

**Supporting Statement
for
Application and Permit to Handle Hazardous Material**

A. Justification

1) Circumstances that make the collection of information necessary.

The Coast Guard and the Pipeline and Hazardous Materials Safety Administration (formerly Research and Special Programs Administration) have issued regulations to ensure the safe handling and transportation of explosives and hazardous materials. The Coast Guard's regulations have been issued under the Ports and Waterways Safety Act (33 USC 1225) which authorizes the Secretary of the department in which the Coast Guard is operating to establish procedures and standards for the handling, loading and unloading, storage, and movement of hazardous material on a vessel and/or a waterfront facility. These regulations are covered in 33 CFR 126.17 for facilities, and 49 CFR 176.100 and 49 CFR 176.415 for vessels. Improper stowage and handling of explosives or other hazardous material have led to catastrophic explosions which have caused extensive damage and death.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention
- Protection

Coast Guard

- Maritime Safety
- Maritime Stewardship

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

- Maritime Safety
- Human and Natural Environment

2) By whom, how, and for what purpose the information is to be used.

The Coast Guard Captain of the Port (COTP) uses these permits to determine whether safe practices are being followed in the stowage and handling of explosives and hazardous materials. Permits are issued, at times, for extended periods of time up to one year. COTPs schedule their patrols around permits in force to maximize people and equipment resources.

3) Consideration of the use of improved information technology.

The information required is particular and unique to each request. The "Application and Permit to Handle Hazardous Materials" form (CG-4260) can be downloaded from the Coast Guard's web site: http://www.uscg.mil/forms/cg/CG_4260.pdf. We estimate that 100% of the reporting requirements can be done electronically via e-mail. At this time, we estimate that 0% of responses are collected electronically.

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

This information is specific to each operation. There are no other similar Federal requirements or duplications known to exist.

5) Methods to minimize the burden to small business if involved.

This information collection does not have an impact on small businesses or other small entities.

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

If the information were not collected the COTP would be forced to expend more resources to ensure that the port was safe from potential hazardous conditions due to the possible improper handling of explosives or other hazardous materials. The COTP would no longer be able to target patrols for the most effective use of people and resources. The program is presently at a minimum level with most permits being issued for extended periods of time, up to one year in many cases, with terminals being able to notify via telephone only when they are handling explosive or other hazardous materials required to have a permit.

7) Explain any special circumstances that would cause the 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.

A 60-day Notice and 30-day Notice were published in the *Federal Register* to obtain public comment on this collection. (See USCG-2011-0016: February 2, 2011; 76 FR 5815; April 22, 2011, 76 FR 22717). The USCG has not received any comments on this information collection.

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

There is no offer of monetary or material value for this information collection.

10) Describe any assurance of confidentiality provided to respondents.

There are no assurances of confidentiality provided to the respondents for this information collection.

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

There are no questions of sensitive language.

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

- **The estimated annual number of respondents is 74.**
- **The estimated annual number of responses is 185.**
- **The estimated annual hour burden is 205 hours.**
- **The estimated annual cost burden is \$12,740.**

There are 74 respondents submitting an average of two and a half (2.5) applications per year. This information is based on an analysis of the available data in the MISLE system, for permits to handle explosives awarded from 2007-2009. The average time to complete the application is one hour per application and so this information collection contains 185 reporting burden hours (74 respondents × ~2.5 applications/respondent × 1 hour/application). The recordkeeping requirement is estimated at 0.1 hour per permit. This information collection contains 19 recordkeeping burden hours (185 × 0.1 hours). Permits must be maintained for one year at the work site as well as at the local COTP. This recordkeeping requirement is necessary because explosive cargoes are often maintained onboard ship for long periods of time. The inherent danger involving an accident makes it imperative that in the event of

an incident, specific information on the hazardous material stowed be immediately available to prevent potential catastrophic loss of life and property.

The estimated annual hour burden (186 + 19) is 205 hours.

The cost estimate was calculated using the appropriate wage rate categories for management (84.00 per hour for an O-3) and clerical (\$44.00 per hour for an E-4) and the hour burden figures.

It will take an average of approximately ½ an hour of management time to prepare and review the appropriate information required for the permit. It will likewise take approximately a ½ an hour of clerical time to type this information and 1/10 of an hour to file the resulting paperwork. Thus the total annual cost for submitting applications for permits as well as recordkeeping costs to the public is \$12,740. See Table 1 below for details.

**TABLE 1
ANNUAL HOUR AND COST BURDEN**

	Respondents	Responses*	Time (hours)	Burden Hours**	Applicable wage rate	Cost
Permit applications (management)	74	185	0.5	93	\$84.00	\$7,812
Permit applications (clerical)	74	185	0.5	93	\$44.00	\$4,092
Recordkeeping	74	185	0.1	19	\$44.00	\$836
ANNUAL TOTAL				205		\$12,740

* Estimate 2.5 responses per respondent.

** Calculations may be rounded.

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

There are no capital, start-up or maintenance costs associated with this information collection.

14) Estimates of annualized Federal Government costs.

It will take approximately an hour of management time to review the appropriate information required and issue the permit. It will take approximately 1/10 an hour of clerical time to file the resulting paperwork. The cost estimate was calculated using the appropriate wage rate categories for management and clerical, and the hour burden figures.

There are approximately 185 applications for permits per year based on information retrieved from MISLE. Table 2 illustrates the cost of \$15,213 that the Coast Guard will incur as a result of this information collection.

TABLE 2
ANNUAL HOUR AND COST BURDEN TO GOVERNMENT

	Responses	Time (hours)	Burden Hours*	Applicable wage rate	Cost
Permit applications (initial review, O-3)	185	0.5	93	\$67.00	\$6,231
Permit applications (senior review, O-5)	185	0.5	93	\$88.00	\$8,184
Recordkeeping (E-5)	185	0.1	19	\$42.00	\$798
ANNUAL TOTAL			205		\$15,213

* Calculations may be rounded.

15) Explain the reasons for the change in burden.

The change in burden is an ADJUSTMENT due to an increase in the number of permits issued in the past three years. There is no proposed change to the reporting and recordkeeping requirements of this collection. The reporting and recordkeeping requirements and the methodology for calculation burden remain unchanged

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

This information collection will not be published for statistical purposes.

17) Explain the reasons for seeking not to display the expiration date for OMB approval of the information collection.

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. Collections of Information Employing Statistical Methods.

Collection does not employ statistical methods.