

BOPC Received

Mar 18, 2020

**BOARD OF PILOT COMMISSIONERS
FOR THE BAYS OF SAN FRANCISCO,
SAN PABLO AND SUISUN**

Independent Accountant's Report

AGREED-UPON PROCEDURES

For the Review of the

SAN FRANCISCO BAR PILOTS

January 1, 2018, through December 31, 2018



BETTY T. YEE
California State Controller

March 2020



BETTY T. YEE
California State Controller

March 17, 2020

Allen Garfinkle, Executive Director
Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun
660 Davis Street
San Francisco, CA 94111

Dear Mr. Garfinkle:

The State Controller's Office has applied agreed-upon procedures for the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun for the review of the San Francisco Bar Pilots. We applied the agreed-upon procedures under Agreement No. 17M900005-2 for the period of January 1, 2018, through December 31, 2018.

We found that \$120 was billed and remitted per vessel move for pilot trainee training program surcharges from November 16, 2018, to November 28, 2018. The charge was based on eight program participants, although there were only seven participants in the program during this period. The charge should have been \$105 per vessel move. As a result, \$4,725 was overbilled and remitted for 315 vessel moves during this period.

As mutually agreed at the exit conference on March 6, 2020, we will not issue a draft report.

If you have any questions, please contact Joel James, Chief, Financial Audits Bureau, by telephone at (916) 323-1573.

Sincerely,

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

JLS/as

cc: Roma Cristia-Plant, Assistant Director
Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun
Captain Joseph Long, Port Agent
San Francisco Bar Pilots

Contents

Independent Accountant’s Report on Applying Agreed-Upon Procedures	1
Schedule 1—2018 Board Operations Surcharges, Billings, and Disbursements.....	5
Schedule 2—2018 Pilot Trainee Training Program Surcharges, Billings, and Disbursements	6
Schedule 3—2018 Pilot Continuing Education Surcharges, Billings, and Disbursements	7
Schedule 4—2018 Navigation Technology Surcharges, Billings, and Disbursements	8
Schedule 5—2018 Pilot Pension Plan Surcharges Fiscal Activity	9



BETTY T. YEE
California State Controller

**INDEPENDENT ACCOUNTANT’S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

To the Executive Director of the Board of Pilot Commissioners for the Bay of San Francisco, San Pablo and Suisun

The State Controller’s Office (SCO) has performed the procedures enumerated below, which were agreed to by the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun (Board) to test financial-schedule data against selected criteria; the procedures included determining conformance with selected criteria and Harbors and Navigation Code sections for the period of January 1, 2018, through December 31, 2018. The procedures were performed to assist the Board in evaluating the San Francisco Bar Pilots compliance with billing, collecting, depositing, and accounting for surcharges. This agreed-upon procedures engagement was conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, and the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. The accuracy of the records is solely the responsibility of the San Francisco Bar Pilots. Consequently, the SCO makes no representation regarding the sufficiency of the procedures described below or the accuracy of the accounting records provided, either for the purpose for which this report has been requested or for any other purpose.

The procedure and associated findings are as follows:

AGREED-UPON PROCEDURES (AUP)	RESULTS
<p>Schedule of Board Operations Surcharges, Billings, and Disbursements (Schedule 1)</p> <p>1 – Sampling 15 invoices per year, verify that the mathematical accuracy of the calculations of billing rates charged for pilotage services were in accordance with the rates established in the Harbors and Navigation Code.</p>	<p>We found no exceptions as a result of this procedure.</p>
<p>2 – Sampling 15 invoices per year, verify that the mathematical accuracy of the calculations used for billing Board Operations Surcharges were in accordance with rates established by the Board.</p>	<p>We found no exceptions as a result of this procedure.</p>
<p>3 – Sampling 15 invoices per year, verify that Board Operations Surcharges were billed, collected, deposited, and accounted for in the Schedule of Board Operations Surcharges, Billings and Disbursements.</p>	<p>We found no exceptions as a result of this procedure.</p>

AGREED-UPON PROCEDURES (AUP)	RESULTS
4 – Sampling 15 invoices per year, verify that the Schedule of Board Operations Surcharges, Billings and Disbursements contains the disbursements of surcharges in compliance with Harbors and Navigation Code.	We found no exceptions as a result of this procedure.
<p>Schedule of Pilot Trainee Training Program Surcharges, Billings, and Disbursements (Schedule 2)</p> 5 – Sampling 15 invoices per year, verify that the surcharges used for the training program were per trainee, per vessel movement, in accordance with the rates established by the Board.	We found no exceptions as a result of this procedure.
6 – Sampling 15 invoices per year, verify the mathematical accuracy of the calculations used for billing surcharges for the trainee training program.	We found no exceptions as a result of this procedure.
7 – Sampling 15 invoices per year, verify that revenues (billings) were billed, collected, deposited, and accounted for in the Schedule of Pilot Trainee Training Program Surcharges, Billings and Disbursements.	We found no exceptions as a result of this procedure.
8 – Sampling 15 invoices per year, verify that the Schedule of Pilot Trainee Training Program Surcharges, Billings and Disbursements contains the disbursements of surcharges in compliance with Harbors and Navigation Code.	We found that \$120 was billed and remitted per vessel move for the pilot trainee training program surcharges from November 16, 2018, to November 28, 2018. The charge was based on eight program participants, although there were only seven participants in the program during this period. The charge should have been \$105 per vessel move. As a result, \$4,725 was overbilled and remitted for 315 vessel moves during this period.
<p>Schedule of Pilot Continuing Education Surcharges, Billings, and Disbursements (Schedule 3)</p> 9 – Sampling 15 invoices per year, verify that the surcharges used for the pilot continuing education program were per vessel movement in accordance with the rates established by the Board.	We found no exceptions as a result of this procedure.
10 – Sampling 15 invoices per year, verify the mathematical accuracy of the calculations used for billing surcharges for the pilot continuing education program.	We found no exceptions as a result of this procedure.

AGREED-UPON PROCEDURES (AUP)	RESULTS
11 – Sampling 15 invoices per year, verify that revenues (billings) were billed, collected, deposited, and accounted for in the Schedule of Pilot Continuing Education Surcharges, Billings and Disbursements.	We found no exceptions as a result of this procedure.
12 – Sampling 15 invoices per year, verify that the Schedule of Pilot Continuing Education Surcharges, Billings and Disbursements contains the disbursements of surcharges in compliance with Harbors and Navigation Code.	We found no exceptions as a result of this procedure.
<p>Schedule of Navigation Technology Surcharges, Billings, and Disbursements (Schedule 4)</p> 13 – Sampling 15 invoices per year, verify that the Navigation Technology Surcharges were per vessel movement in accordance with the rates established by the Board.	We found no exceptions as a result of this procedure.
14 – Sampling 15 invoices per year, verify the mathematical accuracy of the calculations for the amounts used for billings of the Navigation Technology Surcharges.	We found no exceptions as a result of this procedure.
15 – Sampling 15 invoices per year, verify that revenues (billings) were billed, collected, deposited, and accounted for in the Schedule of Navigation Technology Surcharges, Billings and Disbursements.	We found no exceptions as a result of this procedure.
16 – Sampling 15 invoices per year, verify that the Schedule of Navigation Technology Surcharges, Billings and Disbursements contains the disbursement of surcharges in compliance with Harbors and Navigation Code.	We found no exceptions as a result of this procedure.
<p>Schedule of Pilot Pension Plan Surcharges, Billings, and Disbursements (Schedule 5)¹</p> 17 – Sampling 15 invoices per year, verify that the San Francisco Bar Pilot Pension Plan (Pilot Pension Plan) surcharges were per the applicable mill rate per high-gross-registered ton for each vessel subject to the basic bar pilotage fee and surcharges in accordance with the Harbors and Navigation Code and the rates approved by the Pension Plan Fiduciary.	We found no exceptions as a result of this procedure.

¹ The accompanying schedule, as revised by the Board of Pilot Commissioners, is titled 2018 Pilot Pension Plan Surcharges Fiscal Activity.

AGREED-UPON PROCEDURES (AUP)	RESULTS
18 – Sampling 15 invoices per year, verify the mathematical accuracy of the calculations used for billing Pilot Pension Plan surcharges.	We found no exceptions as a result of this procedure.
19 – Sampling 15 invoices per year, verify that Pilot Pension Plan revenues (billings) were billed, collected, deposited, and accounted for in the Schedule of Pilot Pension Plan Surcharges, Billings and Disbursements.	We found no exceptions as a result of this procedure.
20 – Sampling 15 invoices per year, verify that the Schedule of Pilot Pension Plan Surcharges, Billings and Disbursements contains the disbursements of surcharges in compliance with Harbors and Navigation Code and as approved by the Pilot Pension Plan Fiduciary.	We found no exceptions as a result of this procedure.

The SCO was not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion on the Agreed-Upon Procedures set forth in the accompanying schedules². Accordingly, the SCO does not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, and the San Francisco Bar Pilots. It is not intended to be and should not be used by anyone other than those specific parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original signed by

JIM L. SPANO, CPA
Chief, Division of Audits

Sacramento, California

March 17, 2020

²The accompanying schedules were prepared by the San Francisco Bar Pilots and included as supplementary information at the request of the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun.

**Schedule 1—
2018 Board Operations
Surcharges, Billings, and Disbursements
(Prepared by the San Francisco Bar Pilots)**

Unremitted Surcharges at December 31, 2017	\$ 218,093
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(218,093)</u>
Unremitted 2017 Surcharges Remaining at December 31, 2018	<u>\$ -</u>
Total Surcharges Remitted in 2018	\$ 1,270,332
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(218,093)</u>
Total 2018 Surcharges Remitted in 2018	<u>\$ 1,052,239</u>
Total Surcharge Billings for 2018	\$ 1,264,997
Less: Total 2018 Surcharges Remitted in 2018	<u>(1,052,239)</u>
Unremitted Surcharges at December 31, 2018	<u>\$ 212,758</u>

**Schedule 2—
2018 Pilot Trainee Training Program
Surcharges, Billings, and Disbursements
(Prepared by the San Francisco Bar Pilots)**

Unremitted Surcharges at December 31, 2017	\$ 144,079
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(144,079)</u>
Unremitted 2017 Surcharges Remaining at December 31, 2018	<u>\$ -</u>
Total Surcharges Remitted in 2018	\$ 1,179,670
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(144,079)</u>
Total 2018 Surcharges Remitted in 2018	<u>\$ 1,035,591</u>
Total Surcharge Billings for 2018	\$ 1,173,790
Less: Total 2018 Surcharges Remitted in 2018	<u>(1,035,591)</u>
Unremitted Surcharges at December 31, 2018	<u>\$ 138,199</u>

**Schedule 3—
2018 Pilot Continuing Education
Surcharges, Billings, and Disbursements
(Prepared by the San Francisco Bar Pilots)**

Unremitted Surcharges at December 31, 2017	\$ 1,234
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(1,234)</u>
Unremitted 2017 Surcharges Remaining at December 31, 2018	<u>\$ -</u>
Total Surcharges Remitted in 2018	\$ 113,195
Less: Amount of 2017 Surcharges Remitted in 2018	<u>(1,234)</u>
Total 2018 Surcharges Remitted in 2018	<u>\$ 111,961</u>
Total Surcharge Billings for 2018	\$ 128,610
Less: Total 2018 Surcharges Remitted in 2018	<u>(111,961)</u>
Unremitted Surcharges at December 31, 2018	<u>\$ 16,649</u>

**Schedule 4—
2018 Navigation Technology
Surcharges, Billings, and Disbursements
(Prepared by the San Francisco Bar Pilots)**

Total Surcharges Received in 2018	\$ 342,520
Less: Amount of 2017 Surcharges Received in 2018	<u>(30,280)</u>
Total 2018 Surcharges Received in 2018	<u>\$ 312,240</u>
Total Surcharge Billings for 2018	\$ 342,640
Less: Total 2018 Surcharges Received in 2018	<u>(312,240)</u>
Total Uncollected Surcharges at December 31, 2018	<u>\$ 30,400</u>
Navigation Technology Sources of Funds:	
Total Sources Available at December 31, 2017	\$ 1,004,098
Surcharge Billings	<u>342,640</u>
Total Sources Available at December 31, 2018	<u>1,346,738</u>
Navigation Technology Uses of Funds:	
Total Uses at December 31, 2017	851,296
Line of Credit Interest Paid in 2018	36,633
Principal Loan Payment in 2018	121,036
Loan Pay Down in 2018	150,000
Recovered Navigation Technology Costs in 2018	<u>65,482</u>
Total Uses at December 31, 2018	<u>1,224,447</u>
Difference Between Sources and Uses	<u>\$ 122,291</u>
Checking Account Reconciliation:	
Checking Account Balance December 31, 2018	\$ 94,122
2018 Surcharge Billings Not Yet Transferred to Checking Account	28,320
Unrecovered 2018 Approved Navigation Technology Costs	<u>(151)</u>
Total	<u>\$ 122,291</u>

**Schedule 5—
2018 Pilot Pension Plan Surcharges
Fiscal Activity
(Prepared by the San Francisco Bar Pilots)**

2018 Pension Surcharge Disbursements: ¹		
Pension Surcharge Billings Reported to BOPC (December 2017-November 2018)	\$	10,361,439
Less: Administrative Costs Paid		(25,480)
Surcharge Available for Disbursement to Beneficiaries		10,335,959
Less: Retained Amounts Due to Beneficiaries		(13,332)
Add: Disbursed Retained Amounts Due to Beneficiaries		58,705
Less: Deductions for Health Plan Dues at Request of Beneficiaries		(483,909)
Net Amount Remitted to Payroll Agent for Disbursement to Beneficiaries	\$	9,897,423
Beneficiary Actual-to-Target Pension Amounts:		
Surcharge Available for Disbursement to Beneficiaries	\$	10,335,959
Beneficiary Total Target Pension Amount (December 2017-November 2018)		10,058,710
Over (Under) Target Pension Amounts	\$	277,249

¹ Pension Surcharge amounts billed in one month are available to be disbursed in the following month. On occasion, the Plan Primary Fiduciary may withhold a beneficiary's monthly payment(s), typically until a successor in interest can be determined. Otherwise, there retention or investment of Pension Plan Surcharge monies.

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, CA 94250**

<http://www.sco.ca.gov>

HARBORS AND NAVIGATION CODE
DIVISION 5. PILOTS FOR MONTEREY BAY AND THE BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN
[§§1100 - 1203]
(Heading of Division 5 amended by Stats. 2001, Ch. 177, Sec. 1.)

TABLE OF CONTENTS

CHAPTER 1. Pilots [§§1100 - 1141] 1

 ARTICLE 1. Legislative Policy and Findings [§§1100 - 1102]..... 1

 ARTICLE 2. Application [§§1105 - 1107]..... 2

 ARTICLE 3. Definitions [§§1110 - 1117]..... 2

 ARTICLE 4. Liability of Persons Using Pilot Services [§§1120 - 1122] 4

 ARTICLE 5. Exclusive Rights of Pilotage [§§1125 - 1126] 4

 ARTICLE 6. Exempt Vessels and Vessels Liable for Pilotage [§§1127 - 1128]..... 5

 ARTICLE 7. Duties of Pilots [§§1130 - 1139] 6

 ARTICLE 8. State Certified Pilotage [§§1140 - 1146]..... 8

CHAPTER 2. Board of Pilot Commissioners [§§1150 - 1159.2] 8

CHAPTER 3. Pension Plan [§§1160 - 1168] 15

CHAPTER 4. Licensing of Pilots [§§1170 - 1184]..... 20

 ARTICLE 1. Issuance of License [§§1170 - 1179] 20

 ARTICLE 2. Suspension or Revocation of Licenses [§§1180 - 1184]..... 25

CHAPTER 5. Pilotage Rates [§§1190 - 1198] 29

CHAPTER 6. Pilotage Rate Recommendations [§§1200 - 1203]..... 35

HARBORS AND NAVIGATION CODE
DIVISION 5. PILOTS FOR MONTEREY BAY AND THE BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN
[1100 - 1203]

(Heading of Division 5 amended by Stats. 2001, Ch. 177, Sec. 1.)

