



9110-04-P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

46 CFR Part 106

[Docket No. USCG-2015-0086]

RIN 1625-AC23

Requirements for Vessels with Registry Endorsements or Foreign-Flagged Vessels that Perform Certain Aquaculture Support Operations.

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

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SUMMARY: The Coast Guard proposes to amend its regulations to implement Section 901(c) of the Coast Guard Authorization Act of 2010 that grants the Secretary of the U.S. Department of Transportation (DOT) the authority to issue a waiver allowing a documented vessel with only a registry endorsement or a foreign-flagged vessel to be used in certain aquaculture operations. Specifically, those operations include the treatment and/or protection of aquaculture fish from disease, parasitic infestation, or other threats to their health. The proposed part would

establish the requirement for an owner or operator of a vessel who is issued a waiver by the Secretary of DOT to notify the Coast Guard that the vessel owner or operator has been issued a waiver that allows the vessel to conduct certain aquaculture support operations. The proposed part would also establish operational and geographic requirements for vessels that are issued such a waiver.

DATES: Comments and related material must either be submitted to our online docket via <http://www.regulations.gov> on or before [INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] or reach the Docket Management Facility by that date.

Comments sent to the Office of Management and Budget (OMB) on the collection of information must reach OMB on or before [INSERT DATE 90 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments identified by docket number USCG-2015-0086 using any one of the following methods:

(1) Federal eRulemaking Portal:

<http://www.regulations.gov>.

(2) Fax: 202-493-2251.

(3) Mail: Docket Management Facility (M-30), U.S.

Department of Transportation, West Building Ground Floor,

Room W12-140, 1200 New Jersey Avenue SE., Washington, DC 20590-0001.

(4) Hand delivery: Same as mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

To avoid duplication, please use only one of these four methods. See the "Public Participation and Request for Comments" portion of the SUPPLEMENTARY INFORMATION section below for instructions on submitting comments.

Collection of Information Comments: If you have comments on the collection of information discussed in section VI.D. of this notice of proposed rulemaking, you must also send comments to the Office of Information and Regulatory Affairs (OIRA), Office of Management and Budget. To ensure that your comments to OIRA are received on time, the preferred methods are by email to [oir\\_submission@omb.eop.gov](mailto:oir_submission@omb.eop.gov) (include the docket number and "Attention: Desk Officer for Coast Guard, DHS" in the subject line of the email) or fax at 202-395-6566. An alternate, though slower, method is by the U.S. Postal Service to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street NW., Washington, DC 20503, ATTN: Desk Officer, U.S. Coast Guard.

FOR FURTHER INFORMATION CONTACT: If you have questions on this proposed rule, call or email Mr. David Belliveau, Fishing Vessels Division (CG-CVC-3), U.S. Coast Guard; telephone 202-372-1247, email [David.J.Belliveau@uscg.mil](mailto:David.J.Belliveau@uscg.mil).

If you have questions on viewing or submitting material to the docket, call Ms. Cheryl Collins, Program Manager, Docket Operations, telephone 202-366-9826.

SUPPLEMENTARY INFORMATION:

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I. Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments

received will be posted without change to <http://www.regulations.gov>, and will include any personal information you have provided.

A. Submitting Comments

If you submit a comment, please include the docket number for this rulemaking (USCG-2015-0086), indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. We recommend that you include your name and a mailing address, an email address, or a phone number in the body of your document so that we can contact you if we have questions regarding your submission.

To submit your comment online, go to <http://www.regulations.gov>, and follow the instructions on that website. If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope.

We will consider all comments and material received

during the comment period and may change this proposed rule based on your comments.

B. Viewing Comments and Documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to <http://www.regulations.gov> and follow the instructions on that website. If you do not have access to the Internet, you may view the docket online by visiting the Docket Management Facility in Room W12-140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. We have an agreement with the Department of Transportation to use the Docket Management Facility.

C. Privacy Act

You can search the electronic form of comments received into any of our dockets by searching for the name of the individual who submitted the comment (or who signed the comment, if the comment was submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the Federal Register (73 FR 3316).

D. Public Meeting

We do not plan to hold a public meeting, but you may submit a request for one to the docket using one of the methods specified under ADDRESSES. In your request, explain why you believe a public meeting would be beneficial. If we determine that a public meeting would aid this rulemaking, we will hold one at a time and place announced in a later notice in the Federal Register.

