

**Supporting Statement  
for  
Maritime Identification Credentials – Title 33 CFR Part 125 and the New Hire  
Provisions of TWIC**

A. Justification.

1. Circumstances that make the collection of information necessary.

This collection of information has two elements, but is treated as a single COI because the mechanism of collection is the same and the information being collected is nearly the same in support of each element. The first element relates to a Coast Guard notice, USCG-2006-24189, issued April 28, 2006 to support implementation of Title 33 CFR Part 125. This collection is necessary because the Commandant of the Coast Guard, in coordination with the Department of Homeland Security, has determined that there is a need to restrict access to port facilities regulated under 33 CFR Part 105. Restriction of access, for purposes of national security, is authorized by 33 CFR 125.15 which implements 50 U.S.C. 191. Access is restricted to those persons that possess identification credentials listed or approved pursuant to 33 CFR 125.09. The collection enables the Transportation Security Administration (TSA) to determine that persons are properly credentialed, and to notify the Coast Guard and the facility of any person that poses or is suspected of posing a threat to the facility, so that access can be denied to that person.

The second element of this collection is to allow the implementation of the new hire provisions of the anticipated Transportation Worker Identification Credential (TWIC) program. After the TWIC program (Title 33 CFR Parts 101-106) is implemented in each COTP area, unescorted access to secure areas of a vessel, facility or outer continental shelf facility regulated under 33 CFR parts 104, 106 or 106 will be denied to persons that cannot present a valid TWIC to a facility official posted at the gate. However, comments received from the public as a result of the Notice of Proposed Rulemaking (USCG-2006-24196) for the TWIC program asserted that the mere processing time of an application for a TWIC could pose an obstacle to commerce by interposing a lag between the time a worker needs access to a vessel or facility, and the approval of the worker's application for a TWIC. According to public comments received, such a lag could disrupt vessel or facility operations. Under this COI, if an owner or operator of a vessel or facility regulated under Part 104, 105 or 106 will suffer such an adverse impact to their operations, the owner or operator could voluntarily submit the information required in this collection on behalf of direct employees of the facility (excluding contract employees), if the operator wanted those employees to gain temporary clearance to enjoy accompanied access to a facility, while TSA was investigating and adjudicating their applications for a TWIC. The temporary clearance would last 30 days, more than enough time for TSA to adjudicate an employee's application for a TWIC.

The first element of this collection, the Part 125 information, will be collected until the TWIC initial roll out is complete. During the TWIC initial roll out, the Part 125 collection will be phased out as the TWIC new hire collection is phased in. It is expected

that the TWIC final rule will be published in January 2007, and go into effect in March 2007. The TWIC initial roll out will take place over an 18 month period beginning in March 2007, during which time COTP zones will begin TWIC enrollment and enforcement of the TWIC access control provisions. Once the COTP zone in which the facility rests, begins to require the TWIC for access control, the facility will stop submitting information under the Part 125 portion of this collection, and if they chose, would begin submitting information on the TWIC new hire portion of this collection. Vessels will not participate in this sectional roll out, but instead will be required to use the TWIC for access control and use the TWIC new hire provisions at their own discretion, but must do so before the close of the 18 month initial roll out.

At the end of the 18 month initial roll out, all vessels and facilities regulated by 33 CFR Parts 104 through 106 will be required to use the TWIC for access control. Facilities will switch from the Part 125 collection to the TWIC collection in phases, tied to the implementation schedule of the COTP zone in which they rest. Vessels, however, will make the switch at any time they choose as long as they implement TWIC by the end of the 18 month initial roll out period. At all times, all vessels and facilities regulated by 33 CFR Parts 104, 105 or 106 will either submit the Part 125 collection information or voluntarily submit the TWIC new hire information, but will not be required to submit both. The Coast Guard expects to completely discontinue the Part 125 collection at the end of the 18 month initial TWIC roll out.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Safety
- Maritime Security
- Protection of Natural Resources
- Mobility
- National Defense

Prevention Directorate (G-P)

- Safety: Eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Security: Eliminate marine transportation and coastal security vulnerability.
- Human and Natural Environment: Eliminate environmental damage associated with maritime transportation and operations on and around the nation's waterways.
- Economic Growth and Trade/Mobility: Reduce interruptions and impediments that restrict the economical movement of goods and people, while maximizing safe, effective, and efficient waterways for all users.

