

COMMITTEE

MEETING:

CONFIRMATION HEARINGS

Bd. of MARINE PILOTS

AND

DOT 3-18-81

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

*House Transportation:*

*3/18/87*

February 16, 1987

TRANS

Board of Marine Pilots

Taylor, M. Paul - Skagway

Term began 10/31/86 expires 6/1/90

HESS

State Medical Board

Conley, MD, Thomas L. - Ketchikan

Original term began 7/15/82, reappointed 6/3/86,  
expires 4/21/90

HESS

Board of Nursing

Buness, RN, Janet L. - Wrangell

Term began 8/7/86 expires 3/31/91

Waskey, Georgianna - Mountain Village

Term began 8/7/86 expires 3/31/91

L+C

Occupational Safety and Health Review Board

Wingfield, Jesse C. - Fairbanks

Term began 8/7/86 expires 8/1/87

RES

Alaska Oil and Gas Conservation Commission

Barnwell, William W. - Anchorage

Term began 6/3/86 expires 12/31/86

HESS

Board of Examiners in Optometry

Lounsbury, OD, John - Fairbanks

Original term began 1/9/85, reappointed 8/7/86,  
expires 6/15/90

Richmond, Carole S. - Ketchikan

Term began 10/9/86 expires 6/15/90

SA

Personnel Board

Johnson, Marlene A. - Hoonah

Original term began 10/19/83, reappointed 6/24/86,  
expires 6/20/92

HESS

Board of Pharmacy

Cekada, MPH, Emil L. - Anchorage

Term began 6/24/86 expires 4/1/90

HESS

State Physical Therapy Board

Dudley, Gail E. - Anchorage

Original term began 11/12/85, reappointed 9/18/86,  
expires 9/1/90

HESS

Professional Teaching Practices Commission

Nelson, James "Tom" T. - Anchorage

Original term began 10/19/83, reappointed 7/18/86,  
expires 7/1/89

STEVE COWPER  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 10, 1987

MAR 12 1987,

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Grussendorf:

Fermin "Rocky" Gutierrez has resigned his post as Commissioner of the Department of Transportation and Public Facilities. Please remove his name from the confirmation list submitted to you on February 10, 1987.

In accordance with AS 39.05.080 and Article III Section 25 of the Alaska Constitution, I submit the following names for legislative confirmation of appointment to the position noted:

Department of Transportation and Public Facilities  
Commissioner Mark S. Hickey

Department of Corrections  
Commissioner Susan Humphrey-Barnett

The resumes for these appointments will be submitted to the Fifteenth Alaska State Legislature through the clerks of both houses respectfully.

Sincerely,

A handwritten signature in cursive script that reads "Steve Cowper".

Steve Cowper  
Governor

MARK S. HICKEY

DOT/PF - Office of the  
Commissioner  
P.O. Box Z  
Juneau, Alaska 99801  
#(907) 465-3900

4053 Deborah Drive  
Juneau, Alaska 99801  
#(907) 789-9693

\*\*\*\*\*

CAREER OBJECTIVE

To continue public service for the State of Alaska in a position of high level responsibility involving public policy formulation and legislative activity to achieve implementation.

EDUCATION

Bachelor of Science in Foreign Service, Georgetown University, 1976. Major: International Politics - Law, Relations and Organizations. Grade Point Average: 3.64 (Cum Laude). Junior Year Abroad: Georgetown-at-London/Warsaw. School of Foreign Service Proficiency in French.

Railroad Profit Strategy Program, Northwestern University, 1979.

WORK EXPERIENCE

Alaska Department of Transportation & Public Facilities  
Office of the Commissioner  
P.O. Box Z; Juneau, Alaska 99801

Position: Special Assistant for External Affairs  
February 1985 to Present

Provide DOT/PF Commissioner with high level staff support for a wide range of external DOT/PF relationships. Major areas of responsibility include the Alaska Railroad Corporation, the Alaska Land Use Council, the Alaska Power Authority, land acquisition and management issues with particular emphasis on Native problems and coordination with the Alaska Department of Natural Resources, transportation corridor and access issues, vehicle weight limits and commerce regulation matters, and special assignments regarding state and federal legislation (e.g., Surface Transportation Assistance Act). Also perform special DOT/PF negotiations as assigned (e.g., Klondike Highway Agreement; North Slope Borough Dalton Highway concerns).

