

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Department of Transportation

Date: 5/28/13

Subject Matter of Regulation: Rates of Pilotage

Regulation Section No.: 15a-14-1a through 15a-14-1c

Statutory Authority: 15-14; 15-15a

Other Agencies Effected: None

Effective Date Used In Cost Estimate: July, 2013

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BUDGET DETAIL

	FY 2013	FY 2014	FY2015	FY2016	Full Operation FY2017
Number of Positions	0	0	0	0	0
Personal Services *	0	0	0	0	0
Other Expenses	0	0	0	0	0
Equipment	0	0	0	0	0
Grants	0	0	0	0	0
Capital Outlay (Bonding)	0	0	0	0	0
Total Est. State Cost	0	0	0	0	0
Est. Revenue(or loss)	\$1,350.00	\$4,050.00	\$6,750.00	\$9,450.00	\$12,150.00
TOTAL NET STATE COST					

*Includes estimated cost of employee fringe benefits

Explanation of State Impact of Regulation: Under the current regulation, the State collects 6% of the gross pilotage fees earned by the CT licensed Marine Pilots in the performance of their duties bringing vessels into and out of Long Island Sound and the littoral ports. The State has been paid on average \$90,000.00 a year over the past 5 years. If the number of transits requiring a pilot remains about the same, the gross earnings of the pilots will increase 3% per year for four years or 12% at the end of four years. Thus, the funds collected by the State will also increase 3% per year for four years totaling \$91,350 the first year (half of the FY), \$95,400 the second year, \$102,150 the third year, \$111,600 the fourth year and \$123,750 when fully implemented.

The annual increases are estimates based on a steady number of transits. Transits over the past three years have declined due to the sluggish economy. An increase the number of transits is not in the short term forecast. However, as the economy recovers, an increase in transits of Long Island sound and cargo delivers to CT ports is expected.

Increase is to cover depart expenses for field investigations, processing of applications and program administration. There has not been an increase in application fees since year 2004. Increase in application fee for specific Information Signs to \$2,000.00 from \$1,500.00. Estimate is based on average twenty applications per year in the past plus 25 percent additional applications anticipated due to the change in regulations.

Explanation of Municipal Impact of Regulation: None

Explanation of Small Business Impact of Regulation: Small Business Impact Statement: It is not expected that the proposed marine pilotage rate increase will have an adverse impact on small businesses. Pilotage rates are paid by shipping companies. There has not been a pilotage rate increase since 2009. Even with the proposed pilotage rate increase, Connecticut pilotage rates will be approximately 60 % of those in Rhode Island and 65% of those in New York harbor.

Is a regulatory flexibility analysis required pursuant to C.G.S. 4-168a? No