

Vessel Salvage Fact Sheet



U.S. Coast Guard (USCG)

- **Operating under a Mission Assignment delegated by FEMA**
 - IAW Stafford Disaster Relief and Emergency Assistance Act (Stafford Act)
 - Pursuant to the Stafford Act (43 U.S.C. §§ 5121 – 5206), the federal government is authorized to provide federal natural disaster aid to state and local governments for the health and welfare of their citizens
 - ⊙ Humanitarian mission
 - ⊙ Removal of vessels, wrecks and debris
 - ⊙ Mission limited to commercially navigable waterways
 - ⊙ Vessel must also pose an immediate threat to life/public health/safety
- **Vessel Tracking and Mission Applicability**
 - Vessel located and marked with case numbers (with spray paint)
 - Pertinent information collected by field personnel
 - Information relayed to command post and entered into electronic database
 - Determination of mission applicability made by incident commander (or delegate)
 - ⊙ Does the vessel meet the requisite removal criteria?
 - Not every vessel marked with a USCG case number qualifies for removal
- **What does the USCG do with recovered vessels?**
 - Vessels are transported to land-based storage facilities (or stored on/in barges)
 - ⊙ Ideally, recovered vessels are returned to owners
 - ⊙ Recovered vessel may be transferred to the State (Louisiana Department of Environmental Quality (LDEQ)) if:
 1. Owner cannot be contacted; or
 2. Owner relinquishes vessel to the USCG
 - ⊙ However, vessels that are (1) a total structural loss, (2) have no residual value, and (3) have been substantially destroyed are typically disposed of as follows:
 - Hazardous materials must be segregated and handled accordingly
 - Remnants of vessels are transported to a municipal solid waste landfill or other approved disposal facility
- **Are vessel owners required to reimburse the government?**
 - Under the Stafford Act, owners are only required to reimburse FEMA for the costs incurred by the USCG to the extent that salvage is covered by the boat owner's insurance
 - ⊙ Reimbursement should not exceed actual cost of salvage
 - Owners may reclaim a vessel transferred to the LDEQ, but they must reimburse LDEQ for various redemption fees and storage fees
- **What about vessels that do not qualify for removal?**
 - Vessel owners are encouraged to use all available means to recover their vessels
 - However, owners typically cannot afford the cost of salvage
 - ⊙ Many vessel owners do not have adequate marine salvage insurance
 - ⊙ Thus, insurance proceeds are often insufficient to cover the cost of salvage

- U.S. Small Business Association (SBA) offers subsidized disaster loans
 - ⊙ Unfortunately, many, if not all, of the application deadlines have passed for those affected by Hurricanes Katrina and Rita

Louisiana Department of Wildlife and Fisheries (LDWF)

- The LDWF supports the USCG Documentation Office by providing ownership information for vessels registered in Louisiana
- The LDWF “Missing Boat Lookup” allows boat owners to search for missing vessels
 - <http://www.wlf.louisiana.gov/boating/missingboat/>
- Helping vessel owners and their insurance companies gather documentation required to file and process claims for property loss (i.e., vessel loss)
- Taking steps to prevent fraudulent registration of boats that may have been lost in the hurricanes by scrutinizing ownership documentation for new registration applications
 - Prohibited registration of salvaged, found, or abandoned boats
 - Working with the Louisiana Office of the Attorney General to protect the rights of vessel owners

Louisiana Department of Environmental Quality (LDEQ)

- The LDEQ is working in conjunction with the LDWF and the Louisiana State Police to recover boats and trailers left on public property in the wake of Hurricanes Katrina and Rita
- Boats located on public property are tagged with a notice of abandonment
 - At least three days must pass after a notice of abandonment is posted before a vessel may be towed to a staging area
 - Owners may remove their vessel before tagged vessels are towed
- When vessels are towed, the LDWF sends certified letters to notify owners of record
 - Discernable vessel identification numbers are entered into a database
 - Vessel owners are identified by querying the respective vessel registration database
- Boats are held in storage areas for 30 days after notification letter is sent by the LDWF
 - Unclaimed boats may be crushed, scrapped, or auctioned
 - ⊙ Final disposition depends upon condition and value of the vessel

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