Alaska Department of Transportation & Public Facilities  
Office of the Commissioner/Alaska Railroad Transfer Team

Position: Special Assistant II/State Railroad Coordinator  
January 1983 to February 1985

Directed and coordinated all state staff work to address and implement the state's decision to acquire the Alaska Railroad from the federal government. Duties included careful scrutiny of valuation work by the United States Railway Association; performance of extensive negotiations with the Federal Railroad Administration; preparation of several detailed reports analyzing transfer issues; legislation drafting and lobbying to obtain passage of the state Alaska Railroad Acquisition & Corporation Acts and necessary appropriations; completion of administrative steps to achieve transfer, including preparation of all transfer documents and employee protection mechanisms; and work to initiate corporate existence and facilitate transition activities. Directed an immediate staff of five members, and an entire work force of about thirty people from seven departments and several law and consultant firms.

Alaska Department of Transportation & Public Facilities  
Hdqts./S.E. Divisions of Planning & Programming

Position: Transportation Planner I/Public Facilities Planner I/  
Planner IV & III January 1979 to December 1984

Served as Chief Policy Analyst for DOT/PF's Statewide Policy Section. Served as Lead Planner for DOT/PF and the Office of the Governor on the Alaska Railroad Acquisition Project. This included directing and coordinating all work activity of consultant study teams and special outside legal counsel, and major staff support for drafting and other legislative work to obtain passage of the federal Alaska Railroad Transfer Act. Served as DOT/PF's State Rail Plan Manager. Served as DOT/PF's Staff Representative for the Alaska Land Use Council. Performed considerable legislative liaison work on transportation issues for State D-2 Lobbying Team. Served as DOT/PF Project Manager for Governor's 1980 Dalton Highway Policy Analysis. Performed other lead planning duties as assigned.

Alaska Department of Transportation & Public Facilities  
Alaska Department of Highways  
Headquarters Planning Division

Position: Transportation Planner I/Research Analyst I  
November 1976 to June 1978

Served as State Coordinator of the urban and local transportation planning programs, including administrative and technical responsibilities for federal grant programs. Served as Program Manager

for elderly and handicapped transportation grant program under the Urban Mass Transportation Administration. Researched and prepared urban and rural transit studies on Alaskan communities. Served as staff member for the Alaska Transportation Planning Council.

American Council of Education  
One Dupont Circle; Washington D.C.

Position: Research Assistant/Shipping Clerk  
May 1975 to October 1975

Assisted in the formulation of G.E.D. High School Equivalency Tests and testing procedures. Assisted in the reorganization of office files and revision of office procedures. Performed a wide range of clerical duties as required.

#### HONORS AND ORGANIZATIONS

Guest Speaker, Anchorage Chamber of Commerce, 1985  
Guest Speaker, Fairbanks Chamber of Commerce, 1984  
Guest Speaker, International Association of Right-of-Way Agents, Anchorage Chapter, 1984  
Panel Member, National Conference of State Railway Officials, 1981  
Panel Member, Alaska Mining Symposium, 1980

Dean's List, 1972-1976, Georgetown University  
Pi Sigma Alpha - National Political Science Honor Society  
Phi Alpha Theta - National History Honor Society  
Class Speaker, School of Foreign Service Graduation, May 1976

#### PERSONAL DATA

Married - two sons      6'3"      220 lbs.      excellent health  
Age - 31

#### REFERENCES/WRITING SAMPLES

Available on request.

MAR 15 1987



**White Pass & Yukon Route**

PACIFIC AND ARCTIC RAILWAY AND NAVIGATION COMPANY  
BRITISH COLUMBIA-YUKON RAILWAY COMPANY  
THE BRITISH YUKON RAILWAY COMPANY

March 11, 1987

Representative Betty Cato  
Chairman, House Transportation Committee  
Capital Building, Room 15  
P.O. Box V  
Juneau, Alaska 99811

Dear Representative Cato:

Subject: Marine Pilots Board  
M. Paul Taylor, P.E.

As you requested, I am pleased to submit a resume for your consideration in confirming my appointment to the Marine Pilots Board.

Please do not hesitate to call if you require more information.

Sincerely,

*M. Paul Taylor*

M. Paul Taylor  
Vice President  
Alaska Operations

MPT/jo

Enclosure

RESUME OF EXPERIENCE OF  
M. PAUL TAYLOR, P.E.

