

Department of Commerce, Community
and Economic Development

Division of Corporations, Business
and Professional Licensing

Board of Marine Pilots

Annual Report

Fiscal Year 2023



Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing

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**Board of Marine Pilots
FY 2023 Annual Report**

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Identification of the Board

Board Member	Duty Station	Date Appointed	Term Expires
Curtis Thayer, Chair Commissioner/DCCED/ Designee	Anchorage	February 22, 2010	
Edward Sinclair Licensed Marine Pilot	Juneau	March 1, 2018	March 1, 2026
James Cunningham Licensed Marine Pilot	Homer	May 25, 2022	March 1, 2025
Les Cronk Licensed Vessel Agent	Ketchikan	March 1, 2018	March 1, 2026
Lucas Hasenbank Licensed Vessel Agent/ Manager	Anchorage	March 1, 2020	March 1, 2024
Richard Harris Public Member	Juneau	December 18, 2017	March 1, 2024
Joseph Tougas Public Member	Seward	March 1, 2022	March 1, 2026

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Identification of Staff

Thomas Bay – Marine Pilot Coordinator

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**Board of Marine Pilots
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Narrative Statement

The Board of Marine Pilots met four times during fiscal year 2023:

- July 07, 2022 via teleconference
- October 5, 2022 in Seward
- January 25, 2023 in Anchorage
- April 26, 2023 in Juneau

Over the course of the year, the board continued its work to establish, audit and enforce the standard as set in Alaska Statute 08.62 to:

- Ensure that persons entering the practice meet rigorous standards of competency, and maintain such standards during their practice;
- Assist the public in the knowledge of who is licensed (<https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/BoardofMarinePilots.aspx>);
- Approve the standards by which pilot organizations are operated and trainees are selected;
- Approve or disapprove rates for pilotage services;
- Ensure that drug and alcohol testing is compliant;
- Ensure that sufficient pilots are available to provide service;
- Vessels subject to pilotage have a licensed pilot while transiting compulsory waters; and
- Educate the public about the statutes and regulations governing marine pilotage in Alaska.

Throughout the year, the board maintained its review of applications for pleasure craft of foreign registry seeking exemption from pilotage for vessels between 65 feet and 175 feet. The board approves pilotage exemptions if the requesting vessel meets the exemption requirements in 12 AAC 56.115. For FY 2023, the board approved 12 applications, as of May 17, 2023, for exemption from pilotage requirements for foreign pleasure crafts. Foreign pleasure craft exemptions generated \$39,400 in FY 2023 (as of May 17, 2023). As of May 17, 2023, there is one exemption application pending.

Over the course of the fiscal year, the board approved licenses for nine Deputy Marine Pilots. Core and Local Knowledge exams were administered to 15 total candidates.

At the time of this report, the Marine Pilot Board is fully staffed. The board will work with Boards and Commissions to maintain a fully staffed and competent board.

Investigations - In FY 2023, three new investigations were opened, and nine investigations were closed. Two cases remain open (as of April 10, 2023).

Public Information - The board's website makes it possible to provide online access to meetings and exam schedules, agendas, board minutes, meeting materials, and notices for proposed regulation. Web-based distribution helps the board reduce costs, ensure accessibility for current and historical information, and creates an ease for public access. The public may sign up for the board's Listserv to receive timely information from the Marine Pilot Coordinator.

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Narrative Statement (continued)

Drug and Alcohol Monitoring - The pilot associations oversee the random drug and alcohol testing of licensed marine pilots, deputy marine pilots, trainees and apprentices. The associations are required to provide annual reports on drug testing to the Marine Pilot Coordinator and are subject to requests for information on their drug testing programs upon request of the board or MPC.

Regulations - In FY 2023, due to the COVID-19 pandemic, the board proposed and adopted regulation changes to 12 AAC 56.080. Biennial License Renewal, to amend the biennial license renewal requirements by allowing alternative standards for their 2023-2024 renewal. This allowed licensees who did not have the required amount of documentation of piloting experience, during the previous licensing period, to renew their licenses. The board also proposed, and is in the process of, a regulation change to a separate section of 12 AAC 56.080 regarding requirements of license renewals for Deputy Marine Pilots, specifically changing the amount of piloting experience to meet the boards' original intent when it was created.

