

"Small entities" include independently owned and operated small businesses that are not dominant in their field and that otherwise qualify as "small business concerns" under section 3 of the Small Business Act (15 U.S.C. 632).

This rule change provides an alternative to complying with existing regulations. The Coast Guard believes that rulemaking would have a positive economic impact if the owner chooses to participate in the alternate compliance program. This rulemaking would have no impact on vessel owners who do not choose to participate in this program. Therefore, the Coast Guard certifies that under 5 U.S.C. 605(b) this rule will not have a significant economic impact on a substantial number of small entities.

Collection of Information

Under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), the Office of Management and Budget (OMB) reviews each rulemaking which contains a collection of information requirement to determine if the practical value of the information is worth the burden imposed by its collection. Information collection requirements include reporting, recordkeeping, notification and other similar requirements.

Without changing the current Application for Vessel Inspection process, owners and operators would have the opportunity to declare whether the vessel will comply with SOLAS requirements, recognized classification society rules and their U.S. supplement or Coast Guard regulations. Since the application for inspection is already a requirement, this will not impose any additional documentation or paperwork requirements on vessel owners or operators. Under the memorandum of agreement between Coast Guard and ABS, ABS will provide a copy of its reports to the Coast Guard. Future agreements with classification societies wishing to be recognized for this program will contain similar provisions. The Coast Guard expects that the reports compiled by the classification society will be sufficient for Coast Guard review purposes. Although under this proposed rule, the classification society would only provide copies of its report to the Coast Guard with virtually no additional paperwork burden imposed, this is subject to OMB approval under the Paperwork Reduction Act.

This proposal contains collection-of-information requirements in the following sections: § 31.01-3, § 71.15-5, § 91.15-5 and § 107.205.

Dot No: New.

Administration: U.S. Coast Guard.

Title: Alternate Compliance via Recognized Classification Society and U.S. Supplement to Rules.

Need For Information: Vessel inspection reports are needed to document the compliance of a marine vessel with recognized classification society rules, the accepted U.S. supplement to rules, and applicable international maritime safety and marine environmental conventions. Classification societies recognized to participate in this program will submit copies of reports they routinely prepare to the Coast Guard.

Proposed Use of Information: The information will be used by the Coast Guard to determine if the vessel is in compliance with the requirements necessary for issuance of a Certificate of Inspection.

Frequency of Response: Reports are required whenever the recognized classification society inspects a vessel on behalf of the Coast Guard. This is generally for the initial issuance of the Certificate of Inspection (COI) and whenever the COI must be renewed. Renewal periods for vessel Certificates of Inspection are not being changed by this proposal. For tank, cargo, and miscellaneous non-nuclear vessels this period is two years; for passenger vessels over 100 gross tons and miscellaneous nuclear vessels the renewal period is one year; and for mobile offshore drilling units the renewal period is two years. A separate legislative proposal currently exists that would harmonize inspection intervals with international requirements.

Burden Estimate: There is no additional burden created by this rulemaking. The required reports are already being prepared in the course of business between the classification society and the vessel owner or operator.

Respondents: The recognized classification societies.

Forms: None.

Average Burden Hours Per

Respondent: No additional burden is created by this rulemaking. The required reports are already being prepared in the course of business between the classification society and the vessel owner or operator.

The Coast Guard has submitted the requirements to OMB for review under section 3504(h) of the Paperwork Reduction Act. Persons submitting comments on the requirements should submit their comments both to OMB and to the Coast Guard where indicated under **ADDRESSES**.

Federalism

The Coast Guard has analyzed this proposed rule in accordance with the principles and criteria contained in Executive Order 12612 and has determined it does not have federalism requirements warranting a Federalism Assessment. The authority to regulate safety requirements of U.S. vessels is committed to the Coast Guard by statute. Furthermore, since these vessels tend to move from port to port in the national market place, these safety requirements need to be national in scope to avoid numerous, unreasonable and burdensome variances. Therefore, this action would preempt State action addressing the same matter.

Environment

Coast Guard Commandant Instruction M16475.1B, Section 2.B.2 categorically excludes inspection and equipment aspects of this rulemaking from further environmental documentation. A Categorical Exclusion Determination is available in the docket for inspection or copying where indicated under **ADDRESSES**.

The Coast Guard also considered the design and construction aspects of this rulemaking for environmental impact, and concluded that preparation of an Environmental Impact Statement is not necessary. Since the combination of classification society rules, applicable international conventions and the U.S. supplement to the rules have been determined to provide a level of safety equivalent to current Coast Guard regulations, the Coast Guard expects that this proposal will have no adverse environmental impact. A draft Environmental Assessment and a draft Finding of No Significant Impact are available in the docket for inspection or copying where indicated under **ADDRESSES**.

List of Subjects

46 CFR Part 30

Cargo vessels, Foreign relations, Hazardous materials transportation, Penalties, Reporting and recordkeeping requirements, Seamen, Incorporation by reference.

46 CFR Part 31

Cargo vessels, Marine safety, Reporting and recordkeeping requirements, Incorporation by reference.

46 CFR Part 70

Marine safety, Passenger vessels, Reporting and recordkeeping requirements, Incorporation by reference.