PERSONAL

Name: Marvin Paul Taylor, Jr. SS# 574-18-5404

Address: Post Office Box 241  
Skagway, Alaska 99840

Telephone: (907) 983-2214

Birth date: January 3, 1949

Registered Professional Civil Engineer, State of Alaska, 4260-E  
Registered Professional Civil Engineer, Yukon Territory  
Licensed Explosives Handler, Alaska and Yukon Territory

EDUCATION

University of Alaska, Fairbanks, B. S. degree in Civil Engineering,  
May 1972

University of Alaska, Fairbanks, Master of Civil Engineering  
May 1973

EXPERIENCE

Jul 1981 to Present/ White Pass & Yukon Route, Skagway. Manager, Rail and Alaska Operations: Promoted to highest operation official to implement changed transport conditions in delivery of bulk fuel and container traffic thru port of Skagway. Manage all aspects of Marine and Petroleum construction projects. Negotiate all railroad and Teamster 959 contracts. Represent White Pass interest to public officials. Prepare, implement and control all operation and capital budgets.

Southeast Stevedoring Corp, Skagway. Port Manager: Responsible for all agency work and berthing conditions of all cruise ships, ore carriers, petroleum barges and other ships in Skagway. Design and construct all dock expansion and modification projects for cruise ships.

Resume

M. Paul Taylor, P.E.

Page 2...

EXPERIENCE (continued)

Dec 1980 to Jun 1981/ Alaska Department of Transportation, Juneau.  
Position: Assistant construction Engineer, Southeast Region. Direct the administration of construction projects through subordinate project engineers.

Jul 1978 to Nov 1980/ Alaska Department of Transportation, Skagway.  
Position: Project Engineer for Skagway State Street reconstruction, Sheep Creek Bridge construction and other projects in Juneau.

Oct 1974 to Jun 1978/ Alaska Department of Transportation, Skagway.  
Position: Ass't. Project Engineer for the construction of the Klondike Highway from Skagway to the Canadian Border, including construction of the cable stayed Capt. Moore Creek Bridge.

Apr 1974 to Sep 1974/ White Pass & Yukon Route, Skagway. Position: Civil Engineer. In responsible charge of work on emergency reconstruction in only six days of bridge 15C, a 70 foot high trestle bridge destroyed by fire. Planned, designed and surveyed new yard track leads into locomotive and car shops.

May 1973 to Feb 1974/ Union Pacific Railroad Co., Omaha. Position: Staff engineer. Supervised Union Pacific forces for construction of six high-speed curve changes near Rock Springs, Wyoming. Managed reconstruction of eight mile long main line, signals and yard relocation with welded rail at Marysville, Kansas.

May 1972 to Oct 1972/ Alaska Railroad, Fairbanks. Position: Civil Engineer. Provided engineering and partial construction management for subgrade construction of the 10 mile spur from Fort Wainwright to Fairbanks International Airport.

Member: Clerk Skagway School Board  
American Society of Civil Engineers  
American Railway Engineering Association  
Skagway Volunteer Fire Department

Past

Member: Skagway School Board  
President Skagway Chamber of Commerce

MAR 06 1987

A PERFORMANCE REPORT ON THE  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
BOARD OF MARINE PILOTS

November 28, 1986

Audit Control Number

08-1272-87-R

Commissioner, Department of Commerce  
and Economic Development

J. Anthony Smith

Deputy Commissioners, Department of  
Commerce and Economic Development

Greg Baker  
Terry Elder

Members of the  
Board of Marine Pilots

Chairperson  
Member  
Member  
Member  
Member  
Member  
Member

J. Anthony Smith  
William H. Barrington  
Judith M. Brady  
James A. Hodgman  
W. Ed Murphy  
William G. Ruddy  
Paul Taylor

# STATE OF ALASKA

AUDIT DIVISION  
POUCH W  
JUNEAU, ALASKA 99811-3300

**THE LEGISLATURE**  
BUDGET AND AUDIT COMMITTEE

November 28, 1986

Members of the Legislative Budget  
and Audit Committee:

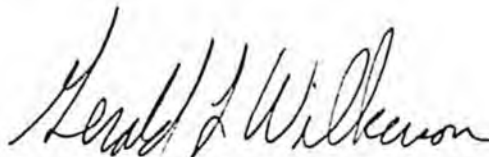
In accordance with the provisions of Titles 24 and 44 of the  
Alaska Statutes (sunset legislation), the attached report is  
submitted for your review.

