

**Supporting Statement  
for  
Course Approval and Records for Merchant Marine Training Schools**

*Summary of Proposed Changes*

The proposed rule “Implementation of the 1995 Amendments to the International Convention on Standards of Training, Certification, and Watchkeeping for Seafarers, 1978,” Docket Number USCG-2004-17914; RIN 1625-AA16, would call for a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). It would modify an existing Office of Management and Budget (OMB) Collection of Information, OMB Control Number 1625-0028, “Course Approvals for Merchant Marine Training Schools.”

This proposed rule presents four changes to the current collection of information. 141 training providers that teach STCW courses out of a total of 285 estimated training providers would now be required to:

1. Write and maintain a QSS manual on those courses;
2. Participate in an audit twice every five years, and keep the audit records for Coast Guard inspection as needed;
3. Store student course completion certification for an additional four years.

Since all 285 training providers are currently required to store student records for one year, the burden of the new requirement that would extend record keeping from one year to five years is negligible. Therefore, the only modifications would represent additional burden are: 1. Training providers would be required to write and maintain a QSS manual; and, 2. Arrange two internal audits of STCW courses within five years. The information is necessary to show evidence that training providers meet the quality, minimum standard and recordkeeping requirements of each STCW course as established by the International Maritime Organization.

For more information about the affected parties and impacts of the proposed requirements, see the “Preliminary Regulatory Analysis for the Supplemental Notice of Proposed Rulemaking,” Docket Number USCG-2004-17914, which will be available on the public docket at <http://www.regulations.gov>.

We will collect comments from the public, and we will consider them for future analysis of the burden. The following is an analysis of the additional burden and costs associated with this proposed collection requirements from this proposed rule.

**A. PROPOSED JUSTIFICATION**

**1. Circumstances making the proposed change in the current OMB approved collection necessary.**

Title 46 Code of Federal Regulations (CFR) 10.303 specifies recordkeeping requirements that a school teaching approved courses must meet for each student taking each course. This proposed rule revises the records and reports required for each approved course and adds QSS requirements for an approved course under 46 CFR 10.303. Title 46 CFR 10.308 adds requirements for training programs to meet the proposed requirements for course approval and general training standards, which includes being part of a QSS. Title 46 CFR 10.309 revises section to reduce redundant language from other sections of this subpart and QSS requirements for accepted training. These changes provide the Coast Guard the ability to fulfill its obligation under the STCW Convention to validate the training received by merchant mariners and for approved training to be part of a QSS.

The proposed changes to the current OMB approved collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Protection of Natural Resources

Marine Safety, Security and Stewardship Directorate (CG-5)

- 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. By whom, how, and for what purpose the proposed, additional information is to be used.**

On a daily basis, U.S. Coast Guard National Maritime Center (NMC) personnel review submitted information to ensure training courses and programs meet minimum standards for Coast guard approval. Members of the public, including U.S. merchant mariners, attend approved courses to meet regulatory requirements or to enhance their ability to enforce regulations, and to compare existing courses with new international standards for specific training. The recordkeeping requirements helps the Coast Guard monitor the performance of schools with approved courses. The Coast Guard would use this information to document that the training level of mariners meets international requirements.

**3. Consideration of the use of improved collection technology for proposed collection of additional information.**

In May 2002, the National Maritime Center (NMC) established procedures for the electronic submission of requests for course approval. The details are contained in NMC Policy Letter 08-02. This policy provides the option for merchant marine training schools

to submit requests for original course approval and the renewal of courses following the format prescribed in the policy letter.

We estimate that 100% of the reporting and recordkeeping requirements can be done electronically. At this time, we estimate that 15% of the responses are collected electronically due to the limited success soliciting electronic requests on a voluntary basis.

**4. Efforts to identify duplication of the proposed, additional collection. Why similar information cannot be used.**

There are no other Federal agencies with similar programs. Other agencies involved in maritime affairs collect no similar information. The Coast Guard is the only agency collecting this information for use as described in the answer to item 2 above. There is no similar information available that could be used or modified for these purposes.

**5. Methods to minimize the additional burden to small entities if involved.**

In general, both the reporting and recordkeeping burden is proportional to the number of courses that a school submits for approval. Thus, small businesses that offer only a few courses would have a reduced burden. Additionally, there is no application fee for respondents and direct communication between applicants and the Coast Guard is encouraged. Finally, all training schools seeking approval of courses must follow the same procedures.

**6. Consequences to the Federal program if Coast Guard conducts the proposed, additional collection less frequently.**

The Coast Guard's ability to evaluate training received by mariners as an equivalent to service experience will be reduced. This may lead to less-qualified mariners and a corresponding increase in maritime accidents.

**7. Explain any special circumstances that would cause the proposed, additional information collection to be conducted in a manner inconsistent with guidelines.**

This information collection is conducted in manner consistent with the guidelines in 5 CFR 1320.5(d) (2).

