

**Supporting Statement
for
Application for Tonnage Measurement of Vessels**

A. Justification

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.

Title 46, United States Code, section 14104 requires a vessel to be measured for tonnage if the application of a law of the United States to that vessel is determined by its tonnage. Tonnages are used as a basis for vessel taxes, licensing, inspections, safety requirements and operating fees. The law prescribes four systems of tonnage measurement; the "Convention Measurement System," the "Standard Measurement System," the "Dual Measurement System," and the "Simplified Measurement System." Tonnage measurement under the "Simplified Measurement System" is an option available to owners of certain qualifying vessels and requires the least amount of information to be collected. The authorization for submitting the application for tonnage measurement under the "Simplified Measurement System" is cited in 46 CFR 69.205.

Additional information is required if an owner requests certain tonnage treatment. These information requirements are at:

- (a) 46 CFR 69.117(f) (Request to exempt water-ballast space that is in excess of 30 per cent of the vessel gross tonnage);
- (b) 46 CFR 69.121(d) (Request to treat certain framed-in engine room spaces as part of a propelling machinery space.); and
- (c) 46 CFR 69.19 (Request for remeasurement and adjustment of tonnage).

CFR cites can be found at <http://www.gpo.gov/fdsys/pkg/CFR-2010-title46-vol2/pdf/CFR-2010-title46-vol2-part69.pdf>.

This information collection supports the following strategic goals:

Department of Homeland Security

- Prevention

Coast Guard

- Marine Safety

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

- Reduce risk of maritime casualties
- Facilitate commerce

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The information required for the optional "Simplified Measurement System" is collected on forms that are available at the National Vessel Documentation Center (NVDC). Information required for measurement under other systems (referred to as "formal measurement") is more complex in nature, and is submitted by the vessel owner to a third party organization delegated the authority by the Coast Guard to perform the service. The information being collected is used to establish a vessel's register dimensions and gross and net tonnages. Without the information a vessel could not be assigned tonnages or documented as a vessel of the United States.

3. Describe whether, and to what extent the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submissions of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Application forms for **simplified measurement** are available through the Internet at--
http://www.uscg.mil/hq/msc/interactive_tonnage.asp . The applicant has the choice of printing out the form, and then manually filling it in, or filling the form online using an online tonnage calculation tool. In either case, the completed forms may be transmitted to the NVDC by fax, mail, or as email attachments. For **formal measurement**, 100% of the reporting requirements can be accomplished electronically. We estimate that approximately 30% of the formal measurement responses (about 1% of the total tonnage measurement responses) are collected electronically. The NVDC e-mail is NVDC.pdf.filing@uscg.mil.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in item 2 above.

There is no duplication of information collected; only one submittal is required per vessel and each vessel is an individual case. The information collected is not adaptable for any other U.S. Coast Guard purpose. Tonnage measurement is frequently the first step required to document a vessel. There is no other source for this information at that time. The information necessary to process the submittal is available only from the applicant or vessel manufacturer.

5. If the collection of information impacts small businesses or small entities (item 5 of OMB Form 83-1), describe any methods used to minimize burden.

There is potential impact on small businesses or entities, since designers, builders, owners, or operators of U.S.-flag vessels

who submit tonnage related information are often small businesses or entities. To minimize this impact, considerable flexibility is allowed in the way data can be submitted. The Application for Simplified Measurement is available on a USCG Web site to facilitate access to this form.

6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing the burden.

The collection of information necessary to measure a vessel for tonnage is a one-time requirement for the documentation of a vessel and, therefore, cannot be reduced. Once a vessel is documented, there is no further measurement requirement unless the vessel is altered, or undergoes a change in service, number of passengers, or other factors that could affect the assigned gross or net tonnage.

7. Explain any special circumstance for the information collection.

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

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

A 60-day Notice was published in the *Federal Register* to obtain public comment on this collection. (See [USCG-2011-0119]; March 21, 2011; 76 FR 15330). Additionally, a 30-day Notice was published in the *Federal Register* to obtain public comment on this collection (June 14, 2011; 76 FR 34737). The Coast Guard has not received any comments on this information collection.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

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

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

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

11. Provide additional justification for any questions of a sensitive nature.

There are no questions of sensitive language.

