

SENATE BILL REPORT

SB 6124

As of February 3, 2016

Title: An act relating to the board of pilotage commissioners.

Brief Description: Concerning the board of pilotage commissioners.

Sponsors: Senator Chase.

Brief History:

Committee Activity: Transportation: 1/14/16.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Hayley Gamble (786-7452)

Background: The Board of Pilotage Commissioners (Board) is a regulatory board consisting of nine part-time members. Seven members are appointed by the Governor, each for a term of four years. Additionally, the director of the Department of Ecology, or the director's designee is a member; and the assistant secretary of the Department of Transportation's Ferry Division, or their designee is the chairperson. The Board trains, tests, licenses, and regulates marine pilotage in Puget Sound and Grays Harbor. The Board also sets tariff rates and takes disciplinary action against pilots and vessel owners who violate state pilotage laws.

Since 2008, the Board has been a non-appropriated agency, and therefore does not need appropriation authority before making expenditures from the pilotage account. The board is required to submit an annual report of its activities and financial transactions, as well as those of the Puget Sound Pilot's Association.

The Joint Legislative Audit and Review Committee (JLARC) conducts performance audits, program evaluations, and other analyses at the direction of the Legislature.

Summary of Bill: JLARC is required to conduct an audit of the Board of Pilotage Commissioners to examine whether the Board is complying with current statutory requirements and provide a report to the Legislature by December 31, 2016. Specific items identified for review are:

- the Board's compliance with statutory reporting requirements;

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- the composition of the fees charged for pilotage, how fees are developed, and the relationship between the fees and pilot district expenditures;
- how other states structure pilotage fees, training, and licensing;
- the diversity in the pilot applicant pool and pilot training program; and
- the composition and size of the Board.

Effective July 1, 2016, expenditures from the pilotage account would be subject to appropriation.

The Board's annual report to the Legislature must be submitted by September 1. If the report is not submitted by this date, the Office of Financial Management will hold a portion of the Board's funds in unallotted status until the report is filed.

Appropriation: None.

Fiscal Note: Requested on January 12th, 2016.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill helps with governance of the system, including making the Board appropriated which will improve transparency. We should consider moving rate setting to the Utilities and Transportation Commission as they do this type of work already. Training could also be moved to a different agency, such as the workforce training board. Required reports had not been filed by the Board since 2011 and there is very limited diversity within the board.

OTHER: Reports were overdue and all have now been filed, and will continue to be filed on time. There is currently no diversity among the pilots (49-52 pilots) as pilots tend to serve until they retire. We are trying to recruit more diversity into the next licensing exam. Nationally, 30 out of about 1000 pilots are women. We plan to development a plan to increase diversity. Our budget is quite variable due to changes in number of trainees, and stipends and the periodic exam costs.

Persons Testifying: PRO: Senator Chase, sponsor.

OTHER: Sheri Tonn, Washington State Board of Pilotage Commissioners.

Persons Signed In To Testify But Not Testifying: No one.