2. How, by whom, and for what purpose information will be used.

As to support of USCG-2006-24189, operators of port facilities regulated under Part 105, or their long-term contractors, submit information about the subject employees

or other persons, to TSA. TSA conducts a threat assessment determination using the data submitted for such a person, pursuant to its authority under 49 U.S.C. 114(f). TSA notifies the submitting facility and the Coast Guard Captain of the Port (COTP) if the person is determined to pose or suspected of posing a threat. Such a person will not have an approved identification credential for purposes of 33 CFR 125.09, and therefore will be denied access to the facility pursuant to 33 CFR 125.15. If the submitting facility does not receive notification from TSA, the person can be deemed to have acceptable credentials and be permitted access to the facility.

As to support of the new hire provisions of TWIC, pursuant to DHS authority in 46 U.S.C. 70103 and 70105 and 49 U.S.C. 114(f), owners or operators of vessels, port facilities, or outer continental shelf facilities regulated under 33 CFR Part 104, 105 or 106, may voluntarily submit information about their new employees to TSA through the Coast Guard's Homeport system. The information will allow TSA to perform an interim evaluation to determine whether the worker should be denied approval for unescorted access to a Maritime Transportation Security Act (MTSA)-regulated facility pending a full background investigation associated with the worker's application for a TWIC. The employer should receive notification from TSA within 48-72 hours whether the new employee is approved for accompanied access. Until the employer receives positive notification from TSA, the new employee should be granted access to secure areas of the vessel or facility only if escorted at all times. If TSA approves the new employee, he or she may be granted accompanied access for up to 30 days.

### 3. Use of information technology.

For the facility access check per USCG-2006-24189, electronic submission is mandatory via the Coast Guard's HOMEPORT Web site, at-- <http://homeport.uscg.mil>, or by submitting the information to TSA using a password-protected compact disc. For the TWIC new hire check, employers may only submit the new hire's information via the Coast Guard's HOMEPORT Web site. Therefore, 100% of the reporting is electronic.

### 4. Duplication or similar information.

There is no known Federal, State, or local program that provides the data we seek, for employees or other personnel seeking access to a vessel or facility regulated under 33 CFR parts 104, 105 or 106.

### 5. Methods to minimize the burden to small businesses if involved.

For the facility access check per USCG-2006-24189, the collection does not affect any small entities not already affected by the underlying Facility Security Plan requirements in 33 CFR Part 105. We have attempted to minimize the impact on small entities by requiring minimal information to be submitted, and by providing for several alternative types of acceptable identification credentials. Moreover, data submitters meet their obligations simply by submitting the data. Any follow-up that could result in preventing a person from accessing the facility must come from TSA and the COTP.

For the TWIC new hire check, the collection will not add a new burden on small businesses because it is a voluntary measure that was created to reduce any burden on business (large and small) as a result of TWIC.

6. Consequences to the Federal program if collection were not done or conducted less frequently.

In support of USCG 2006-24189, the Coast Guard's program to restrict access under 33 CFR 125.15 is effective only if facility owners and their long-term contractors are required to submit identification data for those employees or other persons seeking access to the facility. Voluntary submission of this data would provide partial assurance, as to those facilities choosing to submit data, but could not provide the system-wide assurance that the Coast Guard's action under 33 CFR 125.15 intends to provide.

