

FINAL BILL REPORT

SSB 6519

C 107 L 18
Synopsis as Enacted

Brief Description: Revising the establishment of marine pilotage tariffs.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators King and Hobbs).

Senate Committee on Transportation
House Committee on Transportation

Background: Board of Pilotage (BOP). The BOP is a regulatory board consisting of nine part-time members supported by three staff. Seven members are appointed by the Governor, subject to Senate confirmation, each for a term of four years. Additionally, the director of the Department of Ecology, or the director's designee is a member, and the assistant secretary of the Department of Transportation's Ferry Division, or designee, is the chairperson. The BOP trains, tests, licenses, and regulates marine pilotage in Puget Sound and Grays Harbor. The BOP also sets tariff rates and takes disciplinary action against pilots and vessel owners who violate state pilotage laws. Generally, most foreign-flagged vessels are required to use a licensed marine pilot when in Puget Sound or Grays Harbor waters. Vessels using a pilot are charged a fee known as a pilotage tariff, which is set by the BOP.

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

The Washington Utilities and Transportation Commission (UTC). The UTC is a three-member commission appointed by the Governor, subject to Senate confirmation. The UTC has more than 150 staff supporting the commissioners. The UTC regulates and sets rates for, telecommunication companies and privately-owned electric, natural gas, and water companies and also certain transportation businesses such as in-state household movers, solid waste carriers, and private ferries. The UTC also deals with certain safety issues relating to charter buses, railroads, limousines, and special needs transportation. Generally, rate setting cases are heard in a formal, legal setting.

Summary: The function of marine pilotage rate-setting is transferred from the BOP commissioners to the UTC, beginning July 1, 2019. The UTC would establish pilotage tariffs not more frequently than annually.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The pilotage account is made an appropriated account and UTC expenditures for pilotage tariff-setting is added as an allowable use of the account. Grays Harbor pilotage tariff proposals are sent to the UTC rather than the BOP for approval. The UTC may include reasonable costs incurred by the UTC in the pilotage rate. The UTC may adopt rules relating to setting pilotage tariffs prior to July 1, 2019, and may receive tariff filings 30 days after pilotage rules are adopted. The UTC shall submit any statutory changes necessary to implement this bill by December 1, 2018. The Port of Grays Harbor is required to include a pension charge for pilots employed prior to October 1, 2001, in its recommended pilotage tariff.

Votes on Final Passage:

Senate	46	1	
House	98	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: June 7, 2018 (Section 15)
July 1, 2019