

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) (33 CFR Part 8, Subpart E) 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

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. 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.

Information may be submitted in writing or electronically via e-mail, to the CG Officer in Charge, Marine Inspection (OCMI) at the local Sector Office. Contact info for CG

OCMIs can be found at— <http://www.uscg.mil/top/units/>. Shipboard test, inspection and examination records may be maintained in written or electronic form. We estimate that 30% 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.

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

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.

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

8. Consultation.

A 60-day and a 30-day Notice were published in the *Federal Register* to obtain public comment on this collection. (See [USCG-2011-0336]; May, 9, 2007; 76 FR 26746; and July 15, 2011; 76 FR 41806). The USCG has not received any comments on this information collection.

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

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

10. Describe any assurances 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 **27**.
- The estimated annual number of responses is **80**.
- The estimated annual hour burden is **2,774 hours**.
- The estimated annual cost burden is **\$235,790**.

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)	18	10
Small Passenger (Sub K)	10	4
Large Passenger (Sub H)	2	2
Offshore Supply (Sub L)	45	2
Cargo (Sub I)	20	4
Tank Ships (Sub D)	0	0
Tank Barges or Oil Spill Response Vsls (Sub D or O)	34	5
Total	129	27

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 \$85.00/hour¹. Assuming one application from each of the operators predicted to participate in the program, there would be 27 applications filed over the next 3 years or 9 applicants annually.

¹ Pay scale = GS14 Out of government rate COMDTINST 7310.1L.

Future Participants: 27 companies/3 years = 9 companies/year
Hours: 9 companies/year x 16 hour/company = 144 hours
Cost: 144 hours/year x \$85.00/hour = \$12,240/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 27 companies over the next 3 years or 9 companies or operators per year, and there will be one response per respondent.

Future Participants: 27 companies/3 years = 9 companies/year
Hours: 9 companies/year x 80 hours/company = 720 hours/year
Cost: 720 hours/year x \$85.00/hour = \$61,200/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: 27 companies/2 years = 14 companies/year
Hours: 14 companies x 10 hours/company = 140 hours
Cost: 140 hours/year x \$85.00/hour = \$11,900/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 27 over the next 3 years or 9 annually. The Coast Guard estimates a VAP will require 40 hours per vessel, as performed by the company’s SIP agent at \$85.00/hour.

Future Participants: 129 vessels/3 years = 43 vessels/year
Hours: 43 vessels x 40 hours/vessel = 1,720 hours
Cost: 1,720 hours x \$85.00/hour = \$ 146,200

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: 27 companies/5 years = 5 companies/year
Hours: 5 companies x 10 hours/company = 50 hours
Cost: 50 hours x \$85.00/hour = \$4,250/year

d. Total Annual Hours and Costs

Table 2. Total Annual Hours and Costs

SIP Requirement	Responses	Hours per Response	Annual Burden Hours	Wage Rate	Annual Cost
a. Application	9	16	144	85	\$12,240
b. CAP	9	80	720	85	\$61,200
CAP Update	14	10	140	85	\$11,900
c. VAP	43	40	1,720	85	\$146,200
VAP Update	5	10	50	85	\$4,250
Total	80		2,774		\$235,790

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 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 hours 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.

$$(72 \text{ hours}) + (720 \text{ hours}/4) + (1,720 \text{ hours} /4) + ((14 + 5) \times 2 \text{ hours}) = 720 \text{ hours}$$

At \$72.00/hour for an O-3/4 in Gov't (COMDTINST 7310.1L) this totals to a cost of \$51,840.

15. Reasons for the change in burden.

The change in burden is an ADJUSTMENT due to a change in the number of SIP participants (i.e., companies and vessels). 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. Plans for tabulation, statistical analysis and publication.

This information collection will not be published for statistical purposes.

17. Approval to not display expiration.

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

18. 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 information collection does not employ statistical methods.