

**SUPPORTING STATEMENT
FOR
LABELING REQUIRED IN 33 CFR PARTS 181 AND 183 and 46 CFR 25.10-3
OMB Control No.: 1625-0056
Collection Instruments: None**

JUSTIFICATION

1. CIRCUMSTANCES WHICH MAKE COLLECTION OF INFORMATION NECESSARY

In accordance with Section 4302(a)(3) of Title 46 of the U.S. Code: "the Secretary may prescribe regulations requiring or permitting the display of seals, labels, plates, insignia or other devices for certifying or evidencing compliance with safety regulations and standards of the United States Government for recreational vessels and associated equipment."

Parts 181 and 183 of Title 33, Code of Federal Regulations and 46 CFR 25.10-3 contain the regulations and safety standards authorized by the statutes which apply to manufacturers of recreational boats, un-inspected commercial vessels and associated equipment. The regulations and safety standards contain information collections, which require boat and associated equipment manufacturers, importers and the boating public to apply for serial numbers and to display various labels evidencing compliance: Hull Identification Numbers; U.S. Coast Guard Maximum Capacities Label; Gasoline Fuel Tank Label; USCG Type Fuel Hose Label; and Certified Navigation Light Label.

Hull Identification Numbers (33 CFR 181.21 through 181.35): The Hull Identification Number is a 12 character serial number (similar to the VIN on an automobile), which provides evidence of compliance with regulations and uniquely identifies each boat manufactured by an individual for his or her own use or manufactured or imported by a company for the purposes of sale. The first three characters in each Hull Identification Number are a three character Manufacturer Identification Code the Coast Guard assigns to each manufacturer and importer who submits an application (33 CFR 181.31).

U.S. Coast Guard Maximum Capacities Label (33 CFR 183.21 through 183.27): The U.S. Coast Guard Maximum Capacities label gives consumers a guide in selecting safe loading and powering capacities for mono hull boats less than 20 feet in length. The label also evidences compliance with the Safe Loading and/or Safe Powering Standards in 33 CFR Part 183.

Gasoline Fuel Tank Label (33 CFR 183.514): The label evidences compliance with requirements for fuel tanks in the Coast Guard Fuel System Standard in 33 CFR Part 183, and provides information to members of the public who purchase fuel tanks for use in recreational boats and to manufacturers, dealers and installers of fuel tanks in recreational boats.

USCG Type Fuel Hose Label (33 CFR 183.540): The label evidences compliance with requirements for fuel hose in the Coast Guard Fuel System Standard in 33 CFR Part 183, and provides information to members of the public who purchase fuel hoses for use in recreational boats and to manufacturers, dealers and installers of fuel hoses in recreational boats.

Certified Navigation Light Label (33 CFR 183.810 & 46 CFR 25.10-3): The label evidences compliance with requirements for navigation lights in 33 CFR Part 183 and 46 CFR 25, and provides information to members of the public who purchase navigation lights for use in recreational boats and to manufacturers, dealers and

installers of navigation lights in recreational boats and un-inspected commercial vessels.

2. HOW, BY WHOM, HOW FREQUENTLY AND FOR WHAT PURPOSE IS THE INFORMATION USED?

Hull Identification Numbers: All recreational boats manufactured in or imported into the United States for the purposes of sale must be identified with two Hull Identification Numbers (HIN). The HIN provides a unique identification for each boat: (1) a primary HIN affixed to the transom; and (2) a secondary HIN affixed somewhere on the interior of the boat or beneath an item of hardware. The secondary HIN required in the regulations is used in tracing lost stolen or abandoned boats. The first three characters in the HIN are the Manufacturer Identification Code (MIC). The regulations require each recreational boat manufacturer or U.S. importer to request a MIC in writing. Manufacturers of recreational boats for the purposes of sale to the public must provide the Coast Guard with their company name and address, and a brief description of the types and lengths of boats the company will manufacture (33 CFR 181.31(a)). The information is used to determine which manufacturers are building boats subject to U.S. Coast Guard safety standards. Importers of foreign-built boats for the purposes of sale to the public must provide the Coast Guard with their company name and address, a list of the foreign manufacturers whose boats they will import and a brief description of the types and lengths of boats the company will import (33 CFR 181.31(b)). Individuals who build or import a boat for their own use and not for the purposes of sale do not request a MIC from the Coast Guard. Instead, each "Backyard Boat Builder" requests an entire Hull Identification Number from the issuing authority in the State in which the individual resides (33 CFR 181.31(c)). The MIC in an HIN issued by a State consists of the State abbreviation followed by the letter, "Z." Characters four through eight are a manufacturer serial number consisting of letters of the English alphabet (except "I," "O" and "Q") or Arabic numerals or both. A manufacturer or importer may choose any serial number sequence as long as each boat has a different HIN.

