no other requirement that POW-MIA flags be displayed at state parks.

The Division of Recreation and Parks (DRP), Department of Environmental Protection (DEP) has implemented a program to display donated POW-MIA flags at the one-hundred-twenty-two parks at which the DRP's staff daily raise and lower both the US flag and the State of Florida flag. Traditionally, flags are only flown at parks which are staffed and appropriately developed. DRP began raising the POW-MIA flags at state parks on November 10, 2007.

## Effect of Proposed Changes

The bill requires the Department of Environmental Protection (DEP) to display the POW-MIA flag year round at each state park where the flag of the United States is displayed.

The U.S. Code of Federal Regulations does not address the protocol for display of the POW-MIA flag if a state flag is also displayed. Consequently, the protocol for flying the POW-MIA flag is unclear if a state flag is part of the display. One protocol<sup>2</sup> that is in use is as follows: On one flagpole, the POW-MIA flag is flown below the flag of the United States and above any state flag. On two flagpoles, the POW/MIA flag is flown on the same pole as the flag of the United States, below the American flag -- this pole should be to the flag's own right of the second pole. Any state flag should fly on the second pole. On three flagpoles, the flag of the United States should be flown on the pole located to the flag's own right, the POW-MIA flag should be flown on the middle pole, and any state flag should be flown on the pole to the flag's own left. A second protocol<sup>3</sup> that is in use is as follows: the POW-MIA flag may be flown directly under the flag of the United States with the state flag on a separate pole. When flying all three flags on a single pole, the state flag is flown below the flag of the United States and the POW-MIA flag is flown below the state flag.

The Florida Department of Veteran Affairs believes that federal legislation may soon be proposed that would establish a single protocol for anyone flying the POW-MIA flag and a state flag in conjunction with the flag of the United States. The State of Florida presently employs protocol number two for the display of the POW-MIA flag above the Capitol

### C. SECTION DIRECTORY:

Section 1: Creates s. 256.14, F.S., requiring DEP to display POW-MIA flags at certain state parks.

Section 2: Provides an effective date.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

<sup>2</sup> Viet Nam Veterans of America. <http://www.vva133.com/powmia.htm>.

<sup>3</sup> State of Washington. <http://www.dva.wa.gov/POW-MIA%20flag.html>.

2. Expenditures:
3. DEP would be required to obtain POW-MIA flags for each state park where the flag of the United States is flown. At present, there are one-hundred-twenty-two such parks. Depending on size, material and quantity purchased, these flags can cost between \$15 and \$100 each.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:  
None.
2. Expenditures:  
None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

- E. DEP reports that DRP has received a donation of POW-MIA flags for the one-hundred-twenty-two parks where the flag will be displayed.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

**1. Applicability of Municipality/County Mandates Provision:**

Not applicable because this bill does not appear to require cities or counties to spend funds or take actions requiring the expenditure of funds, nor does it appear to reduce the authority that cities or counties have to raise revenues in the aggregate, nor does it appear to reduce the percentage of a state tax shared with cities or counties.

2. Other:  
None.

**B. RULE-MAKING AUTHORITY:**

No additional rulemaking authority is required to implement the provisions of this bill.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

- D. DEP reports that the necessary flags have been donated to the Division of Recreation and Parks and DRP will raise the POW-MIA flags at state parks beginning November 10, 2007.

**E. STATEMENT OF THE SPONSOR**

No statement submitted.

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**



HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. 1 (for drafter's use only)

Bill No. 0039

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
 ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
 ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
 FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
 WITHDRAWN \_\_\_\_\_ (Y/N)  
 OTHER \_\_\_\_\_

1 Council/Committee hearing bill: **Conservation & State Lands**

2 Representative **Boyd** offered the following:

3

4 **Amendment (with title amendment)**

5 Remove line 12 and insert:

6 Department of Environmental Protection shall purchase and  
7 display the POW-MIA

8

9

10

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11

**T I T L E A M E N D M E N T**

12

Remove line 4 and insert:

13

to purchase and display the POW-MIA flag at state parks

14

displaying the

15

1                                   A bill to be entitled  
 2           An act relating to the placement of vessels in state or  
 3           federal waters seaward of the state to form artificial  
 4           reefs; amending s. 370.25, F.S., relating to the state's  
 5           artificial reef program; providing legislative findings;  
 6           authorizing the planning and development of a statewide  
 7           matching grant program to secure and place United States  
 8           Maritime Administration and United States Navy  
 9           decommissioned vessels in specified waters as artificial  
 10          reefs; providing for administration of the program by the  
 11          Florida Fish and Wildlife Conservation Commission;  
 12          providing for implementation of the program subject to  
 13          appropriations; providing objectives of the program;  
 14          creating s. 370.255, F.S.; providing for the establishment  
 15          of the Florida Ships-2-Reefs Program, a matching grant  
 16          program, by the Florida Fish and Wildlife Conservation  
 17          Commission; providing the purposes of the program;  
 18          specifying the percentage of the state matching grant;  
 19          providing procedures and requirements with respect to the  
 20          program; authorizing the Florida Fish and Wildlife  
 21          Conservation Commission to adopt rules; providing for  
 22          reports; authorizing provision of funds under the program  
 23          contingent upon an appropriation; providing for a report;  
 24          providing an effective date.

25  
 26           WHEREAS, in the past, the United States Navy has used  
 27           unneeded ships as targets for military exercises known as  
 28           sinking exercises, and

29 WHEREAS, now the Navy has devised an alternative means of  
 30 disposing of obsolete Navy vessels that allows the vessels to  
 31 serve in a productive capacity for hundreds of years past their  
 32 intended use, and

33 WHEREAS, the National Defense Authorization Act for Fiscal  
 34 Year 2004 allows appropriate decommissioned ships to be donated  
 35 for use as artificial reefing, and

36 WHEREAS, the process of using obsolete vessels as man-made  
 37 artificial reefs not only promotes marine life and fishing but  
 38 relieves pressures on natural coral reefs, and

39 WHEREAS, the measure allows the Navy to accomplish the  
 40 overall process for the cost-effective donation and transfer of  
 41 available naval vessels, and

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

45 WHEREAS, the donation and transfer application for all  
 46 United States Navy and MARAD ships available for use as  
 47 artificial reefs may be submitted only by states, commonwealths,  
 48 and territories and possessions of the United States, or  
 49 municipal corporations or political subdivisions thereof, and

50 WHEREAS, the placement in Florida waters of the U.S.S.  
 51 Spiegel Grove in 2002 and the U.S.S. Oriskany in 2006 has  
 52 already provided a substantial economic benefit to the state and  
 53 to communities and businesses in the proximity of the  
 54 placements, and

55 WHEREAS, Florida already has the Florida Maritime Heritage  
 56 Trail, a collection of locations that are open to the public in

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57 Florida and which currently include six themes, those themes  
 58 being Coastal Communities, Coastal Environments, Coastal Forts,  
 59 Lighthouses, Historic Ports, and Historic Shipwrecks, and

60 WHEREAS, this act would add a new, seventh theme to the  
 61 Maritime Heritage Trail, a United States military vessel theme,  
 62 and

63 WHEREAS, the program provides a practical option for  
 64 disposing of inactive decommissioned naval vessels in a cost-  
 65 effective and environmentally sound manner that can continue to  
 66 promote ecotourism associated with recreational diving and  
 67 fishing in Florida, NOW, THEREFORE,

68

69 Be It Enacted by the Legislature of the State of Florida:

70

71 Section 1. Subsection (8) is added to section 370.25,  
 72 Florida Statutes, to read:

73 370.25 Artificial reef program; grants and financial and  
 74 technical assistance to local governments.--

75 (8) The Legislature finds that a statewide matching grant  
 76 program to secure and place United States Maritime  
 77 Administration (MARAD) and United States Navy decommissioned  
 78 vessels in state or federal waters seaward of the state as  
 79 artificial reefs would be of great benefit to Floridians in  
 80 promoting ecotourism associated with recreational diving and  
 81 fishing in Florida. Therefore, the Legislature authorizes the  
 82 planning and development of a statewide matching grant program  
 83 as described in this subsection to be administered by the  
 84 commission. The program will be implemented subject to

85 appropriations. The objectives in establishing the program are  
 86 to:

87 (a) Assist in reducing the pressures on natural coral  
 88 reefs in state or federal waters seaward of the state and  
 89 increase the opportunities for recreational diving and fishing.

