

Supporting Statement for Streamlined Inspection Program

A. Justification.

1. Circumstances which make the collection of information necessary.

Title 46 U.S.C. 3306 authorizes the Coast Guard to prescribe regulations necessary to carry out the inspection of vessels required to be inspected under 46 U.S.C. 3301. The Streamlined Inspection Program (SIP) offers owners and operators of inspected vessels an alternative to traditional Coast Guard inspection procedures. Vessel owners and operators opting to participate in the program will maintain a vessel in compliance with a Vessel Action Plan (VAP) and have their own personnel periodically perform many of the tests and examinations conducted by Coast Guard marine inspectors. The Coast Guard expects that participating vessels will continuously meet a higher level of safety and readiness throughout the inspection cycle.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Maritime Stewardship

Prevention Directorate (CG-3P)

- Safety: Eliminate deaths, injuries, and property damage associated with commercial maritime operations.
- Human and Natural Environment: Eliminate environmental damage associated with maritime transportation and operations on and around the nation's waterways.

2. Purposes of the information collection.

The information collected constitutes application for the program and the Company and Vessel Action Plans (CAP and VAP). A CAP describes the company's organization and its commitment to the SIP. The CAP also details how the company will train its employees on their specific SIP responsibilities. The VAP describes the Coast Guard regulations that apply to the vessel and the company's detailed procedures for its employees to maintain and examine vessel systems to ensure these systems operate safely.

3. Considerations of the use of improved technology.

The Coast Guard requires the CAP and VAP to be submitted in written form for review and approval. However, the shipboard test, inspection and examination records may be maintained in written or electronic form. We estimate that 0% of the reporting and recordkeeping requirements are done electronically.

4. Efforts to identify duplication. Why similar information cannot be used.

The Coast Guard is the only agency responsible for the regulation of inspected vessels. Some vessel owners and operators may already have this information on-hand. In those cases these owners and operators would be able to use this in their plans.

5. Methods to minimize burden to small businesses involved.

Small entities are offered tailored examples of Company and Vessel Action Plans and will receive one-on-one time with Coast Guard inspectors to assist in plan development. Large and small companies alike will reap the benefits of this program.

6. Consequences to the Federal program if the collection was conducted less frequently.

Information collected in support of the SIP is used by the Coast Guard to verify that companies comply with their plans. The timeliness and accuracy of SIP documents is imperative to ensure that vessels meet safety requirements.

7. Special circumstances.

Information is collected in manner that is consistent with the guidelines.

8. Consultation.

A 60 day Notice was published in the Federal Register to obtain public comment on this collection. (See [USCG-2007-0045], November 15, 2007 72 FR 64233). The USCG has not received any comments on this information collection.

9. Explain any decision to provide any payments or gifts to respondents

No payments or gifts of any kind are provided to respondents.

10. Describe any assurances of confidentiality provided to respondents.

No assurance of confidentiality is provided to respondents.

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

There are no issues of a sensitive nature involved in this information collection.

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

- The estimated annual number of respondents is 34.
- The estimated annual number of responses is 76.
- The estimated annual hour burden is **2,496 hours**.
- The estimated annual cost burden is **\$237,120**.

To assess the burden of information collection for this program the Coast Guard determined the number of participants, both vessels and operators, in the program. To make this determination the Coast Guard relied on data from those Coast Guard Districts that have implemented programs in self-inspection. The Coast Guard estimates that in the future participants will continue to enroll in the program at the same rate as in the first three years of the program. See Table 1 below for a summary of the participants. Thus, for this collection the estimate of future annual participation is based on 1/3 of the current participants.

Table 1. Participants in the Streamlined Inspection Program

Vessel Type	# of Vessels	# of Operators
Small Passenger (Sub T)	21	13
Small Passenger (Sub K)	8	5
Large Passenger (Sub H)	3	3
Offshore Supply (Sub L)	20	5
Cargo (Sub I)	23	7
Tank Ships (Sub D)	0	0
Tank Barges or Oil Spill Response Vsls (Sub D or O)	15	1
Total	90	34

a. Application

SIP requires an initial application for entrance into the program. This application is made by letter and sent to the cognizant OCMI. It must contain a statement that the company and vessel(s) qualify for the program, a summation of the company's standing in regard to development of a CAP and VAP, the name and number of the vessel(s), and the name of the company's appointed SIP agent. Each operator wishing to participate must submit at least one application per fleet; it is not necessary to submit applications for each individual vessel.

The Coast Guard estimates that the application will require 16 hours of time from a senior staff official chosen to be the company's SIP agent. The estimated hourly wage for this individual is \$95 .00/hour¹. Assuming one application from each of the operators predicted to participate in the program, there would be 34 applications filed over the next 3 years or 11 applicants annually.

¹ Pay scale = GS14 Out of government rate.

