



## Maritime Administration POLICY PAPER



America's Advocate for the Maritime Industry



### SHIP DISPOSAL

The Maritime Administration maintains the National Defense Reserve Fleet as a reserve of ships for defense and national emergencies. When ships are no longer considered useful for defense or aid missions, the Maritime Administration arranges for their responsible disposal, and uses several different methods for disposing of ships. The most frequently used is recycling, which is carried out in accordance with recycling guidelines set forward by the Environmental Protection Agency. Ships may also be transferred to states, to be cleaned for artificial reefs, or may be donated to qualified organizations. The ship disposal program must balance concerns about safety and the environment, a growing inventory of aging vessels, and the lack of suitable ship recycling facilities.

Today, there are more than 130 obsolete ships awaiting disposal. Our ships are located at fleet sites in Virginia, Texas and California. These locations were established after World War II, and were practical because they were geographically dispersed and near naval facilities. However, because the fleet sites are located in river estuaries, there is today increasing concern about the sensitivity of the habitat. The agency plans to dramatically improve maintenance programs to protect the environment around the fleet sites while also continuing to pursue expedited disposal of the obsolete ships. Expedited disposal quickly lessens environmental risk and makes sense not only from the standpoint of avoiding harm, but also in terms of reducing costs. Environmental cleanup costs after a hazmat discharge incident are often far higher than the cost of

proper and timely disposal. The long-term goal for the program is a net reduction in the size of the obsolete fleet by removing as many vessels as possible from the fleet sites.

The ship disposal program is designed to enhance communities and protect the natural and built environment. By disposing of the worst condition ships first, the Maritime Administration has substantially improved the overall condition of the inventory in the past few years. From 2001 through 2006, 71 ships were removed from the fleet sites for disposal and we completed the disposal of 55 ships during that same time period. Successful pursuit of this program reduces pollution and other adverse effects coming from transportation facilities.

Ship disposal presents many challenges due to the complexity of the ships themselves, environmental and safety issues, uncertainties in the domestic industrial base, and a changing international consensus on ship disposal. Early in 2007, inconsistent Federal and state environmental laws and regulations regarding the spread of invasive species, and clean water standards, caused the Maritime Administrator to temporarily suspend ship disposals. The Agency shares public concern for the potential impact on the environment of hull cleaning and is committed to protecting the environment around the fleet sites.

An innovative hull cleaning method has been accepted for use in Virginia and Texas, and the ship disposal program has resumed in those states. After further evaluation, the agency will seek to employ this method in California also, and resume ship disposal there.

*Maritime Administration poster marking the 100-ship mark on disposal contracts since the beginning of Fiscal Year 2001.*

