

**SB**

**130**

**HFIN**

**FILE**

# FINANCE COMMITTEE REPORT

(11)

Date Referred: May 4, 1995

FURTHER REFERRALS:

Date of Committee Action: 5/6/95

The FINANCE Committee considered:

CSSB 130(RLS)

CS FOR SENATE BILL NO. 130(RLS)

MARINE PILOTS

"An Act relating to marine pilots and the Board of Marine Pilots; extending the termination date of the Board of Marine Pilots; and providing for an effective date."

recommends it be replaced with the following committee substitute CSSB 130 (RLS)  the same title  a new title

additional referral to \_\_\_\_\_ Committee

attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

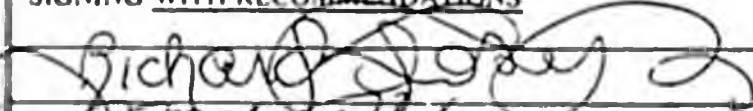
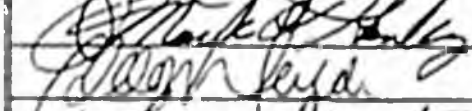
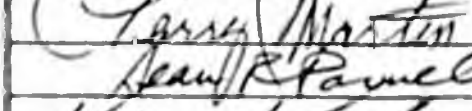
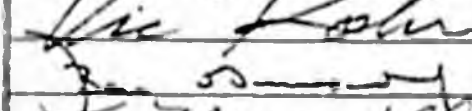
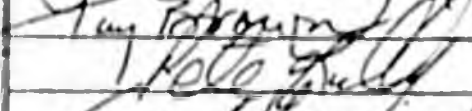
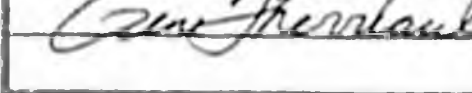


APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_


fiscal note(s) DCED 4/19/94


zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
	FOSTER	X			
	Hanley	X			
	Mulder	X			
	Martin	X			
	Pannell	X			
	Kohnig	X			
	Grussendorf	X			
	Brown			X	
	Kelly	X			
	Theriault	X			

CO-CHAIR'S SIGNATURE

  
Hanley

  
FOSTER

# FISCAL NOTE

CS for  
BILL NO. SB 130 (Rules)

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

Revision Date: May 1, 1995

Department: Commerce and Economic Development

Title: An Act relating to manne pilots and the

BRU: Occupational Licensing

Board of Marine Pilots:....

Component: Operations

Sponsor: Senator Pearce

Requestor: Senator Pearce

COMPONENT SERIAL #: 1844

**Expenditures/Revenues**

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	74.1	74.1	74.1	74.1	74.1	74.1
TRAVEL	24.7	24.7	24.7	24.7	24.7	24.7
CONTRACTUAL	62.7	137.7	62.7	62.7	62.7	62.7
SUPPLIES	0.6	0.6	0.6	0.6	0.6	0.6
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>162.1</b>	<b>237.1</b>	<b>162.1</b>	<b>162.1</b>	<b>162.1</b>	<b>162.1</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES	6.6	382.2	6.6	307.2	6.6	307.2
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**FUND SOURCE**

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts	162.1	137.7	162.1	162.1	162.1	162.1
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>162.1</b>	<b>137.7</b>	<b>162.1</b>	<b>162.1</b>	<b>162.1</b>	<b>162.1</b>

Estimate of any current year (FY 95) cost: \$ 0.0

**POSITIONS**

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

SB 130 extends the Board of Marine Pilots to June 30, 1999 and make other amendments to the marine pilot act, AS 08.62. The costs and anticipated revenue shown above are included in the division's FY 96 operating budget request. A one time increment in the operating budget is reflected in the FY 97 column above. Fees would have to be reviewed prior to the next renewal in FY 97 to ensure full costs of the program are covered by licensing fees. New funds are not required to implement this bill.

