

ASSEMBLY BILL

No. 907

Introduced by Assembly Member Ma

February 17, 2011

An act to amend Sections 1190, 1191, 1196, 1196.1, and 1196.3 of the Harbors and Navigation Code, relating to harbors and ports.

LEGISLATIVE COUNSEL'S DIGEST

AB 907, as introduced, Ma. Harbors and ports: Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun: pilotage.

Existing law provides for the regulation and licensing of pilots for Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun by the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun. Existing law specifies the rates of bar pilotage for vessels inward or outward bound through the Golden Gate and into or out of the Bays of San Francisco, San Pablo, and Suisun.

This bill would delete obsolete rate increases in those provisions.

Existing law requires the board to adopt a schedule of pilotage rates applicable to pilots and inland pilots for those operations that are not otherwise provided for under existing law. Existing law also requires the board to establish a surcharge for each movement of a vessel using pilot services to be used for the pilot and inland pilot continuing education program established by the board.

This bill would make those provisions inapplicable to inland pilots. The bill would also make conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1190 of the Harbors and Navigation Code
2 is amended to read:

3 1190. (a) Every vessel spoken inward or outward bound shall
4 pay the following rate of bar pilotage through the Golden Gate
5 and into or out of the Bays of San Francisco, San Pablo, and
6 Suisun:

7 (1) Eight dollars and eleven cents (\$8.11) per draft foot of the
8 vessel’s deepest draft and fractions of a foot pro rata, and an
9 additional charge of 73.01 mills per high gross registered ton as
10 changed pursuant to law in effect on December 31, 1999. The mill
11 rates established by this paragraph may be changed as follows:

12 (A) (i) On and after January 1, 2010, if the number of pilots
13 licensed by the board is 58 or 59 pilots, the mill rate in effect on
14 December 31, 2006, shall be decreased by an incremental amount
15 that is proportionate to one-half of the last audited annual average
16 net income per pilot for each pilot licensed by the board below 60
17 pilots.

18 (ii) On and after January 1, 2010, if the number of pilots licensed
19 by the board is fewer than 58 pilots, the mill rate in effect on
20 December 31, 2006, shall be adjusted in accordance with the
21 method described in clause (i) as though there are 58 pilots licensed
22 by the board.

23 (iii) The incremental mill rate adjustment authorized by this
24 subparagraph shall be calculated using the data reported to the
25 board for the number of gross registered tons handled by pilots
26 licensed under this division during the same 12-month period as
27 the audited annual average net income per pilot. The incremental
28 mill rate adjustment shall become effective at the beginning of the
29 immediately following quarter, commencing January 1, April 1,
30 July 1, or October 1, as directed by the board.

31 (iv) On and after January 1, 2010, if, during any quarter
32 described in this paragraph, the number of pilots licensed by the
33 board is equal to or greater than 60, clauses (i) to (iii), inclusive,
34 shall become inoperative on the first day of the immediately
35 following quarter.

36 (B) There shall be an incremental rate of additional mills per
37 high gross registered ton as is necessary and authorized by the
38 board to recover the pilots’ costs of obtaining new pilot boats and

1 of funding design and engineering modifications for the purposes
2 of extending the service life of existing pilot boats, excluding costs
3 for repair or maintenance. The incremental mill rate charge
4 authorized by this subparagraph shall be identified as a pilot boat
5 surcharge on the pilots' invoices and separately accounted for in
6 the accounting required by Section 1136. Net proceeds from the
7 sale of existing pilot boats shall be used to reduce the debt on the
8 new pilot boats and any debt associated with the modification of
9 pilot boats under this subparagraph. The board may adjust a pilot
10 boat surcharge to reflect any associated operational savings
11 resulting from the modification of pilot boats under this
12 subparagraph, including, but not limited to, reduced repair and
13 maintenance expenses.

14 (C) In addition to the incremental rate specified in subparagraph
15 (B), the mill rate established by this subdivision may be adjusted
16 at the direction of the board if, after a hearing conducted pursuant
17 to Article 9 (commencing with Section 11120) of Chapter 1 of
18 Part 1 of Division 3 of Title 2 of the Government Code, the board
19 determines that there has been a catastrophic cost increase to the
20 pilots that would result in at least a 2-percent increase in the overall
21 annual cost of providing pilot services.

22 (2) A minimum charge for bar pilotage shall be six hundred
23 sixty-two dollars (\$662) for each vessel piloted.

24 (3) The vessel's deepest draft shall be the maximum draft
25 attained, on a stillwater basis, at any part of the vessel during the
26 course of such transit inward or outward.

27 (b) The rate specified in subdivision (a) shall apply only to a
28 pilotage that passes through the Golden Gate to or from the high
29 seas to or from a berth within an area bounded by the Union Pacific
30 Railroad Bridge to the north and Hunter's Point to the south. The
31 rate for pilotage to or from the high seas to or from a point past
32 the Union Pacific Railroad Bridge or Hunter's Point shall include
33 a movement fee in addition to the basic bar pilotage rate as
34 specified by the board pursuant to Section 1191.

35 (c) The rate established in paragraph (1) of subdivision (a) shall
36 be for a trip from the high seas to dock or from the dock to high
37 seas. The rate specified in Section 1191 shall not be charged by
38 pilots for docking and undocking vessels. ~~This subdivision does
39 not apply to the rates charged by inland pilots for their services.~~

1 (d) The board shall determine the number of pilots to be licensed
2 based on the 1986 manpower study adopted by the board.