A PERFORMANCE REPORT ON THE  
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT  
BOARD OF MARINE PILOTS

November 28, 1986

Audit Control Number

08-1272-87-R



Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit

TABLE OF CONTENTS

	<u>Page</u>
Purpose of the Report . . . . .	1
Organization and Function . . . . .	3
Report Conclusion . . . . .	5
Findings and Recommendation . . . . .	7
Analysis of Public Need . . . . .	9
Appendix:	
A. Board of Marine Pilots Revenues Compared with Expenditures . . . . .	15
Agency Responses:	
Department of Commerce and Economic Development . . . . .	17
Board of Marine Pilots. . . . .	19
Legislative Audit's Additional Comments . . . . .	21

## PURPOSE OF THE REPORT

In accordance with the intent of Titles 24 and 44 of the Alaska Statutes (sunset legislation), we have reviewed the activities of the Board of Marine Pilots to determine if the Board has been operating in an efficient and effective manner.

As required by legislative intent, this report shall be considered during the legislative oversight function in determining whether the Board of Marine Pilots should be reestablished. The law currently specifies that this Board will terminate on June 30, 1987 but will continue until June 30, 1988 for the purpose of concluding its affairs.

The major areas of our examination were the licensing, examination, administration, complaint, and affirmative action functions of the Board. We reviewed and evaluated the following:

1. Applicable statutes and regulations.
2. Tests of files and documents of licensees.
3. Interviews with the Division of Occupational Licensing (OL) employees.
4. Complaints filed with OL, Equal Employment Opportunity Office, Attorney General's Office, and the Ombudsman Office.
5. Discussions with Board members.
6. Minutes of Board meetings and Division correspondence files.
7. Attorney General's Opinions applicable to professional boards.
8. Interviews with personnel from the U.S. Coast Guard.

(Intentionally left blank)

## ORGANIZATION AND FUNCTION

Responsibility for the regulation of marine pilotage is shared by the Federal and State governments. The Federal government, through the U.S. Coast Guard (USCG), regulates pilotage on enrolled vessels, while the individual states are given the right, in the United States Code, to regulate pilotage on registered vessels. Enrolled vessels are vessels registered in the United States and engaged in commerce between American ports; registered vessels are those vessels engaged in foreign trade. The individual states have the right to regulate pilotage on vessels engaged in foreign trade.

The Alaska Board of Marine Pilots was created under AS 08.62 to carry out the State of Alaska's responsibility of regulating pilotage on registered vessels. The Statute became effective in 1970.

The board is made up of seven members - two marine pilots, two agents or managers of vessels, two public members, and the Commissioner of the Department of Commerce and Economic Development. The purpose of the Board of Marine Pilots is to license qualified pilots, to take disciplinary action against negligent or incompetent pilots, and to establish standards for pilotage fees.

Once a marine pilot has received a license from the Board, he is authorized to pilot registered vessels within the established boundaries of compulsory pilotage waters for the State. The compulsory pilotage waters and the exclusions for entering compulsory pilotage waters are defined by regulations. Alaska Statute 08.62.160 requires registered vessels to carry State licensed pilots when inside these boundaries. It is the pilot's job to direct a vessel safely through Alaska's designated inside waters, dock and undock the vessel.

To obtain an unlimited pilot's license an applicant must first obtain both a pilot's license and a master's license issued by the U.S. Coast Guard. In addition, the applicant must perform ten to twenty supervised dockings and undockings and pass written and oral examinations administered by the Board.

The Board also issues limited pilot's licenses and channel pilot's licenses. The holders of limited pilot's licenses may pilot vessels of 2,000 gross tons or less. Channel pilots may pilot vessels in main ship channels only, and can perform dockings and undockings under the direct supervision of pilots holding unlimited pilot's licenses. Proof of dockings and undockings is required to obtain the limited

and unlimited classes of licenses. Applicants for any of the three licenses can obtain temporary licenses by meeting all the licensure requirements and taking a temporary license examination. A second, more extensive, examination is required for permanent licensure which is administered at the subsequent Board meeting.

To obtain license renewal, a pilot must have worked within the area(s) for which he was licensed within the last two biennial periods or petition the Board for determination that he has sufficient knowledge and experience to resume pilotage in the area(s). License renewal is required biennially. It is a pilot's duty to report quarterly the names of all vessels served that were subject to the services of a licensed pilot.