Following the COVID-19 pandemic, the board returned to in-person board meetings and exams in FY 2023.

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Budget Recommendations for FY 2024

Budget Recommendations section anticipates the board’s fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt- supported services or RSS). Be sure to explain any items listed as “other” so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
October 2023	Anchorage	7	1
<input checked="" type="checkbox"/> Airfare:			\$1,600.00
<input checked="" type="checkbox"/> Hotel:			\$700.00
<input checked="" type="checkbox"/> Ground:			\$600.00
<input checked="" type="checkbox"/> Other (Please Specify): Per Diem			\$540.00
Total Estimated Cost:			\$3,440.00

Board Meeting Date	Location	# Board	# Staff
January 2024	Anchorage	7	1
<input checked="" type="checkbox"/> Airfare:			\$1,600.00
<input checked="" type="checkbox"/> Hotel:			\$700.00
<input checked="" type="checkbox"/> Ground:			\$600.00
<input checked="" type="checkbox"/> Other (Please Specify): Per Diem			\$540.00
Total Estimated Cost:			\$3,440.00

Board Meeting Date	Location	# Board	# Staff
April 2024	Juneau	7	1
<input checked="" type="checkbox"/> Airfare:			\$2,000.00
<input checked="" type="checkbox"/> Hotel:			\$750.00
<input checked="" type="checkbox"/> Ground:			\$500.00
<input checked="" type="checkbox"/> Other (Please Specify): Per Diem, Venue Costs			\$1,350.00
Total Estimated Cost:			\$4,600.00

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Budget Recommendations for FY 2024 (continued)

Travel Required to Perform Examinations

Not Applicable

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

- Airfare:
- Hotel:
- Ground:
- Conference:
- Other (Please Specify):

Total Estimated Cost:

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Budget Recommendations for FY 2024 (continued)

Out-of-State Meetings and Additional In-State Travel

(Rank in order of importance)

#1 Rank in Importance or Not Applicable

Date	Location	# Board	# Staff
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Description of meeting and its role in supporting the mission of the Board:

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Conference: <input type="checkbox"/> Other: Describe "Other" (break out all sections):				
Net Total:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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Budget Recommendations for FY 2024 (continued)

Non-Travel Budget Requests

- Not Applicable
 Resources
 Examinations
 Membership
 Training
 Other

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Other Items with a Fiscal Impact

- Not Applicable
 Cost Per Event:
 Number of Events:

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Summary of FY 2024 Fiscal Requests:

Board Meetings and Teleconferences:	\$11,480.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$0.00
Dues, Memberships, Resources, Training:	\$0.00
Total Potential Third-Party Offsets:	\$0.00
Other:	\$0.00
Total Requested:	\$11,480.00

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Legislative Recommendations - Proposed Legislation for FY 2024

No Recommendations

The Board has no recommendations for proposed legislation at this time.

Recommendations

The Board has the following recommendations for proposed legislation:

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Regulation Recommendations - Proposed Regulations for FY 2024

No Recommendations

The Board has no recommendations for proposed regulations at this time.

Recommendations

The Board has the following recommendations for proposed regulations:

The board has a current proposal to amend 12 AAC 56.080(e), Biennial License Renewal, to change the amount of piloting experience required of a Deputy Marine Pilot during the preceding licensing period for renewal, to meet the board's original intent when it was created.

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Goals and Objectives

Part I

FY 2023's goals and objectives and how they were met:

1. Petition the USCG to increase manning in their licensing departments at the NMC as well as the local REC offices in the State of Alaska in order to reduce processing times for licensing and testing. The processing times have increased over the years beginning prior to COVID.

The USCG and the American Pilots Association are addressing this issue. The Board is monitoring the situation and will address it if necessary.

2. Request that the Alaskan Marine Highway reduce pilot observer fees in addition to streamlining the acceptance process that allows training pilots to ride aboard the vessels in order to obtain required observer trips in their geographic areas. In some areas, the ferries are the only option for apprentice pilots to obtain the required observer trips. In the past, the pilots were given a reduced fare to ride these vessels. Restricting access to this great tool for the training process is not in the State's best interest.

This issue is moving in the right direction, and it will be monitored moving forward.