With respect to the new hire provisions of TWIC, the collection is entirely voluntary. However, this collection facilitates commerce by allowing a vessel or facility owner or operator to designate directly employed persons as needing clearance for accompanied access to the vessel or facility. Although not as lenient as unescorted access, accompanied access is less burdensome on owners and operators than escorted access. Vessel or facility size, crew or staff size, vessel or facility configuration, the number of TWIC holders and other appropriate factors will be used to make a case-by-case determination of the methods that will satisfy proper accompaniment. New hires that are approved by TSA will be granted accompanied access to the secure areas on a temporary basis for up to 30 days, until their application for a TWIC is finally adjudicated.

7. Special circumstances that would cause the information collection to be conducted in a manner inconsistent with guidelines.

The collection is fully consistent with the guidelines.

8. Consultation.

The Department of Homeland Security coordinated within the Executive Branch to ensure that interested agencies participated in the development of the notice<sup>1</sup> and TWIC rulemaking project that gives rise to this collection. In addition, with respect to the Part 125 element of this collection, the Coast Guard consulted with a number of affected facility operators, all of whom agree that the notice and the requested collection of information are both necessary and in the interest of homeland security. With respect to the TWIC new hire element of this collection, TSA and the Coast Guard took public comment on the NPRM, both in writing and in person at four public meetings. Those public comments resulted in the creation of this voluntary new hire provision.

9. Explain any decision to provide payment or gift to respondents.

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<sup>1</sup> Maritime Identification Credentials notice [USCG-2006-24189; 71 FR 25066; April 28, 2006].

Neither payments nor gifts are given to respondents.

10. Describe any assurance of confidentiality provided to respondents.

The information is kept in a manner that is protected from unauthorized access and disclosure. The Homeport web page is a secure location capable of communicating sensitive security and personal privacy information between industry, the Coast Guard and TSA.

11. Additional justification for any questions of a sensitive nature.

The collection involves only the submission of personal information needed to run a name-based check to determine if an individual poses or is suspected of posing a threat to U.S. vessels or facilities. The information collected includes the individual's full legal name, date of birth, social security number (optional), employer name and 24 hour contact information, and for the TWIC new hire collection only, the date of TWIC enrollment.

12. Estimates of reporting and recordkeeping hour and cost burdens of the collection of information.

In support of USCG 2006-24189, estimates and relevant assumptions are displayed below:

- Total number of respondents – 3,492
- Total number of responses – 41,904 (annual)
- Total hour burden – 14,476 (annual)
- Total cost burden – \$506,660 (annual)

The respondents to this collection are considered to be the port facility operators, not the individual employees. Therefore, the number of respondents is assumed equal to the number of MTSA-regulated port facilities, 3,492. Under this analysis, it is assumed that respondents will furnish information once a month, leading to 41,904 responses (3,492 respondents × 12 responses per year).

The collection requires port facility operators and their long-term contractors to submit the name, date of birth, Social Security number (optional), and Alien Identification number (if applicable) for employees not holding certain credentials. For purposes of this requirement, the term "employee" includes all permanent employees and long-term contractors, and may include frequent vendor representatives and anyone else needing regular access to the facility. Based on TSA estimates, there are approximately 400,000 employees of the affected facilities, including administrative/support staff (site mgmt & admin), and including 70,000 contractors working on the affected facilities. For the purpose of this submission, the Coast Guard will make the following assumptions:

- a. all contractors are long-term contractors.
- b. only a negligible number of these individuals hold one of the credential types that eliminate the need for the holder to be screened.

- c. contracted union personnel, such as longshoremen, are under long-term contract and are included in the 70,000 figure.
- d. the “initial” submission of all employees is complete.
- e. the information needed for the screening is held in a company file, thereby leading to no time lost by the employee.
- f. due to turnover, facilities will, on average, submit 12 reports to TSA per year.
- g. clerical personnel or port administration personnel will perform the required collection, and use a “loaded” (including benefits as well as wages and salaries) labor rate of \$32.58 to compute the burden costs.

The Coast Guard has estimated that annual turnover of employees and long-term contractors averages 12% per year. We estimate that it will take five minutes, or 1/12<sup>th</sup> of an hour, to record each employee’s data. Transmittals (i.e., submissions) are estimated to require 0.25 hours.