90 (b) Provide a mechanism through which counties and  
 91 municipalities that are permitted to place vessels in state or  
 92 federal waters seaward of the state as artificial reefs can  
 93 apply for and receive state matching grants for the placement of  
 94 decommissioned MARAD and United States Navy vessels. Funds may  
 95 be used for cleaning, preparing, towing, and sinking of such  
 96 decommissioned vessels.

97 (c) Provide state funds that would be matched with local  
 98 funds, federal funds, and funds from local businesses.

99 (d) Establish criteria to determine eligibility for such  
 100 state matching funds.

101 (e) Assist counties and municipalities with the donation  
 102 and transfer application for United States Navy and MARAD  
 103 decommissioned vessels available for use as artificial reefs in  
 104 accordance with MARAD application evaluation criteria.

105 (f) Develop a master plan for the purposes of maximizing  
 106 the number and type of vessels to be placed in state or federal  
 107 waters seaward of the state that provides for the location of  
 108 vessels in the most geographically effective and beneficial  
 109 manner.

110 (g) Establish and promote standards for the placement of  
 111 MARAD and United States Navy decommissioned vessels in state or  
 112 federal waters seaward of the state, consistent with current

113 environmental standards and the mandate of Section 3516 of the  
 114 National Defense Authorization Act for Fiscal Year 2004 and the  
 115 2006 publication, "National Guidance: Best Management Practices  
 116 for Preparing Vessels Intended to Create Artificial Reefs,"  
 117 published jointly by the United States Environmental Protection  
 118 Agency and the United States Maritime Administration, which  
 119 emphasized minimization of the release of harmful substances  
 120 into the environment while decommissioned vessels are at  
 121 anchorage and are undergoing disposal processes.

122 (h) Provide for and receive interagency comments from the  
 123 agencies responsible for the permitting of artificial reefs and  
 124 the Florida Department of Environmental Protection, allowing for  
 125 a review period consistent with MARAD and United States Navy  
 126 application deadlines.

127 (i) Establish a United States military vessel component as  
 128 a seventh theme for Florida's Maritime Heritage Trail to promote  
 129 Florida's nature-based tourism and heritage tourism.

130 (j) Provide for title of decommissioned vessels to be  
 131 transferred to the state.

132 Section 2. Section 370.255, Florida Statutes, is created  
 133 to read:

134 370.255 Florida Ships-2-Reefs Program; matching grant  
 135 requirements.--

136 (1) The commission is authorized to establish the Florida  
 137 Ships-2-Reefs Program, a matching grant program, for the  
 138 securing and placement of United States Maritime Administration  
 139 (MARAD) and United States Navy decommissioned vessels in state  
 140 or federal waters seaward of the state to serve as artificial

141 reefs and, pursuant thereto, to make expenditures and enter into  
 142 contracts with local governments and nonprofit corporations for  
 143 the purpose of securing and placing MARAD and United States Navy  
 144 decommissioned vessels as artificial reefs in state or federal  
 145 waters seaward of the state pursuant to s. 370.25(8) and  
 146 performing the environmental preparation and cleaning requisite  
 147 to the placement of a vessel as an artificial reef, which  
 148 preparation and cleaning must meet the standards established in  
 149 the 2006 publication, "National Guidance: Best Management  
 150 Practices for Preparing Vessels Intended to Create Artificial  
 151 Reefs," published jointly by the United States Environmental  
 152 Protection Agency and the United States Maritime Administration.  
 153 The commission shall have final approval of grants awarded  
 154 through the program.

155 (2) Each grant awarded under the program shall be matched  
 156 by nonstate funds. The limit for a state matching grant shall be  
 157 33 percent of the total cost for securing and placing the  
 158 decommissioned vessel and performing the requisite environmental  
 159 preparation and cleaning which meets the standards cited in  
 160 subsection (1) prior to placement of the vessel.

161 (3) The commission may:

162 (a) Receive submissions of requests for matching funds and  
 163 documentation relating to those requests;

164 (b) Approve requests for matching funds; and

165 (c) Allocate matching funds to local governments or  
 166 nonprofit corporations.

167 (4) To demonstrate that a local government or nonprofit  
 168 corporation meets the required criteria, the local government or

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169 nonprofit corporation must submit formal agreements, written  
 170 pledges, memorandums of understanding, financing arrangements,  
 171 or other documents demonstrating that nonstate matching funds  
 172 are available for securing and placing the vessel prior to  
 173 submission of an application. Matching grant funds shall be  
 174 released only upon documentation that meets all the criteria  
 175 established in rules adopted by the commission pursuant to  
 176 subsection (5).