CHAPTER 1. Pilots [1100 - 1141]

ARTICLE 1. Legislative Policy and Findings [1100 - 1102]

(Article 1 added by Stats. 1974, Ch. 1256.)

1100.

The Legislature finds and declares that it is the policy of the state to ensure the safety of persons, vessels, and property using Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun, and the tributaries thereof, and to avoid damage to those waters and surrounding ecosystems as a result of vessel collision or damage, by providing competent, efficient, and regulated pilotage for vessels required by this division to secure pilotage services.

(Amended by Stats. 2001, Ch. 177, Sec. 2. Effective January 1, 2002.)

1101.

The Legislature further finds and declares all of the following:

- (a) The maritime industry is necessary for the continued economic well-being and cultural development of all California citizens.
- (b) The Bays of San Francisco, San Pablo, and Suisun provide a vital transportation route for the maritime industry.
- (c) The increase in vessel size and traffic, and the increase in cargoes carried in bulk, particularly oil and gas and hazardous chemicals, create substantial hazards to the life, property, and values associated with the environment of those waters.
- (d) The federal government has long adopted the policy of providing minimum standards that ensure port and waterway safety while encouraging state control over pilot qualifications and licensing.
- (e) A program of pilot regulation and licensing is necessary in order to ascertain and guarantee the qualifications, fitness, and reliability of qualified personnel who can provide safe pilotage of vessels entering and using Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun.
- (f) The need to ensure safe and pollution-free waterborne commerce requires that pilotage services be employed in the confined, crowded, and environmentally sensitive waters of those bays.
- (g) Bar pilotage in the Bays of San Francisco, San Pablo, and Suisun has continuously been regulated by a single-purpose state board since 1850, and that regulation and licensing should be continued.
- (h) The individual physical safety and well-being of pilots is of vital importance in providing required pilot services.

(Amended by Stats. 2001, Ch. 177, Sec. 3. Effective January 1, 2002.)

1102.

The Legislature finds and declares that the enhancement of navigational safety is of the utmost concern in state pilotage. In order to ensure and promote the highest level of safety in pilotage, the board is empowered to effectively monitor and oversee the practices of pilots and prevent fatigue resulting from extended hours of service, insufficient rest within a 24-hour period, and disruption of circadian rhythms.

(Added by Stats. 2012, Ch. 794, Sec. 1. Effective January 1, 2013.)

ARTICLE 2. Application [1105 - 1107]

(Article 2 added by Stats. 1974, Ch. 1256.)

1105.

This division applies to pilots for Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun.

(Amended by Stats. 2001, Ch. 177, Sec. 4. Effective January 1, 2002.)

1106.

No fine or other penalty authorized by the provisions of this division, nor any revocation or suspension of a pilot license or commission except as provided in Section 1180, may be imposed by the board without a full and open prior public hearing on the matter.

(Added by Stats. 1974, Ch. 1256.)

1107.

If any provision of this division or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the provisions of this division and their application to other persons or circumstances shall not be affected.

(Added by Stats. 1974, Ch. 1256.)

ARTICLE 3. Definitions [1110 - 1117]

(Article 3 added by Stats. 1974, Ch. 1256.)

1110.

(a) "Bays of San Francisco, San Pablo, and Suisun" means all the waters of those bays and of the tributaries, ports, and harbors of those bays, and includes the water areas from the south end of San Francisco Bay and from the Ports of Sacramento and Stockton to the Golden Gate Bridge.

"Bay of San Francisco, San Pablo, or Suisun" means any of those waters, respectively.

(b) "Monterey Bay" means all the waters of that bay and of the tributaries, ports, and harbors of that bay.

(Amended by Stats. 2001, Ch. 177, Sec. 5. Effective January 1, 2002.)

1111.

"Board" means the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.

(Amended by Stats. 1990, Ch. 1422, Sec. 3.)

1112.

“High seas” includes all the navigable waters of the Pacific Ocean west of the Golden Gate Bridge, and all navigable waters west of the westward boundary of the pilotage grounds for Monterey Bay.

(Amended by Stats. 2001, Ch. 177, Sec. 6. Effective January 1, 2002.)

1113.

“Inland pilot” means a person holding an inland pilot license prior to January 1, 2011.

(Amended by Stats. 2011, Ch. 324, Sec. 1. Effective January 1, 2012.)

1114.

“Pilot” means any of the following:

(a) Any person licensed under the authority of this division to pilot vessels other than an inland pilot.

(b) Any person licensed as a bar pilot for the Bays of San Francisco, San Pablo, and Suisun prior to January 1, 1985.

(c) Any existing inland pilot who becomes a pilot pursuant to Section 1141.

(d) Any pilot licensed pursuant to subdivision (b) of Section 1171.

(Amended by Stats. 2001, Ch. 177, Sec. 7. Effective January 1, 2002.)

1114.5.

“Pilotage grounds” means all waters extending eastward from the precautionary area surrounding buoy SF to, and including, the Bays of San Francisco, San Pablo, and Suisun, and also includes the waters of Monterey Bay, eastward of a straight line drawn between Point Santa Cruz Light and Point Pinos Light.

(Amended by Stats. 2001, Ch. 177, Sec. 8. Effective January 1, 2002.)

1115.

“Plan” or “pension” or “pension plan” means the San Francisco Pilot Pension Plan established pursuant to Chapter 3 (commencing with Section 1160) of this division.

(Added by renumbering Section 1113 by Stats. 1984, Ch. 1653, Sec. 8.)

1116.

“Vessel” means all vessels not exempted under provisions of this division.

(Added by renumbering Section 1114 by Stats. 1984, Ch. 1653, Sec. 10.)

1117.

“Commission investigator” means a person employed by or under contract with the board and assigned to investigate and report on a navigational incident involving a vessel piloted by a pilot or inland pilot licensed by the board, or other matter, incident, misconduct, suspected safety violation, or other activity reported to, or identified by, the board.

(Added by Stats. 2008, Ch. 567, Sec. 3. Effective January 1, 2009.)

ARTICLE 4. Liability of Persons Using Pilot Services [1120 - 1122]

(Article 4 added by Stats. 1974, Ch. 1256.)

1120.

Vessels which use pilotage services, and their tackle, apparel, furniture, and other appurtenances, and their owners, operators, and agents are jointly and severally liable for pilotage fees and for the surcharges established pursuant to this division.

(Amended by Stats. 1990, Ch. 468, Sec. 1. Effective August 8, 1990.)

1121.

If any pilot, in endeavoring to assist or relieve any vessel in distress, suffers loss or damage to the pilot's vessel, the owner and operator of the distressed vessel are jointly and severally liable for the loss or damage.

(Amended by Stats. 1984, Ch. 1653, Sec. 12.)

1122.

(a) A pilot carried to sea against the pilot's will, or unnecessarily detained on board a vessel when a pilot vessel is in attendance to receive the pilot, shall receive six hundred dollars (\$600) per day while so carried to sea or detained, plus reimbursement for any expenses incurred by the pilot in returning to the pilot station.

(b) The owner, operator, and agents of the detaining vessel are jointly and severally liable for paying the amount specified in subdivision (a).

(Amended by Stats. 1990, Ch. 1422, Sec. 4.)

ARTICLE 5. Exclusive Rights of Pilotage [1125 - 1126]

(Article 5 added by Stats. 1974, Ch. 1256.)

1125.

(a) Pilots licensed by the board have exclusive authority, to the extent not provided otherwise by federal law, to pilot vessels from the high seas to Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun and the ports thereof, and from those bays and ports to the high seas. They shall also have exclusive authority to pilot vessels within and along the waters of those bays, except as otherwise set forth in this division.

(b) Nothing in this division shall interfere with pilotage regulations of Monterey Bay and of the Ports of Sacramento and Stockton, nor prevent the regulatory authority of those ports from utilizing the pilots licensed pursuant to this division.

(Amended by Stats. 2001, Ch. 177, Sec. 9. Effective January 1, 2002.)

1126.

(a) A person who does not hold a license as a pilot issued pursuant to this division, and who pilots any vessel into or out of any harbor or port of Monterey Bay and the Bay of San Francisco, San Pablo, or Suisun, or who acts as a pilot for ship movements or special operations upon the waters of any of those bays, is guilty of a misdemeanor. In addition to the fines or other penalties provided by law, the court may order that person to pay to the pilot who is entitled to pilot the vessel the amount of pilotage fees collected. No fees shall be paid for pilotage if a state-licensed pilot refuses to join the vessel under paragraph (5) of subdivision (c).

(b) A person may also be enjoined from engaging in the pilotage prescribed by subdivision (a) by a court of competent jurisdiction.

(c) This section does not apply to any of the following persons:

(1) The master of a vessel who has relieved the pilot to ensure the safe operation of the vessel, but only from the point where the pilot is relieved to the closest safe berth or anchorage, or the high seas if closer than a safe berth or anchorage.

(2) Persons piloting vessels pursuant to the valid regulatory authority of the Port of Sacramento or the Port of Stockton.

(3) Persons piloting vessels sailing under an enrollment, as specified in Section 1127.

(4) Persons piloting vessels pursuant to Section 1179.

(5) Persons piloting vessels if a state-licensed pilot refuses to join the vessel. However, a vessel may not hire a pilot not licensed by the state until a representative of the vessel notifies the port agent or his or her designee that the vessel will hire a pilot not licensed by the state unless a state-licensed pilot offers to join the vessel immediately. The port agent or his or her designee shall notify the executive director of the board or his or her designee that this paragraph applies.

(d) The exemption set forth in paragraph (5) of subdivision (c) does not apply in instances in which a state licensed pilot refuses to join a vessel because of suspected safety violations concerning that vessel's pilot hoists or pilot ladders.

(Amended by Stats. 2011, Ch. 324, Sec. 2. Effective January 1, 2012.)

ARTICLE 6. Exempt Vessels and Vessels Liable for Pilotage [1127 - 1128]

(Article 6 added by Stats. 1974, Ch. 1256.)

1127.

(a) The Legislature finds and declares that it is the policy of the state to ensure the safety of persons, property, and vessels using the waters of Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun and to avoid damage to those waters and surrounding ecosystems as a result of vessel collision or damage by providing competent, efficient, and regulated pilotage for vessels required by this division to secure pilotage services.

(b) This section does not supersede, modify, or otherwise alter pilot practices that are not safety related, including, but not limited to, the determination of rates charged for pilot services or employer-employee relationships for individuals, agencies, or organizations involved in providing pilotage services between any port of Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun and any other port of the United States that is in existence on December 31, 1995, or otherwise abridge the authority of local port or harbor districts relating to pilotage in effect on December 31, 1995.

(c) The board shall regulate pilotage on waters of the state as provided in this division.

(d) A vessel sailing under a coastwise license or appropriately endorsed registry and engaged in the coasting trade between a port of Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun and another port of the United States is exempt from all pilotage charges unless a pilot is actually employed. A foreign vessel and a vessel bound between a foreign port and a port of Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun, and a vessel sailing under a register between a port of Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun and another port of the United States, shall use a pilot holding a license issued pursuant to this division, except as otherwise provided by law.

(e) Subdivision (d) does not apply to a vessel that is less than 750 gross tons and is manufactured and used for private recreation.

(Amended by Stats. 2011, Ch. 324, Sec. 3. Effective January 1, 2012.)

1128.

Any nonself-propelled vessel in tow of a tug within Monterey Bay and the Bay of San Francisco, San Pablo, or Suisun, or between those bays, is exempt from pilotage charges unless a pilot is actually employed.

(Amended by Stats. 2001, Ch. 177, Sec. 12. Effective January 1, 2002.)

ARTICLE 7. Duties of Pilots [1130 - 1139]

(Article 7 added by Stats. 1974, Ch. 1256.)

1130.

(a) A majority of all of the pilots licensed by the board shall appoint one pilot to act as port agent to carry out the orders of the board and other applicable laws, and to otherwise administer the affairs of the pilots. The appointment is subject to the confirmation of the board.

(b) The port agent shall be responsible for the general supervision and management of all matters related to the business and official duties of pilots licensed by the board.

(c) The port agent shall immediately notify the executive director of the board of a suspected violation, navigational incident, misconduct, or other rules violation that is reported to him or her or to which he or she is a witness. The board shall adopt regulations for the manner and content of a notice provided pursuant to this section.

(Amended by Stats. 2009, Ch. 576, Sec. 1. Effective January 1, 2010.)

1131.

Pilots shall at all times keep, for their exclusive use, vessels of such description and condition as the board may direct.

(Added by Stats. 1974, Ch. 1256.)

1132.

Every pilot in charge of a vessel arriving in Monterey Bay and the Bay of San Francisco, San Pablo, or Suisun, shall safely moor the vessel in place and position as directed by the master of the vessel, consistent with safe navigation and not contrary to law.

(Amended by Stats. 2001, Ch. 177, Sec. 14. Effective January 1, 2002.)

1133.

Every pilot in charge of a vessel leaving the Bays of San Francisco, San Pablo, and Suisun shall pilot it from its point of departure to a point beyond the San Francisco bar. Every pilot in charge of a vessel leaving Monterey Bay shall pilot it from its point of departure to a point westward of the pilotage grounds.

(Amended by Stats. 2001, Ch. 177, Sec. 15. Effective January 1, 2002.)

1134.

When a pilot goes aboard a vessel, the pilot becomes a servant of the vessel and its owner and operator. Nothing in this division exempts the vessel or its owner or operator from liability to persons or property for damage or loss caused by the vessel or its operation on the ground that (1) the vessel was piloted by a pilot, or (2) the damage or loss was incurred as a result of the error, omission, fault, or neglect of a pilot.

(Added by Stats. 1986, Ch. 669, Sec. 7.)

1136.

A pilot licensed pursuant to this division shall do all of the following:

- (a) Take an oath of office in the manner prescribed by law.
- (b) Submit monthly to the board a verified account of all moneys or other compensation received by the pilot as a result of pilotage services, or by any other person for the pilot, or on the pilot's account, on the forms furnished by the board.

(Amended by Stats. 2011, Ch. 324, Sec. 4. Effective January 1, 2012.)

1137.

(a) The account required pursuant to Section 1136 shall show all of the following:

- (1) The name of each vessel piloted.
- (2) The name of each vessel for which pilotage has been charged or collected.
- (3) The amount charged to or collected for each vessel.
- (4) Any rebates made and allowed and for what amounts.
- (5) The amount of the fees and surcharges not collected pursuant to Section 1193.
- (6) The depth of each vessel's draft and its highest gross tonnage.
- (7) Whether the vessel was inward or outward bound.

(b) The board shall record the accounts in full detail in a book prepared for that purpose. The account book is a public record.

(Amended by Stats. 2010, Ch. 455, Sec. 2. Effective January 1, 2011.)

1138.

(a) When cruising offshore or standing out to sea, pilots shall go to the vessel nearest to shore or in the most distress, or incur a penalty of one hundred dollars (\$100). For each refusal by a pilot to board a vessel when required, a penalty of one hundred dollars (\$100) shall be incurred.

(b) A pilot may be suspended or expelled by the board for a violation of subdivision (a).

(Added by Stats. 1974, Ch. 1256.)

1139.

(a) Every pilot boarding a vessel shall exhibit his commission or license as pilot when requested by the master of such vessel.

(b) The board may suspend or revoke the commission or license of a pilot for refusal to exhibit such commission or license upon the proper request, and it may impose a liability of fifty dollars (\$50) on the bond of such pilot.