**8. Consultation**

The Coast Guard published on August 1, 2011, a Supplemental Notice of Proposed Rulemaking (SNPRM) entitled "Implementation of the Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, and Changes to Domestic Endorsements" [Docket No. USCG-2004-17914; RIN 1625-AA16; 76 FR 45908]. The rulemaking proposed to—

- Write and maintain a QSS manual on those courses;

- Participate in an audit twice every five years, and keep the audit records for Coast Guard inspection as needed;
- Store student course completion certification for an additional four years.

As a signatory to the STCW Convention, this proposed rule is necessary to demonstrate to the International Maritime Organization that the United States has in place certain specific regulations that implement the international requirements and related amendments to the STCW Convention. For the STCW NPRM [November 17, 2009; 74 FR 59354], the Coast Guard received no collection of information-related comments.

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

No payments or gifts are provided to the proposed respondents.

**10. Describe any assurance of confidentiality of information for the proposed additional collection requirements.**

The additional information collected is generally not of a type considered confidential by those supplying it. However, the forms that can be used for the additional collection, that may require confidential information, have a “Privacy Act” statement on them.

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

The proposed, additional information collected is not sensitive.

**12. Estimate of reporting and recordkeeping hour and cost burdens of the proposed revision to the current collection of information.**

a.) Existing Burden:

For the reporting requirement, we estimated that there would be about 700 annual requests for course approvals, including renewals, prepared by about 285 training schools. For the recordkeeping requirement, we estimated that the 285 training schools would account for 2,064 Coast Guard approved courses. We estimated 20 hours are needed to draft a request for approval and assemble the necessary enclosures, and about 1 hour to type, edit and mail the request to the Coast Guard. Furthermore, based on COMDTINST 7310.1L, we assume that GS-12/13/14 personnel, equivalent to \$73 per hour, and GS-7 personnel, equivalent to \$38 per hour, would complete the request. (The GS-13 rate is used in order to more conservatively estimate the cost burden.) Under these assumptions, the annual hour and cost burdens to respondents are the following:

Reporting / Request	Hours	Wage	Cost
Draft Request	20	X \$ 73.00	= \$ 1,460.00
Type/Edit Request	1	X \$ 38.00	= \$ 38.00
Totals / Request	21	--	\$ 1,498.00

Total Reporting	Annual	Value /	TOTAL

	<b>Request s</b>	<b>Request</b>	
<b>Hour Burden</b>	700	X 21	= <b>14,700</b>
<b>Cost Burden</b>	700	X \$ 1,498.00	= \$ <b>1,048,600</b>

The recordkeeping burden involves maintaining student records and issuance of course completion certificates for each student in each course. Allowing about 10 minutes per student, 20 students per class, and 12 class offerings annually; each course requires about 20 hours of recordkeeping. We assume that GS-9 personnel, equivalent to \$45 (COMDTINST 7310.1L), would complete the recordkeeping.

<b>Recordkeeping Hours per Course</b>	<b>Values</b>
Hours / Student (10 min.)	0.1667
Students / Course	x 20
Classes / Course	x 12
<b>Total Hours / Course</b>	= 40

<b>Total Recordkeeping</b>	<b>Values</b>
Annual Courses	2,064
Hours / Course	X 40
<b>Hour Burden</b>	= <b>82,560</b>
Cost / Hour	X \$ 45.00
<b>Cost Burden</b>	= \$ <b>3,715,200</b>

Existing Total annual hour burden: 97,260 hours = 14,700 hours + 82,560 hours

Existing Cost burden: \$5,236,840 = \$1,048,600 + \$3,715,200.

b.) Proposed Changes:

The new proposed SCTW regulations (46 CFR Parts 10.303, 10.308 and 10.309) requires STCW training providers to adopt a quality standard system (QSS), maintain the QSS, and perform internal audits of the training provider midway during the validity period of a course’s acceptance. These new requirements will result in additional burden to STCW training providers in terms of reporting and recordkeeping. In order to comply with these new requirements the STCW training providers will have to (1) write and maintain a QSS manual on STCW courses, and (2) participate in an audit twice every five years and keep audit records for Coast Guard inspection as needed. The estimated number of STCW approved training providers associated with NMC is 141.

Writing a QSS manual would take a STCW training provider approximately 206 hours in the first year (205 hours for reporting and 1 hour for recordkeeping), and maintaining it would take 9 hours every year (8 hours for reporting and 1 hour for recordkeeping). Respectively, it would take 10 hours for each respondent to complete an internal audit twice every five years, or approximately 4 hours every year, (9 hours for reporting and 1 hour for recordkeeping).

