

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 766 (Delegate McHale. *et al.*)

Economic Matters

Vessels - Pilots - Special Duty Assignments

This bill reorganizes the dock pilot profession under the authority of the State Board of Pilots and redefines the job title as “Special Duty Assignment” pilots. It prohibits individuals from providing special duty assignment boat piloting services without a “special duty license.” Special duty assignment is defined as tug boat-assisted berthing and unberthing or shifting a vessel within port. The bill also establishes the criteria for obtaining a special duty license.

Fiscal Summary

State Effect: Minimal. The increase in general fund revenues from licensing fees will be insignificant due to the relatively small number of people affected by the bill (at the current time there are 12 docking pilots).

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill prohibits individuals from providing “special duty assignment” boat piloting services without a “special duty license.” In order to qualify for a special duty license one must:

- be 18 years old;
- be a full-time docking master who has:
 - completed at least 500 special duty assignments since January 1, 1995;
 - completed at least 100 special duty assignments in the Port of Baltimore since January 1, 1999;
- be a U.S. citizen;
- pass the physical requirements for a first-class pilot license;
- participate in a drug testing program;
- possess the following:
 - a first-class license to operate steam and motor vessels;
 - a masters license to operate steam and motor vessels on inland waters;
 - an unlimited Radar Observer Endorsement;
 - proof of having completed an accredited Bridge Maintenance Program;
 - proof of having completed an Auto Radar Piloting Aid Program;
- have a minimum of five years experience in the maritime industry working as a licensed master or mate on tugs and/or licensed vessels; and
- must apply to the State Board of Pilots before December 31, 2000.

The bill makes special duty licensed pilots fully eligible for the inactive pilots' payment program.

The bill requires that all American flagged vessels engaged in foreign trade and all foreign vessels employ a pilot when underway in State waters. This provision becomes effective January 1, 2001; the rest of the bill is effective October 1, 2000.

Current Law: There is no special duty pilot designation. The services are provided by docking pilots at this time.

Background: An *ad hoc* subcommittee was formed during the 1998 interim to study the issue of licensing harbor pilots. This subcommittee was formed as a result of a referral made in the Senate in response to SB 601 of 1998, which sought to create such a license. The port's bid to become the North American hub for Maersk/Sea Land stalled the study and legislative efforts in the 1999 session. The subcommittee reconvened after the 1999 session. Its study contains no recommendations.

There are currently two classes of ship pilots. Bay Pilots (a.k.a. Maryland Pilots or State Pilots) are licensed by the Maryland Board of Pilots and pilot ships from the time they enter State waters until which time they require tug boat assistance. At that time a Docking Pilot (a.k.a. Harbor Pilot) assumes command. Docking pilots are employed by tug boat companies. All three Port of Baltimore tug companies require that docking pilots hold a first-class federal pilots license (issued by the U.S. Coast Guard).

The U.S. Coast Guard has expressed concern about which legal authority (the State or federal officials) has jurisdiction should there be an accident in the port itself. The Coast Guard recently published a proposed rule requiring all docking pilots to have a first-class federal pilots license. The Coast Guard has declared the current Port of Baltimore docking and undocking procedures safe.

At this time, docking pilots' wages are determined by market forces determined by the competition between tug companies, not only in Maryland but in surrounding ports as well. It is estimated that a docking pilot's annual salary ranges between \$60,000 and \$85,000 a year. Bay pilots are paid a share of the net pilotage revenues, which is set by the Public Service Commission. (In the last year that a study was done (1997) a bay pilot was paid \$166,430.)

Additional Comments: There is a deadline to apply to be a special duty pilot. Without future legislation, this bill prohibits anyone from becoming a special duty pilot after December 31, 2000.

Additional Information

Prior Introductions: Substantially similar bills were introduced in the 1999 session as SB 558 and HB 493. SB 558 was not reported from the Economic and Environmental Affairs Committee. HB 493 was assigned to the House Economic Matters Committee.

Cross File: SB 237 (Senator Blount, *et al.*) - Economic and Environmental Affairs.

Information Source(s): Public Service Commission, Senate Economic and Environmental Affairs Committee - Interim Study, Department of Legislative Services

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nncsjr

Analysis by: Brian D. Baugus

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510