(Added by Stats. 1974, Ch. 1256.)

ARTICLE 8. State Certified Pilotage [1140 - 1146]
(Article 8 repealed and added by Stats. 1984, Ch. 1653, Sec. 23.)

1140.

(a) It is the intent of the Legislature to provide for a unified system of state regulated pilotage for Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun.

(b) The Legislature finds and declares that unified pilotage will be beneficial to the safety of people, vessels, and property using those bays and tributaries.

(c) The Legislature further finds and declares that unified systems of regulated pilotage are common to the ports of the world and are most familiar to, and best able to serve, both foreign and domestic vessels.

(Amended by Stats. 2011, Ch. 324, Sec. 5. Effective January 1, 2012.)

1141.

(a) Each pilot license shall be valid for a period of one year and shall be renewed upon application and successful completion of the physical examination required by Section 1176.

(b) A pilot license shall not be renewed if the pilot possessing the license does not actively pilot vessels for any consecutive period of one year, unless the board determines the pilot is qualified and makes one of the following findings:

(1) The pilot has presented satisfactory proof of medical disability during that period.

(2) The board has granted the pilot a leave of absence without pay during that period.

(3) The pilot has been serving as port agent under Section 1130.

(c) A pilot licensee shall at all times hold an active and proper license to pilot vessels on the waters on which the pilot operates.

(d) The board may revoke or suspend the license of any pilot who does not use proper equipment maintained exclusively for pilotage or who operates on territorial waters not described in the license. This subdivision shall not be construed to require the use of a pilot boat in order to provide pilotage services for Monterey Bay.

(Amended by Stats. 2001, Ch. 177, Sec. 17. Effective January 1, 2002.)

1144.

Any continuing education program adopted by the board shall regularly inform pilots of the hazards of fatigue and of effective strategies to prevent fatigue while on duty.

(Added by Stats. 2012, Ch. 794, Sec. 2. Effective January 1, 2013.)

1146.

A pilot shall refuse a pilotage assignment if he or she is physically or mentally fatigued and has a reasonable belief that the assignment cannot be carried out in a competent and safe manner.

(Added by Stats. 2012, Ch. 794, Sec. 3. Effective January 1, 2013.)

CHAPTER 2. Board of Pilot Commissioners [1150 - 1159.2]

(Chapter 2 added by Stats. 1970, Ch. 1302.)

1150.

(a) There is in the Transportation Agency a Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun, consisting of seven members appointed by the Governor, with the consent of the Senate, as follows:

- (1) Two members shall be pilots licensed pursuant to this division.
 - (2) Two members shall represent the industry and shall be persons currently engaged as owners, officers, directors, employees, or representatives of a firm or association of firms that is a substantial user of pilotage service in the Bay of San Francisco, San Pablo, Suisun, or Monterey, one of whom shall be engaged in the field of tanker company operations, and one of whom shall be engaged in dry cargo operations. The board of directors of a regional maritime trade association controlled by West Coast vessel operators that specifically represents the owners and operators of vessels or barges engaged in transportation by water of cargo or passengers from or to the Pacific area of the United States shall nominate, rank, and submit to the Governor the names of three persons for each category of industry member to be appointed.
 - (3) Three members shall be public members. Any person may serve as a public member unless otherwise prohibited by law, except that during his or her term of office or within the two years preceding his or her appointment, a public member appointed shall not have (A) any financial or proprietary interest in the ownership, operation, or management of tugs, cargo, or passenger vessels, (B) sailed under the authority of a federal or state pilot license in waters under the jurisdiction of the board, (C) been employed by a company that is a substantial user of pilot services, or (D) been a consultant or other person providing professional services who had received more than 20 percent in the aggregate of his or her income from a company that is a substantial user of pilot services or an association of companies that are substantial users of pilot services. Ownership of less than one-tenth of 1 percent of the stock of a publicly traded corporation is not a financial or proprietary interest in the ownership of tugs, cargo, or passenger vessels.
 - (4) Notwithstanding any other provision of law, this chapter does not prohibit the Governor from notifying the nominating authority identified in paragraph (2) that persons nominated are unacceptable for appointment. Following that notification, the nominating authority shall submit a new list of nominees to the Governor, naming three persons, none of whom were previously nominated, from which the Governor may make the appointment. This process shall be continued until a person nominated by the nominating authority and satisfactory to the Governor has been appointed.
- (b) Members appointed pursuant to subdivision (a) shall be appointed with staggered terms as follows:
- (1) Each of the members appointed pursuant to paragraphs (1) and (2) of subdivision (a) shall be appointed for a four-year term, except that the first member appointed after December 31, 2012, to an initial term pursuant to paragraph (1) of subdivision (a) shall be appointed to a term expiring on December 31, 2014, and the first member appointed after December 31, 2012, to an initial term pursuant to paragraph (2) of subdivision (a) shall be appointed to a term expiring on December 31, 2014.
 - (2) Members appointed pursuant to paragraph (3) of subdivision (a) shall be appointed with staggered four-year terms with the initial four-year terms expiring on December 31 of the years 1988, 1990, and 1991, respectively.
 - (3) A person shall not be appointed for more than two terms.
 - (4) Vacancies on the board for both expired and unexpired terms shall be filled by the appointing power in the manner prescribed by subdivision (a).
- (c) A quorum of the board members consists of four members. All actions of the board shall require the vote of four members, a quorum being present.

(d) The Secretary of Transportation shall serve as an ex officio member of the board who, without vote, may exercise all other privileges of a member of the board.

(Amended by Stats. 2013, Ch. 352, Sec. 330. Effective September 26, 2013. Operative July 1, 2013, by Sec. 543 of Ch. 352.)

1151.

Each member of the board shall be a citizen of the United States and a resident of California. Each member appointed pursuant to paragraphs (1) and (3) of subdivision (a) of Section 1150 shall be a resident of one of the following counties: San Francisco, Alameda, Contra Costa, Marin, Mendocino, Monterey, Sacramento, San Mateo, Santa Clara, Santa Cruz, Solano, San Joaquin, Napa, Sonoma, or Yolo. The member shall hold office during the pleasure of the power appointing the member, not to exceed four years from the date of the member's commission.

(Amended by Stats. 1997, Ch. 660, Sec. 2. Effective January 1, 1998.)

1152.

(a) The public members of the board shall receive, as compensation for their services, the amount that the board may, from time to time, determine, which shall not exceed six hundred dollars (\$600) each per month.

(b) The appointed members and employees of the board shall also be allowed necessary traveling and other verified expenses incurred by them in the performance of their duties.

(Amended by Stats. 2008, Ch. 567, Sec. 7. Effective January 1, 2009.)

1153.

(a) The board shall organize itself by electing a president, and shall provide offices in San Francisco or Alameda County, in which it shall meet once a month, and it may adjourn its regular meetings from time to time.

(b) Meetings of the board are subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(Amended by Stats. 2008, Ch. 567, Sec. 8. Effective January 1, 2009.)

1154.

(a) The board is vested with all functions and duties relating to the administration of this division, except those functions and duties vested in the Secretary of Business, Transportation and Housing.

(b) The board's vested powers include the power to make and enforce rules and regulations that are reasonably necessary to carry out its provisions and to govern its actions. These rules and regulations shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(Amended by Stats. 2008, Ch. 567, Sec. 9. Effective January 1, 2009.)

1155.

The president of the board may administer oaths in regard to any matter properly before it and he or she may issue subpoenas for witnesses in like cases. A witness disobeying the subpoena served on him or her shall incur a penalty of five hundred dollars (\$500), for which judgment may be recovered by the board in a civil action. This section shall not apply to proceedings

conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(Amended by Stats. 2008, Ch. 567, Sec. 10. Effective January 1, 2009.)

1156.

(a) The board may appoint, fix the compensation of, and from time to time adjust the compensation of, an executive director who is exempt from the civil service laws, and other employees as may be necessary. The executive director may perform all duties, exercise all powers, discharge all responsibilities, and administer and enforce all laws, rules, and regulations under the jurisdiction of the board, with the approval of the board, including, but not limited to, all of the following:

(1) The administration of personnel employed by the board in accordance with the civil service laws.

(2) To serve as treasurer of the board and keep, maintain, and provide the board with all statements of accounts, records of receipts, and disbursements of the board in accordance with the law.

(3) The issuance and countersigning of licenses that shall also be signed by the president of the board.

(4) The administration of matters and the maintenance of files pertaining to action taken against licenses issued by the board.

(5) The administration of investigations of, and reporting on, a navigational incident or other matter for which a license issued by the board may be revoked or suspended.

(6) To work with board members, staff, and other interested stakeholders to recommend improvements in the pilot training program.

(7) Under the direction of the board, to coordinate with other state and federal agencies charged with protecting the environment and with the oil and hazardous chemical shipping industry.

(8) Any other function, task, or duty as may reasonably be assigned by the president of the board, including, but not limited to, performing research and obtaining documents and other evidence for board activities, including rate hearings.

(b) The Secretary of Business, Transportation and Housing shall appoint one assistant director to serve in a career executive assignment at the pleasure of the secretary. The assistant director shall have the duties as assigned by the executive director, and shall be responsible to the executive director for the performance of his or her duties.

(c) The board may employ personnel necessary to carry out the purposes of this chapter. All personnel shall be appointed pursuant to the State Civil Service Act (Part 1 (commencing with Section 18000) of Division 5 of Title 2 of the Government Code), except for the executive director and the assistant director, who shall be exempt from state civil service. The board may fix the compensation of, and from time to time adjust the compensation of, any employees as may be necessary.

(d) All personnel of the board shall be appointed, directed, and controlled by the board, the executive director, or the board's authorized deputies or agents to whom it may delegate its powers.

(e) The board may contract and employ commission investigators. The board shall adopt regulations for the minimum standards for a commission investigator that shall include, but are not limited to, a basic knowledge of investigative techniques and maritime issues.

(Amended by Stats. 2011, Ch. 324, Sec. 7. Effective January 1, 2012.)

1156.5.

(a) The executive director shall serve at the pleasure of the board and shall be under the direct supervision of the board. The term of office to which the executive director is appointed is five years.

(b) The Secretary of Business, Transportation and Housing, or his or her designee, shall act as the executive director during the absence from the state or other temporary absence, disability, or unavailability of the executive director, or during a vacancy in that position.

(Amended by Stats. 2008, Ch. 567, Sec. 11.5. Effective January 1, 2009.)

1156.6.

(a) If suspected safety standard violations concerning pilot hoists, pilot ladders, or the proper rigging of pilot hoists or pilot ladders are reported to the board, the executive director shall investigate the report. The executive director may personally inspect or assign a commission investigator to personally inspect the equipment for its compliance with the relevant safety standards promulgated by the United States Coast Guard and the International Maritime Organization. If, in the preliminary investigation, the equipment is found to be in violation, or in likely violation in the opinion of the executive director, of the relevant safety standards, the executive director shall immediately alert the appropriate United States Coast Guard office. The executive director shall report his or her findings and recommendations, if any, to the board. The board shall receive the executive director's findings, which may include other reports, information, or statements from interested parties. The board shall specify, by regulation, the information that shall be contained in the report.

(b) This section applies to the pilotage grounds, as defined in Section 1114.5. If a vessel passes outside of the pilotage grounds, the executive director's report shall include that fact along with a description of the incident.

(c) The record of the investigation and the board's findings and recommendations, if any, shall be a public record maintained by the board.

(Amended by Stats. 2012, Ch. 162, Sec. 80. Effective January 1, 2013.)

1156.7.

If the executive director of the board alerts the United States Coast Guard to a violation or likely violation of safety standards pursuant to Section 1156.6 and has reason to believe that the violation or likely violation will not be corrected prior to the vessel reaching its next port of call, the executive director shall request the United States Coast Guard to report the suspected safety standard violation to the port state control officer or a pilot organization in an expected future port of call. This section does not preclude any other party from disseminating any report of the findings and recommendations of the executive director of the board pursuant to Section 1156.6, and all of those reports and findings shall be considered public records.

(Added by Stats. 2012, Ch. 794, Sec. 4. Effective January 1, 2013.)

1157.

The board shall keep a written record of all the board's proceedings and acts.

(a) The board shall also keep a complete record of each pilot appointed and licensed by the board that includes, at a minimum, his or her current mailing address, residence, the date of the initial issuance and renewal of the license, the date of completion for initial and any subsequent training, and a record of any reports of meritorious activities, commendation, misconduct, safety

violations, or other incidents or information related or relevant to the issuance and use of his or her pilot license.

(b) All pilots licensed by the board shall provide the board with written notice of any change of name, mailing address, or residence within 30 days of that change in a manner prescribed by the board.

(Amended by Stats. 2011, Ch. 324, Sec. 9. Effective January 1, 2012.)

1157.1.

(a) Except as provided in Section 1157.4, all records of the board relating to the personal information of a pilot, a pilot trainee, or an applicant to the pilot trainee training program are confidential and shall not be open to public inspection.

(b) For purposes of this section, “personal information” means information, other than the name and mailing address, that identifies an individual, including an individual’s photograph, social security number, address, telephone number, and medical or disability information, but does not include other information related to licensing such as incidents, rules or safety violations, misconduct, training records, commendations, and license status.

(Amended by Stats. 2011, Ch. 324, Sec. 10. Effective January 1, 2012.)

1157.2.

The board shall establish procedures for access to confidential or restricted information from its records to protect the confidentiality of its employees and licensees. If confidential or restricted information is released to an agent of a person authorized to obtain information, the person shall require the agent to take all steps necessary to ensure confidentiality and prevent the release of information to a third party. An agent shall not obtain or use confidential or restricted records for any purpose other than the reason the information was requested.

(Added by Stats. 2008, Ch. 567, Sec. 15. Effective January 1, 2009.)

1157.3

A member of the board, the executive director, the assistant director, or an employee of the board who willfully discloses confidential information from the board record to a person not authorized to receive it shall be liable for a civil penalty not to exceed two thousand five hundred dollars (\$2,500) for each violation, which may be assessed and recovered in a civil action.

(Added by Stats. 2008, Ch. 567, Sec. 16. Effective January 1, 2009.)

1157.4.

Upon a request to the board by a federal, state, or local law enforcement agency, the executive director shall make available to the requesting agency any information contained in the board’s records.

(Added by Stats. 2008, Ch. 567, Sec. 17. Effective January 1, 2009.)

1157.5.

On or before April 15, 2010, and annually thereafter, the board shall submit to the Secretary of the Senate, the Chief Clerk of the Assembly, and the Secretary of Business, Transportation and Housing a report describing the board’s activities for the preceding calendar year. The report shall include, but not be limited to, all of the following:

(a) The number of vessel movements across the bar, on the bays, and on the rivers within the board’s jurisdiction.

(b) The name of each licensed pilot and pilot trainee, and the status of each person. If a person has had more than one status during the reporting year, each status and the length of time in that status shall be indicated. For the purposes of this section, "status" includes all of the following designations:

- (1) Licensed and fit for duty.
- (2) Licensed and not fit for duty.
- (3) Licensed and on authorized training.
- (4) Licensed and on active military duty.
- (5) Licensed and on leave of absence.
- (6) Licensed but license suspended.

(c) A summary of each report of misconduct or a navigational incident involving a pilot or pilot trainee, or other matters for which a license issued by the board may be revoked or suspended. For those cases that have been closed, the summary shall include a description of findings made by the incident review committee and of the resulting action taken by the board. For those cases that are still under investigation, the summary shall include a description of the reported incident and an estimated completion date for the investigation. For those closed cases involving a pilot who has been involved in a prior incident and a finding of pilot error had been made, the report shall also include a summary of that incident.

(Amended by Stats. 2011, Ch. 324, Sec. 11. Effective January 1, 2012.)

1158.