Prepared by: Jennifer Strickler, Admin. Officer  
Division: Occupational Licensing

Phone: 465-2144

Date: May 1, 1995

Approved by Commissioner: William L. Hensley  
Agency: Commerce and Economic Development

Date: May 1, 1995

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Senator Drue Pearce  
May 1, 1995  
Page 2

Section 6 of the bill adds a new section (AS 08.62.046) establishing the procedures for adoption of ~~new~~ and revised rates for pilotage services and for review and approval or disapproval of rates that are subject to objections from the maritime industry. The board shall provide copies of a schedule of rates to registered agents in the state.

Section 7 of the bill adds a new subsection to AS 08.62.050 to authorize the marine pilot coordinator to review applications for examination and licensure.

Section 8 of the bill amends AS 08.62.080(b) to allow marine pilots to be temporarily licensed for more than one pilotage region under certain limited situations when there is an actual or imminent shortage of pilots in a pilotage region.

Section 9 of the bill amends AS 08.62.090(b) to require the Department of Commerce and Economic Development to prescribe the form of, and information required in, applications for marine pilot licenses.

Section 10 of the bill amends AS 08.62.093(b) makes clarifying amendments to the requirements for a deputy marine pilot license and authorizes a person to obtain a deputy marine pilot license through four years of experience in an apprentice program.

Section 11 of the bill amends AS 08.62.093(d) to allow a deputy marine pilot to pilot vessels of up to 25,000 gross tons.

Section 12 of the bill amends AS 08.62.097(b) to allow, under certain limited situations, a deputy marine pilot to supervise the training of persons seeking a deputy marine pilot license.

Section 13 of the bill amends AS 08.62.120(a) to require that a licensed marine pilot be engaged in the provision of pilotage services during at least 120 days in a year in order to renew the license.

Section 14 of the bill amends AS 08.62.150(a) in order to conform with provisions relating to rates that were added by secs. 6 and 18 of the bill.

Section 15 of the bill amends AS 08.62.155(b) in order to provide that the board may fine a pilot organization for violating AS 08.62 and may suspend or revoke recognition of a pilot organization that no longer satisfies the requirements for recognition by the board.

Section 16 of the bill amends AS 08.62.165(a) to reduce the of situations in which the limitation on liability for damages caused by a marine pilot would not apply.

Section 17 of the bill amends AS 08.62.175(c) by amending the duties of pilot organizations.

Senator Drue Pearce

May 1, 1995

Page 3

Section 18 of the bill adds new subsections to AS 08.62.175 in order to allow pilot organizations ~~to~~ enter into agreements for the provision of pilotage services with representatives of a vessel and to require a pilot organization to dispatch a licensed pilot when requested by the representative of a vessel.

Section 19 of the bill amends AS 08.62.180 by changing provisions that exempt certain vessels from the mandatory pilotage requirements under AS 08.62.

Section 20 of the bill provides for the transition from the current eligibility requirements for members of the Board of Marine Pilots to the new eligibility requirements established by sec. 2 of the bill.

Section 21 of the bill provides for the transition from the current process for setting rates for pilotage services to the new procedures established by sec. 6 of the bill.

Section 22 of the bill repeals AS 08 62.093(c), relating to the definition of "years of service", which is not needed.

Section 23 of the bill provides that the bill takes effect immediately under AS 01.10.070(c).

GU:klb

95-314.klb

# STATE OF ALASKA

## DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

P.O. BOX 110800  
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May 1, 1995

The Honorable Drue Pearce  
President of the Senate  
State Capitol  
Juneau, AK 99801-1182

Dear Madam President:

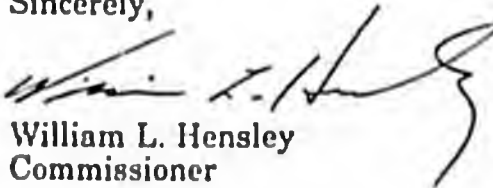
Marine pilotage continues to be a controversial subject. Senate Bill (SB) 130 is a bill which extends the Board of Marine Pilots and contains numerous housekeeping changes to the Marine Pilotage Act of 1991. In addition, this bill creates a pilot apprenticeship program that allows entry into the pilotage profession to otherwise qualified persons who may not have had access to the prerequisite maritime career opportunities.