12. Provide estimates of the hour burden and annualized cost to respondents for the collection of information.

Total number of annual respondents:	9,001
Total number of annual responses:	9,001
Total annual hour burden:	19,160
Total annual cost burden:	\$766,400

This collection account for 2 different methods of tonnage measurement—

- (a) Simplified Measurement System
- (b) Convention Measurement System, Standard Measurement System or Dual Measurement System

(a) For all vessels that an owner elects to have the tonnages assigned under the "Simplified Measurement System" method, a form is provided by the Coast Guard. The following burden estimate is based on previous years.

Method of determining maximum response time of respondents:

Acquiring form	0.5 hours
Research	0.5 hours
Determine vessel dimensions	0.5 hours
Complete application	0.5 hours
Total 2.0 hours	

Number respondents per year	8,615
Frequency	one time
Annual burden hours (2.0 x 8,615)	= 17,230

(b) For vessels that have tonnages assigned under the "Convention Measurement System", the "Standard Measurement System", and the "Dual Measurement System", burden could be as little as that required under the "Simplified Measurement System" or much greater if the owner requests certain options that may require preparation of special plans and or water ballast justification calculations. There is considerable variance in the amount of information required, since it is not always directly related to vessel size or service. Accordingly, an average response time was estimated by considering the time

required to prepare, assemble, and submit all special plans and other information required for a "typical" vessel. Using this method, an estimate of 5 hours burden per vessel was arrived at.

The following total burden estimate is based on previous years:

Number of respondents per year	386
Frequency	one time
Annual burden hours (5 x 386)	= 1,930

The average annual burden for an application is calculated by dividing the total burden hours by the total number of applicants:

Total burden hours	17,230 + 1,930 =	19,160
Total applications	8,615 + 386 =	9,001
Average burden	19,160/9,001 =	2.1 hours

Estimated cost to the public:

(a) An average of 2 hours per applicant burden is required for each vessel measured under the "Simplified Measurement System." Total responses are expected to be 8,615 per year. The average cost to the public is \$40 per hour¹. Therefore, \$689,200 is the annual cost to the public (2 x 8,615 x \$40 = \$689,200), or \$80 per vessel.

(b) An average of 5 hours per applicant is required for each vessel measured under either the "Convention Measurement System," the "Standard Measurement System," and the "Dual Measurement System." Total responses are expected to be 386 per year. The average cost to the public is \$40 per hour. Therefore, \$77,200 is the annual cost to the public (5 x 386 x \$40 = \$77,200), or \$200 per vessel.

(c) **Total estimated annual cost to the public:**

\$689,200
\$77,200
\$766,400

13. Provide an estimate of annualized capital and start-up costs to respondents.

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

14. Provide estimates of annualized cost to the Federal Government.

Estimated cost to the Federal Government:

¹ Equivalent to pay grade WG-08 from Commandant Instruction 7310.1L.

(a) Processing applications for measurement under the "Simplified Measurement System" requires 0.25 person-hours each. Total responses are expected to be 8,615 per year, for a total of 2,154 person-hours. The average salary is \$30 per hour². Therefore, the estimated cost to the Federal Government is $8,615 \times 0.25 \times \$30 = \$64,613$. The decrease in responses from the previous report is the result of a decrease in vessels being documented. The Coast Guard does not collect the information needed to explain this documentation trend.

(b) Authority to issue tonnage assignments to all vessels under the "Convention Measurement System," the "Standard Measurement System," and the "Dual Measurement System" was delegated to third party organizations. The annual time expenditure to oversee these 386 submissions is approximately 246 person-hours. The average salary is \$67 per hour³. Therefore, the estimated cost to the government for oversight is $246 \times \$67 = \$9,348$.

(c) **Total estimated annual cost** to the Federal government:

\$64,613
<u>16,482</u>
\$81,095

15. Explain the reasons for any change in burden.

The change (i.e., decrease) in burden is an ADJUSTMENT due to a decrease in the number of vessels being documented. The Coast Guard does not collect the information needed to explain this documentation trend. There is no proposed change to the reporting or recordkeeping requirements of this collection. The reporting and recordkeeping requirements, and the methodology for calculating burden, remain unchanged.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used.

This information collection will not be published for statistical purposes.

17. If seeking approval not to display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

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

18. Explain each exception.

² Equivalent to pay grade WG-04 from Commandant Instruction 7310.1L.

³ Equivalent to pay grade GS-13 from Commandant Instruction 7310.1L.

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

B. Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.