The public members, the executive director, the assistant director, and employees of the board shall not engage in an employment, activity, or enterprise that is clearly inconsistent, incompatible, in conflict with, or inimical to his or her duties as a state officer or employee or make, participate in making, or attempt to use his or her official position to in any way influence a governmental decision in which he or she knows or has reason to know that he or she, or any member of his or her immediate family, has a financial interest.

(Amended by Stats. 2008, Ch. 567, Sec. 18. Effective January 1, 2009.)

1158.1.

The executive director shall not, during the term of his or her office, serve as a member of the board or as a pilot, or otherwise be concurrently employed in the maritime industry.

(Amended by Stats. 2011, Ch. 324, Sec. 12. Effective January 1, 2012.)

1159.

(a) All moneys received by the board pursuant to the provisions of any law shall be accounted for at the close of each month to the Controller in the form that the Controller may prescribe and, at the same time on the order of the Controller, all these moneys shall be paid into the State Treasury to the credit of the Board of Pilot Commissioners' Special Fund.

(b) Notwithstanding Section 13340 of the Government Code, the moneys deposited in the State Treasury to the credit of the Board of Pilot Commissioners' Special Fund are appropriated without regard to fiscal years for the payment of the compensation and expenses of the board and its officers and employees.

(Amended by Stats. 2008, Ch. 567, Sec. 19. Effective January 1, 2009.)

1159.2.

(a) The vessel shall pay a board operations surcharge, the purpose of which is to fully compensate the board and the Transportation Agency for the official services, staff services, and incidental expenses of the board and agency. The amount of the surcharge shall be 7.5 percent of all pilotage fees charged by pilots pursuant to Sections 1190 and 1191 unless the board establishes, with the approval of the Department of Finance, a lesser percentage, not to exceed any percentage consistent with subdivision (d).

(b) The surcharge shall be billed and collected by the pilots. The pilots shall pay all surcharges collected by them to the board monthly or at a later time that the board may direct.

(c) The board shall quarterly review its ongoing and anticipated expenses and adjust the surcharge to reflect any changes that have occurred since the last adjustment.

(d) The board operations surcharge shall not represent a percentage significantly more than that required to support the board and any costs of the Transportation Agency related to the administration of the board pursuant to subdivision (a) in addition to the maintenance of a reasonable reserve.

(Amended by Stats. 2015, Ch. 303, Sec. 243. Effective January 1, 2016.)

CHAPTER 3. Pension Plan [1160 - 1168]

(Chapter 3 repealed and added by Stats. 1974, Ch. 1256.)

1160.

There is hereby established a San Francisco Bar Pilot Pension Plan which is continued in existence as the San Francisco Pilot Pension Plan.

(Amended by Stats. 1984, Ch. 1653, Sec. 30.)

1161.

All amounts generated by the pension plan shall be used solely to pay pensions to retired pilots and inland pilots, disabled pilots and inland pilots, the surviving spouses of pilots and inland pilots, and to pay the expenses of the plan.

(Amended by Stats. 1993, Ch. 1192, Sec. 1. Effective January 1, 1994.)

1162.

(a) The pension plan shall be administered and all benefit payments shall be made by one or more fiduciary agents selected by the board. Except for the collection of revenues in accordance with Section 1165 and the pilots serving as members of the board, and unless otherwise directed by the board, the pilots shall have no control of any kind or manner over the operation, administration, or management of the plan.

(b) All revenues pursuant to the plan shall be collected by the pilots, at no cost to the state or board, and transmitted monthly to the fiduciary agent or agents. The revenues shall not be included in the account required by Section 1136.

(Amended by Stats. 1992, Ch. 639, Sec. 2. Effective January 1, 1993.)

1163.

(a) (1) (A) Each retired pilot and inland pilot, who has completed 25 full years of service as a pilot or inland pilot, or both, shall receive, as a target monthly pension, an amount that is initially equal to 46 percent of an amount that is an average of the highest three of the last five years of audited annual average net income per pilot, prior to the pilot's or inland pilot's retirement,

divided by 12, which initial target monthly pension amount shall be subject to periodic adjustment pursuant to Section 1167. Pilots or inland pilots with other than 25 full years of service as a pilot or inland pilot, or both, shall receive a monthly pension in an amount that is determined by multiplying the above calculated target monthly pension by a fraction, the numerator of which shall be the number of full years of service that the pilot or inland pilot has rendered and the denominator of which shall be 25 years, which initial monthly pension amount shall be subject to periodic adjustment pursuant to Section 1167.

(B) Each disabled pilot or inland pilot shall receive as an initial target monthly pension an amount that is based on 46 percent of the greater of the following, which amount shall be subject to periodic adjustment pursuant to Section 1167:

(i) An amount that is the average of the highest three of the last five years of audited annual average net income per pilot divided by 12 and multiplied by a fraction, the numerator of which shall be the number of full years of service that the pilot or inland pilot has rendered and the denominator of which shall be 25 years.

(ii) The audited annual average net income per pilot, for the last year prior to the pilot's or inland pilot's disability, divided by 12 and multiplied by a fraction, the numerator of which shall be the number of full years of service that the pilot or inland pilot has rendered and the denominator of which shall be 25 years.

(C) Each pilot who retired before January 1, 1985, shall receive as an initial target monthly pension an amount that is one hundred seventy-eight dollars (\$178) multiplied by the number of full years of service he or she performed as a pilot licensed under this division, which amount shall be subject to periodic adjustment pursuant to Section 1167.

(D) Each pilot who retired on or after January 1, 1985, or each inland pilot who retired after January 1, 1993, shall receive as an initial target monthly pension an amount that is the greater of the following, which amount shall be subject to periodic adjustment pursuant to Section 1167:

(i) An amount that is calculated by multiplying one hundred seventy-eight dollars (\$178) by the number of full years of service the pilot or inland pilot performed as a pilot or inland pilot licensed under this division.

(ii) An amount that is 46 percent of the average of the highest three of the last five years of audited annual average net income per pilot, prior to the pilot's or inland pilot's retirement, divided by 12 and multiplied by a fraction, the numerator of which is the pilot's or inland pilot's actual number of full years of service and the denominator of which is 25 years.

(2) A pilot or inland pilot who retires or becomes disabled shall not begin to receive a pension until the beginning of the benefit payment period next following the date on which the pilot or inland pilot retires or becomes disabled.

(3) A pilot or inland pilot shall not receive any benefits pursuant to the pension plan in any benefit payment period unless the pilot's or inland pilot's resignation as an active pilot or inland pilot specifying a proposed date of retirement was submitted, in writing, to the board, prior to November if the pilot's or inland pilot's retirement is to be effective the first day of the following January, prior to February if the pilot's or inland pilot's retirement is to be effective the first day of the following April, prior to May if the pilot's or inland pilot's retirement is to be effective the first day of the following July, or prior to August if the pilot's or inland pilot's retirement is to be effective the first day of the following October. The pilot's or inland pilot's resignation as an active pilot or inland pilot shall become effective on either January 1, April 1, July 1, or October 1, as specified in the written resignation.

(4) If a retired or disabled pilot or inland pilot who is receiving a pension dies without a surviving spouse, the pilot's or inland pilot's successor in interest shall receive the monthly pension for the remainder of the benefit payment period within which the death occurs, after which time the monthly pension shall cease.

(b) (1) The surviving spouse of a deceased pilot who is eligible for a pension pursuant to paragraph (1) of subdivision (e) of Section 1164 and the surviving spouse of a deceased inland pilot who is eligible for a pension pursuant to paragraph (2) of subdivision (e) of Section 1164 shall each receive, as a monthly pension, three-fourths of the amount that the deceased pilot or inland pilot would have received as a monthly pension pursuant to this section had the pilot or inland pilot lived, calculated as if the deceased pilot or inland pilot had been disabled pursuant to subparagraph (B) of paragraph (1) of subdivision (a).

(2) If a retired or disabled pilot or inland pilot who was receiving a pension dies, the surviving spouse shall continue to receive the full amount of the monthly pension to which the deceased pilot or inland pilot was entitled for the balance of the benefit payment period within which the death occurs, after which the surviving spouse shall receive the amount specified in paragraph (1).

(3) If a surviving spouse receiving a pension dies, the surviving spouse's successor in interest shall receive the monthly pension for the remainder of the benefit payment period within which the death occurs, after which time the monthly pension shall cease.

(c) For the purpose of the computations described in paragraph (1) of subdivision (a), six months or more of service by a pilot or inland pilot shall be considered a full year.

(d) Except as provided otherwise in this section and paragraph (4) of subdivision (e) of Section 1164, monthly pension amounts payable pursuant to this section to retired pilots and inland pilots and to their surviving spouses are payable for the life of that retired pilot, inland pilot, or spouse.

(e) To determine an inland pilot's full years of service under this chapter, any periods of service that an inland pilot has performed as a pilot shall be added to any service time performed as an inland pilot after January 1, 1987.

(f) In calculating the benefits of a retired or disabled pilot who was issued an original pilot's license in 1985 and who was not thereafter issued an inland pilot's license, or in calculating the benefits of the widow of such a pilot who is deceased, the number of years of service used in the calculation shall be the greater of the following:

(1) The actual number of full years of service the pilot has rendered.

(2) Ten years.

(Amended by Stats. 1999, Ch. 261, Sec. 1. Effective January 1, 2000.)

1164.

(a) Except as provided in subdivision (b), a pilot shall be eligible for the pension provided in Section 1163 if the pilot meets all of the following requirements:

(1) Held a license as a pilot and served at least 10 years in that capacity or has attained 62 years of age, whichever occurs first.

(2) Retired after January 1, 1972.

(3) Is at least 60 years of age.

(b) A disabled pilot shall be eligible for the pension provided in Section 1163 if it has been determined by the board, based upon competent medical evidence, that the pilot is unable to perform the duties of a pilot. As used in this chapter, "disabled" means a disability of permanent or extended and uncertain duration, as determined by the board, on the basis of competent medical opinion.

(c) Except as provided in subdivision (d), an inland pilot shall be eligible for the pension provided in Section 1163 if the inland pilot meets all of the following requirements:

- (1) Held a license as an inland pilot and served at least 10 years in that capacity after January 1, 1987, or has attained 62 years of age, whichever occurs first.
- (2) Retired after January 1, 1987.
- (3) Is at least 60 years of age.
- (4) Since January 1, 1987, has held himself or herself out as providing pilotage assistance to the entire shipping industry consistent with the inland pilot's license.
- (5) For services provided after January 1, 1994, performs a minimum of 75 assignments per calendar year unless excused from performance of that requirement due to medical needs satisfactory to the board.

(d) A disabled inland pilot who meets the requirements of paragraph (4) of subdivision (c) shall be eligible for the pension provided in Section 1163 if it has been determined by the board, based upon competent medical evidence, that the inland pilot is unable to perform the duties of an inland pilot.

(e) (1) A surviving spouse of a deceased pilot shall be eligible for the pension provided in subdivision (b) of Section 1163 if that deceased pilot died after January 1, 1972, and that deceased pilot had held a license as a pilot.

(2) A surviving spouse of a deceased inland pilot shall be eligible for the pension provided in subdivision (b) of Section 1163 if the deceased inland pilot died after January 1, 1987, had held a license as an inland pilot, and since January 1, 1987, had held himself or herself out as providing pilotage assistance to the entire shipping industry consistent with the inland pilot's license.

(3) In order for a surviving spouse to be eligible for any pension benefits pursuant to this chapter, the surviving spouse shall have been legally married to the deceased pilot or inland pilot for at least one year prior to the deceased pilot's or inland pilot's death.

(4) A surviving spouse of a deceased pilot or inland pilot shall neither be eligible for, nor receive, pension benefits pursuant to this chapter if the surviving spouse remarries. If a surviving spouse who is receiving a monthly pension under this chapter remarries, the surviving spouse's successor in interest shall receive the amount of the monthly pension for the remainder of the benefit payment period as if the surviving spouse had died, in accordance with paragraph (3) of subdivision (b) of Section 1163.

(Amended by Stats. 1999, Ch. 261, Sec. 2. Effective January 1, 2000.)

1165.

(a) In addition to, and concurrently with, the basic pilotage rate described in Section 1190, a charge shall be levied for pilotage services at a rate necessary to provide the benefits to be paid out pursuant to the pension plan. The additional rate shall be determined as follows:

(1) On March 1, June 1, September 1, and December 1 of each year, the number of persons eligible to receive benefits under the plan, their identities, the calculated amount each shall be entitled to receive, and the total amount to be paid out to all of those persons during each month of the next three-month period shall be determined by the fiduciary agent or agents.

(2) After the total amount to be paid out monthly under the plan has been determined, the rate necessary to provide that amount each month shall be calculated by the fiduciary agent or agents. The rate shall be based upon the volume of shipping, in gross registered tons, handled by pilots licensed under this division for the 12-month periods ending the previous September 30 for benefit periods commencing the following January 1, ending the previous December 31 for benefit periods commencing the following April 1, ending the previous March 31 for benefit

periods commencing the following July 1, and ending the previous June 30 for benefit periods commencing the following October 1, respectively. The rate shall be expressed as mills per gross registered ton and shall be calculated to the nearest one-hundredth of a mill.

(3) The estimated cost of the services of the fiduciary agent or agents to administer the pension plan shall be calculated by the fiduciary agent or agents for the benefit periods described in paragraph (2), shall be expressed as mills per gross registered ton, and shall be calculated to the nearest one-hundredth of a mill.

(b) The rate determined pursuant to paragraphs (1), (2), and (3) of subdivision (a) shall become effective on January 1 of the following year with respect to the September 30 calculations, on April 1 of the following year with respect to the December 31 calculations, on July 1 of that year with respect to the March 31 calculations, and on October 1 of that year with respect to the June 30 calculations. The rates shall be in effect for the succeeding benefit payment period.

(Amended by Stats. 1992, Ch. 639, Sec. 5. Effective January 1, 1993.)

1166.

(a) The benefits actually paid out each month by the fiduciary agent or agents designated by the board to all retired and disabled pilots and inland pilots, to surviving spouses of deceased pilots and inland pilots, and to successors in interest shall be equal to the revenue received pursuant to Section 1165 during the preceding month less the expenses of the fiduciary agent or agents incurred during that month. The revenue, whether greater or less than the amount used in determining the tonnage rates under this chapter to provide the aggregate target pensions to which those persons are entitled according to Section 1163, shall be paid to each of them in proportion to the relative target amounts to which they are entitled, after payment of the expenses of the fiduciary agent or agents.

(b) Revenues for any month or year are the amounts to be received pursuant to the pension plan for pilotage during that month or year. The fiduciary agent or agents shall determine which accounting system shall be used to make the payment, provided that, if the accrual method is used, it shall be subject to later equitable adjustments for unpaid receivables.

(c) Benefits pursuant to the new rate calculations shall be paid commencing in February, May, August, and November of each year and shall continue through, and include, the next following April, July, October, and January, respectively, so that each benefit pension period equals three months of payments. The period during which benefits are paid is the benefit payment period.

(Amended by Stats. 1993, Ch. 1192, Sec. 4. Effective January 1, 1994.)

1167.

(a) The board shall review the benefits received by retired or disabled pilots and inland pilots and their surviving spouses every three years or when the cumulative percentage increase in the Consumer Price Index (San Francisco Bay Area) has exceeded 12 percent, whichever occurs first.

(b) The board may increase the monthly pensions specified in Section 1163. Those increases shall take into consideration the maritime industry practice in the United States as brought to the attention of the board by the pilots, inland pilots, or the industry. The increase shall not exceed 50 percent of the cumulative increase in the Consumer Price Index (San Francisco Bay Area). Monthly pensions for retired pilots, inland pilots, or their surviving spouses who have been retired less than the full three-year interval between adjustments shall increase on a pro rata basis according to the number of months that those persons have been retired prior to that adjustment.

