

**Introduced by Senator Yee**

February 25, 2009

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

## LEGISLATIVE COUNSEL'S DIGEST

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

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

This bill would delete the provision authorizing the rate to be changed when the number of licensed pilots is reduced to 60 pilots or falls below 60 pilots.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 1190 of the Harbors and Navigation Code
- 2     is amended to read:
- 3     1190. (a) Every vessel spoken inward or outward bound shall
- 4     pay the following rate of bar pilotage through the Golden Gate
- 5     and into or out of the Bays of San Francisco, San Pablo, and
- 6     Suisun:

(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, 2007, if the number of pilots licensed by the board is reduced to 60 pilots, for any subsequent decrease in the number of pilots, the mill rate then in effect 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, 2007, if the number of pilots licensed by the board falls below 60, for any subsequent increase in the number of pilots, the mill rate then in effect shall be increased by an incremental amount that is proportionate to one-half of the last audited annual average net income per pilot for each new pilot that results in an increase in the number of pilots then 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 quarter (January 1, April 1, July 1, or October 1) as directed by the board.~~

~~(B)~~

(A) 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

1 resulting from the modification of pilot boats under this  
2 subparagraph, including, but not limited to, reduced repair and  
3 maintenance expenses.

4 ~~(C)~~

5 ~~(B)~~ In addition to the rate change specified in subparagraph (A)  
6 and the incremental rate specified in subparagraph ~~(B)~~ (A), the  
7 mill rate established by this subdivision may be adjusted at the  
8 direction of the board if, after a hearing conducted pursuant to  
9 Article 9 (commencing with Section 11120) of Chapter 1 of Part  
10 1 of Division 3 of Title 2 of the Government Code, the board  
11 determines that there has been a catastrophic cost increase to the  
12 pilots that would result in at least a 2-percent increase in the overall  
13 annual cost of providing pilot services.

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

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

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

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

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

34 (e) Consistent with the board's May 2002 adoption of rate  
35 recommendations, the rates imposed pursuant to paragraph (1) of  
36 subdivision (a) that are in effect on December 31, 2002, shall be  
37 increased by 4 percent on January 1, 2003; those in effect on  
38 December 31, 2003, shall be increased by 4 percent on January 1,  
39 2004; those in effect on December 31, 2004, shall be increased by

- 1 3 percent on January 1, 2005; and those in effect on December 31,
- 2 2005, shall be increased by 3 percent on January 1, 2006.

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