Another function of the Board is to establish standards for setting pilotage fees for services. Any changes of the fees charged by pilots for their services must be approved by the Board.

The Board is assisted in performing its licensing and other administrative functions by staff support from the Division of Occupational Licensing (OL). OL processes applications, maintains files, answers correspondence dealing with the Board, and provides other administrative support as needed by the Board. In addition, OL investigates complaints or accident reports involving marine pilots.

## REPORT CONCLUSION

### Policy Issues

This report contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting these practices are not within the scope of this report but require legislative consideration. In debating these issues, the oversight committees should take into consideration the findings and recommendation presented in this report so the potential impact of policy changes can be evaluated.

### Report Conclusion

In our opinion, the Board of Marine Pilots should be reestablished. The regulation and licensing of qualified professionals is necessary to protect the public's health, safety, and welfare. The Board provides this service by establishing minimum experience requirements that provide reasonable assurance that persons licensed are qualified. Also, assurance that those licensed act in a competent manner is provided by investigation of complaints and revocation or suspension of licenses when appropriate.

(Intentionally left blank)

## FINDINGS AND RECOMMENDATION

### Recommendation No. 1

The Division of Occupational Licensing's investigative unit should ensure timely, effective, and efficient investigations of licensing complaints.

The Division of Occupational Licensing (OL) is responsible for monitoring and enforcing ethical and professional licensing standards and requirements for various professional boards. Complaints alleging improper practices on the part of licensees as well as those contesting board licensing decisions are investigated by OL. The effective performance of this function is necessary to promote the welfare of the public and protect the rights of licensees.

During the December 15, 1985 special report on OL, several cases were found where there was up to a year's delay in the appointment of a hearing officer; up to six months between the completion of an investigation and the time an accusation was drawn and served; and up to three months between the time a licensing board made a final decision and notice of the decision was served the disciplined licensee. It was determined that the primary cause of those delays was the absence of an effective case management system. There was no system in place to effectively track investigations from the time of the first complaint through its various stages until final resolution. Also noted was that cases were assigned and prioritized through an informal system with little centralized management control.

The conditions found in 1985 were present for much of our audit period. In addition, the investigative unit had significant delays in processing complaints regarding marine pilots in 1985-1986. Review of the 9 complaints received in Juneau by OL from July 1, 1985 (the cutoff test date of the prior audit) showed 4 complaints received in OL 30 - 70 days prior to processing by the investigative unit. OL has recently initiated a process to log in and update complaint file status utilizing computer resources. Centrally available case information and the newly established investigative procedure manual should provide a basis from which OL can enhance complaint processing by the unit.

(Intentionally left blank)

## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analyses of board activities relate to the public need factors defined in the "sunset" law. These analyses are not intended to be comprehensive, but address those areas we were able to cover within the scope of our review.

- I. The extent to which the board, commission, or program has operated in the public interest.
  - A. The Board of Marine Pilots has operated in the public interest by examining and licensing qualified applicants and proposing changes in regulations that are necessary to enforce State statutes and assure the protection of shipping, human lives, property, and the environment from the dangers posed by vessels in Alaskan waters. To accomplish these functions, the Board has held 6 board meetings, 2 teleconferences, and 6 examination sessions for marine pilots during the past 4 fiscal years.
  - B. Two applicants were issued temporary upgraded licenses prior to fulfilling the docking and undocking certification as required in regulations 12 AAC 56.030 and 12 AAC 56.040.
- II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.
  - A. The Governor, when making appointments to a board or commission, requests that the appointee attend at least 75% of the meetings. From December 1982 through November 1985, one of the seven members had attended only 50% of the meetings. In addition, late appointment caused Board members to fall to 6 (including Commissioner's designee) for two Board meetings.
  - B. The Board pilot members regularly review the examination content and revise it as needed. The State areas differ slightly from the USCG endorsements available and therefore, the Board needs to ensure that applicant requirements are clear regarding these areas. Also under revision is the accident report form.

