

AMENDED IN SENATE MAY 4, 2009

AMENDED IN SENATE MARCH 31, 2009

SENATE BILL

No. 300

Introduced by Senator Yee
(Coauthor: Assembly Member Torlakson)

February 25, 2009

An act to amend Section 1190 of the Harbors and Navigation Code, relating to harbors and ports, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 300, as amended, Yee. Harbors and ports: Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun: pilotage rates.

Existing law specifies the rates of pilotage for vessels entering or leaving Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun through the Golden Gate Bridge. Existing law establishes the mill rate chargeable to those vessels and authorizes that rate to be changed under certain circumstances, including when the number of licensed pilots is reduced to 60 pilots or falls below 60 pilots.

Existing law also imposes an incremental rate of additional mills per high gross registered ton as is necessary and authorized by the Board of Pilot Commissioners to recover the pilots' costs of obtaining new pilot boats and of funding design and engineering modifications for the purposes of extending the service life of existing pilot boats, excluding costs for repair or maintenance.

This bill would delete the provision authorizing the rate to be changed when the number of licensed pilots is reduced to 60 pilots or falls below 60 pilots. This bill would also require, *until January 1, 2011*, an incremental rate of additional mills per high gross registered ton as is necessary and authorized by the board to be paid as a navigation

technology surcharge in order to recover the pilots' costs for ~~additional specified items, including, among other things,~~ the purchase, lease, or maintenance of navigation software, hardware, and ancillary equipment purchased after November 5, 2008, ~~and training in the use of that software and hardware.~~

Existing law requires that all moneys received by the Board of Pilot Commissioners pursuant to the provisions of any law shall be paid into the State Treasury to the credit of the Board of Pilot Commissioners' Special Fund and are continuously appropriated to the board for the payment of the compensation and expenses of the board and its officers and employees.

By increasing the amount of revenue deposited into a continuously appropriated fund and by authorizing the expenditure of money in that fund for a new purpose, the bill would make an appropriation.

Vote: majority. Appropriation: yes. 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) There shall be an incremental rate of additional mills per
13 high gross registered ton as is necessary and authorized by the
14 board to recover the pilots' costs of obtaining new pilot boats and
15 of funding design and engineering modifications for the purposes
16 of extending the service life of existing pilot boats, excluding costs
17 for repair or maintenance. The incremental mill rate charge
18 authorized by this subparagraph shall be identified as a pilot boat
19 surcharge on the pilots' invoices and separately accounted for in
20 the accounting required by Section 1136. Net proceeds from the
21 sale of existing pilot boats shall be used to reduce the debt on the

new pilot boats and any debt associated with the modification of pilot boats under this subparagraph. The board may adjust a pilot boat surcharge to reflect any associated operational savings resulting from the modification of pilot boats under this subparagraph, including, but not limited to, reduced repair and maintenance expenses.

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

(C) There shall be an incremental rate of additional mills per high gross registered ton as is necessary and authorized by the board to recover the pilots' costs for all of the following:

(i) ~~The~~ the purchase, lease, or maintenance of navigation software, hardware, and ancillary equipment purchased after November 5, 2008.

(ii) ~~Training in the use of software and ancillary equipment purchased after November 5, 2008.~~

(iii) ~~Ongoing education in the application of technology to navigation on the pilotage grounds.~~

(iv) ~~The costs to the board to conduct research of potential navigational hazards on the pilotage grounds.~~

(v) ~~The subsequent development of navigational technology to enhance the margin of navigational safety on the pilotage grounds.~~

The software, equipment, and technology covered by this subparagraph shall be used strictly and exclusively to aid in piloting on the pilotage grounds. The incremental mill rate charge authorized by this subparagraph shall be identified as a navigation technology surcharge on the pilots' invoices and separately accounted for in the accounting required by Section 1136. The board shall review and adjust as necessary the navigation technology surcharge at least quarterly.

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

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

4 (b) The rate specified in subdivision (a) shall apply only to a
5 pilotage that passes through the Golden Gate to or from the high
6 seas to or from a berth within an area bounded by the Union Pacific
7 Railroad Bridge to the north and Hunter's Point to the south. The
8 rate for pilotage to or from the high seas to or from a point past
9 the Union Pacific Railroad Bridge or Hunter's Point shall include
10 a movement fee in addition to the basic bar pilotage rate as
11 specified by the board pursuant to Section 1191.

12 (c) The rate established in paragraph (1) of subdivision (a) shall
13 be for a trip from the high seas to dock or from the dock to high
14 seas. The rate specified in Section 1191 shall not be charged by
15 pilots for docking and undocking vessels. This subdivision does
16 not apply to the rates charged by inland pilots for their services.

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

19 (e) Consistent with the board's May 2002 adoption of rate
20 recommendations, the rates imposed pursuant to paragraph (1) of
21 subdivision (a) that are in effect on December 31, 2002, shall be
22 increased by 4 percent on January 1, 2003; those in effect on
23 December 31, 2003, shall be increased by 4 percent on January 1,
24 2004; those in effect on December 31, 2004, shall be increased by
25 3 percent on January 1, 2005; and those in effect on December 31,
26 2005, shall be increased by 3 percent on January 1, 2006.

27 (f) *Subparagraph (C) of paragraph (1) of subdivision (a) shall*
28 *become inoperative on January 1, 2011.*