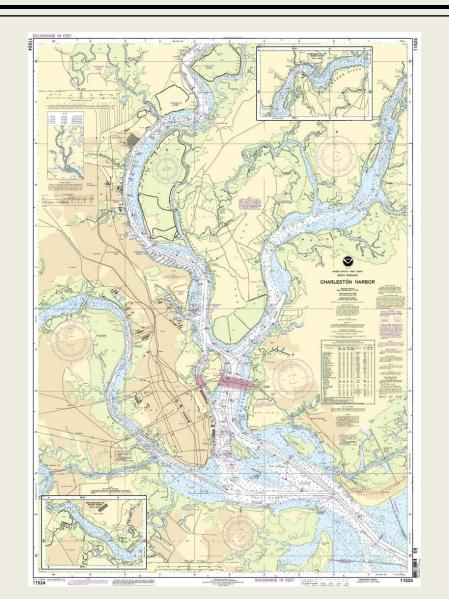


SOUTH CAROLINA COMMISSIONERS OF PILOTAGE: LOWER COASTAL AREA

Commissioner John Hassell August 27, 2014



Charleston Harbor





Overview

- The purpose of the Commissioners is to regulate pilotage for the coastal area of South Carolina between Cape Romain and the South Carolina side of the Savannah River.
- Note that the State of South Carolina has two Commissions, with a separate Upper Coastal Commission serving the upper part of the State.
- The Commissioners serve to license a certain number of highly qualified, local navigational experts and ship handlers to board and direct the movements of all vessels of such size and importance that any inexpert maneuvering of such vessels would constitute a safety risk to themselves, the port, other vessels, and the marine environment.

Composition

- The Commission is comprised of 8 members.
- Two ex-officio appointees:
 - The Chairman (or board member designated by the Chairman) of the South Carolina State Ports Authority
 - The President of the International Longshoremen's Association (or his designee)
- And six appointed by the Governor:
 - A Pilot licensed by the State
 - A person nominated by the Charleston Chamber of Commerce
 - A person nominated by the Maritime Association of the Port of Charleston
 - A person nominated by the Propeller Club of the Port of Charleston
 - A representative from Beaufort County maritime community (when applicable)
 - A representative from Jasper County maritime community (when applicable)



Agency Role

- The Commissioners of Pilotage for the Lower Coastal Area is an agency of the State of South Carolina and represent the Governor to provide for safe and efficient marine commerce.
- It falls under the oversight of the S.C. Department of Labor, Licensing and Regulation (LLR).
- LLR appoints an administrator to attend regular Commissioners' meetings and monitor licensing and physicals.

Public Access/ Transparency

- All Commissioners' meetings are conducted in accordance South Carolina Code and the Freedom of Information Act.
- Monthly meetings are scheduled at the beginning of each calendar year and notice is given at least 24 hours in advance of each meeting.
- The Commissioners provide adequate space at public meetings to accommodate members of the public.
- In addition, a representative from the Commissioners attends monthly Maritime Association meetings and reports any relevant news to the public at that time.

Role within the Maritime Community

- The monthly Harbor Safety Committee meeting includes a standing agenda item of a report from the Commissioners.
- The bylaws of the Maritime Association of South Carolina reserve a board seat for a harbor pilot.
- Three Commissioners are active in the day-to-day operations of the port.
- The Commission has direct interaction with the business community that relies on the port and the operations within the port. Commissioners meetings are held in the offices of the Maritime Association.

Fees

- The Commissioners establish fees to defray the expenses of reviewing applicants, examination boards, and issuing certifications.
- There is an annual registration fee assessed to all pilots, and small fees paid upon license transactions and application submissions.
- The Commissioners have no full- or part-time staff, but employ the monthly services of a contract secretary and consultant.

Regulatory Functions

- Oversight
- Licensing
- Apprentice Selection
- Rate Setting
- Safe Vessel Movement

Functions: Oversight

- Inspect and approve all pilot boats used in pilotage (require at least two in the rotation)
- Record ship-to-ship communications
- Conduct random and post-incident drug and alcohol screening
- Investigate marine incidents and discipline pilots as necessary

Functions: Licensing

- The Commissioners are charged with issuing state licenses to a certain number qualified ship handlers to handle vessels engaged in international commerce.
- There are five classes of State pilot licenses. The first four branches have increasingly higher tonnage and draft limitations, and the fifth is an unrestricted, or "Full Branch" pilot license.
- The issuance of every license requires examination from the Board of Examiners.
- To maintain a license, a pilot must submit to random drug screening administered by the Commission. He/she must provide a doctor's report of a physical exam annually to the state Department of Labor, Licensing, and Regulation.
- In addition to the State License, pilots hold a Federal License issued by the U.S. Coast Guard to engage in interstate trade. In order to maintain the Federal License, pilots must re-apply for renewal each five years, including a description of their duties over the previous five years to document proficiency.

Function: Apprentice Selection

- Applicants for apprenticeship submit applications to the Commissioners and must keep them current.
- Upon deciding that an apprentice is needed to keep up with workload, the Commissioners select the most qualified applicants using a numerical ranking, using the following categories:
 - Academic record
 - Previous maritime experience
 - Interview
 - Pilot potential (points assigned by pilots)

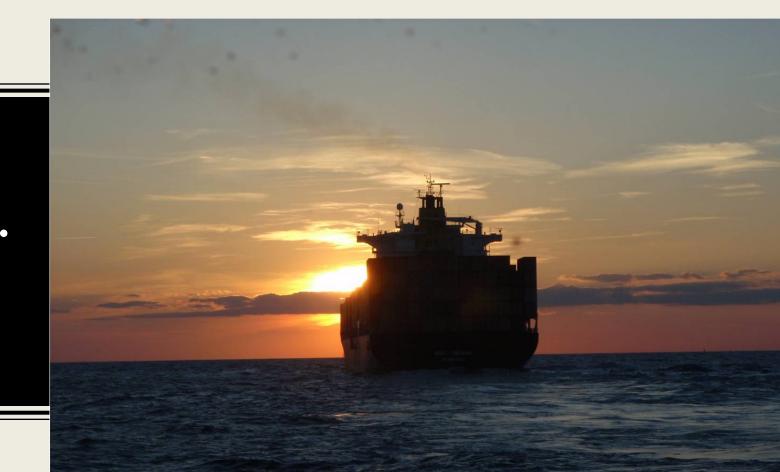


Function: Rate-Setting

- Promulgate rates and fees for pilotage
- Special public meetings are held for the purpose of increasing rates and fees. At least 30 days notice is given to the public before the Commissioners act to change rates.
- Rates are paid entirely by shipping companies, based on Gross Tonnage and Draft.

Function: Safe Vessel Movement

- Ensure safe and efficient vessel operations to serve the port (under-keel clearance, visibility, heavy weather, etc.)
- Establish routes over which pilotage is necessary
- Receive reports of marine casualties and dangerous situations
- Govern investigations and disciplinary actions



THANK YOU.