3. Review across regions pilot training reports with a goal of standardizing reports to facilitate board approval of pilot licensing and tonnage promotions.

Although standardizing reports weren't established, it was a non-issue, and the board may not move forward with it.

4. Increase board attention on improving public awareness of how the ship passage through Alaska waters is regulated and that well trained pilots are guiding ship navigation and ensuring that Alaska's interests are protected.

The board discussed this issue and decided that the associations would take care of creating public awareness within their regions.

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Goals and Objectives (continued)

Part II

FY 2024's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

1. Continue to monitor the number of available pilots for each region to meet the requests of vessel traffic.

Unfortunately, during the pandemic, pilot trainees were unable to acquire their usual amount of training, which has caused delays in licensing and sometimes a shortage of available pilots.

2. Continue to monitor the Alaska Marine Highway situation regarding the reduction in pilot observer fees and streamlining the acceptance process that allows pilot trainees to ride aboard the vessels in order to obtain required observer trips in their geographic areas.

As mentioned above, this issue is moving in the right direction, and it will be monitored moving forward.

3. Elimination of and decrease in ferry routes has had a negative impact on pilot training. If the Alaska Marine Highway continues to reduce ferry routes, trainee pilots will be less and less able to complete the training required to get fully licensed because of federal pilotage that would be missing on their United States Coast Guard Merchant Mariner Credentials. The Board will monitor the situation through input by the pilot associations. As necessary, the Board will take action to adjust the licensing requirements to prevent pilots from not being able to attain full licensure.

4. Update the examination software, which is outdated, in the hopes that it becomes more modern and streamlined.

The Division is in the process of getting new software to update the exams and the board will monitor the situation moving forward.

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Goals and Objectives (continued)

Part II (continued)

FY 2024's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

Strengths, Weaknesses, Opportunities, Threats, and Required Resources

1. Strengths:

- a. Active and engaged board members.
- b. Strong support for the Board from the Administration, enabling the Board to meet its obligations.
- c. Well vetted laws and regulations that guide the Board and the Administration in performing the duties of the Board and protecting Alaska's interests.
- d. Strong, well-managed pilot associations designated under 12 AAC 56.300 – 212 AAC 56.320 who have a good working relationship with the Board and the Administration and actively maintain their bylaws and rigorous training requirements for new and existing pilots.
- e. Cooperative vessel owners and operators with strong compliance who have an appreciation of the role of the Board and the licensed pilots.

2. Weaknesses:

- a. The reduced Alaska Ferry System movement and OnBoard training into rural to very rural communities have reduced the opportunities for pilots to gain skills in more infrequent ports.

3. Opportunities:

- a. The surge in vessel traffic, primarily cruise ship vessel movement in Alaska, is once again creating new opportunities for new pilots and ensuring that the employment opportunities are attractive for people to make the commitment to become a ship pilot.
- b. Support and promote existing training programs and facilities in Alaska.
- c. New ports throughout the State are being established for growth in the industry.

4. Threats:

- a. None at this time.

5. Required Resources:

- a. Board Staff.
- b. Regional Associations.

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Sunset Audit Recommendations

Date of Last Legislative Audit: 4/30/2018

Board Sunset Date: 6/30/2027

Audit Recommendation:

The board should ensure applicable documents are aboard foreign pleasure crafts in accordance with regulatory requirements.

Action Taken:

The Marine Pilot Coordinator will ensure applicants for foreign pleasure craft exemptions report having all required documents on board prior to processing their applications. The department and board note that compliance enforcement will be limited to self-certification unless a complaint is filed.

Next Steps:

The Marine Pilot Coordinator (MPC) will work with vessel agents and yacht captains to ensure the documents are certified as on board prior to forwarding the applications to the board for a vote. The MPC will also ensure information and education continues with vessel agents and yacht captains on this important point.

Complete : No Yes If yes, date completed: Ongoing

Audit Recommendation:

The board should ensure the Southeast Alaska Pilots' Association (SEAPA) improves its procedures for tracking drug test notifications.

Action Taken:

SEAPA has worked with the third-party contractor that performs its drug tests to ensure selected donors who were out of town when notified of random selection were adequately tracked.

Next Steps:

The board and Marine Pilot Coordinator will continue to monitor compliance.

Complete : No Yes If yes, date completed: Ongoing