(Amended by Stats. 1993, Ch. 1192, Sec. 5. Effective January 1, 1994.)

1168.

The board may review the pension plan and make any recommendations it deems necessary for changes in the plan. Monthly pensions shall not be adjusted except as provided by Section 1167. *(Added by Stats. 1992, Ch. 639, Sec. 8. Effective January 1, 1993.)*

CHAPTER 4. Licensing of Pilots [1170 - 1184]

(Chapter 4 added by Stats. 1974, Ch. 1256.)

ARTICLE 1. Issuance of License [1170 - 1179]

(Article 1 added by Stats. 1974, Ch. 1256.)

1170.

The board shall appoint and license the number of pilots which is sufficient to carry out the purposes of this division.

(Amended by Stats. 1990, Ch. 1422, Sec. 19.)

1170.1.

In determining the number of pilots needed, pursuant to Section 1170, the board shall take into consideration the findings and declarations in Sections 1100 and 1101, the results of an audit made pursuant to, and the factors specified in, Section 1203, the industry's current economic trends, fluctuations in the number of vessel calls, the size of vessels, and whether the need for pilotage is increasing or decreasing.

(Added by Stats. 1984, Ch. 1653, Sec. 35.)

1170.2.

Before changing the number of pilots which may be licensed pursuant to this division, the board shall conduct a hearing pursuant to Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code.

(Added by Stats. 1984, Ch. 1653, Sec. 36.)

1170.3.

(a) The board shall adopt, by regulation, a pilot's conflict-of-interest code, which shall include, but need not be limited to, a provision specifying that a pilot shall not have any interest in, or derive any income from, any tugboat in operation on Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun. This requirement of divestiture does not apply to the ownership of barges and vessels similar to barges.

(b) The conflict-of-interest code shall not prohibit the ownership of stock in any corporation registered on a national securities exchange or on the National Market System of the NASDAQ Stock Market, pursuant to Section 78f of Title 15 of the United States Code, which may own tugboats in operation on Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun.

(Amended by Stats. 2001, Ch. 177, Sec. 19. Effective January 1, 2002.)

1171.

(a) The board shall have the sole authority to determine the qualifications for obtaining a license as a pilot pursuant to this division, determine who shall have the license, and issue the license.

(b) A person possessing a valid state pilot's license on January 1, 1985, is hereby licensed as if the license was granted by the board.

(Amended by Stats. 2011, Ch. 324, Sec. 14. Effective January 1, 2012.)

1171.5.

(a) The board shall adopt, by regulation, licensing standards that equal or exceed standards for obtaining federal endorsements and that conform with and support the state policy specified in Sections 1100 and 1101.

(b) The board shall adopt reasonable rules and regulations that require pilots to be qualified to perform all pilot duties.

(c) The board shall adopt, by regulation, training standards and a training program for pilot trainees, and continuing education standards and a continuing education program for pilots. In the case of pilot trainees, the training program shall be for a minimum of one year and a maximum of three years. In the case of pilots, the board shall specify the type, nature, duration, and frequency of the continuing education required and the identity of the pilots who are required to undergo continuing education in the next 12-month period. Pursuant to Section 1182, the license of a pilot may be revoked or suspended if he or she fails to complete the continuing education required by this subdivision during the period specified. The board shall also require that an evaluation of the pilot's performance be prepared by the institution selected by the board to provide pilot continuing education, and the institution shall provide copies of the evaluation to the pilot and to the board.

(d) The board shall adopt, by regulation, the qualifications, standards, and rating criteria for admission of pilot trainees to the training program. Notwithstanding subdivision (f), the board shall administer and conduct the pilot trainee admission selection in accordance with the regulations for admission.

(e) The board shall establish a pilot evaluation committee consisting of five active pilots who each have at least 10 years' experience as a pilot on the Bays of San Francisco, San Pablo, and Suisun. The board shall select the members of the pilot evaluation committee. A member may not serve for more than two four-year terms, except that two of the initial members appointed to the pilot evaluation committee shall serve terms of two years.

(f) The pilot evaluation committee shall conduct and supervise the pilot trainee training program pursuant to the direction and regulation of the board and consistent with the intent of this division.

(g) The board shall issue a certificate of completion to each pilot trainee who satisfactorily completes the training program. The board shall not issue a pilot's license to a person who does not receive a certificate of completion of the training program from the board, although the board may refuse to issue a pilot license to a pilot trainee who has received this certificate.

(h) The training program for pilot trainees and the continuing education program for pilots shall be funded from revenues collected for these purposes as determined by the board pursuant to Sections 1195 and 1196 and deposited into the Board of Pilot Commissioners' Special Fund pursuant to Section 1159.

(Amended by Stats. 2011, Ch. 324, Sec. 15. Effective January 1, 2012.)

1171.6.

(a) There shall be an examination fee to be charged in an amount established by the board to each applicant to the pilot trainee training program who participates in any written or simulator examinations established by the board for the purposes of determining admission to the pilot

trainee training program pursuant to subdivision (d) of Section 1171.5. The fee shall be charged only to those who actually participate in an examination and shall not exceed the administrative costs to the board of preparing and administering the examination.

(b) The moneys charged and collected from the applicant pursuant to subdivision (a) shall be paid to the board and deposited into the Board of Pilot Commissioners' Special Fund pursuant to Section 1159. The moneys shall be used only to fund the pilot trainee training program in the manner established by the board.

(Added by Stats. 2011, Ch. 324, Sec. 16. Effective January 1, 2012.)

1172.

Pilots licensed by the board shall be carefully examined as to their qualifications. A license as a pilot shall be granted for a term of 12 months. The license shall be renewed annually unless the board has good cause to withhold renewal pursuant to Article 2 (commencing with Section 1180) of this chapter.

(Repealed and added by Stats. 1974, Ch. 1256.)

1173.

An application for a pilot's license shall be made in writing to the board, stating such information as the board by rule and regulation may require.

(Repealed and added by Stats. 1974, Ch. 1256.)

1174.

A pilot's license shall be issued in the name of the State of California and contain a designation of the waters for which it is intended. The license shall be signed by the president of the board.

(Repealed and added by Stats. 1974, Ch. 1256.)

1175.

No person shall be licensed as a pilot unless all of the following requirements are met:

- (a) The person can meet the qualifications set by the board, including age limitations, if any.
- (b) The person is of good mental and physical health and good moral character.
- (c) The person possesses the requisite skill and experience as a navigator and pilot, together with practical knowledge of the currents, tide, soundings, bearings, and distances of the several shoals, and the rocks, bars, points of landings, lights, and fog signals of, or pertaining to, the navigation of the pilot ground for which the person applies for a license to act as a pilot.
- (d) The person can satisfy the board that the person has means available for boarding and leaving vessels which the person may be called upon to pilot.

(Amended by Stats. 1984, Ch. 1653, Sec. 40.)

1176.

(a) The board shall appoint a physician or physicians who are qualified to determine the suitability of a person to perform his or her duties as a pilot or a pilot trainee in accordance with subdivision (c).

(b) An applicant for a pilot trainee position or for a pilot license, a pilot trainee, or a pilot seeking renewal of his or her license shall undergo a physical examination by a board-appointed physician in accordance with standards prescribed by the board. Within 30 days prior to the examination, the applicant or licensee shall submit to the physician conducting the physical

examination a complete list of all prescribed medications being taken by or administered to the applicant or licensee.

(c) On the basis of both the examination and an evaluation of the effects of the prescription medications named on the submitted list, the physician shall designate to the board whether or not the pilot or pilot trainee is fit to perform his or her duties as a pilot or a pilot trainee.

(d) The license of a pilot shall not be renewed unless he or she is found fit for duty pursuant to subdivision (c).

(e) If a pilot or a pilot trainee is prescribed either a new dosage of a medication or a new medication, or suspends the use of a prescribed medication, he or she shall, within 10 days, submit that information to the board-appointed physician having possession of the prescribed medication list submitted pursuant to subdivision (b). If the physician receives the updated information, the physician shall determine whether or not the medication change affects the licensee's or trainee's fitness for duty. If the physician determines that the medication change results in the pilot or pilot trainee being unfit for duty, the physician shall inform the board.

(f) The board may terminate a pilot trainee or suspend or revoke the license of a pilot who fails to submit the prescribed medication information required by this section.

(Amended by Stats. 2011, Ch. 324, Sec. 17. Effective January 1, 2012.)

1176.5.

(a) At the time of the physical examination required by Section 1176, a trainee or an applicant for a trainee position shall disclose to the board-appointed physician conducting the physical examination all of the following information, if applicable:

(1) If at any time prior to the examination the trainee or applicant for a trainee position has been rendered incapable of safely operating a vessel or any other motor vehicle because of alcoholism, excessive and chronic use of alcoholic beverages, or addiction to, or habitual use of, any drug.

(2) If at any time prior to the examination the trainee or applicant for a trainee position has been addicted to the use of narcotic drugs or has participated in a narcotic treatment program.

(3) If at any time prior to the examination the trainee or applicant for a trainee position has suffered from a disorder characterized by lapses of consciousness or has experienced, within the last three years, either a lapse of consciousness or an episode of marked confusion caused by any medical condition that may bring about recurrent lapses, or has any physical or mental disability, disease, or disorder that could affect the safe operation of a vessel or motor vehicle.

(b) At the time of the physical examination, a licensee shall disclose to the board-appointed physician conducting the physical examination pursuant to Section 1176 all of the following information, if applicable:

(1) If at any time during the year prior to the examination the licensee applicant has been rendered incapable of safely operating a vessel or any other motor vehicle because of alcoholism, excessive and chronic use of alcoholic beverages, or addiction to, or habitual use of, any drug.

(2) If at any time during the year prior to the examination the licensee has been addicted to the use of narcotic drugs or participated in a narcotic treatment program.

(3) If at any time during the year prior to the examination the licensee has suffered from a disorder characterized by lapses of consciousness or has experienced either a lapse of consciousness or an episode of marked confusion caused by any medical condition that may bring about recurrent lapses, or has any physical or mental disability, disease, or disorder that could affect the safe operation of a vessel or any other motor vehicle.

(c) The board may refuse to admit an applicant to the training program, continue a trainee in the training program, or issue or renew a license to any person if the board-appointed physician

conducting the physical examination required pursuant to Section 1176 determines that the trainee applicant, trainee, license applicant, or licensee excessively or habitually uses, or is addicted to, alcoholic beverages, narcotics, or dangerous drugs.

(d) The board shall not admit an applicant to the training program, continue a trainee in the program, issue a license to a pilot license applicant, or renew a pilot license for any applicant who fails to submit the information required by this section.

(Added by Stats. 2012, Ch. 794, Sec. 5. Effective January 1, 2013.)

1177.

(a) All pilots licensed pursuant to this division shall have and maintain proper federal endorsements allowing them to pilot on the high seas and on all waters of the Bays of San Francisco, San Pablo, and Suisun, excluding the San Joaquin River and the Sacramento deep water ship channel.

(b) Notwithstanding subdivision (a), all pilots issued original licenses pursuant to this division after December 31, 1987, shall have and maintain proper federal endorsements allowing them to pilot on the high seas and on all waters of the Bays of San Francisco, San Pablo, and Suisun, including the San Joaquin River and the Sacramento deep water ship channel.

(c) All pilots licensed pursuant to this division for Monterey Bay shall have and maintain proper federal endorsements allowing them to pilot on the high seas and on all the waters of Monterey Bay.

(Amended by Stats. 2001, Ch. 177, Sec. 20. Effective January 1, 2002.)

1177.5

(a) The board's proceedings with regard to the refusal to issue or renew a pilot license shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) The board may deny an application for a license without a hearing, if within one year previously, and after proceedings conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, an application from the same applicant has been denied upon the same grounds.

(Added by Stats. 2012, Ch. 794, Sec. 6. Effective January 1, 2013.)

1178.

Persons applying for an original license shall not receive a license unless they have proper federal endorsements allowing them to pilot on the high seas and all the waters of those bays pursuant to Section 1171.

(Amended by Stats. 1991, Ch. 282, Sec. 9.)

1178.5.

(a) Subject to this section, the board shall participate in a pull-notice system, pursuant to Section 1808.1 of the Vehicle Code, with respect to all pilot trainees and all licensees.

(b) The purpose of board participation in a pull-notice system pursuant to this section is to provide the board with a report showing each pilot's current public record as recorded by the Department of Motor Vehicles, and any subsequent convictions, failures to appear, accidents, driver's license suspensions, driver's license revocations, or any other actions taken against the driving privilege or certificate, added to the driver's record while the notification request remains valid and uncanceled.

- (c) As used in this section, participation in the pull-notice system means obtaining a requester code and enrolling all pilots and trainees who are subject to the board's jurisdiction under that requester code.
- (d) The board shall, additionally, obtain a periodic report from the Department of Motor Vehicles at least every 12 months. The board shall verify that each pilot's and pilot trainee's driver's license has not been suspended or revoked and whether the pilot or pilot trainee has been convicted of a violation of Section 23152 or 23153 of the Vehicle Code or Section 655.
- (e) Upon the termination of a pilot's license or the removal of a trainee from the training program, the board shall notify the Department of Motor Vehicles to discontinue the driver's enrollment in the pull-notice system.
- (f) For the purposes of the pull-notice system, a pilot and pilot trainee shall be enrolled as if he or she were an employee of the board.
- (g) The board shall be exempt from any fees required under the pull-notice system, pursuant to Section 1808.1 of the Vehicle Code.
- (h) The board, on an individual basis, shall also request the driving record of every applicant for admission into the pilot training program before granting admission to the training program, and shall request the driving record of every applicant for an original pilot license before issuing a pilot license.
- (i) The board, after notice and hearing, may refuse to issue a pilot license or may suspend or revoke the license issued to a pilot if that person has been convicted of a violation of Section 23152 or 23153 of the Vehicle Code, or Section 655. A conviction after a plea of nolo contendere is a conviction within the meaning of this section.
- (j) The board may refuse to admit an applicant into the pilot training program or may dismiss a pilot trainee from the pilot training program if that person has been convicted of a violation of Section 23152 or 23153 of the Vehicle Code or Section 655. A conviction after a plea of nolo contendere is a conviction within the meaning of this section.
- (Added by Stats. 2012, Ch. 794, Sec. 7. Effective January 1, 2013.)*

1179.

Notwithstanding any other provision of this division, any shipping company which regularly employed its employees, or expressed its intent to the board to use its employees, for piloting vessels on the Bays of San Francisco, San Pablo, and Suisun on or before July 1, 1983, may employ and use its employees in that manner in lieu of pilots provided under this chapter. However, this use of employees as pilots on foreign flag vessels shall be limited to five vessel calls per year for those shipping companies that have only expressed their intent to use their employees in lieu of pilots. This limitation shall not apply to those shipping companies which regularly employed their employees for piloting vessels prior to July 1, 1983.

(Amended by Stats. 1990, Ch. 1422, Sec. 24.)

ARTICLE 2. Suspension or Revocation of Licenses [1180 - 1184]

(Article 2 added by Stats. 1974, Ch. 1256.)

1180.

If, in the opinion of the board, there is reasonable cause to believe that the public interest requires that a pilot be summarily suspended pending hearing on charges of misconduct that include any of the causes for suspension or revocation specified in Section 1181 or if the board

has information that leads it to believe that a pilot has become unable to comply with the standards of health or physical condition requisite to a pilot's duties, the board may, without hearing, temporarily suspend the license of the pilot for not exceeding 40 days pending hearing and decision on the charges. Unless an accusation on the charge is served on the pilot as provided in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, prior to the close of the sixth day after the suspension becomes effective, the temporary suspension terminates at the close of the sixth day.

(Amended by Stats. 2011, Ch. 324, Sec. 18. Effective January 1, 2012.)