- C. The Board and OL license examiners are utilizing a procedures manual thereby enhancing effective communication between the administrative function and the Board.
- D. The following has hampered or enhanced the Board's effectiveness due to administrative actions by OL:
  - 1. The Board received assistance in drafting legislation and regulatory changes from OL.
  - 2. Alaska Statute 08.01.070(7) requires the Board to forward Board minutes to OL within 20 days of the meetings. This time requirement was not met for the May 1985 Board meeting.
  - 3. OL does not have an allocation plan for indirect costs for each individual board. They do have procedures to recoup costs in total. Available records indicate the Board is not self-supporting.
  - 4. Alaska Statute 08.01.050(9) states licenses will be issued as authorized by the Board. Two licenses were issued in December 1981 with no apparent Board resolution existing in the Board minutes.
  - 5. Board Regulation 12 AAC 56.060(c) requires temporary exams to be administered by two Board members. Two exams were administered with OL Commissioner's designee's authority in Unalaska in 1984 due to the applicant's expression of financial hardship.

III. The extent to which the board, commission, or agency has recommended statutory changes which are generally of benefit to the public interest.

- A. The Board changed or deleted definition vagueness in 12 AAC 56.080 and 12 AAC 56.160 concerning experience requirements for biennial license renewal and duties of pilots. This action was in response to a Division of Legislative Audit recommendation in the FY 82 Sunset Review.
- B. The Board has revised its regulations effective December 14, 1986 to include a clause (12 AAC 56.075) under which applicants can request a waiver from qualification requirements due to extenuating circumstances. This regulation was needed to lessen the restrictive nature of the Board of Marine Pilots' regulations.

- C. The Board redefined the Southwest compulsory pilotage water boundaries in order to eliminate confusion as to area requirements. This action provides more concise information to those individuals in the profession or striving to be, therefore, improving adherence to marine pilot regulations.
  - D. The Board has proposed legislation affecting AS 08.62.150 which would expand the Board's authority regarding disciplinary action. The enactment of this legislation would allow the Board to reprimand licensees for inattention to duty and negligence.
- IV. The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.
- A. The public is informed of examination dates and regulation changes by notices in 5 newspapers throughout the State.
  - B. Minutes of Board meetings include "guest" names which consist of industry representatives and/or support staff in attendance.
- V. The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.
- A. As stated in Criteria IV, Letter A, the public is invited to the Board of Marine Pilots' meetings to give input about Board business and proposed regulations.
- VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.
- A. There were no complaints filed with the Office of the Ombudsman, State Office of Equal Employment Opportunity or the Human Rights Commission.
  - B. A case management system and procedures is currently being established by the Division of Occupational Licensing, Investigative Unit. This implementation should enhance complaint handling. (see Recommendation No. 1).

C. The Division of Occupational Licensing has not always handled complaints and/or accident reports for the Board in a timely manner (see Recommendation No. 1). This could cause unnecessary delays in revoking a negligent pilot's license or in acquiring case facts and therefore affect the due process rights of an individual.

VII. The extent to which a board or commission which regulated entry into an occupation or profession has presented qualified applicants to serve the public.

A. The Board currently regulates 72 pilots and 18 agents. There have been 22 new licenses issued since December 1981. Nine licenses lapsed since 1982; 7 of which were voluntarily not renewed, 2 of which were subsequently renewed after the license expiration date.

B. The Board requires, from pilots, quarterly reports documenting vessels serviced that require State licensed pilots.

VIII. The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

A. The Office of Equal Employment Opportunity does not feel the weight, height, or date of birth questions are necessary with the application form and may encourage discrimination. However, neither the Human Rights Commission nor the Equal Employment Opportunity Office have received complaints related to the Board's activities.

IX. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

A. Please refer to the previous section, Findings and Recommendation.

APPENDIX

(Intentionally left blank)

APPENDIX A  
 BOARD OF MARINE PILOTS  
REVENUES COMPARED WITH EXPENDITURES  
 For the Fiscal Year Ended June 30, 1986  
 (Unaudited)  
 (Note 1)

Average Revenue (See Schedule 1 and Note 2)	\$11,489
Expenditures (See Note 3)	<u>14,611</u>
Excess of Revenues over Expenditures	<u><u>\$ (3,122)</u></u>

Schedule 1  
Types of Revenues

<u>Revenues</u>	<u>Amount Prior to 11/20/86</u>	<u>Amount Effective 11/20/86</u>	<u>Collection Time</u>
Application and Examination Fee	\$ 50.00	\$120.00	With submittal of application
Temporary License Fee	\$ 50.00	\$ 20.00	With submittal of application
License Fee	\$300.00	\$180.00	Biennially
Extension of Route or Upgrade Fee		\$ 20.00	With submittal of application

Note 1

This revenue/expenditure comparison was prepared from available records and discussions with Occupational Licensing personnel. The records were not audited by us and, accordingly, we do not express an opinion on the Board's Statement of Revenues Compared with Expenditures.