Note: For the purposes of calculating the burdens associated with the requirement for two Hull Identification Numbers, no burdens are associated with determining a hull serial number. This is because there are literally thousands of possible sequential serial number combinations, i.e., 00001, 00002, 00003, etc. or A0000, B0000, C0000, etc., which do not require any special expertise to assign. Some manufacturers might incur additional burdens in determining hull serial numbers indicative of vessel-specific information of significance to the manufacturer such as factory where boat was manufactured, boat type, type of propulsion, etc. However, such burdens involve optional designations available to a manufacturer, and are not required for compliance with the HIN regulations.

Characters nine and 10 indicate the date of certification for boats subject to an applicable Coast Guard safety standard in 33 CFR Part 183 (mono hull boats less than 20 feet in length except sailboats, canoes, kayaks and inflatables and any boat with a permanently installed gasoline engine). In all other cases characters nine and 10 indicate the date of manufacture. Characters 11 and 12 indicate the model year of the boat, such as "13" for 2013.

Purpose of the HIN Requirement: Boat manufacturers, the Coast Guard and various State and Federal agencies use the MIC and the HIN to identify boats subject to recall in accordance with 46 U.S.C. 4310; to identify the date of a boat's construction and the safety standards in effect when it was built; to identify boats being registered; to identify boats involved in accidents; and to trace lost, stolen or abandoned boats. The information describing the types and sizes of boats manufactured is used to determine which manufacturers are building boats subject to U.S. Coast Guard safety standards for the purposes of compliance inspection (factory visits) and enforcement.

U.S. Coast Guard Maximum Capacities Label: Manufacturers and importers of boats subject the Safe

Loading and Safe Powering Standards in Subparts C and D of 33 CFR Part 183 must affix a U.S. Coast Guard Maximum Capacities label. Required wording and format are supplied by the Coast Guard; however, the manufacturer must perform certain tests and calculations to determine the individual values which apply to each boat model (Safe Loading and Safe Powering capacities are usually the same for all additional units of the same model).

The U.S. Coast Guard Maximum Capacities label displays the maximum person(s) capacity (in terms of the number of persons and in terms of the number of pounds), the maximum weight capacity in pounds (persons, motor and gear for outboard powered boats and persons and gear for inboards and stern drives) and the maximum horsepower capacity (outboard powered boats only). The U.S. Coast Guard Maximum Capacities label gives the consumer a guide in selecting appropriate loads and an appropriate maximum horsepower for certain outboard powered boats.

The Display of Capacity Information, Safe Loading and Safe Powering Standards were developed because statistics had shown that mono hull boats less than 20 feet in length, except sailboats, canoes, kayaks and inflatable boats were involved in significant numbers of accidents due to overloading or overpowering. A small boat hull can physically accommodate more people and more weight or a larger motor (outboards only) than many boats can safely carry.

Gasoline Fuel Tank Label: Manufacturers and importers of boats equipped with a permanently installed gasoline engine must comply with the Fuel System Standard in Subpart J of 33 CFR Part 183. Gasoline fuel tanks must be labeled in accordance with 33 CFR 183.514. Required wording for part of the label and the format for the label are specified in the regulations; however, the tank manufacturer must perform tests and calculations to validate the safety of the tank and determine some information which is different for various models and is the same for additional units of the same model. Information concerning month and year of manufacture changes according to when the fuel tank is manufactured.

Note: The Fuel System Standard in which the labeling requirements for fuel tanks appear applies to the boat manufacturer; however, most boat manufacturers do not build their own fuel tanks. Therefore, fuel tank manufacturers are actually the respondents who are subject to the labeling requirements.

Each fuel tank label must contain:

1. Fuel tank manufacturer's name (or logo) and address;
2. Month (or lot number) and year of manufacture;
3. Capacity in U.S. gallons;
4. Material of construction;
5. The pressure the tank is designed to withstand without leaking;
6. Model number, if applicable;
7. The statement, "This tank has been tested under 33 CFR 183.580"; and
8. If the tank is tested in accordance with 183.584 at less than 25g vertical accelerations, the statement, "Must be installed aft of the boat's half length."

The requirements for fuel tank labels are necessary to reducing the number of deaths and injuries and the amount of property damage caused by fires and explosions of gasoline on boats. The information required on the fuel tank label and the tests that must be performed on a fuel tank are consistent with voluntary industry standards that have been in existence since the 1950's. Also since the 1950's, marine surveyors inspecting boats for insurance companies required the information included in the voluntary standards for their inspection of boats.

USCG Type Fuel hose label: Manufacturers and importers of boats equipped with a permanently installed gasoline engine must comply with the Fuel System Standard in Subpart J of 33 CFR Part 183. Gasoline fuel hoses must be labeled in accordance with 33 CFR 183.540(e) and (f). Required wording and the format for the label are specified in the regulations; however, the manufacturer must perform tests to determine the permeation rates of four different types of hose. Also, the year of manufacture must be displayed on the hose.

Note: The Fuel System Standard in which the labeling requirements for fuel hoses appear applies to the boat manufacturer; however, most boat manufacturers do not manufacture their own fuel hoses. Therefore, fuel hose manufacturers are actually the respondents who are subject to the labeling requirements.

Each fuel hose must bear a label, which contains the following information:

1. The statement "USCG TYPE (insert A1, A2, B1 or B2)";
2. The year in which the hose was manufactured; and
3. The manufacturer's name or registered trademark.