1180.3.

(a) The board shall establish an incident review committee, which shall be composed of one public member of the board and the executive director. The board shall delegate to the incident review committee the responsibility to review all reports of misconduct or navigational incidents involving pilots or other matters for which a license issued by the board may be revoked or suspended. This subdivision does not apply to an incident involving a pilot aboard a vessel of less than 300 gross tons unless a pilot is required by law.

(b) The incident review committee, with the assistance of one or more investigators, shall investigate the incident, misconduct, or other matter and prepare a written report. The incident review committee may call witnesses and request additional information if the incident review committee considers it necessary to conduct a complete investigation. In performing their duties, the members of the incident review committee and its investigators shall act fairly and impartially and shall treat all matters developed or maintained as required by law. The members of the incident review committee and the investigators shall not discuss any investigation with the board or any member of the board until the matter has been finally disposed of by the incident review committee or final action has been taken by the board, as appropriate. The board shall specify, by regulation, the information to be contained in the report, which shall include, but need not be limited to, the following information relating to the incident, misconduct, or other matter:

- (1) The name of the vessel, date, location, and identification of the pilot.
- (2) A description of the weather and sea conditions.
- (3) An illustration and description of the incident, misconduct, or other matter under investigation.
- (4) An estimate of the damages, if any.
- (5) The names of the witnesses providing information relating to the incident, misconduct, or other matter under investigation.
- (6) The nature and extent of any injuries.
- (7) A summary of any prior investigations of incidents, misconduct, or other matters involving the same pilot designated pursuant to paragraph (1).
- (8) Any relevant correspondence or records from the United States Coast Guard relating to the incident, misconduct, or other matter under investigation.
- (9) A historical record of the actions taken in the investigation and the action taken pursuant to Section 1180.6.
- (10) A summary of the factual background of the incident, misconduct, or other matter investigated.
- (11) The following information that is not a part of the public record:
 - (A) The report from the pilot.
 - (B) The confidential report of the investigator.

(c) Unless an accusation for suspension or revocation of the pilot's license is served on the pilot as provided in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, the incident review committee shall present the completed investigation report to the board at the first monthly meeting of the board after the completion of the report. Unless an extension is granted by the board, the report shall be presented within 90 days of the date of the incident, misconduct, or other matter investigated.

(d) The record of the investigation prepared pursuant to subdivision (b) and the final disposition of the incident, misconduct, or other matter shall be retained in the records of the board for 10 years after the completion of the investigation and, except for the items listed in paragraph (11) of subdivision (b), shall be a public record.

(Amended by Stats. 2011, Ch. 324, Sec. 19. Effective January 1, 2012.)

1180.6.

(a) The board, after full consideration of the evidence, report, and recommendations presented by the incident review committee relating to an incident, misconduct, or other matter pursuant to Section 1180.3, shall take one or more of the following actions:

(1) Serve an accusation for suspension or revocation of the pilot's license on the pilot as provided in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, pursuant to Sections 1181 and 1182.

(2) Enter into a written stipulation for corrective action to be performed by the pilot, which may include, but is not limited to, further training or supervised practice trips.

(3) Provide counseling for the pilot relating to the duties and obligations of a pilot.

(4) Issue a warning letter of reprimand to the pilot.

(5) Take any other action, as provided in the guidelines adopted pursuant to subdivision (e).

(6) Close the investigation without further action.

(7) Remand the matter to the incident review committee for further investigation.

(b) Action required pursuant to subdivision (a) shall be taken by a majority vote of the board.

(c) A member of the board shall not sit on the board as a trier of fact for those cases in which he or she has served on the incident review committee recommending action to the board.

(d) The executive director shall note any action taken by the board pursuant to this section in a pilot's record and shall establish a suspense file to ensure that all training, practice trips, or other corrective action required to be performed pursuant to subdivision (a) by the pilot are completed as required. The executive director shall report to the board each month on the progress of any training, supervised practice trips, or other corrective action or the completion of any other action required pursuant to subdivision (a).

(e) The executive director shall notify the board of a pilot who fails, or refuses, to complete training, practice trips, or other corrective action imposed by the board pursuant to subdivision (a). If the board determines that the pilot has intentionally failed to complete training, practice trips, or other corrective action, the board may take additional action as specified in subdivision (a).

(f) The board shall adopt guidelines for the determination by the incident review committee of the action to be taken pursuant to subdivision (a) at the completion of an investigation conducted pursuant to Section 1180.3.

(Amended by Stats. 2011, Ch. 324, Sec. 20. Effective January 1, 2012.)

1181.

The license of a pilot may be revoked or suspended before its expiration only for reasons of misconduct, which shall include, but not be limited to, the following:

- (a) Neglect, for 30 days after it becomes due, to render an account to the board of all money received for pilotage.
- (b) Neglect, for 30 days after it becomes due, to pay over to the board the percentage of all pilotage money received, as set by the board.
- (c) Rendering to the board a false account of pilotage received.
- (d) Absence from duty for more than one month at any one time without leave granted by the board, unless sickness or personal injury causes the absence.
- (e) Refusing to exhibit the pilot license when requested to do so by the master of any vessel boarded.
- (f) Intoxication or being under the influence of any substance or combination of substances that so affects the nervous system, brain, or muscles as to impair, to an appreciable degree, the ability to conduct the duties of a pilot while on duty.
- (g) Negligently, ignorantly, or willfully running a vessel on shore, or otherwise rendering it liable to damage, or otherwise causing injury to persons or damage to property. However, this subdivision does not apply to a vessel of less than 300 gross tons unless a pilot is required by law.
- (h) Willful violation of the rules and regulations adopted by the board for the government of pilots.
- (i) Inability to comply with the standards of health or physical condition requisite to the duties of a pilot, but in that case the burden of proving compliance with these standards is upon the licensee, unless prior to the hearing the licensee takes and passes those tests or examinations required by the board.
- (j) Failure or refusal, to complete training, practice trips, or other corrective action imposed on that pilot by the board pursuant to Section 1180.6.

(Amended by Stats. 2011, Ch. 324, Sec. 21. Effective January 1, 2012.)

1182.

If, after a hearing, the board finds that the pilot is guilty of misconduct sufficient for deprivation of the license, the board shall revoke or suspend the license of the pilot. The order shall be entered in the minutes and placed in the record of the pilot maintained pursuant to Section 1157. The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted pursuant to that chapter.

(Amended by Stats. 2011, Ch. 324, Sec. 22. Effective January 1, 2012.)

1183.

- (a) Upon notification of nonrenewal of the license, a pilot is entitled to a trial and hearing in the same manner that other charges and accusations against pilots are tried.
- (b) In every case of nonrenewal, suspension, or revocation of the license of a pilot for cause, the final decision of the board is subject to judicial review in accordance with law, and the court shall exercise its independent judgment on the evidence.

(Amended by Stats. 2011, Ch. 324, Sec. 23. Effective January 1, 2012.)

1184.

The board shall formally review the executive director with respect to the performance of his or her duties pursuant to this article at least once each year.

(Added by Stats. 1993, Ch. 1197, Sec. 5. Effective January 1, 1994.)

CHAPTER 5. Pilotage Rates [1190 - 1198]

(Chapter 5 added by Stats. 1974, Ch. 1256.)

1190.

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

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

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

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

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

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

(B) 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 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. The incremental mill rate charge authorized by this subparagraph shall be identified as a pilot boat surcharge on the pilots' invoices and separately accounted for in the accounting required by Section 1136. Net proceeds from the 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.

(C) In addition to the incremental rate specified in subparagraph (B), 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.

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

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

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

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

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

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

(Amended by Stats. 2016, Ch. 119, Sec. 1. Effective January 1, 2017.)

1190.1.

Every vessel that uses a pilot under this division while navigating the waters of Monterey Bay shall pay the rate provided by subdivisions (a) and (e) of Section 1190.

(Added by Stats. 2001, Ch. 177, Sec. 21. Effective January 1, 2002.)

1190.4.

(a) There shall be a movement fee imposed as is necessary and authorized by the board to recover a pilot's costs for the purchase, lease, or maintenance of navigation software, hardware, and ancillary equipment that is authorized by the board as reasonable and necessary on or after January 1, 2017.

(b) The software, equipment, and technology covered by this section shall be used strictly and exclusively to aid in piloting on the pilotage grounds.

(c) The movement fee authorized by this section shall be identified as a navigation technology surcharge on a pilot's invoices and separately accounted for in the accounting required by subdivision (b) of Section 1136.

(d) The cumulative amount of the surcharge collected pursuant to this section shall not exceed one million two hundred thousand dollars (\$1,200,000).

(e) The board shall review and adjust as necessary the navigation technology surcharge authorized by this section at least quarterly.

(f) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date. *(Added by Stats. 2016, Ch. 119, Sec. 2. Effective January 1, 2017. Repealed as of January 1, 2021, by its own provisions.)*

1191.

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

(b) A vessel using pilots for ship movements or special operations that do not constitute bar pilotage shall pay the rate specified in the schedule of pilotage rates adopted by the Legislature.

(c) Consistent with the board's adoption of rate recommendations in May 2002, the minimum rates imposed pursuant to this section that are in effect on December 31, 2002, shall be increased by 26 percent on January 1, 2003; those in effect on December 31, 2003, shall be increased by 26 percent on January 1, 2004; those in effect on December 31, 2004, shall be increased by 14 percent on January 1, 2005; and those in effect on December 31, 2005, shall be increased by 14 percent on January 1, 2006.

(Amended by Stats. 2011, Ch. 324, Sec. 24. Effective January 1, 2012.)

1192.

If a vessel that is subject to the payment of pilotage enters any port of Monterey Bay and the Bays of San Francisco, San Pablo, or Suisun solely by reason of being in distress or requiring care, it shall pay one-half the full pilotage rates.

(Amended by Stats. 2001, Ch. 177, Sec. 22. Effective January 1, 2002.)

1193.

(a) Notwithstanding Section 1120, only the following noncommercial vessels that use pilotage services are exempt from the pilotage fees and surcharges established pursuant to this division, except for the board operations surcharge as established and calculated pursuant to Section 1159.1:

(1) Maritime academy training vessels, whether foreign or domestic.

(2) Vessels owned and operated by a nonprofit museum or foundation.

(b) The vessels specified in subdivision (a) are subject to Section 1198.

(Added by Stats. 2010, Ch. 455, Sec. 4. Effective January 1, 2011.)

1195.

(a) In addition to other fees for pilotage, there shall be a surcharge in an amount established by the board for each movement of a vessel using pilot services for each pilot trainee who is enrolled in the pilot trainee training program established by the board.

(b) The moneys charged and collected each month from the pilot trainee surcharge shall be paid to the board. The moneys shall be used only to fund the pilot trainee training program in the manner established by the board.

(c) By action of the board, the board may adjust the amount established pursuant to subdivision

(a) as necessary to efficiently administer the pilot trainee training program.

(Amended by Stats. 1990, Ch. 468, Sec. 7. Effective August 8, 1990.)

1195.1.

(a) The moneys charged and collected each month from the pilot trainee surcharge pursuant to Section 1195 shall be paid to the Board of Pilot Commissioners' Special Fund pursuant to Section 1159. The moneys shall be used only to fund the pilot trainee training program referred to in subdivision (h) of Section 1171.5 and Section 1195.3.

(b) Information regarding moneys remitted to the Board of Pilot Commissioners' Special Fund pursuant to Section 1159 collected from the surcharge authorized pursuant to Section 1195, or otherwise collected by the board for that purpose, and information regarding moneys spent as pilot trainee training program expenses authorized by Section 1195.3 shall be made available to the public upon request and to the board or its finance committee.

(Added by Stats. 2008, Ch. 567, Sec. 27. Effective January 1, 2009.)

1195.3.

Expenses of the pilot trainee program shall include all costs incurred by the board in the operation and administration of the pilot trainee training program and all costs resulting from any contracts entered into for the purchase or lease of goods and services required by the board, including, but not limited to, the costs of testing, test preparation, advertising and soliciting for trainee applicants, trainee stipends, worker's compensation insurance premiums, reimbursement of costs of services provided to the board by other governmental entities, and for the costs for any other goods and services necessary for effectuating the purposes of training as determined by the board.

(Added by Stats. 2008, Ch. 567, Sec. 28. Effective January 1, 2009.)

1196.

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

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

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

(Amended by Stats. 2011, Ch. 324, Sec. 25. Effective January 1, 2012.)

1196.1.

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

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

(Amended by Stats. 2011, Ch. 324, Sec. 26. Effective January 1, 2012.)

1196.3.

Pilot continuing education expenses shall include all costs incurred by the board in the operation and administration of the pilot continuing education program and all costs resulting from any contracts entered into for the purchase or lease of goods and services required by the board, including, but not limited to, the reimbursement of costs of services provided to the board by other governmental entities and for the costs for any other goods and services necessary for effectuating the purposes of continuing education as determined by the board.

(Amended by Stats. 2011, Ch. 324, Sec. 27. Effective January 1, 2012.)

1196.4.

(a) Costs resulting from the provision of continuing education for currently licensed pilots regarding instruction in the proper utilization of portable pilot unit equipment and software, if determined to be necessary for effectuating the purposes of continuing education by the board, shall be considered pilot continuing education expenses pursuant to Section 1196.3.

(b) Subdivision (a) shall apply only to those costs incurred after January 1, 2013.

(Added by Stats. 2012, Ch. 794, Sec. 8. Effective January 1, 2013.)

1196.5.

(a) The board shall contract with an independent entity to conduct a study of the effects of work and rest periods on psychological ability and safety for pilots. The study shall evaluate sleep- and human-related factors for pilots, and shall include information and recommendations on how to prevent pilot fatigue and ensure the safe operation of vessels.

(b) The board shall, based on the results of, and recommendations contained in, the study, promulgate regulations for pilots establishing requirements for adequate rest periods intended to prevent pilot fatigue.

(c) The study required to be conducted pursuant to subdivision (a) shall be funded by revenues received by the board from the board operation surcharge, as described in Section 1159.2. The board shall have authority, consistent with Section 1159.2, to collect and appropriate adequate funding to ensure that the study is completed.

(Added by Stats. 2012, Ch. 794, Sec. 9. Effective January 1, 2013.)

1198.

(a) Except as provided in subdivision (c), the rates and charges for pilotage services shall not include the cost of primary marine insurance insuring a pilot, an organization of pilots, or their officers or employees, from liability arising from negligence or errors in judgment in connection with the provision of pilotage service by pilots, organizations of pilots, or their officers or employees.

(b) A pilot who holds a state license for the Bays of San Francisco, San Pablo, and Suisun shall arrange to have available, upon advance written notice, trip insurance, with coverage limits of thirty-six million dollars (\$36,000,000), naming as insureds the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, and insuring the named insureds against any civil claim, demand, suit, or action by whomsoever asserted, arising out of, or relating to, directly or indirectly, acts or omissions of the insureds in connection with the provision of pilotage service, except willful misconduct.

(c) Every vessel, owner, operator, or demise or bareboat charterer hiring a pilot with a state license for the Bays of San Francisco, San Pablo, and Suisun shall either defend, indemnify, and hold harmless pilots pursuant to paragraph (1), or alternatively, notify pilots of an intent to pay

for trip insurance pursuant to paragraph (2). If a vessel or its owner, operator, or demise or bareboat charterer does not provide written notice pursuant to paragraph (2) of an intent to exercise the trip insurance option, then the vessel and its owner, operator, and demise or bareboat charterer will be deemed to have elected the obligation to defend, indemnify, and hold harmless pilots pursuant to paragraph (1).