## II. Abbreviations

BLS	U.S. Bureau of Labor Statistics
CBP	U.S. Customs and Border Protection
CFR	Code of Federal Regulations
CGAA	Coast Guard Authorization Act of 2010
COD	Certificate of Documentation
DHS	U.S. Department of Homeland Security
DOT	U.S. Department of Transportation
E.O.	Executive Order
FR	<u>Federal Register</u>
NAICS	North American Industry Classification System
NPRM	Notice of proposed rulemaking
OIRA	Office of Information and Regulatory Affairs
OMB	Office of Management and Budget
Pub. L.	Public Law
RA	Regulatory Analysis
U.S.C.	United States Code

## III. Basis and Purpose

Under Title 46 U.S.C. 12102(d)(1), the Secretary of the U.S. Department of Transportation (DOT) may issue a waiver to allow a documented vessel with only a registry endorsement or a foreign-flagged vessel to be used in operations that treat aquaculture fish for or protect

aquaculture fish from disease, parasitic infestation, or other threats to their health if the Secretary finds, after publishing a notice in the Federal Register (FR), that a suitable vessel of the United States is not available to perform those services.<sup>1</sup>

In this notice of proposed rulemaking (NPRM), the Coast Guard proposes to amend 46 CFR subchapter I - Cargo and Miscellaneous Vessels, by adding a new part 106 that would establish the requirement for an owner or operator of a vessel who is issued a waiver by the Secretary of DOT, for the purpose of conducting certain aquaculture support operations, to notify the Coast Guard that such a waiver has been issued. The proposed part would also establish operational and geographic requirements for a vessel that is issued such a waiver.

#### IV. Background

Section 901 of the Coast Guard Authorization Act of 2010 (CGAA) (Pub. L. 111-281) amended 46 U.S.C. 12102 by adding subsection (d). Pursuant to 46 U.S.C. 12102(d)(1), the Secretary of DOT may issue a waiver allowing a

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<sup>1</sup> These services are generally performed by "wellboats" (commonly understood as fishing and housing facility vessels) that pump fish out of their pens and into the vessel's fish hold. The fish hold is full of sea water and while the fish are inside the fish hold, a metered dose of de-lousing chemical is added to the fish holds. The water is then circulated vigorously to ensure complete mixing of the de-lousing agent. Upon completion of the treatment cycle, the fish are returned to their pens.

documented vessel with only a registry endorsement or a foreign-flagged vessel to be used in operations that treat or protect aquaculture fish from disease, parasitic infestation, or other threats to their health if the Secretary finds, after publishing a notice in the Federal Register, that a suitable vessel of the United States is not available that could perform those services.

This NPRM proposes regulations necessary to implement the Coast Guard's rulemaking responsibility as prescribed by 901(c)(2) of the CGAA. In that subsection, Congress directed the Secretary of the U.S. Department of Homeland Security (DHS), the department under which the Coast Guard operates, to promulgate regulations that are necessary and appropriate for permitting nonqualified vessels to perform certain aquaculture support operations. It also authorizes the Secretary of DHS to "grant interim permits pending the issuance of such regulations upon receipt of applications containing the required information."

Through this rule, we propose to establish the requirement that an owner or operator of a vessel who is issued a waiver by the Secretary of DOT for the purpose of conducting certain aquaculture support operations notify the Coast Guard that such a waiver has been issued. This proposed rule would also establish operational and

geographic requirements for vessels that are issued such waivers.

#### V. Discussion of Proposed Rule

Through this rulemaking, the Coast Guard proposes to add 46 CFR part 106, "Requirements for Nonqualified Vessels that Perform Certain Aquaculture Support Operations." This proposed part would establish the requirement for owners or operators of vessels who are issued a waiver by the Secretary of DOT to conduct certain aquaculture support operations to notify the Coast Guard that such a waiver has been issued. In developing this proposed notification requirement, we considered the possibility of DOT notifying the Coast Guard that a waiver has been issued rather than imposing this notification burden on the owner/operator. However, we decided that an owner/operator may be better served if the owner/operator retains the responsibility of notifying the Coast Guard rather than rely on the issuing agency because doing so gives the owner/operator full and complete control regarding the timing of the notification. For more information on this proposed notification requirement, including the mailing and email addresses that notifications are to be sent, refer to § 106.115. We are interested in hearing public comment on this proposed

notification requirement (and the possibility of having DOT provide waiver notifications instead of an owner/operator) as we do with all of the requirements proposed in this rule. The proposed part would also establish operational and geographic requirements for vessels that are issued such a waiver. Based on submissions of applications for interim permits, we propose to require an owner or operator of a vessel who is issued a waiver by the Secretary of DOT, to submit to the Coast Guard:

- (1) The vessel(s) name(s);
- (2) The vessel's official and/or International Maritime Organization number;
- (3) The geographic location within the waters of the United States where the vessel(s) will conduct aquaculture treatment operations;
- (4) The period of time during which the waiver for the vessel(s) is approved including:
  - (i) The start date (MM/DD/YYYY); and
  - (ii) The expiration date (MM/DD/YYYY); and
- (5) A copy of the DOT-approved aquaculture waiver.

