

**Tom Markgraf, Chair**  
**Oregon Board of Maritime Pilots**  
**Senate Bill 851**  
**April 15, 2013**

~~Madam~~ Chair, members of the committee.

I am Tom Markgraf, Chair of the Oregon Board of Maritime Pilots.

This board oversees the and licensing and safety over the pilotage issues in Coos Bay, Yaquina Bay, the Columbia River Bar and the Columbia River. As you may know the board is composed of three public members, three pilot members and three industry members. Only the public members can be officer holders.

It's Oregon's oldest board. First organized and chaired by Captain George Flavel out of Astoria in 1846, well before statehood. It was created by the Oregon Territorial Government.

A lot of things have changed since the days when pilots used row boats to board ships over the Columbia Bar.

While technology allows us to use radios, fast boats, and helicopters, the Oregon Board of Maritime Pilots has not kept pace with the industry standard oversight that is now common we believe in every other pilotage ground in America.

This bill is driven by a need for safety by imposing more oversight on the pilots and their associations by the Oregon Board of Maritime Pilots.

- Currently the Board needs to improve the structure of and oversight on work-rest rules governing maritime pilot assignments in accordance with direction we are receiving from the National Transportation Safety Board;
- it needs also to strengthen its medical reporting and evaluation processes;
- it needs to regularly track industry best practices and issues for assessment in ratemaking cases and in overall administrative policies;
- it needs immediate access to independent investigators for any and all maritime incidents;
- it needs working relationships with and among the variety of maritime industry organizations; and it needs to respond immediately to unforeseen maritime incidents.

We do not have any of these tools. None of these functions can be executed under the current staffing structure which is only sufficient to process maritime licenses; testing; pilot interviews; and board meeting support. This bill provides funding for a half-time executive director and for consulting services needed for the execution of the Board's statutory duties.

Ultimately, this bill is about safety. It's about protecting the environment with additional pilot oversight, and it's about keeping Oregon's the bars and river system a known quantity for shippers around the world as a safe place to do business. It begins to pull Oregon's Maritime Pilot board into alignment with the administrative practices of other similar boards throughout the nation.

The funding mechanism comes in an assessment on each in-bound and out-bound ship transit and is capped at \$100 a transit. The initial assessment should be under \$50 a transit. This should cover a half-time executive position plus benefits and provide resources for investigative, medical and related consulting services.

Absent such services, Oregon has relied on the unstinting volunteerism particularly of its public board members to provide professional staffing services in addition to their board policy work. Because these board members are both volunteers and by statute independent of the maritime industry, the work cannot be as expansive or as in depth as is required by a demanding, constantly changing maritime commerce industry.

It is unusual for those who are regulated to ask for additional oversight. But they have. Both pilotage groups support this additional oversight because they recognize that business as usual no longer works. For safety on the grounds, they can't continue without more oversight.

We have had strong and positive input from the industry group on this legislation. I am grateful for their knowledge and thoughts. In what has been traditionally a contentious threesome, I hope is the start of a partnership between the board, industry, and pilots that we can build upon.

It's time for Oregon to improve the safety practices and capacity of the Board of Maritime pilots by providing it with the expertise its responsibilities demand. I hope you will be able to support the bill.



# Oregon

John A. Kitzhaber, MD, Governor

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## Pilot Board Comparison

State	Budget	Oversight
Washington	\$1,172,000 Proposed 2013-15	53 Licensees
California*	\$2,224,000 Proposed 2013-14	60 Licensees
Florida*	\$2,228,000 - 2012-2013	97 Licensees
New Jersey*	\$627,310 - 2010	42 Licensees
<b>Oregon</b>	<b>\$318,940 - 2011-13</b>	<b>60 Licensees</b>

Comparable boards all have executive directors.

\*Budgets are for one year only.



**Projected Board of Maritime Pilots New Activity Expenses  
2013-2015**

.5FTE Executive Director	\$145,000-157,000
Related S & S	12,000
Medical Review/Oversight	24,000
License Appeals Legal Costs	<u>100,000</u>
TOTAL	\$281,000-\$293,000

Fee Assessment to cover new expenses:

\$47-\$49 per transit for an estimated 6,000 transits over two years.

NOTE:

There is a reasonable possibility that the Board will need to incur up to \$200,000 in consulting costs for a work-rest study per direction from the NTSB should pilot groups fail to implement appropriate work-rest practices.

Should such a study and its implementation be necessary, the total per transit fee would be estimated to increase from between \$78 and \$82 per transit.