The Fuel System Standard requires different types of hose depending upon where the hose is installed in a boat and whether or not it will pass a two and one-half minute fire test.

Fuel hose labels are necessary to identify fuel hose which is resistant to permeation due to alcohol-blended fuels for the purposes of reducing the number of deaths and injuries and the amount of property damage caused by fires and explosions of gasoline on boats.

Certified Navigation Light label: Manufacturers and importers of recreational boats and un-inspected commercial vessels equipped with a navigation lights must install navigation lights, which comply with the Navigation Rules. Navigation lights must be labeled in accordance with 33 CFR 183.810 and 46 CFR 25.10-3. Required wording and the format for the label are specified in the regulations; however, the manufacturer must perform tests to determine whether or not a navigation light model meets the requirements of the regulations.

Note: The Navigation Light Standard in which the labeling requirements for navigation lights appear applies to the boat manufacturer; however, most boat manufacturers do not manufacture their own navigation lights. Therefore, navigation light manufacturers are actually the respondents who are subject to the labeling requirements.

Each navigation light must bear a label, which contains the following information:

1. "USCG Approval 33 CFR 183.810."
2. "MEETS." (Insert the identification name or number of the standard under paragraph 33 CFR 183.810(a)(2) of this section, to which the laboratory type-tested.)
3. "TESTED BY." (Insert the name or registered certification-mark of the laboratory listed by the Coast Guard that tested the fixture to the standard under paragraph (a)(2) of this section.)
4. Name of manufacturer.
5. Number of model.
6. Visibility of the light in nautical miles.
7. Date on which the light was type-tested.
8. Identification and specifications of the bulb used in the compliance test.

Navigation light labels are necessary to identify lights, which meet applicable requirements in the Navigation Rules, thereby reducing the number of deaths and injuries and the amount of property damage caused by collisions at night involving recreational boats and un-inspected commercial vessels.

Frequency of Labeling Requirements:

Hull Identification Number: Twice per boat. A primary HIN on the transom and a secondary HIN somewhere on the interior of the boat. **Application of Manufacturer Identification Code (MIC):** Once per boat manufacturer, unless manufacturer has multiple plants or product lines and desires additional MICs. Individuals who build or import a boat for their own use and not for the purposes of sale do not request a MIC from the Coast Guard. Instead, each "Backyard Boat Builder" requests a single, entire Hull Identification Number from the issuing authority in the State in which the individual resides.

U.S. Coast Guard Maximum Capacities Label: Once per monohull boat less than 20 feet in length, except sailboats, canoes, kayaks and inflatables.

Gasoline Fuel tank label: Once per permanently installed gasoline fuel tank.

USCG Type Fuel hose label: On the outside of the hose at intervals of 12 inches or less.

Certified Navigation Light label: Once on navigation light so that it is visible without removing or disassembling the light.

3. CONSIDERATION GIVEN TO THE USE OF IMPROVED INFORMATION TECHNOLOGY

As a practical matter, there is no means for applying improved information technology to the display of labels, beyond improvements in label manufacture and construction. Some of the labeling requirements have been amended periodically to increase the usefulness or prominence of the information displayed. The use of computer-generated labels, in lieu of conventional molded plastic or metal labels, has been considered in estimating the burdens and costs associated with the display of some labels.

Explain how you will provide a fully electronic reporting option by October 2003, or an explanation of why this is not practicable.

The labeling requirements in 33 CFR Parts 181 and 183 and 46 CFR 25.10-3 do not involve information collected by the Coast Guard. Instead, the regulations require manufacturers of recreational boats and un-inspected commercial vessels and associated equipment to perform certain tests and to display labels on their products as evidence of compliance with applicable Coast Guard safety standards and regulations. The labels provide information, which is important to prospective purchasers, owners, operators and repairers of recreational boats and un-inspected commercial vessels and associated equipment. There is no practical way to collect (provide) the information electronically.

4. EFFORTS TO IDENTIFY DUPLICATION

This information is not collected in any form, and therefore is not duplicated elsewhere.

5. IF THE COLLECTION OF INFORMATION INVOLVES SMALL BUSINESSES OR OTHER SMALL ENTITIES, DESCRIBE METHODS USED TO MINIMIZE BURDENS:

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

6. CONSEQUENCE TO COAST GUARD BOATING STANDARDS PROGRAM IF LABELING REQUIREMENTS ARE WITHDRAWN OR INFORMATION IS COLLECTED LESS FREQUENTLY.

In the absence of the Hull Identification Number requirements, there is no way to individually identify each boat built by every manufacturer or importer. This would make it impossible to identify the date of a boat's construction and the safety standards in effect when it was built; to identify boats being registered; to identify boats involved in accidents; and to trace lost, stolen or abandoned boats. The regulations governing Manufacturer Identification Codes; require a single application for a MIC.

In the absence of a requirement for a U.S. Coast Guard Maximum Capacities label, there would be increased accidents involving sinking, capsizing, swamping and drowning involving small boats.