## VI. Regulatory Analyses

We developed this proposed rule after considering numerous statutes and executive orders (E.O.s) related to

rulemaking. Below we summarize our analyses based on these statutes or E.O.s.

A. Regulatory Planning and Review

Executive Orders 12866, Regulatory Planning and Review, and 13563, Improving Regulation and Regulatory Review, direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility.

This NPRM is not a significant regulatory action under section 3(f) of E.O. 12866 as supplemented by E.O. 13563. Accordingly, the Office of Management and Budget (OMB) has not reviewed it under that Order. A combined preliminary Regulatory Analysis (RA) follows.

This RA provides an evaluation of the economic impacts associated with this proposed rule. The table that follows provides a summary of the proposed rule's costs and benefits.

Table 1: Summary of the Proposed Rule's Impacts

Category	Summary
Applicability	Owners or operators of vessels that are issued a waiver allowing a documented vessel with only a registry endorsement or a foreign-flagged vessel to be used in operations that treat aquaculture fish
Affected Population	2 vessels
Costs to Industry and Government (\$, 7% discount rate)	10-year: \$808.98 Annualized: \$115.18
Unquantified Benefits	Allows the Coast Guard to readily identify vessels with waivers to perform certain aquaculture support operations

On May 27, 2010, the U.S. Customs and Border Protection (CBP) ruled that aquaculture activities constitute "engag[ing] in the fisheries," and is thus within the meaning of 46 U.S.C. 108, for which a vessel must possess a Certificate of Documentation (COD) endorsed pursuant to 46 U.S.C. 12113 (See CBP ruling HQ H105735). Title 46 U.S.C. 12113 limits employment in the fisheries to a vessel issued a COD with a fishery endorsement. This effectively disqualifies any foreign-flagged vessel from carrying out these activities.

Wellboats (or live fish carriers) were especially affected by this CBP ruling. Wellboats are highly specialized vessels that are used to treat farmed salmon. The wellboats are designed to service large inventories of

farmed salmon during the salt-water grow-out phase and are specially equipped to protect the fish onboard the vessel. Direct treatment aboard a wellboat is currently the most efficient and effective method to treat salmon. If left untreated, salmon inventories can be destroyed and the industry can lose revenue. Currently, no U.S.-flagged wellboats exist. The only wellboats available to the U.S. salmon aquaculture industry are foreign-flagged vessels, which make the industry highly dependent on foreign-flagged wellboats.

Through this rulemaking, the Coast Guard proposes to amend its regulations to implement Section 901(c) of the CGAA. Under that provision, the Secretary of DOT has the authority to issue a waiver allowing a documented vessel with only a registry endorsement or a foreign-flagged vessel to be used in certain aquaculture support operations that treat or protect aquaculture fish from disease, parasitic infestation, or other threats to their health if no suitable U.S.-flagged vessel is available to perform those services. Under this proposed rule, a vessel owner or operator of a vessel who has been issued a waiver by DOT to perform aquaculture support operations will be required to notify and provide a copy of the waiver to the Coast Guard. Through this rulemaking, we

also propose to establish operational and geographic requirements for a vessel that is issued a waiver by DOT to perform aquaculture support operations. For more information on these requirements, refer to § 106.120 Operational and Geographic Requirements.

#### Affected Population

The Coast Guard determined the affected population based on the number of waiver requests from vessel owners and operators. Since the 2010 CBP ruling, only one entity has applied for waivers for foreign-flagged wellboats to treat salmon. This U.S. entity operates two foreign-flagged wellboats, and we anticipate that this entity will continue to apply for waivers in the future. Therefore, this proposed rule is projected to affect one U.S. entity that operates two vessels. Depending on the growth of the salmon aquaculture industry, there is the potential for the number of affected vessels to increase in the future. However, current trends indicate no increase in growth in the salmon aquaculture industry. Therefore, we did not consider, in this analysis, an annual increase in the number of waivers that would be submitted to the Coast Guard.

#### Costs

In this proposed rule, owners or operators of foreign-flagged vessels, which are issued waivers by DOT to conduct certain aquaculture support operations, must notify the Coast Guard that such waivers have been issued. The costs of this proposed rule include the costs to the industry to provide copies of the waivers and the costs to the Government to process the information. Waivers will be issued on an annual basis per DOT requirements. Owners or operators of the vessels are required to provide copies of these waivers to the Coast Guard annually. Waivers are issued individually for each vessel involved in aquaculture support operations, and therefore, costs are estimated on a per vessel basis.

