

Why We Need a National Reefing Program

The United States is faced with an economic downturn, including job losses in the shipbuilding/repair industry. Shipyards have closed throughout the nation, and other industries with similarly skilled workers are also in distress. Meanwhile, a surplus of former military and government vessels deteriorate in the various National Defense Reserve Fleet (NDRF) anchorages and fishing ports are economically battered by losses to species which have been fished for hundreds of years. Using these workers to reactivate shipyards and repair facilities to prepare the derelict vessels in the NDRF for reefing would generate or preserve jobs and job training for thousands of people. As of March 31, 2009 we estimate, based on published figures, that there are a total available for disposal of 161 ships. Navy and MARAD can only dispose of 14 ships per year in their approved yards, none on the West Coast. **More vessels are being decommissioned and laid up every year!** These ships also represent, due to the toxics aboard them, a major environmental threat if the ships are not disposed of safely, and soon. By reefing these vessels, historic ports would be provided alternative income sources through new or expanded diving and fishing tourism. The ocean environment would benefit from new or expanded habitat for critical species. More than 400 reefing sites, some suitable for more than one ship, have already been identified.

How to Achieve New Jobs, Job Training and Solve the Problem of the Toxic Threat:

Shipyards and heavy industry related jobs, including welding, cutting, toxics disposal, (asbestos, PCBs, oils, greases, and fuels), crane and other heavy equipment operators, and unskilled labor, to name a few, will be created or preserved by preparing a vessel for reefing, which involves cleaning it of toxic materials, safely disposing of them, and “diverizing” it, which involves cutting away doors and bulkheads to open up the interior, or permanently closing off other areas of the vessel to make it reasonably safe for divers. From anywhere in the vessel, a diver should be able to see daylight, indicating the nearest exit. High value metals (copper, aluminum, etc.) and valuable parts can be recovered during the process and sold to offset some of the costs. The hull is cleaned of active anti-fouling paint and invasive species. This may require the vessel to be dry docked, benefitting that part of the industry. Other shipping related jobs will receive a boost as the vessel will need to be towed from its current anchorage to the shipyard and from there to the sink site. The cost to prepare a vessel for reefing, including towing, averages between \$4.5 and \$6 million, more for a larger vessel or one with lots of PCBs, less for smaller vessels or those with no or low amounts of PCBs.

Taking the high end average (\$6 Million), reefing all 161 vessels currently in the inventory would cost less than \$1 Billion, and would preserve and/or create high paying jobs in shipyard industry for 3 to 5 years or more. The RAND reports of 2001 and 2004 show that the dollars flowing back into the Federal treasury would repay the cost of reefing in 7 to 12 years. Actual experience indicates a shorter timeframe and these figures do not take into account the continuing benefits to local port economies and the Local, State and Federal tax base from the tourism dollars generated or the benefits to the Ocean Environment from the reefs created.

In March, 2008 representatives from both governmental and non-governmental organizations (NGOs) of several reefing states held a joint meeting in New Jersey. One of the things learned at that meeting was that, in fact, the Navy and MARAD do not appear to really want ships reefed. It is easier for them to pay a contractor to haul them away and dismantle them and they have no incentive for reefing. They never see the income generated by artificial reefs as it flows into the General Fund. By making it

difficult and expensive to get a ship for reefing, they can limit, or even eliminate the program. The Navy makes only an occasional ship available to the states and makes them compete for it. This makes the states so eager to get a ship that they will accept the “as is – where is” policy, which means that whoever gets the ship is stuck with all the expenses, including cleaning it of toxics, which for recycling and SinkEX is paid for by Navy. In addition, the Federal Government retains ownership of recycled vessels until they are completely dismantled, but does not for reefing. The *USS Kittiwake* was recently donated to the Republic of the Cayman Islands, “as is – where is”. MARAD’s procedure differs from the Navy’s. MARAD has an open solicitation for reefing, meaning that any State can apply for a specific vessel, or class of vessels, on their own behalf, or that of a municipality or NGO. Additionally, MARAD provides a grant with each vessel, equal to the agreed upon cost of “disposal”.

In law, reefing is named as an equally valid disposal method for ships, yet it is being treated differently, to the detriment of our programs and the nation. The *USAFS General Hoyt S. Vandenberg* is a case in point: First, the amount of toxics aboard was tremendously understated, whether by accident or design, no one knows. It is possible that part of the fault lies with the contractor for “lowballing” cost estimates in their anxiety to get her. Second, EPA changed the rules on how clean she had to be in the middle of the game, causing massive cost overruns.

The development and implementation of a **United States National Reefing Program** is of the utmost importance to the economies of the coastal States and the environment of the oceans bordering them. This program should contain **AT A MINIMUM**, provisions as follows:

1. Reefing of surplus Navy and Maritime Administration (MARAD) vessels shall be the preferred method of disposal unless these vessels are needed for live-fire training purposes (SinkEX) or there are other compelling reasons for other disposal, i.e., nuclear powered vessels.
2. That equitable allotment of ships to the various States with reefing programs shall be made on a continuing basis.
3. That NGOs engaged in reefing activities which have established a working relationship (Public/Private Partnership) with their State Governments be recognized and dealt with in good faith by Navy, as MARAD can now.
4. That Navy and MARAD be responsible for the removal of all toxic materials and wire in these vessels, prior to donation for reefing, or to provide a grant to cover the full cost thereof with a vessel, even if underestimated by the applicant, and retain title to the vessel until the actual reefing event.
5. That the National Guidance: Best Management Practices for Preparing Vessels Intended to Create Artificial Reefs, filed in the Federal Register, May, 2006 be adopted as the Federal Standard for permitting on a programmatic basis.