Note 2

A significant portion of revenues is composed of license renewal fees. Licenses are renewed biennially and the last renewal date was December 31, 1984. Because of the renewals, revenues vary substantially every other year. Therefore, we averaged revenues collected in fiscal year 85 and fiscal year 86 in order to obtain a representative amount of average annual revenues collected.

Note 3

Expenditures consist of direct costs resulting from Board activities, which includes travel, per diem, and miscellaneous contractual expenditures incurred by the Board members and the Board's licensing examiner. This amount does not include indirect administrative expenditures of the Division of Occupational Licensing or expenditures for efforts of other departments assisting the Board.

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

P. O. BOX D  
JUNEAU, ALASKA 99811-0800  
PHONE: (907) 465-2500

OFFICE OF THE COMMISSIONER

February 6, 1987

FEB 17 1987

Mr. Gerald Wilkerson  
Legislative Auditor  
Legislative Audit Division  
P.O. Box W  
Juneau, AK 99801

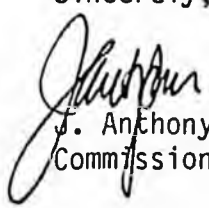
Dear Mr. Wilkerson:

Thank you for the opportunity to respond to the preliminary performance report on the Board of Marine Pilots. The department concurs that the board should be reestablished and agrees with the recommendation that the Division of Occupational Licensing's investigative unit should ensure timely, effective, and efficient investigations of licensing complaints. As you acknowledged in the report, the division has implemented the following procedures over the past six months which are targeted at increasing the effectiveness of the investigative unit:

1. all current cases in investigation and litigation have been computerized;
2. an in-depth investigation and litigation manual has been prepared and adopted; and
3. all complaints received by licensing examiners are now logged into the investigative unit within three days of receipt.

These procedures have increased the effectiveness of case tracking and processing but will not impact the timely processing of all complaints. There are currently four investigators who have the responsibility for investigating allegations of incompetence and unlicensed activity in 25 occupational areas. Each investigator currently has an average caseload of 50 investigations. This has necessitated the development of a system of prioritizing cases based on the degree of risk to the public. Unfortunately, not all cases can be handled in a timely manner.

Sincerely,

  
J. Anthony Smith  
Commissioner

KM/mst5339m  
020587a

(Intentionally left blank)

February 10, 1987

BOARD OF MARINE PILOTS RESPONSE TO PRELIMINARY SUNSET AUDIT DATED NOVEMBER 28, 1987, BY CAPTAIN W.E. MURPHY, MEMBER.

The preliminary audit report is generally a fair and reasonable statement of the Board's performance and problems. Some areas, however, need to be clarified and expanded upon.

#### PURPOSE OF THE REPORT

The auditors claim that in making their report they "reviewed and evaluated" discussions with Board members. In fact, I know of no Board member who had any dialogue with an auditor relative to their sunset investigation. Contact between Board members and sunset auditors was noticeable by its absence. An auditor did sit in on a Board meeting but did not interview Board members.

#### ORGANIZATION AND FUNCTION

Under this section the report describes the Board's purpose and duties but does not state its primary duty, established by statute. That is Alaska Statute 08.62.040 which states, in part, "The Board shall (1) provide for the maintenance of an efficient and competent pilot service on all waters covered by this chapter to assure the protection of shipping and the safety of human life and property." This is the most important of the statutes which the Board's performance should be measured against.

The preliminary report, in describing the Board's licensing functions, refers to limited pilot license of under 2000 gross tons. Recently new licensing regulations were put into effect by the Board which creates 4 license categories: channel pilot; step 1 license for vessels of less than 20000 gross tons; step 2 license for vessels of under 40000 gross tons; and unlimited tonnage license.

#### REPORT CONCLUSION

##### POLICY ISSUES

The meaning of this paragraph is not clear. Therefore no comment is offered.

##### REPORT CONCLUSION

The Board concurs with the auditors' conclusion that it should be reestablished. While not without problems, the Board does a good job of protecting the public's interest by regulating pilotage in this state. The demise of the Board would spell the end of any state control over the competence of the navigation of the many foreign vessels and very large tankers which ply Alaska's waters.

