

August 1 , 2022

To: Kenneth Ehrman

Chair, California Division of Boating and Waterways Commission

From: Tom Pier

Commissioner, California Division of Boating and Waterways

Chair, Program Development Subcommittee

Re: Recommendations to the Boating and Waterways Commission

The Subcommittee on Program Development (subcommittee) has met on seven occasions over the past year, with participants representing many stakeholders in the boating community and governmental agencies such as the cities of Newport Beach and Huntington Beach, Recreational Boaters of California, California Harbormasters and Port Captains Association, Marine Recreation Association, National Marine Manufacturers Association, California Shore and Beach Preservation Association, Beach Erosion Authority for Clean Oceans and Nourishment, etc., as well as interested members of the boating community generally.

During the course of our proceedings, the subcommittee reviewed all of the Division's existing programs. Thereafter, this Commissioner solicited recommendations as to how the Division might alter, improve, and/or add to the existing Division programs.

The following are the proposals that the subcommittee makes to the full Boating and Waterways Commission:

1. *Economic Impact Report*: It is the consensus of this subcommittee that the most recent (circa 2002) Economic Impact Report (EIR) is out of date and, additionally, was inadequate at the time it was completed. As such, it does not accurately reflect the current cost/benefit of the boating community to the economy of the State of California. Thus, it is the RECOMMENDATION of this subcommittee that a new and comprehensive EIR be conducted to better assess the economic impact of the boating community on the State;
2. *Beach Erosion Control and Public Beach Restoration programs*: It is the consensus of this subcommittee that Public Beach Restoration and Shoreline Erosion Control programs are important for the people, ecosystems, and economy of California. Funding for these programs

should be addressed at a local, state, and federal level and funding needs to come from multiple sources. The Harbors and Watercraft Revolving Fund (HWRF) cannot solely address all of the State's Public Beach Restoration and Shoreline Erosion Control funding needs. During our many meetings, this Commissioner was educated and informed of the historical origins of this financial burden that has been placed on the Division and the HWRF. It is the opinion of this Commissioner that this institutionalized cost now is disproportionately falling upon the shoulders of the boating community, especially in consideration of the potential effects of rising sea levels, drought, and climate change generally. Thus, it is the RECOMMENDATION of this subcommittee that the administration of the program remain at DBW with a HWRF contribution of approximately \$1 million per annum and that other parties, including but not limited to the State's General Fund, federal, and local governmental agencies, assume more of the financial burden of these projects. It is the further RECOMMENDATION of this subcommittee that a study (perhaps in the form of a comprehensive amalgamation of existing studies) be commissioned to better educate the various stakeholders as to the *current and anticipated future* causes of shoreline erosion along the coast of California;

3. *Aquatic Invasive Species program*: It is the consensus of this subcommittee that the Division is unjustifiably burdened with costs associated with invasive species in the Sacramento Delta area. This Commissioner is mindful of the programs associated with Quagga and Zebra mussel infestations in freshwater lakes and is respectful of the attendant programs and expenses/fees associated thereto. However, it is unclear why the Division is burdened with the control of invasive plant species, such as hyacinth, in the Delta when other stakeholders, such as shipping interests and various water districts (e.g., agriculture, and Southern California users), are beneficiaries thereof. Thus, it is the RECOMMENDATION of this subcommittee that other beneficiaries of invasive species control assume additional financial burdens of such programs beyond current contributions;
4. *Public and Private Marina Loan programs*: While the subcommittee understands there has been little interest (as evidenced by the lack of applications) in the loan programs in recent years, they have been a valuable tool for completing capital improvements when other funding sources were not available. Members have shared that the loan program is currently uncompetitive and burdensome for those who apply. Thus, it is the RECOMMENDATION of this subcommittee that the Private Marina Loan program be suspended until such time as a sufficient number of private marinas express interest in such a program. It is also the RECOMMENDATION of this subcommittee that the Public Marina Loan program continue but that the application and loan process be simplified and the loans become more competitive with the lending market generally, including added flexibility to adjust interest rates to meet market rates;
5. *Surrendered and Abandoned Vessel Exchange (SAVE)*: It is the consensus of this subcommittee that the SAVE program is money "well spent" and that a pro-active approach to derelict vessels is the most cost-effective means of addressing this issue. Accordingly, it is the RECOMMENDATION of this subcommittee that resources be directed to the identification of *potential* derelict vessels in marinas and anchorages and, further, that resources be directed to

communicating with the owners of those vessels to identify those willing to surrender their vessels and to direct SAVE funding to those vessels for demolition.

Current governing statute limits grant funds to only public agencies and marinas. Thus, the subcommittee RECOMMENDS that effective approaches be developed to address abandoned and derelict vessels that are not covered by the existing program without diminishing the funding for the existing program. This might be accomplished by expanding the existing SAVE program or through the creation of a new program, both of which would require a new statutory framework.

6. *B&W Commission Role and Authority:* This subcommittee RECOMMENDS further exploration of the enhancement of the statutory authority and role of the Boating and Waterways Commission to provide not only advice, but also consent on the Division's HWRF loans and grants. It is the consensus of the subcommittee that doing so will better ensure in law that the Commission has a vital role that furthers the objectives of the Administration, that additional transparency is provided, and that the Division benefits from the Commissioners' expertise;
7. *Enhancement of Administration:* Currently, the California Department of Motor Vehicles (DMV) administers vessel registration. This Commissioner has been informed that the DMV computer systems are antiquated and that it is difficult, if not impossible, for the Division to obtain information and reports about vessel types, expired registrations, etc. that would be of benefit to the Division in the application for and administration of Federal grants. Accordingly, this subcommittee RECOMMENDS an exploration of the enhancement of the Division's administration of vessel registrations and an exploration of the possibility of the transfer of vessel registration from the DMV to the Division.