(1) (A) Except for a vessel electing trip insurance pursuant to paragraph (2), a vessel subject to this subdivision, and its owner, operator, demise or bareboat charterer, and agent shall not assert any claim, demand, suit, or action against the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, for damages, including any rights over, arising out of, or connected with, directly or indirectly, any damage, loss, or expense sustained by the vessel, its owners, agents, demise or bareboat charterers, operators, or crew, or by any third parties, even if the damage results, in whole, or in part, from any act, omission, or negligence of the pilot, any organization of pilots to which the pilot belongs, and their officers and employees.

(B) A vessel subject to this paragraph and its owner, operator, and demise or bareboat charterer shall defend, indemnify, and hold harmless the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, with respect to liability arising from any claim, suit, or action, by whomsoever asserted, resulting in whole, or in part, from any act, omission, or negligence of the pilot, any organization of pilots to which the pilot belongs, and their officers and employees. The obligation to indemnify under this paragraph shall not apply to the extent that it causes the amount recoverable from a vessel, its owner, operator, or demise or bareboat charterer to exceed the limits of liability to which it is entitled under any bill of lading, charter party, contract of affreightment, or provision of law.

(C) The prohibition on claims by vessels, owners, operators, demise or bareboat charterers, and agents imposed by subparagraph (A) and the obligation to defend, indemnify, and hold harmless the pilot imposed by subparagraph (B) shall not apply in cases of willful misconduct by a pilot, any organization of pilots to which the pilot belongs, and their officers and employees.

(D) A pilot who is the prevailing party shall be awarded attorney's fees and costs incurred in any action to enforce a right to indemnification provided pursuant to this subdivision.

(2) In lieu of paragraph (1), a vessel subject to this subdivision and its owner, operator, demise or bareboat charterer, and agent may elect to notify the pilot, or the organization of pilots to which the pilot belongs, of intent to pay for trip insurance, as described in subdivision (b). If notice of this election is received, in writing, by the pilot, or the organization of pilots to which the pilot belongs, at least 24 hours prior to the time pilotage services are requested, the vessel, and its owner, operator, demise or bareboat charterer, and agent are not subject to the requirements of paragraph (1). The pilot shall take all steps necessary to have trip insurance coverage in place during the vessel movement for which it is requested. The pilot shall assess to the vessel the premium for the trip insurance at the pilot's cost, in addition to any other applicable rates and charges for the pilotage services provided.

(d) Nothing in this section is intended to limit, alter, or diminish the liability of a vessel, owner, operator, or demise or bareboat charterer to any person who sustains loss or damage.

(Added by Stats. 2000, Ch. 786, Sec. 1. Effective January 1, 2001.)

CHAPTER 6. Pilotage Rate Recommendations [1200 - 1203]
(Chapter 6 repealed and added by Stats. 1984, Ch. 1653, Sec. 51.)

1200.

The board shall, from time to time, review pilotage expenses and establish guidelines for the evaluation and application of these expenses regarding its recommendations for adjustments in rates.

(Amended by Stats. 2001, Ch. 745, Sec. 123. Effective October 12, 2001.)

1201.

Any party directly affected by pilotage rates established under this chapter may petition the board for a public hearing on any of the matters set forth in Section 1200. Within 10 days from the filing of the petition the board shall call public hearings to be held not less than 30 nor more than 60 days of the date of call for the purpose of obtaining information and data relating to the issues raised in the petition. The board shall give notice of the hearings to all interested parties who have requested the notification. At the conclusion of the hearing or hearings, the board shall review and evaluate all evidence obtained and, within 120 days from the filing of the petition, shall submit to the Secretary of the Senate and the Chief Clerk of the Assembly a copy of its findings and recommendations for final determination, supported by a transcript of these proceedings of the board.

(Repealed and added by Stats. 1984, Ch. 1653, Sec. 51.)

1201.5.

(a) The board shall not receive written evidence at a public hearing held for the purpose of considering pilotage rates unless 10 or more copies of the evidence have been deposited with the board as public documents by the party proposing a rate adjustment 30 or more days prior to the date set for the commencement of the hearing.

(b) The board shall not receive written evidence at the hearing from any party responding to the request unless the evidence is deposited with the board 10 or more days prior to the date set for the commencement of the hearing.

(Added by Stats. 1988, Ch. 334, Sec. 3. Effective July 14, 1988.)

1202.

Public hearings for the purpose of investigating pilotage rates shall be conducted in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and a full record shall be kept of all evidence offered.

(Amended by Stats. 1986, Ch. 248, Sec. 102.)

1203.

In preparing recommendations to the Legislature with relationship to pilotage rates, the board may require an independent audit or audits by a public accountant selected by the board. The audits required by the board shall cover pilotage operations for those years which the board may specify. In preparing the recommendations, the board shall also give consideration to other relevant factors, including, but not limited to, the following:

(a) The costs to the pilots, individually or jointly, of providing pilot service as required.

- (b) A net return to the pilot sufficient to attract and hold persons capable of performing this service with safety to the public and protection to the property of persons using the service; and the relationship of that income to any changes in cost-of-living indices.
 - (c) Pilotage rates charged for comparable services rendered in other ports and harbors in the United States.
 - (d) The methods of determining pilotage rates in other ports and harbors in the United States.
 - (e) Economic factors affecting the local shipping industry, including prospective increases or decreases in income and labor costs.
 - (f) Additional factors affecting income to pilots such as the volume of shipping traffic using pilotage, numbers of pilots available to perform services, income paid for comparable services, and other factors of related nature.
 - (g) Changes in, or additions to, navigational and safety equipment necessary to insure protection of persons, ships, and waterways.
- (Amended by Stats. 1990, Ch. 1423, Sec. 12.)*

MASTERS, MATES AND PILOTS PLANS

700 MARITIME BOULEVARD, SUITE A
LINTHICUM HEIGHTS, MD 21090-1996

ADMINISTRATOR
PATRICK McCULLOUGH

EMAIL
planoffice@mmpplans.com
TELEPHONE
(410) 850-8500
TELEFAX
(410) 850-8655

Date: September 4, 2019

To: All Pilot Branches

From: Patrick McCullough, Administrator

Re: **M.M.& P. Health and Benefit Plan**
Contribution Rates effective 10/01/2019

The Chairman and the Secretary of the Board of Trustees of the Masters, Mates and Pilots Health and Benefit Plan, in consultation with Pilot representatives Captain Kenneth Carlson and Captain George Quick after much discussion, have agreed with the Plan's consultant's recommendation to increase the rates by 1.3% to 1.5% effective October 1, 2019 including the stop loss premium pass through. This rate increase is based on the claim history of the covered Pilots and projected medical trend for 2020.

Pilot utilization and contribution data were submitted to the Plan's consultants at The Segal Company for determination of the appropriate contribution rate for this period. These rates take into consideration proportionate administrative expenses, and the projected trend increases over the next year. The 2020 Segal Health Plan Cost Trend Survey is not yet ready for publication but a draft report presently shows medical costs increasing 6.8%, prescription drug costs increasing 7.1% (15.4% for specialty) and dental costs increasing 3.8%. When the Segal Survey is ready, I will forward it to you for your review.

Please note over the last few years the M.M.&P. Health & Benefit Plan has provided increases in Plan benefit coverage with minimal rate increases. At the same time, the Plan is dealing with high medical inflation in particular the rampant price increases in prescription drug costs.

The October Pilot Branch billings will reflect the **new rates**. Please feel free to call me if you have any questions at 410-850-8600 or contact me by e-mail at pmccullough@mmpplans.com. You can also contact Ken Ryan at 410-850-8617 or by e-mail at kryan@mmpplans.com.

PMcC/lj

cc: Captain Donald Marcus, Chairman
Mr. Edward Morgan, Secretary
Captain George Quick
Captain Kenneth Carlson
Patrick McCullough
Kenneth Ryan
Barry Slevin, Esq.
David Shock



MASTERS, MATES & PILOTS HEALTH & BENEFIT PLAN

PILOT CONTRIBUTION RATES 10/01/2019					
1.3% - 1.5% RATE CHANGE EFFECTIVE 10/01/2019					
	Single Active (A) Retired (R)	Family	Retired Over 65	Retired Couple Both 65	Retired Couple 1 Over 65 1 Under 65
Base Rate Effective 10/01/2018	\$1038.00 (A) \$1177.00 (R)	\$2535.00 (A) \$2534.00 (R)	\$527.00	\$911.00	\$1466.00
Stop Loss Pass Thru	\$ 172.00	\$ 172.00	\$172.00	\$172.00	\$ 172.00
New Pilot Rate With Stop Loss	\$1210.00 (A) \$1349.00 (R)	\$2707.00 (A) \$2706.00 (R)	\$699.00	\$1083.00	\$1638.00

PILOT CONTRIBUTION RATES 04/01/2019					
Stop Loss Increase 04/01/2019 NO CHANGE					
	Single Active (A) Retired (R)	Family	Retired Over 65	Retired Couple Both 65	Retired Couple 1 Over 65 1 Under 65
Base Rate Effective 04/01/2019	\$1021.00 (A) \$1157.43 (R)	\$2497.00 (A) \$2495.43 (R)	\$ 518.00	\$ 897.00	\$1444.00
Stop Loss Pass Thru	\$ 172.00	\$ 172.00	\$ 172.00	\$ 172.00	\$ 172.00
New Pilot Rate With Stop Loss	\$1193.00 (A) \$1329.43 (R)	\$2669.00 (A) \$2667.43 (R)	\$ 690.00	\$1069.00	\$1616.00

CRESCENT RIVER PORT PILOTS' ASSOCIATION

8712 Highway 23
Belle Chasse, LA 70037
Telephone (504) 392-8001
FAX (504) 392-7598
Office Open Nights, Sundays and Holidays

TARIFF

**RIVER PORT PILOTAGE TO, FROM, AND
WITHIN THE PORT OF NEW ORLEANS
INCLUDING THE INDUSTRIAL AND
HARVEY CANALS AND THE
INTRA-COASTAL CANAL TO THE
TURNING BASIN AT
MICHLOUD**

**Effective July 1, 2020
Pursuant to
Louisiana Pilotage Fee Commission
Order No. P15-002 and P15-003, Consolidated,
Issued August 1, 2015, and
Order No. P15-008
Issued August 10, 2016**



PILOTAGE FEES

REGULAR PILOTAGE FEES

Pilotage between Pilottown and New Orleans and all intermediate points, or vice-versa. Regular pilotage fees shall include charges for Draft, Zones, and if applicable, Tonnage.

- 1) Vessels requiring up to 8 hours - regular pilotage fees.
- 2) Vessels requiring in excess of 8 hours - regular pilotage fees plus a proportional hourly rate based on that vessel's regular pilotage fee; minimum hourly rate - \$519.40 one hour minimum.

DRAFT

Per foot, deepest Freshwater Draft.....	\$ 72.08
Minimum Draft (20 feet).....	\$1,441.60

TONNAGE

Vessels shall be charged a tonnage fee based on the greater Deadweight Tonnage listed in Lloyd's Register.

Greater Deadweight Tonnage for vessels of at least 21,000 DWT..	\$283.78
Each 1,000 DWT in excess of 21,000 DWT, to at least 60,000 DWT, increments of	\$ 34.46
Each 1,000 DWT in excess of 60,000 DWT, increments of.....	\$ 41.86

ZONE CHARGE

Vessels shall be charged a zone fee for each zone in which pilotage service is performed based on the greater Deadweight Tonnage listed in Lloyd's Register.

Mississippi River Zones

1. Pilottown Wingdam Lt. (1.5) to Jump Wharf Lt. (10.5)
2. Jump Wharf Lt. (10.5) to Fort Jackson (20.0)
3. Fort Jackson (20.0) to Empire Canal (29.5)
4. Empire Canal (29.5) to Nestor Canal Lt. (39.7)
5. Nestor Canal Lt. (39.7) to Rock Island Dock Lts. (49.3)
6. Rock Island Dock Lts. (49.3) to Ironton Lt. (60.0)
7. Ironton Lt. (60.0) to Oakville Lt. (69.9)
8. Oakville Lt. (69.9) to Upper Limits of 12 Mile Anchorage (80.8)
9. Upper Limits of 12 Mile Anchorage (80.8) to Upper Limits of Quarantine Anchorage (91.6)
- 9A. Algiers Canal
10. Upper Limits Quarantine Anchorage (91.6) to Upper End of Henry Clay Ave. Wharf (101.1)
- 10A. Harvey Canal
11. Upper End of Henry Clay Ave. Wharf (101.1) to South Port (104.7)

ICWW and Inner Harbor Navigation Canal Zones

Zone B-1	Light 128 A (59.9) Eastward	
Zone B-2	Light 128 A (59.9) to Florida Ave. or L & N Bridge	
Zone C-1	Florida Ave. Bridge to the Industrial Canal Locks	
Zone C-2	L & N Bridge to Lake Pontchartrain	
(a)	Vessels under 21,000 Deadweight Tons, per zone.....	\$ 83.20
(b)	Vessels 21,000 Deadweight Tons to 60,000 Deadweight Tons, per zone.....	\$210.28
(c)	Vessels over 60,000 Deadweight Tons, per zone.....	\$338.99

DOCKING OR UNDOCKING

Docking or undocking vessels, an additional fee based on the vessel's overall length listed in Lloyd's Register, as follows:

Under 300 feet.....	\$205.50
300 feet and under 600 feet	\$443.59
600 feet and over	\$602.22

The above docking or undocking fees shall apply when vessels are moored or unmoored to or from mooring buoys. Vessels shifting on lines shall incur a docking fee.

Docking and Undocking vessels, head-down, an additional.....	\$194.17
Docking and Undocking vessels, stern first, an additional.....	\$194.17

SHIFTING

1. All shifts within the harbor of New Orleans (Southport to Meraux), including the Industrial Canal, Algiers Canal and Harvey Canal..... **\$721.38**
2. Shifting from Anchorages, or from docks, below Meraux, to and including Poverty Point, or vice-versa, when not passing a dock or anchorage.
Shifting from Lower Nine Mile and Lower Twelve Mile Anchorages to Point-Underway, or vice-versa..... **\$821.52**

3. Shifting from Anchorages, or from docks, below Poverty Point, to and including Venice, or vice-versa, when not passing a dock or anchorage. Shifting from Boothville Anchorage to Pilottown, or vice-versa..... **\$931.33**
4. Dead ships to be charged a double shifting fee.

**DETENTION, DISCHARGE,
AND AWAITING BERTH**

1. In the event a pilot is detained more than one hour for any cause, except for awaiting berth, a detention charge shall apply and be paid per hour, or fraction thereof, including payment for the first hour up to and including the third hour.
This charge shall be..... **\$268.29**
2. In the event a pilot is detained more than three hours for any cause, except for awaiting berth, a detention charge shall apply for each hour, or fraction thereof, after the third hour. This charge shall be..... **\$519.19**
3. When aboard vessels at a berth or at anchor, pilots shall be required to stand by such vessels up to three hours from the time ordered, unless discharged earlier by the vessel's master or agent. Nothing shall prevent a pilot from standing by for more than three hours, and the detention charge shall be paid at the applicable rate. When awaiting vessels ordered point-underway, pilots shall standby until discharged by the vessel's master or agent and the applicable detention charge shall apply.
4. Discharge within the Port of New Orleans..... **\$524.33**
5. Discharge outside the Port of New Orleans..... **\$566.13**
6. Whenever a vessel must standby, anchor, or remain at anchor for more than twenty minutes because its berth is occupied, an awaiting berth charge shall apply for each hour, or fraction thereof, from arrival off berth or getting underway from at anchor. This charge shall be..... **\$268.29**
7. In the event a pilot is detained more than three hours, the awaiting berth charge for each hour, or fraction thereof, beyond the third hour shall apply. This charge shall be..... **\$519.40**

MISCELLANEOUS

1. Transportation costs to or from vessels at the Transportation Tariff Rate and boat service to or from vessels at anchor or underway shall be borne by the vessel. When the Crescent River Port Pilots' boat is used to embark or disembark a pilot on a vessel at Boothville, a charge of \$582.72 shall be applicable.
2. Pilot services, except as provided in Section 3, shall be ordered for vessels at least three hours in advance. Whenever a pilot is ordered with less than three hours notice, a charge of \$388.35 shall be applicable.
3. Vessels inbound to Southwest Pass from another U.S. Gulf Port or its anchorage, shall provide an ETA to the Crescent River Port Pilots' Office at least six hours prior to their arrival off the Pass. This ETA shall be revised upon the vessel's departing the other U.S. Gulf Port, or its anchorage, if necessary.
Vessels inbound from an origin other than a U.S. Gulf Port or its anchorage, shall provide an ETA at least twenty-four hours in advance. If this vessel fails to provide this ETA at least twenty-four hours in advance, this vessel shall pay \$514.62. If an ETA changes by more than two hours, the Crescent River Port Pilots shall be advised at least six hours prior to the original ETA or the vessel's arrival, whichever is earlier. An ETA given as "A.M." shall be assumed to be 0600 hours local time; an ETA given as "P.M." shall be assumed to be 1800 hours local time. A vessel or her agent can revise its original ETA as often as necessary as long as the six hour rule is followed. The latest ETA received shall be considered the vessel's ETA. An ETA or revised ETA must be given in local time. The ETA and revised ETA may be provided by fax or telephone.

