

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 601 (Senator Collins. *et al.*)

Economic and Environmental Affairs

**Maryland Port Commission - Ports of Maryland - Creation of Licensing
Program for Harbor Pilots**

This bill: (1) authorizes the Maryland Port Commission to issue harbor pilot licenses; (2) establishes the qualifications for a harbor pilot license; (3) requires vessels using tug assistance to employ licensed harbor pilots; (4) prohibits an individual from providing pilotage without a harbor pilot license; (5) requires vessels to employ licensed harbor pilots when traveling in the ports of Maryland; (6) requires the commission to determine the number of harbor pilot licenses based on the safety and well-being of operations in the ports of Maryland; (7) requires the commission to establish an application fee for a harbor pilot license; (8) provides a five-year licensing period and requires the commission to provide harbor pilots with license renewal information; (9) authorizes the commission to suspend or revoke a harbor pilot license under specified circumstances; and (10) provides that violators of this bill are guilty of a misdemeanor and subject to a fine of not more than \$1,000 or imprisonment not exceeding six months or both.

Fiscal Summary

State Effect: Indeterminate increase in general fund expenditures in FY 1999 in order to implement licensing procedures. Indeterminate increase in general fund revenues in FY 1999 resulting from the application fees.

Local Effect: None.

Small Business Effect: Potential minimal effect.

Fiscal Analysis

State Expenditures: The Maryland Port Commission expects to spend \$146,100 in fiscal 1999, and \$105,100 in subsequent years. The commission advises that it would need two new administrative positions to handle the additional workload associated with the licensing, renewal, and monitoring processes resulting from this bill. The cost of these administrative positions would be approximately \$78,900 on an annualized basis. During the first year, the commission estimates spending \$67,000 in operating costs (\$50,000 in legal consultation, \$5,000 in office equipment, \$5,200 in supplies, \$3,000 for issuing and mailing new licenses, and \$4,000 in design and printing costs). In subsequent years, the commission estimates spending \$26,200 in operating costs (\$20,000 in legal consultation, \$2,200 in supplies, \$3,000 for issuing and mailing new licenses, and \$1,000 in design and printing costs).

The Department of Legislative Services (DLS) notes, however, that there are currently only 13 harbor pilots in the State of Maryland who would be regulated as a result of this bill. While the commission may incur additional expenses during the first year associated with implementing the licensing procedures, DLS advises that the additional administrative work could be handled by a contractual position. However, once the licensing scheme is in place, it should not require significant resources to maintain due to the small number of harbor pilots practicing in the State and the five-year licensing period.

State Revenues: Revenues would increase depending on the fee amount determined by the commission and the number of additional harbor pilots who enter the trade in Maryland. There have been only 13 harbor pilots in the State for the last several years and this number is not expected to change significantly as a result of this bill. It is assumed that the commission will not be able to collect an application fee from individuals currently performing harbor pilot services because the bill requires the commission to issue these individuals a license without completing the licensing requirements provided for in the bill.

Information Sources: Department of Transportation, Office of Administrative Hearings

Fiscal Note History: First Reader - March 1, 1998

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