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SENATE BILL NO. 686

Offered January 23, 2004

A *BILL* to establish the ownership and management relationship of the United States documented sailing vessel Virginia between the Commonwealth and the Virginia Maritime Heritage Foundation.

Patrons—Rerras and Quayle; Delegate: Howell, W.J.

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:

1. § 1. Upon the commissioning of the United States documented sailing vessel Virginia (the Vessel), the Virginia Maritime Heritage Foundation (the Foundation) shall transfer ownership to the Commonwealth subject to an agreement between the parties providing for the Foundation to manage and operate the Vessel under a demise charter for a period of 24 years. Such agreement shall also provide for the Foundation to time charter the Vessel back to the Commonwealth for two consecutive years throughout the 24-year period.

§ 2. Any agreement between the Foundation and the Commonwealth shall provide for:

a. The ownership of the vessel by the Commonwealth;

b. The demise charter to the Foundation for 24 years to establish ownership;

c. Establishment of the Foundation as the sole responsible party for the management of the Vessel including fundraising, marketing, insurance, public relations, the master and crew, scheduling, and all maintenance;

d. Authority for the Governor to appoint three representatives to the Foundation's Board of Directors;

e. The time charter between the Foundation and the Commonwealth for a period of 24 years with a two-year business plan cycle. The time charter shall be a fixed monthly fee equal to 50 percent of the yearly operating cost of the Vessel. The Office of the Governor shall review the terms of the time charter every two years with any revision of the financial obligations made as necessary;

f. Requirement for the Vessel, subject to availability, to be on call to agencies of the Commonwealth for at least 50 percent of the operating season. Vessel usage by the Office of the Governor, Department of Transportation (DOT), Economic Development Partnership (EDP), Virginia Tourism Authority (VTA), and the Virginia Port Authority (VPA) shall collectively amount to two dockside or sailing receptions in each port of call on the itinerary for each year, to be used in any combination thereof, to include catering and entertainment costs to the Foundation;

g. Requirement for the Governor, DOT, EDP, VTA, and VPA to receive priority input in establishing the Vessel's long term itinerary at least three to five years in advance and the short-term yearly itinerary for specific monthly dates and vessel usage within the ports of call. However, the Board of Directors of the Foundation and the Master of the Vessel shall have final authority for establishing sailing itineraries based on good marine practice for sailing vessels;

h. Scheduling for the use of the Vessel in trade missions, marketing, economic development, film production, festivals and other events located regionally, nationally and internationally at any port of call that the Vessel can safely visit; and

i. Establishment by the Foundation of a statewide educational program aligned with the Standards of Learning and accessible via the Internet for public school systems. Such program shall also provide for school tours of the Vessel and other educational programming at a predetermined fee.

§ 3. The Foundation shall engage the private corporate sector and foundations to secure financial support for the Vessel. The Foundation shall secure an endowment for the Vessel by 2014.

§ 4. The Foundation shall annually, on or before November 30, file a report with the General Assembly on the progress of the implementation of this act.

§ 5. The Governor is hereby authorized to negotiate the agreement for the management and operation of the Vessel, subject to the provisions of this act and upon consultation with the Attorney General. Any agreement shall be made in a form approved by the Attorney General. The appropriate officials of the Commonwealth are hereby authorized to prepare, execute, and deliver such deed and other documents as may be necessary to accomplish the conveyance.

INTRODUCED

SB686