

JUSTIFICATION FOR CHANGE
CAPITAL CONSTRUCTION FUND PROGRAM
OMB CONTROL NO. 0648-0041

This information collection is revised by making minor changes to four forms due to an associated rule (RIN 0648-AW57).

- This action updates the Regulatory citation on the bottom of the “Schedule B – Qualified Vessel for Construction, Acquisition and/or Mortgage Payments” and “Schedule B – Qualified Vessel for Reconstruction” forms.
- In addition, on the “Schedule B – Qualified Vessel for Reconstruction” form it removes the reference to the minimum cost requirement under line F since the new Regulation has removed any minimum cost requirement on these types of projects. On the “Certificate of Construction/Reconstruction” form the “Note” on the bottom of the form was removed since it was an exception under the previous Regulation to allow program users to meet the minimum cost requirement. As previously mentioned, the minimum cost requirement no longer exists under the current Regulation.
- We have modified the “Capital Construction Fund Agreement” to remove the term “interim” from the title and any other references in the document related to an interim Agreement. This was necessary to make the new form consistent with our program policies since all Agreements made previously under the original “Interim” form were always considered to be permanent Agreements.
- Finally, we are taking this opportunity to add Privacy Act Statements (PASs) to all forms which collect PII and/or BII. Our CCF application previously had a PAS but it was not in the currently DOC-required format.

These changes will have no impact on the cost and burden of this program.

Applicable comments and responses from the final rule:

Comment 6: Two individuals and seven entities opined that the stated rationale for the proposed changes werenot justified and that the proposed changes impose unnecessary restrictions and less flexibility.

Response: NMFS disagrees and maintains that certain provisions of the current regulations no longer make sense given the status of the merchant marine fleet. These changes impose no additional burdens on program users. The changes reduce the burdens imposed by simplifying the regulations to eliminate the minimum cost for reconstruction projects, requirements for minimum annual deposits and the requirement that any vessel acquired with CCF funds must be reconstructed, regardless of vessel condition. These changes should bring the program into greater alignment with the current needs of program users and retain flexibility when undertaking CCF projects.

Comment 7: One individual and one entity stated that the elimination of the minimum deposit requirement will interfere with the goals of the CCF program and may result in termination of CCF agreements.

Response: The intent of the changes is to prevent forcing participants to deposit funds that are not necessary to complete qualified projects. These changes are consistent with the goals of the CCF program to set aside funds for specific projects to be completed in a timely manner. CCF Agreements will only be terminated if they are deemed inactive. While CCF Agreements may be terminated for inactivity, participants may apply again in the future for a new Agreement if desired.