177 (5) The commission is authorized to adopt rules pursuant  
 178 to ss. 120.536(1) and 120.54 to address procedures necessary to  
 179 administer the matching grants provided in this section.

180 (6) No later than January 1, 2009, and each January 1  
 181 thereafter, the commission shall submit a report to the  
 182 Governor, the President of the Senate, and the Speaker of the  
 183 House of Representatives detailing the expenditure of the funds  
 184 appropriated to it for the purposes of carrying out the  
 185 provisions of this section.

186 Section 3. This act shall take upon becoming a law.



HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 179 Placement of Vessels in State or Federal Waters Seaward of the State to Form Artificial Reefs

SPONSOR(S): Holder and others

TIED BILLS: IDEN./SIM. BILLS: SB 432

Table with 4 columns: REFERENCE, ACTION, ANALYST, STAFF DIRECTOR. Row 1: 1) Committee on Conservation & State Lands, Palmer, Zeiler.

SUMMARY ANALYSIS

The bill authorizes the planning and development of a statewide matching grant program to be administered by the Fish and Wildlife Conservation Commission (FWC). The bill provides the objectives of such programs and authorizes the FWC to adopt rules to establish the "Ships-2-Reefs" program...

The bill requires the FWC to submit a report to the Governor, the President of the Senate and the Speaker of House on detailing the expenditure of funds appropriated for the program.

To implement the bill the FWC estimates that approximately \$2 million is needed. This includes an additional position and state matching funds to secure, prepare and place a vessel. However, the grant program is contingent upon receiving a specific appropriation not provided in this bill.

The bill is effective upon becoming law.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government – The bill authorizes the establishment of a new grant program to be administered by the Fish and Wildlife Conservation Commission.

#### B. EFFECT OF PROPOSED CHANGES:

##### Present Situation

Section 370.25, F.S., establishes the state's Artificial Reef Program. The Bureau of Marine Fisheries Management, within the Division of Marine Fisheries of the Florida Fish and Wildlife Conservation Commission (FWC), administers the state's artificial reef program. The program objectives are to provide financial and technical assistance to coastal local governments, nonprofit corporations, and state universities in developing, monitoring and evaluating artificial reefs. Under the program, reefs are constructed with one or more of the following intended objectives:

- 1) enhance private recreational and charter fishing and diving opportunities;
- 2) provide a socio-economic benefit to local coastal communities;
- 3) increase reef fish habitat;
- 4) reduce user conflicts;
- 5) facilitate reef related research; and,
- 6) while accomplishing objectives 1-5, do no harm to fishery resources, essential fish habitat (EFH), or human health.

According to the FWC, Florida has one of the most active artificial reef programs among the Gulf and Atlantic states. Thirty-four of 35 Florida coastal counties are or have been involved in artificial reef development. Since 1920, more than 2000 documented public artificial reefs have been placed in state and federal waters off these counties with most of the reef development taking place in the last 20 years. Over the last 23 years, the State of Florida has spent more than \$13 million on artificial reef related activities. Currently, local coastal governments hold more than 300 active artificial reef permits with about half of these sites in federal waters.

In addition to grant funding, the FWC provides technical assistance to local coastal governments, and state and federal regulatory agencies. FWC disseminates artificial reef related information to all of these entities and assists the general public by answering questions related to artificial reefs. FWC maintains a statewide public artificial reef database (on the FWC marine web site). FWC conducts statewide compliance and performance monitoring of grant funded reef projects. FWC's dive team conducts fish censuses, mapping, video, photography, and materials evaluation.

For fiscal year 2007-2008, the Florida Artificial Reef Program within the FWC Division of Marine Fisheries Management has a total of \$700,000 available for competitive pass through grants, \$400,000 in U.S. Fish and Wildlife Service Federal Aid in Sport Fish Restoration Program funds, and \$300,000 in state saltwater fishing license revenues for artificial reef related activities. These funds are provided for artificial reef construction on a cost reimbursement basis and for science-based biological or socioeconomic artificial reef monitoring projects on either a cost reimbursement or fee schedule basis. The evaluation and ranking of applications is accomplished through a numerical rating process

involving multiple independent reviewers and is based directly on the provisions of Chapter 68E-9.005 F.A.C.