The annual burden, measured in hours, consists of the requirement for facility operators to submit to TSA the required data for new employees, on an as-needed basis (assumed to be monthly in this analysis), requiring an estimated 41,904 responses. The burden is calculated as follows:

NUMBER OF EMPLOYEES APPLYING: 400,000 employees × 12% average annual employee turnover = 48,000 average new employees/year.  
 PREPARATION OF LISTS: 48,000 new employees/year × 0.0833 hours = 3,998 hours/year.  
 NUMBER OF RESPONSES: 3,492 facilities × 12 responses/yr = 41,904 responses/year.  
 SUBMISSION OF LISTS: 41,904 responses/year × 0.25 hrs = 10,476 hours/year.  
 TOTAL ANNUAL HOUR BURDEN: 3,998 hours + 10,476 hours = 14,474 hours.  
 TOTAL ANNUAL COST BURDEN: 14,474 hours × \$32.58/hour = \$471,563.

Table 1 below summarizes the burden information.

**TABLE 1**  
**MARITIME IDENTIFICATION CREDENTIALS FOR 33 CFR 105 FACILITIES – INITIAL & ANNUAL BURDEN HOURS & COST**

PART 105 FACILITIES	POPULATION	CREDENTIAL TOTALS
<b>RESPONDENTS</b>		
–The FSO or another designated person		
– Number of Respondents	3,492	
<b>RESPONSES</b>		
– Number of		

Responses Annually	41,904
<b>BURDEN (hours)</b>	
– Number of Hours of Annual Burden	14,474
<b>COST (\$)</b>	
– Cost of Annual Burden	\$471,563

As to the second element of the COI, the new hire provisions of TWIC, the estimated burden and assumptions are displayed below:

- Total number of respondents – 4,834
- Total number of responses – 58,008 (annual)
- Total hour burden – 14,476 (annual)
- Total cost burden – \$506,660 (annual)

As with the collection related to USCG 2006-24189, the respondents to this collection are considered to be the operators, not the individual employees. In this case, it is assumed that there are 3,492 port facility operators, 1,300 vessel operators, and 42 outer continental shelf facilities (OCS), for a total of 4,834 respondents.<sup>2</sup> The overall number of employees is equal to the number of directly employed (thus excluding contractors, port truckers and rail workers) employees working at affected facilities, vessels and OCS's, excluding contractors, for a total of 560,000 (770,000 employees – 70,000 contractors – 130,000 port truckers – 10,000 rail workers = 560,000). The collection supporting the new hire provisions requires port facility operators to submit the name, date of birth, Social Security number (optional), 24 hour contact information, and date of TWIC enrollment for employees not already holding a TWIC. For purposes of this requirement, the term “employee” includes permanent employees only and excludes long-term contractors, unlike with USCG 2006-24189. For the element of this submission, the Coast Guard will make the following assumptions:

- a. the “initial” submission of all employees is complete.
- b. the information needed for the screening is held in a company file, thereby leading to no time lost by the employee.
- c. due to turnover, facilities will, on average, submit 12 reports to TSA per year.
- d. clerical or port administration personnel will perform the required collection, and use a “loaded” labor rate of \$32.58/hour to compute the burden costs.
- e. The time needed for TSA to adjudicate a TWIC and furnish one to successful applicant is 30 days or less.

<sup>2</sup> For port facilities and OCS facilities, it is assumed that there is one operator per facility. Among vessels, there are currently 1,300 vessel security plans (VSP) covering about 10,000 MTSA-regulated vessels (or 5,257 if unmanned barges are excluded). This analysis assumes that each VSP corresponds to a single operator, if not necessarily a single owner.

- f. The time needed for TSA to adjudicate an application for new hire access is three days or less.

The importance of assumptions (e) and (f) above is that no employee will need to repeat an application for new hire access.

