applicant will be approximately \$60, and the total annual incremental cost to the public will be approximately \$439,000.

Benefits

The dollar value of direct and societal benefits derived from the regulation are not quantifiable, but may be substantial.

According to a 1987 report published by the National Institute of Drug Abuse, drug-free individuals—

(a) Suffer fewer accidents;

(b) File fewer workers' compensation claims;

(c) Use less sick leave; and

(d) Experience lower medical cost than drug users.

Historical data is insufficient to quantify benefits. However, should the results of this regulation manage to save even one life per year at \$2.6 million per statistical life saved (which recent research shows is a reasonable estimate of people's willingness-to-pay for safety), its benefits would exceed its costs. If maritime accidents were reduced even by a small percentage, savings would accrue to the maritime industry through lower vessel repairs and medical costs and to the public through environmental protection.

Small Entities

The costs to small entities will not be significant because the costs of the additional chemical testing for dangerous drugs will be borne primarily by maritime firms and some individual applicants. The approximate cost for each applicant will be about \$60. The Coast Guard expects the impact of this regulation on small entities to be minimal. Therefore, the Coast Guard certifies under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) that this rule will not have a significant economic impact on a substantial number of small entities.

Collection of Information

This rule contains collection-ofinformation requirements. The Coast Guard has submitted the requirements to the Office of Management and Budget (OMB) for review under section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), and OMB has approved them. The section numbers are §§ 10.201, 10.202, 10.205, 10.207, 10.209, 10.805, 12.02–9, 12.02–27, and 16.220. The corresponding OMB Control Number was formerly 2115–0574; it has been consolidated into 2115–0003.

Federalism

The Coast Guard has analyzed these regulations under the principles and criteria contained in Executive Order 12612 and has determined that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Environment

The Coast Guard considered the environmental impact of this rule and concluded that, under paragraph 2.B.2 of Commandant Instruction M16475.1B, the regulations are categorically excluded from further environmental documentation. Section 2.B.2.1 of that instruction excludes administrative actions and procedural regulations and policies which clearly do not have any environmental impacts. A "Categorical Exclusion Determination" is available in the docket for inspection or copying where indicated under ADDRESSES.

List of Subjects

46 CFR Part 10

Fees, Reporting and recordkeeping requirements, Schools, Seamen.

46 CFR Part 12

Fees, Reporting and recordkeeping requirements, Seamen.

46 CFR Part 16

Drug testing, Marine safety, Reporting and recordkeeping requirements, Safety, Transportation.

For the reasons set out in the preamble, the Coast Guard amends 46 CFR parts 10, 12, and 16 as follows:

PART 10—LICENSING OF MARITIME PERSONNEL

1. The authority citation for part 10 is revised to read as follows:

Authority: 31 U.S.C. 9701, 46 U.S.C. 2101, 2103, 7101, 7106, 7107; 49 CFR 1.45, 1.46; section 10.107 is also issued under the authority of 44 U.S.C. 3507.

2. Section 10.103 is amended by adding "fails a chemical test for dangerous drugs" and "passes a chemical test for dangerous drugs" in alphabetical order to the list of definitions to read as follows:

§10.103 Definitions of terms used in this part.

Fails a chemical test for dangerous drugs means that the result of a chemical test conducted in accordance with 49 CFR part 40 is reported as "positive" for the presence of dangerous drugs or drug metabolites in an individual's system by a Medical Review Officer in accordance with that part.

* * * * *

Passes a chemical test for dangerous drugs means the result of a chemical test

conducted in accordance with 49 CFR part 40 is reported as "negative" by a Medical Review Officer in accordance with that part.

3. In section 10.201, paragraph (a) is revised to read as follows:

§10.201 Eligibility for licenses and certificates of registry, general.

(a) In order to receive a license or certificate of registry, each applicant shall establish to the satisfaction of the Officer in Charge, Marine Inspection (OCMI), that he or she meets all the qualifications (respecting age, experience, training, citizenship, character references, recommendations, physical health, chemical testing for dangerous drugs, and professional competence) required by this part before the OCMI issues a license or certificate of registry.

4. Section 10.202 is amended by revising the section heading and adding paragraph (i) to read as follows:

§10.202 Issuance of licenses and certificates of registry.

(i) To obtain an original issuance or a renewal of a license or a certificate of registry, a raise in grade of a license, or a higher grade of certificate of registry each applicant shall produce evidence of having passed a chemical test for dangerous drugs or of qualifying for an exception from testing in § 16.220 of this subchapter. An applicant who fails a chemical test for dangerous drugs will not be issued a license or certificate of registry.

5. Section 10.205 is amended by adding paragraph (j) to read as follows:

§ 10.205 Requirements for original licenses and certificates of registry.

*

(j) Chemical testing for dangerous drugs. To obtain a license or certificate of registry each applicant shall produce evidence of having passed a chemical test for dangerous drugs or of qualifying for an exception from testing in § 16.220 of this subchapter. An applicant who fails a chemical test for dangerous drugs will not be issued a license or certificate of registry.

6. Section 10.207 is amended by adding paragraph (g) to read as follows:

§ 10.207 Requirements for raise of grade of license.

(g) Chemical testing for dangerous drugs. To obtain a raise of grade of a license each applicant shall produce evidence of having passed a chemical