The FWC artificial reef program does not issue permits for artificial reef sites. This regulatory responsibility is carried out by the U.S. Army Corps of Engineers (USACE) for proposed artificial reef areas in federal waters, and by both the USACE and the Florida Department of Environmental Protection (DEP) in state waters. United States territorial waters extend 24 nautical miles (nm) seaward of the coastline.<sup>1</sup> Florida's jurisdiction extends 9 nm seaward of the state's western coastline (Gulf of Mexico) and 3 nm seaward of the state's eastern coastline (Atlantic Ocean).<sup>2</sup>

Allowable materials for artificial reef use are determined by USACE and DEP permit criteria. Their criteria are based upon direction provided by the National Artificial Reef Plan, developed under the U.S. Secretary of Commerce by direction of the National Fishing Enhancement Act of 1984 and by the U.S. Environmental Protection Agency based upon federal and international law. Guidance is also provided by the Guidelines for Marine Artificial Reef Materials; Second Edition (2004) produced by the Gulf and Atlantic States Marine Fisheries Commissions. The criteria require the use of non-hazardous material of sufficient stability and durability to insure that the materials and their component parts remain within permitted areas and last long enough to provide the intended habitat enhancement.

DEP has specified materials for artificial reef use in state waters. In state waters of peninsular Florida, materials are limited to clean concrete or rock, clean steel boat hulls, other clean, heavy gauge steel products with a thickness of 1/4 inch or greater and prefabricated structures that are a mixture of clean concrete and heavy gauge steel (Chapter 62-341.600 F.A.C.). In state waters in the Florida Panhandle, allowable materials under the general permit are limited to clean concrete materials, rock, or steel boat hulls (Chapter 62-312.807 F.A.C.).

FWC's assessment of material types used in 709 publicly funded Florida artificial reef deployments (all funding sources) from 1994-2000 showed that secondary use concrete materials dominate (43%) followed by concrete modules (24%), military equipment (11%), steel vessels and barges (11%), scrap steel (6%), limestone (3%) and miscellaneous materials (2%). In the last several years there has been increasing use of designed modules.

FWC provided the following information regarding the military ships to reefs programs in a memorandum to County Artificial Reef Coordinators dated January 8, 2007. There are currently two different federal obsolete military vessel ship disposal programs:

- the U.S. Maritime Administration (MARAD) program utilizing auxiliary vessels (cargo ships, amphibious ships, tankers, etc); and
- the more recent Navy program utilizing combatants (destroyers, cruisers, air craft carriers, etc).

MARAD's is the longest established military vessel reefing program. It began with the passage of the Liberty Ship Act authorizing the subsequent donation of WWII Liberty ships to coastal states "as is" for their cleaning and sinking as artificial reefs from 1975 through 1983. The program's vessel donation authority was expanded in the mid 1980's to include other fleet auxiliary vessels. From 1991 to 2001 there was a 10 year hiatus in military vessel reefing because of regulatory issues related to the presence of PCBs in the ship components (cable insulation, gaskets, bulkhead insulation, paint, etc). The EPA classifies vessel placement as "disposal", if PCB levels in shipboard materials do not exceed 50 parts per million the placement would not be prohibited. The ships-to reefs program became active again with the placement of the Spiegel Grove (May 17, 2002).

In December 2002, the passage of federal legislation (16 U.S.C. 1220c-1) allowed MARAD to help finance reefing projects, as long as MARAD's contribution to the states did not exceed MARAD's cost

<sup>1</sup> [http://chartmaker.ncd.noaa.gov/shalowitz/App\\_h.pdf](http://chartmaker.ncd.noaa.gov/shalowitz/App_h.pdf)

<sup>2</sup> <http://www.dep.state.fl.us/secretary/oip/ocs.htm>

to have a vessel scrapped. Presently MARAD has authorized partial funding to assist in the disposal placement of the Texas Clipper, to Texas Parks and Wildlife (\$1.5 million in federal assistance), and the Hoyt Vandenberg, to FWC (\$1.25 million federal assistance). MARAD's policy is to seek "best value" for the federal government and, due to increases in the price of steel and non ferrous metals, selling decommissioned ships for scrap can be a less costly option for disposal. Currently, Both MARAD and Navy are actively scrapping vessels. As of June 2006, MARAD had 49 ships in the James River Reserve Fleet and 135 total nationwide available for disposal. Since then, several of these have been scrapped or have contracts to be scrapped. The MARAD program's policy continues to be an "as is, where is" reefing donation approach. Under this scenario, the vessel's title changes hands as soon as the vessel leaves the James River Reserve Fleet and becomes the responsibility of the recipient.