We use the same assumption for annual turnover of employees as we used above in the USCG 2006-24189 calculation—12% per year. We also use the same assumption as above for the time required to record each employee’s data—five minutes, or 1/12<sup>th</sup> of an hour. Transmittals (i.e., submissions) are again estimated to require 0.25 hours. We also reuse the assumption of monthly submissions from each respondent, leading to 58,008 responses per year (4,834 respondents × 12 responses/year = 58,008 responses/year). The burden is calculated as follows:

NUMBER OF EMPLOYEES APPLYING: 560,000 workers directly employed by facilities × 12% average annual employee turnover = 67,200 average new employees/year.

PREPARATION OF LISTS: 67,200 new employees/year × 0.0833 hours = 5,598 hours/year.

NUMBER OF RESPONSES: 4,834 respondents × 12 responses/year = 58,008 responses/year.

SUBMISSION OF LISTS: 58,008 responses/year × 0.25 hrs = 14,502 hours/year.

TOTAL ANNUAL HOUR BURDEN: 5,598 hours + 14,502 hours = 20,100 hours.

TOTAL ANNUAL COST BURDEN: 20,100 hours × \$32.58/hour = \$654,858.

Table 2 below summarizes the recurring burden information on the COI related to the new hire provisions of TWIC.

**TABLE 2**  
**MARITIME IDENTIFICATION CREDENTIALS FOR NEW HIRE PROVISIONS**  
**OF TWIC & ANNUAL BURDEN HOURS & COST**

PART 105 FACILITIES	POPULATION	CREDENTIAL TOTALS
<b>RESPONDENTS</b>		
–The FSO or another designated person		
– Number of Respondents	4,834	
<b>RESPONSES</b>		
– Number of Responses Annually		58,008

BURDEN (hours) – Number of Hours of Annual Burden	20,100
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COST (\$) – Cost of Annual Burden	\$654,858

The combined burden resulting from this collection is assumed to be the greater of the two burdens resulting from each element of the COI, that is the USCG-2006-24189 element and the new hire provisions of TWIC element. The reason the greater of the two burdens is used instead of the sum is that the two elements are never in force for any COTP area at any one time. This document will display the upper bound on the burden. Indeed, the USCG-2006-24189 element is being phased out in favor of the new hire provisions of TWIC. The combined burden of information is displayed in Table 3 below.

TABLE 3  
MARITIME IDENTIFICATION CREDENTIALS ANNUAL BURDEN HOURS & COST

PART 105 FACILITIES	POPULATION	CREDENTIAL TOTALS
RESPONDENTS		
–The FSO or another designated person		
– Number of Respondents	4,834	
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RESPONSES		
– Number of Responses Annually		58,008
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BURDEN (hours)		
– Number of Hours of Annual Burden		20,100
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COST (\$)		
– Cost of Annual Burden		\$654,858

13. Estimates of annualized capital and start-up costs.

No capital start-up cost associated with the requested modification. See section 12 for annual costs.

14. Estimates of annualized Federal Government costs.

For this collection, the Coast Guard expects very minimal impact on costs because Homeport has already been created, and the Coast Guard has been accepting this type of information from port operators since May 2006. In addition, TSA will be conducting the required screening as it has been since May 2006 for facility screening, and will be conducting the TWIC name-based check for vessel and facility new employees as a regular part of its TWIC application review process.

15. Explain the reasons for the change in burden.

Two changes are discussed here. The change in burden associated with the implementation of USCG-2006-24189 is an ADJUSTMENT due to the maturity of the program. Initial submissions by respondents are complete, and only periodic updates to port facility personnel lists are expected. The change in burden associated with the new hire provisions of TWIC constitutes a program change at the request of industry to reduce the burdens placed on industry as a result of DHS' implementation of the mandatory requirements in 46 USC 70105.

16. For collections of information whose results are planned to be published for statistical use, outline plans for tabulation, statistical analysis and publication.

The collection will not generate data that is published for statistical use.

17. Approval to not display expiration date.

The collection does not use a form.

18. Explain each exception to the certification statement.

There are no exceptions.

B. Collection of Information Employing Statistical Methods.

This section does not apply because the collection does not employ statistical methods.