



For Immediate Release  
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**Audit Mandated by Legislature after the Cosco Busan Incident  
Reveals Inconsistencies in State Pilot Licensing**

*State Board of Pilot Commissioners Agrees With Determination That It  
Failed to Follow Procedures and Will Work to Improve Licensing*

SAN FRANCISCO – The California State Auditor released its audit of the state Board of Pilot Commissioners today, revealing multiple deficiencies in the administration of the state’s licensing of ship pilots in the San Francisco Bay. The audit may be found at [www.bsa.ca.gov](http://www.bsa.ca.gov).

The audit of the Board was mandated by the Legislature in 2008, in the aftermath of the allision of the *Cosco Busan* with the Bay Bridge while under the navigational control of a state licensed pilot. SB 1627 (Wiggins) placed the previously independent Pilot Board under the supervision of the state Business, Transportation and Housing Agency (BT&H), improved Board transparency, and directed the State Auditor to survey the operations and finances of the Pilot Board.

“We are very pleased with the completion of this audit,” said John McLaurin, President of the Pacific Merchant Shipping Association (PMSA), which represents cargo ships which are required to use state licensed pilots. “These administrative defects identified by the State Auditor were not a surprise to anyone. We look forward to working with BT&H and the Board on these recommendations that reinforce current efforts to reform the Board and help ensure greater transparency, public accountability, navigational safety and cost controls.”

Principally, the State Auditor found that:

- The board did not consistently follow procedures outlined in state law when licensing pilots.
- The board did not fully comply with state law regarding investigations of incidents.
- The board failed to ensure that all pilots completed required training requirements.
- The board lacks controls to protect confidential information regarding pilots.
- The board did not comply with legal requirements of the Political Reform Act.

“The audit highlights many of the reasons why SB 1627 was necessary,” said McLaurin. “Now, with the help of BT&H, we can all work together to improve state pilotage through reforms that will ultimately improve Board operations and reduce the risk of accidents and spills on the water.”

The Board’s audit was not paid for out of the cash-strapped state general fund, rather it was funded by shipping companies through a state-imposed surcharge placed on piloted vessels.

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**Pacific Merchant Shipping Association (PMSA)** is an independent trade association representing more than 60 operators of marine cargo terminals and owners/operators of U.S. and foreign-flagged cargo and passenger vessels primarily engaged in trade on U.S. West Coast and ports in Alaska, Asia, Europe, Hawaii, and South America. The association has offices in Long Beach, San Francisco and Seattle.