The Navy's Inactive Ships Program Office is responsible for transitioning ships from the active fleet to storage and disposal. Five methods are utilized:

- (1) Direct foreign military sales of usable vessels
- (2) Preserving the naval heritage through donations as museums
- (3) Sink-ex, a deep water, live fire weapons testing ship disposal program
- (4) Protecting the environment through ship dismantling and recycling
- (5) Enhancing the marine ecosystems through artificial reefing

All of these options are reviewed when a ship is removed from active service. The ship becomes a candidate for reefing only after the other four options are determined to be not viable. The Navy's pilot artificial reef project was the U.S.S. Oriskany (CVA-34), a three year \$20 million dollar effort, completed May 17, 2006. The EPA has mandated a multi-year monitoring program with the associated costs to be paid by FWC and Escambia County. The Navy is evaluating their long term reefing program and they are managing the program on a ship by ship basis. They are reluctant to take on more than one ship-reefing project at a time. Currently, the Navy is conducting vessel preparation work on the ex-Forrestal aircraft carrier (CVA-59). If reefed, the Navy will require that it be sunk in at least 450 feet of water (too deep for recreational diving).

The program has 65 ships in inventory of which 26 are available for disposal and 5 of those appear to be candidates for reefing. They are listed in Table 1<sup>3</sup>.

In 2003 the joint Atlantic States Marine Fisheries and Gulf States Marine Fisheries Commissions (ASMFC/GSMFC) artificial reef technical committees set up a "Military Ships Subcommittee" to interact with the Navy and MARAD on reefing programs. The subcommittee's primary role was to develop a "fair and equitable" program for the distribution of ships, particularly Navy ships, among the various interested coastal states. There was a concern from many smaller states that most ships would go to the few states with the most funding and most extensive coastlines. The goal was to secure from Navy/MARAD a predetermined list of ships and have all states be eligible for a ship through participation in a lottery system that determined the order of vessel donation among the states. Once all interested coastal states received a least one ship, they would have the opportunity to get another in the same order of distribution established by the original lottery. The idea was to make it easier for both the Navy and the states, with all states having the opportunity to receive an equal number of ships in a process of fair and equitable distribution independent of a state's monetary resources available for vessel reefing. The states felt that it would not be to the Navy's advantage to follow the model procedure used by the Navy for the Oriskany reef. For the Oriskany project, the NAVY sent out a

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<sup>3</sup> [http://peoships.crane.navy.mil/Inactiveships/pdf/reefing\\_inventory.pdf](http://peoships.crane.navy.mil/Inactiveships/pdf/reefing_inventory.pdf)

Table 1: Navy Inventory for consideration for Artificial Reefing as of September 13, 2007

Ship Name	Hull Number	Location	Overall Length (ft)	Overall Beam (ft)	Height from Baseline to:			Light Ship Displacement (tons)
					Top of Mast (ft)	Top of Superstructure (ft)	Main Deck (ft)	
Forrestal	AVT 59	Newport, RI	1067	252	248	210	130	59,468
Independence	CV 62	Bremerton, WA	1070	263	248	210	130	60,059
Constellation	CV 64	Bremerton, WA	1073	282	248	210	130	61,981
Arthur Radford	DD 968	Philadelphia, PA	563	55	158	112	33	6,870

*Note: The above ships may be utilized for artificial reefing, Navy deep-water sink exercises, and/or domestic dismantling based on dispositions that are most advantageous to the Navy for inactive ship inventory reduction. Also, additional ships may be added to this list as other inactive ships currently held for other purposes are designated for disposal, and as active ships are decommissioned and designated for disposal.*

request for application submittal to all states. The Navy essentially encouraged competing applications in order to determine which applicant could provide the best value to the Navy. In 2006, the ASFMC/GSMFC artificial reef technical committee voted to abandon the plan to have a fair and equitable distribution policy of military vessels. The main reasons for not pursuing the proposed fair and equitable military vessel distribution concept further were:

- (1) A long list of available ships designated specifically for reefing would not be developed. The Navy indicated they would not develop such a list but rather preferred to evaluate the possibility of combatant ships for reefing on a case by case basis using a short list of a few vessels;
- (2) The Navy indicated it would change title at the time of initial ship movement, similar to MARAD, rather turning the title of the vessel over to the permit holder once it is on the bottom in its permitted site as it did with the Oriskany project. This earlier title exchange places a tremendous administrative, contractual, technical oversight and financial burden on the permit holder, as well as, a significant liability while the ship is being prepared.
- (3) Neither the Navy nor MARAD will fund 100% of the cost of the project unless it is a carrier sunk in greater than 500 feet of water.
- (4) The Navy believes the competition for the ships reduces the cost for the Navy.

The FWC provides several important functions in the process of getting a large military ship ready for use as an artificial reef in Florida.

- (1) Federal policy restricts the transfer title to a state government and pursuant to s. 370.25(1), F.S., the FWC has been given this formal responsibility which states, "The commission is authorized to accept title, on behalf of the state, to vessels for use in the artificial reef program as offshore artificial reefs. The program may be funded from state, federal, and private contributions."
- (2) MARAD by law can only give grants to states and the use of the funds is restricted, therefore the FWC has to receive these funds and distribute them to the sponsor. FWC acts as the project/grant manager and provides a single liaison for the Federal government.

## Effect of Proposed Change

The bill creates s. 370.25(8), F.S., which authorizes: 1) the planning and development of statewide matching grant program that facilitates the securing and placement of United States Maritime Administration (MARAD) and United States Navy decommissioned vessels in state and federal waters seaward of Florida as artificial reefs. The program is to be administered by the Fish and Wildlife Conservation Commission and is subject to legislative appropriation. The objectives of establishing the programs are:

- To assist in reducing the pressures on natural coral reefs in state and federal waters seaward of the state and increasing the opportunities for recreational diving and fishing.
- To provide a mechanism through which local counties and municipalities that are permitted to place vessels in state and federal waters seaward of the state as artificial reefs can apply for and receive state matching grants.
- To provide state funds, as appropriated by the legislature, that would be matched with local funds, federal funds, and funds from local businesses.
- To establish criteria to determine eligibility for state matching funds.
- To assist local counties and municipalities with the donation and transfer application for decommissioned vessels.
- To develop a master plan for the purposes of maximizing the number and type of vessels to be placed in state and federal waters seaward of the state that provides for the location of vessels in the most geographically effective and beneficial manner.
- To establish and promote standards for the placement of decommissioned vessels in state and federal waters seaward of the state, consistent with current federal environmental standards
- To provide for and receive interagency comments from the agencies responsible for the permitting of artificial reefs and the Florida Department of Environmental Protection, allowing for a review period consistent with MARAD and United States Navy application deadlines.
- To establish a United States Military vessel component as the seventh theme for Florida's Maritime Heritage Trail, to promote Florida's nature-based tourism and heritage tourism.
- To provide for title of decommissioned vessels to be transferred to the state.

The bill creates s. 370.255, F.S., and authorizes the FWC to establish the Florida Ships-2-Reefs Program, a matching grant program for the securing and placing United States Maritime Administration (MARAD) and United States Navy decommissioned vessels in state and federal water seaward of Florida to serve as artificial reefs. The bill authorizes the FWC to make expenditures and enter into contracts with local governments and nonprofit corporations for the purpose of securing and placing MARAD and United States Navy decommissioned vessels as artificial reefs in state and federal waters seaward of the state. FWC is authorized to make expenditures and enter into contracts with local governments and nonprofit corporations for the purpose of securing, environmental preparation and cleaning, and placing federally decommissioned vessels pursuant to s. 370.25(8), F.S.

The bill provides FWC authority for final approval of grants awarded through this program.

The bill limits the state matching grant amount to 33 percent of the total cost of securing, environmental preparation and cleaning, and the placing of the decommissioned vessel. The bill authorizes the FWC

to receive requests for matching funds; approve requests for matching funds; and allocate matching funds to local governments or nonprofit corporations.

