

**Supporting Statement
for
Towing Vessels – Title 46 CFR Subchapter M**

[per USCG-2006-24412; RIN 1625-AB06]

OMB No.: 1625-0117
COLLECTION INSTRUMENTS: Instruction

A. Justification

1) Circumstances that make the collection of information necessary.

Section 415 of the Coast Guard and Maritime Transportation Act of 2004 (Act) [Pub L. 108-293; 118 STAT 1028, Aug. 9, 2004] added “towing vessels” to the list of vessels subject to Coast Guard inspection in 46 U.S.C. 3101. Section 415 of the Act also added 46 U.S.C. 3306(j) that authorized the establishment by regulation of a safety management system appropriate for the characteristics, methods of operation, and nature of service of towing vessels. The regulations are promulgated in 46 CFR Subchapter M.

The collection requirements support 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) Purposes of the information collection.

This collection allows for obtaining and renewing a certificate of inspection, which will involve compilation of information by the owners and operators of the affected towing vessel, submission of the information to the Coast Guard and third parties, and review by the Coast Guard third parties. Additionally, this collection of information allows for ongoing collection of information at the vessel, company, and third party organization level regarding application, safety, operations, drills, record keeping, and general compliance.

3) Consideration of the use of improved information technology.

The information requirement under this final rule includes both reporting and recordkeeping. We estimate that 90% of the reporting and recordkeeping requirements can be done electronically. At this time, based on our experience with inspections of comparable vessels, we estimate that 15% of the responses will be collected electronically.

4) Efforts to identify duplication.

There are no other Federal or State agencies that collect this information. There is no similar information available that could be used or modified for these purposes.

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

Most of towing vessels inspected under the 46 CFR Subchapter M are owned and operated by small entities. The Coast Guard has taken steps to provide these owners and operators with flexibility and options to comply with requirements. Examples of this flexibility include—

- Two inspection compliance options—a traditional Coast Guard inspection option and a Towing Safety Management System (TSMS) inspection option. The requirements for the TSMS are developed so that owners/operators can customize the TSMS to fit the scale of each entity's operations.
- Phased implementation—the regulations include a 2-year phase-in period, and a multiple-year schedule for vessels to obtain their initial Certificate of Inspection (COI)--2-years for single-vessel entities and 4-years for entities with 2 or more vessels.
- Deferred requirements—the requirement for installation of the pilothouse alerter system is deferred until 5-years after the initial COI.
- Rolling requirements—the drydock requirements can be fulfilled on a rolling or partial basis over the 5-year compliance period. That is, the requirements do not need be met as a single event; individual requirements can be met while conducting various maintenance or repair activities.

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

Reducing the frequency of collection would hinder or degrade the administration of the towing vessel inspection program.

7) Special collection circumstances.

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 Notice of Proposed Rulemaking (NPRM) entitled "Inspection of Towing Vessels" [USCG-2006-24412; RIN 1625-AB06; 76 FR 49976]. The rulemaking proposed—

- to establish safety regulations governing the inspection, standards, and safety management systems of towing vessels. The proposal includes provisions covering: Specific electrical and machinery requirements for new and existing towing vessels, the use and approval of third-party auditors and surveyors, and procedures for obtaining Certificates of Inspection. The intent of the proposed rulemaking is to promote safer work practices and reduce casualties on towing vessels by requiring that towing vessels adhere to prescribed safety standards and safety management systems or to an alternative, annual Coast Guard inspection regime. The Coast Guard promulgates this proposal in cooperation with the Towing Vessel Safety Advisory Committee and pursuant to the authority granted in section 415 of the Coast Guard and Maritime Transportation Act of 2004.

The NPRM 120-day comment period closed on December 9, 2011. The Coast Guard received no collection of information comments related to our burden estimate. On **mmm dd, yyyy**, the Inspection of Towing Vessels Final Rule was published (**xx** FR **xxxx**).

9) 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 respondents for this information collection.

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

There are no questions of sensitive language.

12) Estimate of annual hour and cost burdens to respondents.

- The estimated number of annual respondents is 5,694.
- The estimated number of annual responses is 7,660,257.
- The estimated hour burden is 181,669 hours.
- The estimated cost burden is \$9,559,777.

The burden to respondents is provided in Appendix A. Respondents are—(a) towing vessels—5,509 and (b) third-party organizations—185.¹ Respondents must report and keep records with varying frequencies. The frequency of each regulation creating a new burden for corresponding respondents in the private sector is detailed in the Appendix A.

In estimating annual cost burden for the private sector, we use the mean industry hourly wage of \$53/hour for Captains, Mates and Pilots of Water Vessels, \$28/hour for Sailors and Marine Oilers, and \$74 for drydock inspectors.²

13) Total 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.

The estimated annual Federal Government cost is \$4,478,918 (see Appendix B). In estimating Federal Government (Coast Guard) costs, we use various hourly wage rates for personnel including—

- O-5 hourly rate of \$98 to conduct management activities.
- GS-14 hourly wage of \$91/hour to conduct project management activities.
- GS-13 hourly wage of \$79/hour to act as a senior specialist and review reports from industry and third-party organizations.
- O-3 hourly rate of \$75 to perform certain assigned duties.
- GS-12 hourly wage of \$66/hour to act as a technical specialist to provide expertise in reviewing documents from industry and third-party organizations.
- GS-11 hourly wage of \$57/hour to act as an administrative assistant.
- GS-9 hourly wage of \$47/hour to perform clerical duties.

The wage rates used are from the Commandant Instruction 7310.1O. Activities include reviewing reports from industry to approve or deny applications for the issuance of a Certificate of Inspection, conducting compliance examinations of towing vessels at least every five years and overseeing the third-party organizations through approval and observation.

15) Reasons for the change in burden.

This is a new collection.

16) Plans for tabulation, statistical analysis, and publication.

This information collection will not be published for statistical purposes.

17) Approval for not explaining the expiration date for OMB approval.

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

18) Explain each exception to the certification statement.

¹ This population estimate assumes all towing vessel owners and operators choose to comply through TSMS.

² Source of wage data is Bureau of Labor Statistics. Mean hourly wages are: \$36 Captains, Mates, and Pilots; \$20 for Sailors and Oilers (deckhands); and \$51 for drydock inspectors. We apply a load factor (or benefits multiplier) of 1.45, to determine the actual cost of employment to employers and industry.

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

B. Collection of Information Employing Statistical Methods

This additional collection of information does not employ statistical methods.