3 ~~(e) Consistent with the board's May 2002 adoption of rate~~
4 ~~recommendations, the rates imposed pursuant to paragraph (1) of~~
5 ~~subdivision (a) that are in effect on December 31, 2002, shall be~~
6 ~~increased by 4 percent on January 1, 2003; those in effect on~~
7 ~~December 31, 2003, shall be increased by 4 percent on January 1,~~
8 ~~2004; those in effect on December 31, 2004, shall be increased by~~
9 ~~3 percent on January 1, 2005; and those in effect on December 31,~~
10 ~~2005, shall be increased by 3 percent on January 1, 2006.~~

11 ~~(f) (1) There shall be a movement fee as is necessary and~~
12 ~~authorized by the board to recover a pilot's costs for the purchase,~~
13 ~~lease, or maintenance of navigation software, hardware, and~~
14 ~~ancillary equipment purchased after November 5, 2008, and before~~
15 ~~January 1, 2011.~~

16 ~~(2) The software, equipment, and technology covered by this~~
17 ~~subdivision shall be used strictly and exclusively to aid in piloting~~
18 ~~on the pilotage grounds. The movement fee authorized by this~~
19 ~~subdivision shall be identified as a navigation technology surcharge~~
20 ~~on a pilot's invoices and separately accounted for in the accounting~~
21 ~~required by Section 1136. The board shall review and adjust as~~
22 ~~necessary the navigation technology surcharge at least quarterly.~~
23 ~~This subdivision shall become inoperative on January 1, 2011.~~

24 SEC. 2. Section 1191 of the Harbors and Navigation Code is
25 amended to read:

26 1191. (a) The board, pursuant to Chapter 6 (commencing with
27 Section 1200), shall recommend that the Legislature, by statute,
28 adopt a schedule of pilotage rates providing fair and reasonable
29 return to pilots ~~and inland pilots~~ engaged in ship movements or
30 special operations where rates for those movements or operations
31 are not specified in Section 1190.

32 (b) Every vessel using pilots ~~and inland pilots~~ for ship
33 movements or special operations that do not constitute bar pilotage
34 shall pay the rate specified in the schedule of pilotage rates adopted
35 by the Legislature.

36 (c) Consistent with the board's adoption of rate
37 recommendations in May 2002, the minimum rates imposed
38 pursuant to this section that are in effect on December 31, 2002,
39 shall be increased by 26 percent on January 1, 2003; those in effect
40 on December 31, 2003, shall be increased by 26 percent on January

1 1, 2004; those in effect on December 31, 2004, shall be increased
2 by 14 percent on January 1, 2005; and those in effect on December
3 31, 2005, shall be increased by 14 percent on January 1, 2006.

4 SEC. 3. Section 1196 of the Harbors and Navigation Code is
5 amended to read:

6 1196. (a) In addition to other fees for pilotage, there shall be
7 a surcharge in an amount established by the board for each
8 movement of a vessel using pilot services for the pilot ~~and inland~~
9 ~~pilot~~ continuing education program established by the board.

10 (b) The moneys charged and collected each month from the
11 pilot ~~and inland~~ ~~pilot~~ continuing education program surcharge shall
12 be paid to the board. The moneys shall be used only to fund the
13 pilot ~~and inland~~ ~~pilot~~ continuing education program in the manner
14 established by the board.

15 (c) By action of the board, the board may adjust the amount
16 established pursuant to subdivision (a) as necessary to efficiently
17 administer the pilot ~~and inland~~ ~~pilot~~ continuing education program.

18 SEC. 4. Section 1196.1 of the Harbors and Navigation Code
19 is amended to read:

20 1196.1. (a) The moneys charged and collected each month
21 from the pilot ~~and inland~~ ~~pilot~~ continuing education surcharge
22 pursuant to Section 1196 shall be paid to the Board of Pilot
23 Commissioners' Special Fund pursuant to Section 1159. The
24 moneys shall be used only to fund the pilot ~~and inland~~ ~~pilot~~
25 continuing education program referred to in subdivision (h) of
26 Section 1171.5 and Section 1196.3.

27 (b) Information regarding moneys remitted to the Board of Pilot
28 Commissioners' Special Fund pursuant to Section 1159 collected
29 from the surcharge authorized pursuant to Section 1196, or
30 otherwise collected by the board for that purpose, and information
31 regarding moneys spent as pilot ~~and inland~~ ~~pilot~~ continuing
32 education expenses authorized by Section 1196.3 shall be made
33 available to the public upon request and to the board or its finance
34 committee.

35 SEC. 5. Section 1196.3 of the Harbors and Navigation Code
36 is amended to read:

37 1196.3. Pilot ~~and inland~~ ~~pilot~~ continuing education expenses
38 shall include all costs incurred by the board in the operation and
39 administration of the pilot ~~and inland~~ ~~pilot~~ continuing education
40 program and all costs resulting from any contracts entered into for

- 1 the purchase or lease of goods and services required by the board,
- 2 including, but not limited to, the reimbursement of costs of services
- 3 provided to the board by other governmental entities, and for the
- 4 costs for any other goods and services necessary for effectuating
- 5 the purposes of continuing education as determined by the board.

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