After exhaustive negotiations among representatives of pilot groups, the shipping industry, the Department of Commerce and Economic Development, and the Department of Law, all parties have agreed to the rate setting and dispute resolution mechanism as written in Section 6 of the CS for SB 130 (RULES).

These changes should reduce the litigation surrounding the administration and enforcement of the marine pilotage system, and further the state's interest in preventing the loss of lives and property and the protection of the marine environment.

The Department of Commerce and Economic Development fully supports the CS for SB 130 (RULES) as written.

Sincerely,



William L. Hensley  
Commissioner

WLH/sh059.co  
050195a

cc: Pat Pourchot, Legislative Director  
Representative Gary Davis

TO: ALL LEGISLATORS

FROM: ALASKA STATE PILOTS ALLIANCE  
ALASKA STEAMSHIP ASSOCIATION

RE: MARINE PILOTAGE LEGISLATION

DATE: May 1, 1995

We are writing this letter to indicate our mutual support of the Rules Committee CS for SB130. This legislation is the result of extensive negotiations between pilot associations, the shipping industry, and the Department of Commerce and Economic Development.

The bill was also improved in the legislative committee process including language to establish an apprenticeship program which will assist Alaskans wishing to enter the marine pilotage profession without compromising high training and experience requirements.

We urge you to adopt this legislation in its current form.

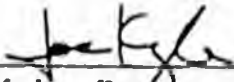
The Alaska State Pilots Alliance includes the following organizations:


Alaska Coastwise Pilots  
Southeast Pilots Association  
Southwest Alaska Pilots Association  
Alaska Marine Pilots

The Alaska Steamship Association includes the cruise ship industry, cargo shippers, and petroleum and chemical shippers.

Two pilot associations which are not members of the Pilots Association, the Western Alaska Pilots Association and the Kuskokwim Pilots have also endorsed this bill. The Department of Commerce has also indicated its strong support of this legislation. We are not aware of anyone in the private sector who opposes this bill in its present form.

We would appreciate your support of the Rules CS for SB130

  
\_\_\_\_\_  
Joe Kyle, Representative  
Alaska Steamship Association

  
\_\_\_\_\_  
Eric Eliassen, President  
Alaska State Pilots Alliance

# Alaska State Legislature



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**Drue Pearce**  
*President of the Senate*

## **Sponsor Statement for Senate Bill 130**

Senate Bill 130 is designed to extend the Board of Marine Pilots and to provide housekeeping changes to the Marine Pilotage Act of 1991 aimed at reducing the level of litigation surrounding the marine pilotage industry and providing a stable regulatory environment for determining rate for pilotage services.

This legislation is the result of extensive negotiations and compromises between pilots, the shipping industry and the administration

This legislation is supported in its current form by all of these groups.

The passage of Senate Bill 130 will ensure that the health, safety, and welfare of the Alaska people are met through the state's regulation and oversight of marine pilotage.

**DIVISION OF LEGAL SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA**

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130 Seward Street, Suite 409  
Juneau, Alaska 99801-2105

**MEMORANDUM**

May 1, 1995

**SUBJECT:** Sectional Summary of CSSB 130(RLS); An Act relating to marine pilots and the Board of Marine Pilots and extending the termination date of the Board of Marine Pilots.

**TO:** Senator Drue Pearce, President  
Alaska State Senate

**FROM:** George Utermohle *GU*  
Legislative Counsel

You have requested a sectional summary of CSSB 130(RLS); An Act relating to marine pilots and the Board of Marine Pilots and extending the termination date of the Board of Marine Pilots.

A sectional summary of a bill is not an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1 of the bill amends AS 08.03.010(c)(13) in order to extend the termination date of the Board of Marine Pilots until 1999.

Section 2 of the bill amends AS 08.62.010 by changing some of the qualifications for certain members of the Board of Marine Pilots.

Section 3 of the bill amends AS 08.62.040(a) by requiring the board to approve rates for pilotage services.

Section 4 of the bill amends AS 08.62.040(b) by modifying provisions of the drug and alcohol testing program for marine pilots and authorizing the board to establish regulations governing the procedures for the review of rates for pilotage services.

Section 5 of the bill adds a new subsection to AS 08.62.040 providing that the board may delegate duties to the marine pilot coordinator.