The absence of a Gasoline Fuel Tank Label would remove information useful to the boat owner who needs a suitable replacement fuel tank and would make it impossible for the Coast Guard, marine surveyors and manufacturers to determine whether tanks installed in recreational boats meet applicable requirements. This would increase the risk for increased numbers of fires and explosions on recreational boats because of non-complying fuel tanks.

The absence of the USCG Type Fuel Hose Label would remove information necessary to determine whether a hose installed meets applicable requirements and finding equivalent replacement hose. This would increase the risk for increased numbers of fires and explosions on recreational boats because of non-complying fuel hoses.

The absence of the Certified Navigation Light Label would remove information necessary to determine whether lights being installed on recreational boats and un-inspected commercial vessels meet applicable requirements and finding equivalent replacement lights. This would increase the risk for higher numbers of nighttime collisions involving recreational boats and un-inspected commercial vessels because of non-complying lights.

Manufacturers of boats subject to labeling requirements in 33 CFR Parts 181 and 183 do not have to furnish the information more than the single time before the boat is offered for sale to the public.

7. CIRCUMSTANCES WHICH REQUIRE COLLECTION TO

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

8. DESCRIBE EFFORTS TO CONSULT WITH PERSONS OUTSIDE THE AGENCY:

A 60-day Notice (See [USCG-2013-0133], April 1, 2013, 78 FR 19504) and 30-day Notice (July 16, 2013, 78 FR 42533) were published in the Federal Register to obtain public comments on this collection. The Coast Guard has not received any comments on this information collection.

The Coast Guard Office of Boating Safety also conducts two meetings of the National Boating Safety Advisory Council each year. The Council is made up of a total of 21 members; seven members represent the boating industry; seven are State boating authorities; and seven represent the boating public. Issues involving Coast Guard regulations applicable to boat manufacturers, including labeling requirements, are routinely discussed at

NBSAC meetings. In addition, every five years the Coast Guard conducts regulatory reviews under the auspices of NBSAC for all of the regulations applicable to manufacturers of recreational boats and associated equipment.

9. EXPLAIN ANY DECISION TO PROVIDE ANY PAYMENT OR GIFT TO RESPONDENTS

USCG does not provide payments or gifts to respondents in exchange for a benefit sought.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS:

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 a sensitive language.

12. PROVIDE ESTIMATES OF THE BURDEN OF COLLECTION OF INFORMATION

SUMMARY OF EXISTING AND NEW ANNUAL BURDEN HOURS FOR THE LABEL REGULATIONS

Information Collection (IC)	Burden (hours)	
	Existing	New (2012)
Hull Identification Number	254,290	129,289
Maximum Capacities Label	33,875	21,731
Fuel Tank	2,548	1,285
Fuel Hose	6,666	2,860
Navigation Lights	1,763	1,005
Total	299,142	156,170

A. Hull Identification Number (applies to all recreational boats)

Manufacturer Identification Code (MIC): The regulations require each recreational boat manufacturer or U.S. importer to write the Coast Guard and request a MIC supplying their company name and address, and a brief description of the types and lengths of boats the company will manufacture. The following is a summary of the numbers of Manufacturer Identification Codes the Office of Boating Safety has issued for the last 10 years.

YEAR	# OF MANUFACTURER
2012	177
2011	197
2010	212
2009	124
2008	218
2007	200
2006	182
2005	254
2004	272
2003	323
TOTAL	2159
AVERAGE	2159/10 = 216

Therefore, the average number of respondents is 216.

Time to Request MIC: .08333 hours [5 min*(1/60)hr/min = .08333 hours]

Responses: 216

1 Response per respondent

$216 \times .08333 = 17.9928 = 18 \text{ hours to request MIC}$

Recordkeeping: None

Hull Identification Numbers for Individuals building their own boats (BYBBs)

Responses: 17,075* BYBBs annually (1 per respondent)

* Based on 4 State survey in 1989

Preparation time: .08333 hours [5 min. per response]

$17,075 \times .08333 = 1,422.8598 = 1,423 \text{ hours to request BYBB HIN}$

Recordkeeping: None

Display of HIN

Time Required to affix: .16667 hours [10 min. per boat*(1/60)hr/min = .16667 hours]

Estimated Annual Production: 750,000

BYBB HINs = 17,075

Total: $750,000 + 17,075 = 767,075$.

$767,075 \times .16667 = 252,845.833 = 127,848 \text{ hours to display HIN}$

Summary for HIN:

Hull ID #	Hours
MIC	18
BYBBs	1,423
Display of HIN	127,848
TOTAL	129,289

Recordkeeping: None

B. U.S. Coast Guard Maximum Capacities Label (testing for new models; display for all boats subject to the standard; no recordkeeping)

Safe Loading

Estimated 1000 new models introduced annually

Two people one eight hour day to conduct test = 16 hours

$16 \times 1000 = 16,000 \text{ hours to test}$

Safe Powering

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Estimated 900 new models introduced annually
One person one hour to measure boat and make calculations
 $900 \times 1 = \mathbf{900 \text{ hours to test}}$

Time Required to Affix U.S. Coast Guard Maximum Capacities Label

Label	Boat types on which displayed	Units Sold*			
		2009	2010	2011	3 yr. avg
Maximum Capacities Label	Outboard boats, inboard ski/wake boats, jetboats, sterndrive boats	154,100	140,000	140,740	144,947

*Source: The 2011 Recreational Boating Abstract is a comprehensive summary of statistics on the recreational boating industry in the United States. It presents data collected by the National Marine Manufacturers Association (NMMA) through a coalition of sources brought together by the NMMA Industry Statistics & Research Department. See <http://www.nmma.org/statistics/publications/statisticalabstract.aspx>.

Estimated 2 minutes to affix label

$2 \times 144,947 = 289,888/60 = \mathbf{4,831 \text{ hours to affix}}$

16,000.0
900.0
4,831.0
21,731.0 hours Total Annual Burden for Display of Capacity Information

C. Fuel Tank Label (testing for new models; display for all boats subject to the standard; no recordkeeping)

Testing Gasoline Fuel Tank for Purposes of Label Display:

New Tank Models Manufactured Annually = 50
15 minutes to conduct Static Pressure Test
 $15 \times 50 = 750/60 = \mathbf{13 \text{ hours to Test Tanks}}$

Display of Label

Time Required to affix: 2 minutes per tank

Label	Boat types on which displayed	Units Sold*			
		2009	2010	2011	3 yr. avg
Fuel tank Label	Inboard ski/wake boats, jetboats, inboard cruisers, sterndrive boats	39,600	29,500	27,080	32,060

*Source: See footnote above

$32,060 \times 2 \text{ min.} = 64,120/60 = \mathbf{1,069 \text{ hours to label tanks}}$

Recordkeeping: None

216.0
1,069.0

1,285.0 hours Total Annual Burden for Fuel Tank Label

D. U.S. Coast Guard Type Fuel Hose Label (testing for all batches; display for all hose used on boats subject to the standard; no recordkeeping)

Label	Boat types on which displayed	Units Sold*			3 yr. avg
		2009	2010	2011	
Fuel hose Label	Inboard ski/wake boats jetboats, inboard cruisers sterndrive boats	39,600	29,500	27,080	32,060

* See footnote above

Fuel hose installed in a boat = Approximately 20 feet
 20 x 32,060 = 647,700 feet of hose
 Estimated 5,000 feet of hose per batch manufactured
 647,700/5000 = 130 batches of hose manufactured annually
 Estimated 20 hours to test a batch of fuel hose

20 x 130 = **2,600 hours to test**

Labeling Fuel Hose

130 batches manufactured annually
 Labels are painted on using a roller
 Estimated 2 hours to manufacture and label a batch
 2 x 130 = **260 hours to label fuel hose**

Recordkeeping: None

2,600.0

260.0

2,860.0 hours total annual burden for Fuel Hose Label

E. Certified Navigation Light Label (testing for new models; display on all lights for boats subject to the standard; no recordkeeping)

Testing Certified Navigation Lights for the Purposes of Label Display:

There are nine manufacturers of navigation lights on the market.

The testing portion of this information collection takes place only when a manufacturer wants to place a new light on the market.

We estimate that it takes one employee a total of one hour to prepare the paperwork to submit a light for performance tests and actual testing would take approximately one hour.

If each of these manufacturers submits three new models of lights for testing each year, the burden for testing is:

9 manufacturers x 2 hours x 3 lights = 54 hours burden for testing

Labeling navigation lights:

Much of the verification is printable on an insert with the package, or on a sticker (described in Title 33 CFR 183.810). If the insert and/or sticker are machine inserted or applied, we estimate 5 seconds per navigation light for labeling

Label	Boat types on which displayed	Units Sold*			
		2009	2010	2011	3 yr. avg
Navigation light Label	All boats operated at night Outboard boats, inboard ski/wake boats, jetboats, inboard cruisers sterndrive boats, sailboats	162,500	146,630	147,430	152,187

The typical recreational boat or un-inspected vessel displays from three to six navigation lights (sidelights, masthead light, a stern light and an anchor light)

$$3 + 4 + 5 + 6 = 18/4 = 4.5 \text{ lights average per vessel}$$

$$152,187 \times 5 \text{ seconds} = 760,935/60 = 12,682 \text{ minutes} \times 4.5 = 57,070$$

57,070/60 = 951 hours burden for labeling

54.0

951.0

1005.0 = 1005 hours total annual burden for Navigation Light Label

SUMMARY TOTAL ANNUAL BURDEN FOR LABELING REQUIRED IN 33 CFR PARTS 181 AND 183 and 46 CFR 25.10-3

SECTION 12	DESCRIPTION	ANNUAL BURDEN HOURS
12.A	HIN	129,289
12.B	Display Capacity Information	21,731
12.C	Fuel Tank Label	1,285
12.D	Fuel Hose Label	2,860
12.E	Navigation Light Label	1,005
Total		156,170

13. PROVIDE AN ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS OR RECORDKEEPERS RESULTING FROM THE COLLECTION OF INFORMATION:

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

SUMMARY OF EXISTING AND NEW ANNUAL COST TO RESPONDENTS FOR THE LABEL REGULATIONS

Information Collection (IC)	Production Costs (\$)
	(2012)
Hull Identification Number	\$498,662.00
Maximum Capacities Label	\$441,018.20
Fuel Tank	\$19,886.00
Fuel Hose	\$43,550.00
Navigation Lights	\$183,400.00

Total	\$1,186,516.20
Information Collection (IC)	Man Hour Costs (\$)
	New (2012)
Hull Identification Number	\$3,196,572.96
Maximum Capacities Label	\$120,775.00
Fuel Tank	\$26,725.00
Fuel Hose	\$6,500.00
Navigation Lights	\$23,775.00
Total	\$3,374,347.96

A. Hull Identification Number (applies to all recreational boats)

Request for a Manufacturer Identification Code:

(Manufacturers and Importers)

Responses: 216 new manufacturers annually (1 per respondent)

Preparation time: 5 min. per response

Estimated hourly cost for secretary: \$15.32*

*Source: BLS May 2011 National Occupational Employment and Wage Estimates

Postage per response = \$.45

(No recordkeeping)

$216 \times 5 \text{ min} = 1080/60 = 18 \text{ hours}$

$18 \times \$15.32 = \275.76

$\$0.45 \times 216 = \97.20

$\$275.76 + \$97.20 = \mathbf{\$372.96 \text{ to request MIC}}$

Request for Hull Identification Number:

(Backyard Boat Builders [BYBB])

Responses: 17,075* BYBBs annually (1 per respondent)

* Based on estimates from 4 State survey in 1989

Postage per response = \$.45

(No recordkeeping)

Cannot estimate cost of time to the public

Cannot estimate cost of recordkeeping to the public

$17,075 \times \$0.45 = \mathbf{\$7,684.00 \text{ estimated total annual postage cost}}$

HIN Label Production Costs:

Estimated Annual Production: 750,000

BYBB HINs = 17,075

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750,000 + 17,075

767,075

Estimated annual boat production 767,075

Two HIN labels required on each boat

767,075 x 2 = **1,534,150 HIN Labels**

Estimated cost per label: \$0.30

One-time Start-up fee of \$50.00

Estimated total cost of HIN Label: 1,534,150 (labels) x \$0.30 = **\$460,245.00**

Shipping cost: United States Postal Service Priority Flat Rate \$5.80 per package (Note: cannot determine the total cost of shipping and handling due to the unknown number of manufacturers of recreational boats that would receive HIN Label packages).

Costs to Affix HINs: Manufacturers of all boats must display two Hull Identification Numbers.*

Label Construction: (1) HIN labels on fiberglass boats usually consist of a "male" embossed mirror image label which is stuck to the transom area of the hull mold which results in a "female" embossed HIN in the fiberglass of the hull. Metal labels may also be used, provided they are riveted and epoxied to the transom area of the finished boat hull. (2) HIN labels on aluminum boats usually consist of a metal label riveted and epoxied or welded to the transom area of the finished boat hull. (3) HIN labels on wooden boat hulls may be carved or burned on the finished boat hull. Metal labels may also be used, provided they are riveted and epoxied to the transom area of the finished boat hull.

*The secondary HIN may be handwritten and glassed over on the interior surface of a fiberglass boat.

HINs to be affixed by rivets: 2 rivets per HIN Label for a total of 4 rivets per boat (two HINs per boat).
767,075 x 4 = **3,068,300 total rivets**

Rivets are \$0.01 apiece. 3,068,300 x \$0.01 = **\$30,683.00 total cost of rivets**

\$460,245.00 + \$30,683.00 + \$50.00 = **\$490,978.00 total manufacture cost for labels.**

\$7,684.00 + \$490,978.00 = **\$498,662.00 total production costs for MIC and HIN labels.**

Man Hour Costs to Order and Affix HIN:

Responses: 216 new manufacturers annually (1 per respondent)
Preparation time: 5 min. per response

Estimated hourly cost for secretary: \$15.32*

*Source: BLS May 2011 National Occupational Employment and Wage Estimates

$$216 \times 5 \text{ min} = 1080/60 = 18 \text{ hours}$$

$$18 \times \$15.32 = \$275.76$$

$$\$0.45 \times 216 = \$97.20$$

$$\$275.76 + \$97.20 = \mathbf{\$372.96 \text{ to request MIC}}$$

Boat manufacturer hourly wage of \$25.00

$$127,848 \text{ man-hours to affix HIN} \times \$25.00 \text{ per hour} = \mathbf{\$3,196,200.00}$$

$$\$372.96 + \$3,196,200.00 = \mathbf{\$3,196,572.96 \text{ total man-hours for MIC and HIN}}$$

B. U.S. Coast Guard Maximum Capacities Label (testing for new models; display for all boats subject to the standard)

Costs to perform tests:

Safe Loading Standard for determination of maximum persons capacity and maximum weight capacity:

Average of 1000 new models introduced annually which are subject to the Safe Loading Standard.

Estimated cost to conduct Safe Loading tests: \$300.00

$$\mathbf{1000 \times \$300.00 = \$300,000 \text{ cost for Safe Loading Tests}}$$

Safe Powering Standard for determination of maximum horsepower capacity of outboard powered boats:

Average of 900 new models introduced annually which are subject to the Safe Powering Standard.

Estimated cost to conduct Safe Powering calculations: \$60.00

$$\mathbf{900 \times \$60.00 = \$54,000.00 \text{ cost for Safe Powering}}$$

$$\$300,000.00 + \$54,000.00 = \mathbf{\$354,000.00 \text{ total testing costs}}$$

Maximum Capacity Label Production Costs:

Estimated annual boat production 144,947 (3 year average)

One-time start-up fee: \$50.00.

Estimated cost per label: \$0.60

$$\text{Estimated total cost of Maximum Capacity Labels: } 144,947 \times \$0.60 = \mathbf{\$86,968.20}$$

Shipping cost: United States Postal Service Priority Flat Rate \$5.80 per package (Note: cannot determine the total cost of shipping and handling due to the unknown number of manufacturers of recreational boats that would receive Maximum Capacity Label packages).

Costs to Affix Maximum Capacities label:

Label Construction: The label must resist the weather and wear encountered in normal use of the boat (material that can withstand exposure to water, oil, salt spray, direct sunlight, heat, cold and wear expected in normal use), and the label must be made so that it shows visible traces of any attempt to alter or remove information on it. Generally, capacity labels are constructed of plastic, printed aluminum plates, or adhesive, mylar-covered computer generated paper labels.

$\$86,968.20 + 50.00 = \mathbf{\$87,018.20}$ total to manufacture Maximum Capacity Labels. (Note: Capacity Labels affixed with self-sticking adhesive included in the label cost).

$\$354,000.00 + \$87,018.20 = \mathbf{\$441,018.20}$ total cost to test for maximum capacity and manufacture Maximum Capacity Labels.

Man-hour Costs to Affix Capacity Labels:

Boat manufacturer hourly wage of \$25.00

$4,831$ (hours to affix Maximum Capacity Label) x $\$25.00$ (per hour) = **$\$120,775.00$**

C. Gasoline Fuel Tank Label (testing for new models; display for all boats subject to the standard)

Cost for Static Pressure Test = \$12.00

New Tank Models Manufactured Annually = 50

$\$12.00 \times 50 = \mathbf{\$600.00}$ cost to test fuel tanks

Fuel Tank Label Production Costs:

Estimated annual boat production 32,060 (3 year average)

Fuel Tank Label's one-time start-up fee: \$50.00

Average cost of label = \$.60

$\$.60 \times 32,060$ (3 yr. avg. annual production) = **$\$19,236.00$** estimated total cost of Fuel Tank Labels

Shipping cost: United States Postal Service Priority Flat Rate \$5.80 per package (note: cannot determine the total cost of shipping and handling due to the unknown number of manufacturers of recreational boat fuel tanks who would receive Fuel Tank Label packages).

Cost to affix Fuel Tank Label:

$\$19,236.00$ (cost of labels) + $\$50.00 = \mathbf{\$19,236.00}$ total to manufacture and affix Fuel Tank Labels. (Note: Fuel Tank Labels affixed with self-sticking adhesive included in the label cost.)

$\$600.00 + \$19,236.00 = \mathbf{\$19,886.00}$ total cost to test fuel tanks and manufacture Fuel Tank Labels.

Man-hours to Affix Fuel Tank Labels:

Boat manufacturer hourly wage of \$25

1,069 (man-hours) x \$25.00 (per hour) = **\$26,725.00**

D. U.S. Coast Guard Type Fuel Hose Label (testing for all batches; display for all hose used on boats subject to the standard)

Estimated \$225.00 to test a batch of fuel hose
130 batches manufactured annually

$\$225.00 \times 130 = \mathbf{\$29,250.00}$ to test Fuel Hose
Fuel Hose Label Production Costs:

Fuel hose installed in a boat = Approximately 20 feet
 $20 \times 32,060 = 647,700$ feet of hose
Estimated 5,000 feet of hose per batch manufactured
 $647,700/5000 = 130$ batches of hose manufactured annually

Estimated \$110.00 per batch to label fuel hose

$\$110.00 \times 130$ (batches) = **\$14,300.00 total label**

Shipping cost: United States Postal Service Priority Flat Rate \$5.80 per package (Note: cannot determine the total cost of shipping and handling due to the unknown number of manufacturers of recreational boats that would receive Fuel Hose Label packages).

Cost to affix Fuel Hose Label:

$\$29,250.00 + \$14,300.00 = \mathbf{\$43,550.00}$ total cost to test fuel hoses and manufacture Fuel Hose Labels.