This rule would increase the burden for 141 training providers by approximately 219 hours each. The total additional hours requested for this rulemaking is 30,879 [142 x (206 + 9 + 4)]. The requested hours can be divided into two categories: first year burden as STCW training providers adopt a QSS and annual burden to maintain the QSS once

adopted. The new additional burden for the first year is 29,046 hours and about 1,833 hours each year after the first year. Although the additional hours will be distributed over a three year period as described above, 30,879 reflects the maximum number of burden hours that could be incurred in the first year.

In calculating the cost of the burden hours, the Coast Guard used a “loaded” wage rate, which means it includes the costs of employee benefits (vacation, health insurance, other overhead costs). The hourly average costs of reporting and recordkeeping are obtained by loading mean hourly wage rate of \$26 for Training and Development Specialists as reported by BLS (<http://www.bls.gov/oes/current/oes131073.htm>) with a factor 1.48. We believe \$38.40/hour is a reasonable average cost of the employees who would write and maintain a QSS manual, audit internally STCW courses and reports them annually to NMC.

The annual cost burden for the first year and each year after the first year are \$1,117,690 and \$70,534, respectively, for a maximum total of \$1,188,224.

c.) New Combined Burden:

The current OMB inventory of total annual burden, as adjusted in January 2009, is 97,260 hours. Additional first-year hour burden from the proposed changes is 31,950 hours. Therefore, the total annual hours requested are 128,139hours [97,260 hours (current OMB inventory) + 30,879 hours (additional hours requested due to program change)].

The current OMB inventory of total annual cost, as adjusted in January 2009, is \$5,236,840. Additional first-year costs burden from the proposed changes is \$1,196,651. Therefore, the total annual cost requested is \$6,425,064 [\$5,236,840 (current OMB inventory) + \$1,188,224 (additional cost requested due to program change)].

**13. Estimate of annualized capital and start-up costs to proposed collection requirements.**

There would be no capital or start-up costs.

**14. Estimate of annualized Federal Government costs.**

The Coast Guard estimated that there would be about 700 annual requests for course approvals, including renewals, prepared by about 285 respondents. Field office personnel (GS-12/13/14) at the Regional Examination Centers (REC) conduct site inspections of training facilities. GS-7 personnel will draft, edit and mail site approval recommendations to NMC. At the NMC, approval requests are evaluated and determinations result in approval (or denial) letters and certificates being issued.

Using an in government GS-13 (in order to more conservatively estimate the cost burden) and GS-7 hourly pay estimates of \$67 and \$35 per hour, respectively, with all other operational costs being usual and customary:

<b>REC Hours &amp; Cost</b>	<b>Hours</b>	<b>Wage</b>	<b>Costs</b>
Inspections	2	\$ 67.00	\$ 134.00
Draft & Edit	1	\$ 35.00	\$ 35.00
Cost per Visit	3	--	\$ 169.00
Number of site visits	X 700		X 700
<b>REC TOTALS</b>	<b>2,100</b>		<b>\$ 118,300</b>

<b>NMC Hours &amp; Cost</b>	<b>Hours</b>	<b>Wage</b>	<b>Costs</b>
Inspections	8	\$ 67.00	\$ 536.00
Draft & Edit	1	\$ 35.00	\$ 35.00
Cost per Visit	9	--	\$ 571.00
Number of site visits	X 700		X 700
<b>NMC TOTALS</b>	<b>6,300</b>		<b>\$ 399,700</b>

	<b>Hours</b>		<b>Costs</b>
<b>COMBINED TOTALS</b>	<b>8,400</b>		<b>\$ 518,000</b>

The annual hour burden for the Federal Government: 8,400 hours = (3 hours/request + 9 hours/request) x 700 requests/year.

The total annual cost for the Federal Government: \$518,000 = \$118,300 + \$399,700.

The new proposed Supplementary Notice of Proposed Rulemaking (SNPRM) entitled “Implementation of the Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, and Changes to Domestic Endorsements” [Docket No. USCG-2004-17914; RIN 1625-AA16], does not impose any additional burdens on the Federal Government.

**15. Explain the reasons for proposed change in burden.**

The change in burden is due to PROGRAM changes as proposed by the Supplementary Notice of Proposed Rulemaking (SNPRM) entitled “Implementation of the Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, and Changes to Domestic Endorsements” [Docket No. USCG-2004-17914; RIN 1625-AA16], where training providers offering STCW courses must: 1) write and maintain a QSS manual on those courses; 2) arrange an internal audit of each Coast Guard approved STCW course twice every five years; and 3) keep the audit records for Coast Guard inspection as needed. As proposed, these changes impose additional reporting and recordkeeping burden.

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

There are no plans to use statistical analysis or to publish this additional information.

**17. Explain the reasons for seeking not to display the expiration date for OMB approval of the proposed information that would be collected.**

The Coast Guard will display the expiration date for OMB approval of this information collection.

**18. Explain each exception to the certification statement.**

The Coast Guard does not request an exception to the certification of this information collection.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

This proposed, additional collection of information does not employ statistical methods.