Crescent River Port Pilots' Association
Fax (504) 392-7598 - 24 Hours
Crescent River Port Pilots' Association
Office (504) 392-8001 - 24 Hours

Vessels arriving off Southwest Pass without an ETA shall pay a charge of \$1,029.26, in addition to all other applicable charges in the tariff. A vessel shall be considered to have arrived off Southwest Pass when she is one mile off the sea buoy. The Crescent River Port Pilots will notify the vessel

or its agent of the availability of a pilot and expected waiting time, if any. Vessels providing an ETA but arriving more than two hours before their ETA shall have the option of having a pilot dispatched immediately, if available, and paying the charge of \$1,029.26 or waiting for a pilot to be dispatched for the vessel's latest ETA. Vessels arriving more than two hours after their ETA shall pay a detention charge at the applicable rate for each hour it arrives after this ETA. However, this charge shall not exceed \$1,029.26. Vessels not arriving within four hours of their ETA or revised ETA shall be considered to have become disabled or diverted and no longer calling at this port. The vessel or her agent shall notify the Crescent River Port Pilots as soon as it is known that she has become disabled or has been diverted. If a vessel arrives off Southwest Pass more than four hours later than her ETA, it shall pay the \$1,029.26 charge plus detention for each hour, or fraction thereof, after four hours from this vessel's ETA. If this vessel revises the ETA prior to its ETA, this vessel shall not be subject to pay the detention charge, but shall pay the \$1,029.26 charge. The Crescent River Port Pilots will advise the vessel or her agent if there shall be a delay to the vessel for pilotage service. Whenever a vessel arrives off Southwest Pass and a charge of \$1,029.26 is applicable, the vessel so arriving shall pay the Transportation charge to Venice.

4. The Crescent River Port Pilots' Association or its members may enter into agreements with the masters or owners of vessels, agents representing masters or owners of vessels, or other affected entities or their representatives pertaining to pilotage rates, including but not limited to: tasks requiring assignments of more than one pilot simultaneously; requests for the assignment of a pilot or pilots to a vessel during those periods when all duty pilots have assignments, or have not received proper rest; a change in a vessel's original ordered destination is requested; or for special services and transportation costs not covered in the tariff, and for the hire of boats and equipment for such rates and for such sums as may be agreed between them. No special service agreements shall be made when deemed unsafe.
5. If the time aboard a vessel is deemed excessive to complete the pilotage service, the pilot may be relieved; however, such exchange shall not increase the cost of the applicable regular pilotage fees, unless the vessel's original destination is changed, then Section 4 applies.
6. All vessels incurring a regular pilotage fee shall pay a surcharge which provides monies for the River Port Pilots' Pension Plan. This plan is on file with the Louisiana Pilotage Fee Commission (the "Commission"). The surcharge shall be based on the volume of shipping; the rate charged shall be based on each vessel's greater Deadweight Tonnage listed in Lloyd's Register, calculated to the nearest one hundredth of a mill; and subject to quarterly adjustments based on the plan's total expense for the current benefit payment period as determined by the Board of Administrators or its agent.
7. All vessels incurring a regular pilotage fee shall pay a \$4.50 communication charge.
8. Tariff rates and fees shall be adjusted annually to mitigate the over or under recovery of operating and administrative costs and expenses of pilotage. The annual adjustment shall be made pursuant to the "True-Up" methodology approved and implemented by Order of the Commission.
9. Vessels of one hundred gross tons or less, or those vessels exempted by the laws of the United States shall not be required to take a pilot. However, nothing shall prevent such vessels from requesting pilotage service.
10. All vessels shall employ a river port pilot when navigating the operating territory described in LA. R.S. 34:996, except those vessels exempt by the laws of the United States or vessels of one hundred gross tons or less. When pilot services are timely offered and refused, said vessel shall pay such charges as are provided in LA. R.S. 34:997.
11. All vessels shall be subject to pay any and all pilotage fees, charges, and surcharges which are authorized by the appropriate regulatory body. The Crescent River Port Pilots' Association shall have a lien and privilege upon any vessel employing a river port pilot for the non-payment of pilotage fees, charges, and surcharges as provided for in LA. R.S. 34:1000.
12. For the remainder of a twenty (20) year period beginning October 1, 2011, a capital improvement surcharge of \$167.48 per inbound/outbound turn shall be imposed for construction and amortization of a pilot station at Pilottown, subject to true-up on an annual basis.
13. For a ten (10) year period beginning October 1, 2011, a capital improvement surcharge of \$45.90 per inbound/outbound turn shall be imposed for construction and amortization of two (2) purpose-built pilot boats, subject to true-up on an annual basis.

**ASSOCIATED BRANCH PILOTS OF THE
PORT OF NEW ORLEANS**

**TARIFF
Effective April 01, 2020**

The said Associated Branch Pilots of the Port of New Orleans (“Bar Pilots”) shall be entitled to ask and receive the following fees, charges, and surcharges for their pilotage services effective April 01, 2020, except as otherwise provided herein, pursuant to LSA-R.S. 34:954, 1121 and 1122.

Pilotage Fees:

\$66.68 per foot of water drawn in fresh water by vessels piloted by them provided that should any vessel have a draft of 20 feet or less, the pilotage charge shall be \$1,333.60, which shall be the minimum charge for such service. Draft charges shall be calculated to the nearest inch.

Tonnage Fees:

The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage in the above paragraph, an additional charge based on the greater deadweight tonnage listed in Lloyd’s Register, as follows:

\$259.97 for vessels of at least 21,000 deadweight tons with increments of \$31.49 for each 1,000 deadweight tons in excess of 21,000 deadweight tons up to at least 60,000 deadweight tons and \$38.27 for each 1,000 deadweight tons in excess of 60,000 deadweight tons.

Boat Service:

Boat service charges for embarking or disembarking a pilot shall be paid by the vessel.

Detention Charge:

In the event a pilot is detained for any cause more than one (1) hour, a detention charge shall apply thereafter, up to and including the fourth hour, and be paid per hour, or fraction thereof, at an hourly rate of \$302.95; and after the fourth hour, the detention charge shall be \$516.75 per hour or fraction thereof.

Three-Hour Notice Charge:

Pilot services shall be ordered for outbound vessels at least three hours in advance, and pilots shall report aboard the vessel at the time ordered. Whenever a pilot is ordered with less than three hours notice, a charge of \$287.11 shall apply unless the order is canceled before the Pilot is en route.

Vessels inbound to Southwest Pass or the Mississippi River-Gulf Outlet from another Gulf port shall provide an ETA to the Bar Pilots upon the vessel's outbound crossing of the bar at the other Gulf port. Vessels inbound from ports outside the Gulf shall provide ETA's 24 hours in advance. If an ETA changes by more than two hours, the Bar Pilots shall be advised at least 6 hours prior to the original ETA or the vessel's arrival, whichever is earlier. ETA's given as "A.M." shall be assumed to be 0600 local time; ETA's given as "P.M." shall be assumed to be 1800 local time. A vessel or the vessel's agent can revise the vessel's original ETA as often as necessary as long as the 6-hour rule is followed.

All ETA's and revised ETA's must be given in local time.

ETA's and revised ETA's should be sent via email to the Bar Pilots' offices at the following email address: **ops@barpilot.com** or faxed to the Bar Pilots' offices at the following fax numbers:

VENICE FAX -- (504) 522-7929 -- 24 HOURS

ETA's and revised ETA's may be provided by telephone to the Bar Pilots at (504) 524-3474.

Vessels arriving at Southwest Pass or the Mississippi River-Gulf Outlet without an ETA will have the option of waiting its turn for a pilot or having a pilot dispatched immediately. The Bar Pilots will advise the vessel or the vessel's agent of the expected wait time. Vessels without an ETA requesting immediate pilotage service will pay a surcharge of \$1,845.29 in addition to all other applicable charges in the tariff.

Vessels providing ETA's and revised ETA's as per the above paragraphs but arriving more than two hours before their ETA or revised ETA shall have the option of having a pilot dispatched immediately and paying the surcharge in the above paragraph, or waiting for a pilot to be dispatched for the vessel's original or latest revised ETA.

Vessels ordering pilots for South Pass or the Mississippi River-Gulf Outlet and providing ETA's as per the above paragraphs but arriving more than two hours after their ETA or revised ETA shall pay a detention charge per hour at the applicable detention rate up to the maximums as stated in the above paragraphs. Detention charges begin after the second hour past the ETA or revised ETA.

Vessels ordering pilots for Southwest Pass and arriving between two and four hours after their ETA or revised ETA shall pay a detention charge at the applicable rate for up to two hours. Vessels arriving more than four hours after their ETA or revised ETA shall have the option of paying a detention charge up to the maximums referenced above and a pilot will be immediately dispatched, or paying for two hours of detention and a pilot will be dispatched when available. The Bar Pilots will advise the vessel or the vessel's agent of the expected wait time.

Local agents for vessels incurring charges hereunder shall be so advised by the Bar Pilots via FAX or email within one working day of the vessel's arrival. Local agents shall not be responsible for charges hereunder if a vessel cancels its call before pilot services are rendered.

Carrying Pilot out to Sea Charge:

If through the fault or request of the master or owner, any vessel carries the pilot to sea when a boat is attending to receive him, or if the pilot is taken to sea for the convenience or safety or preservation of the vessel under severe weather conditions during which a boat is not attending to receive him, the master or owner shall, in addition to the pilotage charges fixed herein, pay the sum of \$4012.31 per day or fraction thereof, until the pilot is returned to the Port of New Orleans, Louisiana, and pay for first-class accommodations of the pilot and first-class transportation and expenses for the return of the pilot to the Port of New Orleans, Louisiana.

Communication Charge:

All vessels incurring regular pilotage charges shall pay a \$3.00 communication charge.

Surcharges:

1. Capital Improvement Surcharge:

The said Bar Pilots shall also be entitled to demand and receive, from every vessel subject to pilotage, a capital surcharge of \$25.00 per vessel, per turn. This charge shall be in addition to all charges stated above and will become effective December 1, 2019 and remain in effect until otherwise revised and/or modified by Louisiana Pilotage Fee Commission order.

2. Pension Surcharge:

The said Bar Pilots shall also be entitled to demand and receive, from every vessel, per turn, subject to pilotage, a pension surcharge in the form of mills per DWT. The pension surcharge will become effective April 01, 2020 and will be 13.00 mills per DWT per vessel, per turn for the second quarter of 2020. The pension surcharge shall be adjusted quarterly as provided herein. Prior to the end of each quarter, the

pension surcharge will be adjusted based upon actual and projected pension costs plus the cost to administer the pension surcharge funds divided by the total forecasted DWT's for the vessels to be piloted in the next quarter. This charge will be in addition to all charges stated herein.

3. Vessel Traffic Service (VTS) Surcharge:

The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage, a VTS surcharge in the form of mills per DWT, per turn of that vessel. The VTS surcharge shall become effective in two phases. Effective April 1, 2000, the VTS surcharge shall be 3.02 mills per DWT. Upon the commencement of the operations of the VTS Center, the VTS surcharge shall be 3.92 mills per DWT, subject to adjustment annually on 1 July of each year beginning 1 July 2000 due to the escalation of the Bar Pilots' compensation by the ATRAM as provided in LPSC Order No. T-23689. The continued charging of the VTS surcharge shall be subject to the conditions as set forth in Louisiana Public Service Commission Order No. T-23689. The Bar Pilots are not currently collecting this surcharge due to VTS not being in operation along our route.

4. Katrina Related Pilot Station Construction and Loss Fund:

This surcharge shall become effective August 1, 2006 and remain in effect until otherwise revised and/or modified, subject to true-up and audit, pursuant to the order issued by the Louisiana Pilotage Fee Commission on July 20, 2006 under order number P-06003. The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage, a Katrina Related Pilot Station Construction and Loss Fund surcharge of \$34.00 per vessel, per turn.

5. Southwest Pass Pilot Station Renovations Surcharge:

This surcharge shall become effective October 01, 2015 and remain in effect until otherwise revised and/or modified, subject to true-up and audit, pursuant to the order issued by the Louisiana Pilotage Fee Commission on October 01, 2015 under order number P15-007. The said Bar Pilots shall also be entitled to demand and receive, from every vessel subject to pilotage, a Southwest Pass Pilot Station Renovations Surcharge of \$72.00 per vessel, per turn.

Collections for Pilotage Fee Commission Funding:

1. Louisiana Pilotage Fee Commission Funding Surcharge

The said Bar Pilots shall demand and receive from every vessel subject to pilotage, a pass-through fee of \$27.00 per vessel, per turn, to be disbursed to the Louisiana Pilotage Fee Commission upon collection by the Bar Pilots. This pass-through fee is to provide funding to the Louisiana Pilotage Fee Commission and does not serve as income to the Bar Pilots.

Miscellaneous:

1. Refusal of Pilot Services:

When pilot services are timely offered and refused, said vessel shall pay such charge.

2. Vessels Requiring Pilots:

Vessels of one hundred tons or under, lawfully engaged in coastwise trade of the United States, shall not be required to take a pilot, unless the master of such vessel demands pilot services.

3. Special Services:

Bar Pilots shall be entitled to enter into agreements with the Masters and Owners of ships, or their representatives, for special services that are not described herein, and for which fees are not provided herein, and the hire of boats and equipment, at such rates and for such sums as may be agreed upon between them as provided in LSA-R.S. 34:954.

4. Credit Policy:

An account shall remain on a cash basis with all fees and charges due upon completion of pilotage services until a history of paying invoices for pilotage services has been established. The Associated Branch Pilots of the Port of New Orleans shall have a lien and privilege upon any vessel for which pilot services were provided by a Bar Pilot for non-payment of pilotage fees, charges and surcharges as provided in LSA-R.S. 34:964.

5. Compliance with LSA-R.S. 34:1122:

The increases in pilotage fees and rates set forth herein have been approved by the Louisiana Public Service Commission pursuant to Order No. T-23689 dated September 21, 1999, sitting as the Fee Commission pursuant to LSA-R.S. 34:1121(C) and 1122(D), after giving due regard to the factors set forth in LSA-R.S. 34:1122.

The tariff shall remain in effect until otherwise amended and/or revised by the appropriate regulatory body. This limitation, however, does not intend to preclude the historical practice of the Bar Pilots from seeking approval from the appropriate regulatory body of the recovery of expenses incurred due to *force majeure* events.