

# Gov. Markell signs Senate Bill 261 establishing dedicated funding for DNREC's waterway management operations and responsibilities



At the bill-signing ceremony for funding DNREC's Delaware waterway management operations were, front row, left to right: State Rep. Ron Gray; State Sen. Gerald Hocker; Gov. Markell; State Rep. Ruth Briggs King; back row: Bob Collins, James Hanes, and Molly Struble, Center for the Inland Bays; Rob Whitford, Delaware Waterway Management and Financing Advisory Committee; DNREC Secretary David Small, and Speaker of the House Pete Schwartzkopf. /DNREC photo

DELAWARE SEASHORE STATE PARK – Today at the Indian River Marina with DNREC Secretary David Small, legislators, and members of the Delaware Waterways Management and Financing Advisory Committee looking on, Governor Jack Markell signed

legislation that establishes a dedicated and sustainable funding source for the state's waterway management operations. Sponsored by Senator Gerald Hocker and Representatives Ronald Gray and Ruth Briggs King, Senate Bill 261 allocates increased revenue from the state's boat registration program to a newly-created Waterway Management Fund for the exclusive support of Delaware's waterway management operations, as directed by DNREC, to keep channels open and safe for boaters.

"Improving the navigation of Delaware's waterways supports our economy and tourism, as well as commercial and recreational fishing," said Gov. Markell. "With almost 60,000 boats registered in Delaware, this legislation is a critical step toward improving the safety and access of our waterways for the boating public. I want to thank the bill sponsors, the Delaware Waterway Management and Financing Advisory Committee, and DNREC for their work in establishing dedicated funding for waterway management operations."

Fishing is integral to state and local economies. According to American Sportfishing Association, the economic value of recreational fishing in Delaware is almost \$150 million annually, while the commercial fishing industry's annual value is estimated at about \$10 million. However, commercial and recreational boaters continue experiencing difficulties in navigating the state's waterways due to the buildup of silt and sediment along main channels.

"This legislation is essential in helping DNREC achieve its mission of keeping Delaware waterways safe and navigable for boaters," said DNREC Sec. Small. "The responsibility for dredging and channel marking in federally authorized waterways has fallen to DNREC in recent years, but during an era of challenging state budgets, funding has not kept pace with need. Having a dedicated revenue stream will be a great boost to our waterway management program."

DNREC estimates the increase in boating registration fees will generate approximately \$1.3 million annually. Priorities for dredging in the state include many channels in the Inland Bays where boating activity is the highest. Massey's Ditch, connecting Rehoboth and Indian River Bays, the Lewes & Rehoboth Canal, Herring Creek, Love Creek, and Whites Creek are all in need of dredging. The Massey's project is estimated to cost \$4 million, the Lewes & Rehoboth Canal project is estimated at \$2.4 million, and Herring Creek project is estimated at \$2.4 million. Planning and engineering costs for Love Creek and Whites Creek are estimated at \$700,000.

Since 1970 DNREC has dredged waterways to maintain adequate depths in them. Over the years, waterway management activities have been conducted solely with General Fund and Bond Bill appropriations provided by the state legislature. Due to substantial reductions in federal funding and assistance, DNREC is now responsible for the dredging and maintenance of all but three of the 20 federal channels in Delaware, as well as having responsibility for additional waterway activities, including navigational channel marking and removal of derelict vessels and debris.

To address the funding needs, the Delaware Waterway Management and Financing Advisory Committee was created in 2014 by Senate Resolution 64 and directed to develop recommendations for sustainable and dedicated funding for waterway management activities statewide. The Committee was comprised of a broad range of interests, including legislators, recreational boaters, commercial watermen, fishing interests, dock and marina owners, and business owners with staff and support provided by DNREC. In 2015 the committee recommended increasing boat registration fees as a funding source for waterway management operations, which led to Senate Bill 261.

Sen. Hocker (R-Ocean View) said, "With tourism being so important to this state, it is a must that we do all we can to keep our bays in the best condition possible for our boaters,

for both recreational and commercial activities. Fishing, clamming, crabbing, and waterskiing are just a few examples of why it's important to keep our channels open and properly marked. As a result of the U.S. Coast Guard turning this responsibility over to the states, a task force was formed for the purpose of coming up with a revenue source necessary for dredging operations. The 148<sup>th</sup> General Assembly passed legislation, SB 261, to ensure a dedicated revenue source of an estimated \$1.3 million to be used for our channel dredging and marking. This represents about 1/3 of the monies needed annually."

Rep. Gray (R-Selbyville), who served on the Delaware Waterways Management and Financing Advisory Committee, stated that "This is a very good day for the people of Sussex County and, in particular, the residents of the 38<sup>th</sup> District. Our committee spent months looking at a lot of different options on how to fund the much-needed dredging of our waterways. Establishing a dedicated funding source from revenue generated by people who use the waterways made the most sense. I am confident that this will enable our state to continue cleaning waterways in order to keep boaters and other recreational users as safe as possible."

Rep. Briggs King (R-Georgetown) said she was "thrilled to be part of today's bill signing. Ensuring our waterways are clean for safe boating and recreational use is essential to our tourism industry in Sussex County, as well as to our residents' quality of life. Channel dredging, especially in parts of my district, cannot start soon enough. This funding source will go a long way to help address the serious and very legitimate concerns that many of us have been hearing over the years from our boating community."

Highlights of Senate Bill 261:

- Doubles current boat registration fees, with the

increased revenue allocated to the Waterway Management Fund.

- The remaining half of total boat registration revenue will continue to be used to administer the boat registration program and for boating education and safety.
- Requires that Waterway Management Fund revenues are used exclusively to support navigational channel dredging and marking and debris removal from waterways
- Increases the current service charges being retained by licensing agents to offset the costs of processing boat registration and boat ramp certificates.

The legislation becomes effective January 1, 2017.

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