The bill provides FWC authority to adopt rules to establish procedures necessary to administer the matching grants program. In order to demonstrate that a local government or nonprofit corporation meets the required criteria of the program and is eligible to receive funds, the bill requires a local government or nonprofit corporation to submit formal documents which demonstrate non-state matching funds are available for securing and placing the vessel prior to submission of a grant application.

The bill requires FWC to report annually to the Governor, the President of the Senate, and the Speaker of the House of Representatives, beginning January 1, 2009, and each thereafter, a detail of the expenditure of the funds appropriated to Ships-2-Reefs program.

**C. SECTION DIRECTORY:**

Section 1: creates s. 370.25(8), F.S., authorizing the establishment of a statewide matching grant program and providing the objectives of such program.

Section 2: creates s. 370.255, F.S., authorizing FWC to establish a Ships-2-Reefs Program.

Section 3: provides an effective date

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

a) To implement the grant program created by this bill:

Recurring: <u>General Revenue</u>	1 <sup>st</sup> year	2 <sup>nd</sup> year	3 <sup>rd</sup> year
State matching grant program	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
OPS (temporary employment)	41,600	41,600	41,600
Expenses: Out-of-state travel	6,000	6,000	6,000
In-state travel	5,500	5,500	5,500
Post sink travel & equipment	8,000	8,000	8,000
Expense Package	10,088	6,700	6,700
OCO: OCO Package (computer)	1,000	-0-	-0-
TR/DMS/HR Services	<u>132</u>	<u>132</u>	<u>132</u>
 Total Required to Implement HB 179	 \$ 2,072,320	 \$ 2,067,932	 \$ 2,067,932

b) See FISCAL COMMENTS below.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

It is anticipated that the reefing of decommissioned vessels will boost local economies. The reefs provide new opportunities for scuba divers and over time, as the marine life settles on the wreck, new opportunities for the fishing industry. Additionally, the reefs generate many full-time and part-time permanent jobs. Many of these are traditional "working waterfront" jobs, including jobs for captains and crewmembers, dive and tackle shop employees, and marina staff. These economic benefits are realized year-round, especially in the off-season when warm-water diving and snorkeling are popular. The benefits are expected to last indefinitely.

D. FISCAL COMMENTS:

Although this bill only establishes a grant program and directs FWC to promulgate rules for implementation of that grant program, the FWC estimates that a minimum of \$2 million is needed for the Ships-2-Reefs program to be effective in the securing, environmental preparation and cleaning, and placing of a decommissioned vessel.

However, the FWC indicated that without a dedicated appropriation they would utilize existing staff for this program, but that this would lead to increased staff workload. Also, local governments will have difficulty procuring a vessel without an appropriation from the State due to budgetary constraints at the local level.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to require cities or counties to spend funds or take actions requiring the expenditure of funds, nor does it appear to reduce the authority that cities or counties have to raise revenues in the aggregate, nor does it appear to reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

- C. The bill provides the FWC rulemaking authority to establish procedures necessary to administer the Ships-2-Reefs program, a matching grant program for the securing, preparing and placing of decommission naval vessels as artificial reefs.

D. DRAFTING ISSUES OR OTHER COMMENTS:

None.



#### E. STATEMENT OF THE SPONSOR

The State of Florida's artificial reef program has for many years led the world in terms of dollars generated and jobs created using artificial reefs. The recent overwhelming successes of the *USS Oriskany* and the *USS Spiegel Grove* as artificial reefs dramatize what is possible when large ships are deployed as artificial reefs in our state.

Ex-military ships drive tourism, which in turn drives Florida's economy. This has been amply demonstrated all over the world. In addition, there is widespread interest in Florida in deploying large ships as artificial reefs. In fact 17 coastal counties in Florida now hold permits for reef projects of this type with several more ready to prepare applications.

This legislation is timely because there is and will be ever increasing competition for the available ship inventory. Other states, including California, Texas, and Washington, as well as Canada and the Caribbean, are awakening to the "sunken treasure" that these ships truly represent.

The FWC has provided information as to the cost of implementing such a program. It is important to remember that this legislation serves as the foundation for the program and that the program will only be implemented when appropriations become available in the future. With the FWC's position in mind, another important note that needs to be made is the positive economic impact such a program will have on our state. The long life expectancy of these projects coupled with absence of ongoing maintenance costs supports an argument of a quick turnaround time in monies invested and makes them extremely attractive as economic development.

#### IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES