

## Supporting Statement for Vessel Identification System

[w/ proposed changes per USCG-2018-0160; RIN 1625-AC28]

OMB No.: 1625-0070

COLLECTION INSTRUMENTS: User Request & Instruction

### A. Justification.

1. Circumstances that make the collection of information necessary.

Title 46 U.S. Code (U.S.C.) chapter 125 required the establishment of the Vessel Identification System (VIS). The implementing regulations are in 33 CFR Part 187. State and territory participation in VIS is entirely voluntary. However, to participate, States and territories must comply with certain requirements to ensure the integrity and uniformity of the information provided to VIS. A State or territory must sign a Memorandum of Agreement (MOA) with the Coast Guard before participating in the VIS.

The statutory authority is 46 U.S.C. Chapter 125.

2. Purpose of the information collection.

VIS comprises a nationwide information system for identifying recreational, commercial, and public vessels that are numbered<sup>1</sup> or titled under the laws of a State or territory. VIS includes information identifying vessels and vessel owners, and information to assist law enforcement officials in the investigation of stolen vessels or other legal investigation, such as fraud. Furthermore, individuals who borrow money to purchase a vessel in a State or territory that both participates in VIS and holds certification of compliance (with guidelines for State or territory titling systems) are deemed to have preferred mortgage status.

All 50 States and 6 territories have the opportunity to participate in the VIS program. The 6 territories are Guam, Puerto Rico, U.S. Virgin Islands, American Samoa, District of Columbia, and Northern Mariana Islands.

3. Considerations of the use of improved information technology.

We estimate that all of the reporting requirements can be done electronically. At this time, we estimate that 100% are collected electronically.

4. Efforts to identify duplication. .

Only the States and territories that participate in VIS have the information required by this program.

5. Methods used to minimize the burden to small businesses if involved.

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

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

Without regular updates to the VIS, the data would not be useful for law enforcement purposes. The primary benefits of VIS come from its ability to serve as a tracking device much like the Vehicle Identification Number found in automobiles. As a tracking device, the benefits of VIS are in:

- the recovery of stolen or missing vessels, which will benefit boat owners, local and State law

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<sup>1</sup> In accordance with 46 U.S.C. Chapter 123.

- enforcement agencies and boat insurers;
- the purchase of a vessel, which will make it less likely to unknowingly purchase a stolen vessel, which can be a financial disaster if the rightful owner shows up to claim it; and
- the discovery of liens, unpaid taxes, and claims that are lodged against a vessel, and that can become the unexpected responsibility of the new owner.

Without VIS, these benefits are not realized.

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 September 22, 2021, a Notice of Proposed Rulemaking (NPRM) entitled “Uniform Certificate of Title Act for Vessels” (UCOTA-V) [USCG-2018-0160; RIN 1625-AC28; 86 FR 52792]. The rulemaking proposed—

- changes to its regulations for certifying a State’s titling system for undocumented vessels to increase States’ participation in the Vessel Identification System (VIS). The proposed changes would allow States that have adopted the recommendations of the model Uniform Certificate of Title Act for Vessels to certify their titling provisions with the Coast Guard. Once certified and participating in the VIS, a State is able to confer preferred mortgage status on financial instruments that apply to undocumented vessels, which benefits the owners of those vessels. While many of the proposed changes to the certification guidelines relate to the technical requirements of recording and maintaining titling documentation, the most significant change would be to implement a system of “branding” (permanently marking) titles for vessels that have sustained structural damage. This would help prevent a process known as “title washing,” where severe vessel damage is concealed by transferring the title to a different State.

The NPRM 60-day comment period closes on November 22, 2021.

9. Provide any payment or gift to respondents.

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

10. Describe any assurance of confidentiality provided to respondents.

The VIS application is an authorized-user-only website requiring user log in, available to Numbering and Titling, Registration and Law Enforcement personnel of VIS participating States and Federal Agencies. This information collection request is covered by the Marine Information for Safety and Law Enforcement (MISLE) Privacy Impact Assessment (PIA) and System of Records Notice (SORN). Links to the MISLE PIA and SORN are provided below:

- [https://www.dhs.gov/sites/default/files/publications/privacy\\_pia\\_uscg\\_misle.pdf](https://www.dhs.gov/sites/default/files/publications/privacy_pia_uscg_misle.pdf)
- <https://www.gpo.gov/fdsys/pkg/FR-2009-06-25/html/E9-14906.htm>

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

There are no questions of sensitive language.

12. Estimate of annual hour and cost burden to respondents.

- The estimated number of respondents is 40.
- The estimated number of annual responses is 1,057.
- The estimated annual hour burden is 5,857 hours.
- The estimated annual cost burden is \$562,176.

The burden to respondents is provided in Appendix A.

VIS Data Transfers: We estimate that it will take a technical specialist about 6 hours to prepare and submit VIS data. For each participating State and territory, we estimate that this data transfer will occur every 2 weeks (or 26 times per year).<sup>2</sup> For the technical specialist wage rate, we used Bureau of Labor Statistics (BLS) data for a “Software Developers, Applications (OC 15-1132) in the Computer and Mathematical Occupations Sector.”<sup>3</sup>

MOA Applications: We estimate that it will take a program specialist about 16 hours to prepare an MOA application. We estimate that we will receive 3 MOA applications per year, and that each participating State and territory will complete an MOA once. For the program specialist wage rate, we used BLS data for a “General and Operations Managers (OC 11-1021) in the Management Occupations Sector.”<sup>3</sup>

VIS User Requests: We estimate that it will take a technical specialist about 6 minutes (0.1 hours) to prepare and submit a VIS new user request. For each participating State and territory and each new VIS MOA Applicant, we estimate that there is 1 new user request per year. For the technical specialist wage rate, we used BLS data for a “Software Developers, Applications (OC 15-1132) in the Computer and Mathematical Occupations Sector.”<sup>3</sup>

13. Total of annualized capital and start-up costs.

Much of the information to be included in the VIS database is already collected by States and territories when registering vessels. The start-up cost is the cost of developing the VIS interface and conversion software at the State and territory level. The Coast Guard estimates the average start-up cost per State or territory is \$55,000. Thus, the average annual start-up cost is \$165,000 (\$55,000 \* 3 entities per year).

14. Estimates of annualized cost to the Federal Government.

The estimated annual Federal Government cost is \$483,476 (see Appendix B). The estimate is comprised of 3 elements. First, we estimate the VIS Database cost of \$480,000 annually. Second, we estimate that it will take a technical specialist about 8 hours to review and process each MOU. Coast Guard program and legal specialists conduct the review. Third, we estimate that it will take a technical specialist about 0.5 hours to review and process each VIS new user request. The position of a technical specialist is analogous to a GS-14. The wage rate used is from the Office of Personnel Management Salary Table for 2020.

15. Explain the reasons for change in the burden.

The change in burden is a PROGRAM CHANGE due to the UCOTA-V (1625-AC28) rulemaking. The reporting 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 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. Exception to the certification statement.

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

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<sup>2</sup> The CG/State-Territory MOA calls for data transfer at least monthly.

<sup>3</sup> Using BLS Employer Costs for Employee Compensation, All workers in State and Local Government 2017 mean hourly wage rates and a loaded wage factor of 1.6, we calculated a loaded wage rate that includes not only the hourly rate but benefits, taxes, supplies, etc. resulting in a more accurate actual employment cost. We rounded the resulting rate up to nearest dollar.

**B. Collection of Information Employing Statistical Methods:**

This section does not apply because the collection of information does not employ statistical methods.