Future Participants: 34 companies/3 years = 11 companies/year

Hours: 11 companies/year x 16 hour/company = 176 hours

Cost: 176 hours/year x \$95.00/hour = \$16,720/year

b. Company Action Plan

The documentation necessary for this program includes a Company Action Plan. This plan calls for the company to prepare for submission to the OCMI a compilation of documents including:

- 1) an organization commitment statement
- 2) a company organization chart
- 3) a list of responsibilities for personnel involved in the examination and maintenance of the company's vessel(s)
- 4) methods for inclusion of applicable subpart regulations
- 5) a description of the company's safety program
- 6) a description of the company's environmental protection program
- 7) a description of the company's training infrastructure
- 8) a master list of all SIP documents and ICRs the company intends to use in its Vessel Action Plans
- 9) appendices for each approved Vessel Action Plan.

The Coast Guard estimates that preparation and compilation of the above documents will require 80 hours from the senior staff person chosen to be the company's SIP agent. The number of respondents expected to participate will be 34 companies over the next 3 years or 11 companies or operators per year, and there will be one response per respondent.

Future Participants: 34 companies/3 years = 11 companies/year

Hours: 11 companies/year x 80 hours/company = 880 hours/year

Cost: 880 hours/year x \$95.00/hour = \$83,600/year

Updates to CAP

Each company is required to update its materials once every two years. The Coast Guard anticipates that most of these updates will be made to the company organization chart. The Coast Guard estimates that updates will require 10 hours per company.

Participants: 34 companies/2 years = 17 companies/year

Hours: 17 companies x 10 hours/company = 170 hours

Cost: 170 hours/year x \$95.00/hour = \$16,150/year

c. Vessel Action Plan

In addition to the CAP, each operator must formulate a Vessel Action Plan (VAP) for each vessel that they enroll in the SIP. The VAP will include--

- 1) a description of the intended integration of the VAP into the vessel’s normal operations;
- 2) vessel specific inspection criteria references;
- 3) vessel specific Inspection Schedule and Verification sheets; and
- 4) correction reports.

The Coast Guard publishes an SIP Guidance Document that is designed to assist operators in the formulation of VAPs. The Guidance Document supplies most of the formatting necessary, allowing operators to pull materials from the Guidance Document and insert it right into their VAPs.

In determining the time required to put together a VAP it was assumed that operators would use the Guidance Document. The number of respondents in this case remains 34 over the next 3 years or 11 annually but the number of responses increases to 90 over the next 3 years or 30 annually, the number of vessels expected to enroll in the SIP. The Coast Guard estimates a VAP will require 40 hours per vessel, as performed by the company’s SIP agent at \$95.00/hour.

Future Participants: 90 vessels/3 years = 30 vessels/year
Hours: 30 vessels x 40 hours/vessel = 1,200 hours
Cost: 1,200 hours x \$95.00/hour = \$ 114,000

Updates to VAP

Additionally, every five years after the plan approval date, the Coast Guard SIP Advisor and the company SIP agent will review the VAP. The Coast Guard estimates that updates will require 10 hours per company.

Participants: 34 companies/5 years = 7 companies/year
Hours: 7 companies x 10 hours/company = 70 hours
Cost: 70 hours x \$95.00/hour = \$6,650/year

d. Total Annual Hours and Costs

Table 2. Total Annual Hours and Costs

SIP Requirement	Responses	Hours per Requirement	Annual Burden Hours	Wage Rate	Annual Cost
a. Application	11	16	176	95	\$16,720
b. CAP	11	80	880	95	\$83,600
CAP Update	17	10	170	95	\$16,150
c. VAP	30	40	1,200	95	\$114,000
VAP Update	7	10	70	95	\$6,650
Total	76		2,496		\$237,120

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

There are no annualized capital and start-up costs.

14. Estimates of annualized cost to the Federal Government.

This program is designed to involve the crew in inspection procedures both because it will improve safety but also because over the long term it will conserve Coast Guard resources. There will however be some up-front costs to the Coast Guard in reviewing applications and then assisting the operators with development of their plans. It is estimated that each application will require eight hour worth of review and that for each CAP or VAP the OCMI will expend ¼ of the time spent by the company in development. Additionally, the OCMI will spend two hours per update reviewing the material for approval.

$$(88 \text{ hours}) + (880 \text{ hours}/4) + (1,200\text{hours} /4) + ((17 + 7) \times 2 \text{ hours}) = 656 \text{ hours}$$

At \$67.00/hour for an O-3/4 in Gov't (COMDTINST 7310.1K) this totals to a cost of \$43,952.

15. Reasons for the change in burden.

The change (i.e., increase) in hour burden is an ADJUSTMENT and is strictly due to an increase in the number of participants in the Streamlined Inspection Program. The methodology for estimating hour burden per respondent per year remains unchanged.

The change in the number of responses is strictly due to increase in the number of participants in the Streamlined Inspection Program. The methodology for estimating responses per respondent per year remains unchanged.

16. Plans for tabulation, statistical analysis and publication.

There is no plan to use statistical analysis or to publish this information.

17. Approval to not display expiration.

We are not seeking such approval. The OMB Number will appear on appropriate PRA disclosure information.

18. Exception to the certification statement.

There are no exceptions to the certification statement.

B. Collection of Information Employing Statistical Methods.

This information collection does not employ statistical methods.