#### FINDINGS AND RECOMMENDATIONS

The Board could not agree more that timely, effective and efficient investigation of licensing complaints should be ensured. Board members have been extremely frustrated with the inordinate amount of time license suspension/revocation proceedings have taken, a process over which the Board exercises no control. The problem goes beyond investigative delay, however. In two recent cases months passed after the investigations were completed before a hearing officer was assigned. The hearing officer, once appointed, granted a series of delays and continuances to both counsel which further slowed the proceedings.

W. E. MURPHY  
CAPTAIN  
& BOARD MEMBER

FEB 11 1987

FEB 12 1987

Bd. of Marine Pilots Response to Preliminary Audit  
February 10, 1987  
page 2

About two years passed before the cases were resolved, during which time the Board suffered much criticism. The perception of the maritime public was that the Board was refusing to act, while in fact the Board could do nothing until the hearing process was finished. This is an example of how bureaucratic inertia can undermine public confidence in a regulatory board. It is a very real problem for this board.

The director of Occupational Licensing is aware of this problem and has instituted reforms which the Board feels will improve the timeliness of both investigations and hearings.

#### ANALYSIS OF PUBLIC NEED

##### II D (3)

The audit report points out that the Pilot Board is not self supporting. Board members are aware of this and were mystified when, in 1986, Occupational Licensing lowered the fees for marine pilot licenses. It is the Board's position that it should indeed be self sustaining.

VI C See comments under findings and recommendations.

VIII A The Board has eliminated from its applications questions which might tend to be discriminatory. Weight, height and date of birth information was left on the application at the request of the investigative unit in order to assist it in identifying a licensee it might be required to investigate.

#### APPENDIX A

##### BOARD OF MARINE PILOTS REVENUES COMPARED WITH EXPENDITURES

As stated previously the Board feels it should be self supporting but does not have the authority to set its own fees. This is done by Occupational Licensing. The Board did not recommend and cannot explain why fees were reduced in 1986

RECEIVED  
MARINE PILOTS BOARD  
FEB 11 1987

FEB 11 1987

RECEIVED  
MARINE PILOTS BOARD

# STATE OF ALASKA

AUDIT DIVISION  
POUCH W  
JUNEAU, ALASKA 99811-3300

## THE LEGISLATURE BUDGET AND AUDIT COMMITTEE

February 19, 1987

Members of the Legislative Budget  
and Audit Committee:

We have reviewed the Board of Marine Pilots' response to our preliminary report. Our comments follow:

### Purpose of the Report

In his response, Board member Captain W. E. Murphy indicated that no Board member was contacted regarding the sunset review. However, both current and past members were contacted for discussion of current and past Board activity. Members contacted were Judith M. Brady, Marvin Taylor, Captain Donald Oldow, and Kenneth Peavyhouse.

### Organization and Function

The new licensing regulations referred to by Captain W. E. Murphy became effective December 14, 1986.



Gerald L. Wilkerson, CPA  
Legislative Auditor  
Division of Legislative Audit

# Alaska State Legislature



## House of Representatives

### Committee on Transportation

Rep. Bette Cato, Chairman

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4858

#### RECOMMENDATIONS OF APPOINTMENT

On Wednesday, March 18th, 1987, the House Transportation Committee considered the appointment of Mr. M. Paul Taylor to the Board of Marine Pilots and recommends the appointment.

The following members were present and recommend as follows:

DO PASS

NO RECOMMENDATION

DO NOT PASS

*W. C. ...*

*Bill ...*

*Henry ...*

*Uwe ...*

*Bette Cato*

*Mike ...*

My signature on this document does not indicate what my vote will be on the House Floor.

# Alaska State Legislature



## House of Representatives

### Committee on Transportation

Rep. Bette Cato, Chairman

Pouch V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4858

#### RECOMMENDATIONS OF APPOINTMENT

On Wednesday, March 18th, 1987 the House Transportation Committee considered the appointment of Mr. Mark Hickey as Commissioner of the Department of Transportation and Public Facilities and recommends the appointment.

The following members were present and recommend as follows:

DO PASS

NO RECOMMENDATION

DO NOT PASS

W. G. Lander

W. G. Lander

Bette Cato

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Bill Fust

James H. Sprague

Michael W. Hall

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

My signature on this document does not indicate what my vote will be on the House Floor.