Man-hour Costs to Affix Fuel Hose Labels:

Boat manufacturer hourly wage of \$25.00

260 (man-hours) x \$25 = **\$6,500.00**

E. Certified Navigation Light Label (testing for new models; display on all lights for boats operating at night)

Testing Costs: In conversations with Underwriters Laboratories and Imana Laboratory, testing laboratories approved by the Coast Guard, we developed an estimate of \$500 for a performance test of each model. Volume discounts for multiple model tests from these laboratories will decrease the cost of each model to \$400. We know that the nine manufacturers of navigation lights introduce three new models each year.

$9 \times 3 \times 400 = \mathbf{\$10,800.00}$

Labeling Costs: Labeling navigation lights:

Each of 9 manufacturers introduces 3 new models per year.

We first compute the one-time cost of labeling for the 3 models of each type of light. In computing the cost of labeling we must also include a one-time \$50 plate charge for each model. Therefore:

$$9 \times 3 \times \$50.00 = \$1350.00$$

$$3 + 4 + 5 + 6 = 18/4 = 4.5 \text{ lights average per vessel}$$

$$152,187 \text{ (3 yr. avg. annual production)} \times 4.5 \text{ (avg. lights per vessel)} = \mathbf{684,841.50 \text{ total lights}}$$

$$684,841.50 \text{ (lights)/1,000 (labels)} = 685 \text{ batches of labels}$$

Using estimates from labeling companies, we have determined that manufacturers will pay about \$250 for 1,000 labels.

$$685 \text{ (batches of labels)} \times \$250.00 \text{ (per 1000 labels)} = \mathbf{\$171,250.00 \text{ cost for labels}}$$

Shipping cost: United States Postal Service Priority Flat Rate \$5.80 per package (note: cannot determine the total cost of shipping and handling due to the unknown number of manufacturers of recreational boat navigation lights who would receive Navigation Light Label packages).

Cost to affix Navigation Light Label:

$\$171,250.00 + \$1350.00 = \mathbf{\$172,600.00 \text{ total to manufacture Navigation Light Labels.}}$ (Note: Navigation Light Labels affixed with self-sticking adhesive included in the label cost.)

$\$10,800.00 + \$172,600.00 = \mathbf{\$183,400.00 \text{ total cost to test navigation lights and manufacture Navigation Light labels.}}$

Man-hours to Affix Navigation Light Labels:

Boat manufacturer hourly wage of \$25.00

$$951 \text{ (man-hours)} \times \$25.00 = \mathbf{\$23,775.00}$$

Information Collection (IC)	Production Costs (\$)
	(2012)
Total Hull Identification Number	\$498,662.00
Total Maximum Capacities Label	\$441,018.20
Total Fuel Tank	\$19,886.00
Total Fuel Hose	\$43,550.00
Total Navigation Lights	\$183,400.00
Total	\$1,186,516.20

Information Collection (IC)	Man Hour Costs (\$)
	New (2012)
Total Hull Identification Number	\$3,196,572.96
Total Maximum Capacities Label	\$120,775.00
Total Fuel Tank	\$26,725.00
Total Fuel Hose	\$6,500.00
Total Navigation Lights	\$23,775.00

Total	\$3,374,347.96
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14. TOTAL ANNUAL ESTIMATED COST TO GOVERNMENT

The estimated annual cost to the Federal Government is \$2,268.00 due to operational expenses (man-hours). For the Manufacturer Identification Codes, the average number of respondents for the last 10 years is 216. The information supplied by boat manufacturers and importers is entered on a computerized database. It takes an estimated 15 minutes to read the manufacturer's correspondence, enter the information into the database and compose and send a reply. $216 \times .25$ (15 min) = 54 man-hours expended annually. Estimated average cost/hour = \$42.00 at $54 \times \$42.00 = \$2,268.00$. There are no costs to the Government associated with requirements for affixing labels.

15. EXPLAIN REASONS FOR PROGRAM CHANGES OR ADJUSTMENTS

This is a program adjustment. There are no new or additional label requirements. The regulations requiring the labels appear in 33 CFR Parts 181 and 183 and 46 CFR 25.10-3. Any change to the required number, wording or format of the labels would require notice and comment in the Federal Register.

In order to estimate the numbers of boats manufactured annually, we use estimates of annual sales figures published by the National Marine Manufacturers Association (NMMA) Statistical & Research Department. Economic changes during the last several years mean significantly smaller numbers of boat manufacturers and numbers of boats sold. For example, compare the numbers of Manufacturer Identification Codes issued in the years 2003-2005 to those issued 2009 – 2011, or the annual sales statistics for the years 2005-2007 to those for 2009 – 2011 (See <http://www.nmma.org/statistics/publications/statisticalabstract.aspx>).

16. OUTLINE PLANS FOR TABULATION, STATISTICAL ANALYSIS AND PUBLICATION

USCG does not intend to employ the use of statistics or the publication thereof for this information collection.

17. IF SEEKING OMB APPROVAL TO NOT DISPLAY EXPIRATION DATE, EXPLAIN THE REASONS THAT DISPLAY WOULD BE INAPPROPRIATE

USCG will display the expiration date for OMB approval of this information collection.

18. EXPLAIN EACH EXCEPTION TO THE CERTIFICATION STATEMENT IDENTIFIED IN ITEM 19.

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