#### Industry Costs

The Coast Guard estimates it will take 0.5 hours for a legal secretary to copy and send each waiver to the Coast Guard, via postal mail and electronic mail. The wage rate for a legal assistant was obtained from the U.S. Bureau of Labor Statistics (BLS), using Occupational Series 23-2011, Paralegals and Legal Assistants (May 2013). BLS reports that the mean hourly rate for a legal assistant is \$24.60.<sup>2</sup> To account for employee benefits, we use the load factor of 1.43, which we calculated from

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<sup>2</sup> Mean wage, <http://www.bls.gov/oes/2013/may/oes232011.htm>.

June 2014 BLS data.<sup>3</sup> The loaded wage rate for a legal assistant is estimated at \$35.18 per hour (\$24.60 wage rate x 1.43 load factor). The expected cost to industry to provide copies of the waiver is \$35.18 (\$35.18 x 0.5 hours x 2 vessels). Table 2 shows the total 10-year cost of two affected vessels to be \$247.09 and annualized cost of \$35.18, both discounted at 7 percent.

Table 2: Total 10 Year Cost to Industry

Year	Undiscounted Costs	Discount Rate	
		7%	3%
1	\$35.18	\$32.88	\$34.16
2	\$35.18	\$30.73	\$33.16
3	\$35.18	\$28.72	\$32.19
4	\$35.18	\$26.84	\$31.26
5	\$35.18	\$25.08	\$30.35
6	\$35.18	\$23.44	\$29.46
7	\$35.18	\$21.91	\$28.60
8	\$35.18	\$20.48	\$27.77
9	\$35.18	\$19.14	\$26.96
10	\$35.18	\$17.88	\$26.18
Total	\$351.80	\$247.09	\$300.09
Annualized		\$35.18	\$35.18

Note: Total may not add due to rounding.

Government Costs

The Coast Guard estimates it will take 0.5 hours per vessel for Coast Guard personnel at the GS-13 level to record the information from the waivers. The fully loaded wage rate for a GS-13 is \$80, per Commandant Instruction

<sup>3</sup> Employer Costs for Employee Compensation news release text provides information on the employer compensation, and can be found at [http://www.bls.gov/news.release/archives/ecec\\_09102014.htm](http://www.bls.gov/news.release/archives/ecec_09102014.htm).

7310.1P.<sup>4</sup> The total cost for the Coast Guard is \$80 [(0.5 hours x \$80) x 2 vessels]. The total 10-year undiscounted Government cost of the proposed rule is \$800. Table 3 shows the total Government 10-year discounted cost at \$561.89, and the annualized cost at \$80, both discounted at 7 percent.

Table 3: Total Government Cost

Year	Undiscounted Costs	Discount Rate	
		7%	3%
1	\$80.00	\$74.77	\$77.67
2	\$80.00	\$69.88	\$75.41
3	\$80.00	\$65.30	\$73.21
4	\$80.00	\$61.03	\$71.08
5	\$80.00	\$57.04	\$69.01
6	\$80.00	\$53.31	\$67.00
7	\$80.00	\$49.82	\$65.05
8	\$80.00	\$46.56	\$63.15
9	\$80.00	\$43.51	\$61.31
10	\$80.00	\$40.67	\$59.53
Total	\$800.00	\$561.89	\$682.42
Annualized		\$80.00	\$80.00

Note: Total may not add due to rounding

Table 4 displays the total costs on an undiscounted basis, and discounted at 7 percent and 3 percent interest rates, respectively. The total 10-year undiscounted cost of the proposed rule is \$1,151.80. The total 10-year (industry and government) discounted cost of the proposed rule is \$808.98 and the annualized cost is \$115.18, both discounted at 7 percent.

<sup>4</sup> See [http://www.uscg.mil/directives/ci/7000-7999/CI\\_7310\\_1P.pdf](http://www.uscg.mil/directives/ci/7000-7999/CI_7310_1P.pdf)

Table 4: Total Costs of the Proposed Rule

Year	Total Undiscounted Costs	Total, Discounted	
		7%	3%
1	\$115.18	\$107.64	\$111.83
2	\$115.18	\$100.60	\$108.57
3	\$115.18	\$94.02	\$105.41
4	\$115.18	\$87.87	\$102.34
5	\$115.18	\$82.12	\$99.36
6	\$115.18	\$76.75	\$96.46
7	\$115.18	\$71.73	\$93.65
8	\$115.18	\$67.04	\$90.92
9	\$115.18	\$62.65	\$88.28
10	\$115.18	\$58.55	\$85.70
Total	\$1,151.80	\$808.98	\$982.51
Annualized		\$115.18	\$115.18

Note: Total may not add due to rounding.

Benefits

This proposed rule does not provide any quantitative benefits. However, it does have a qualitative benefit. It provides the Coast Guard with greater maritime domain awareness through the proposed requirement that an owner or operator of a vessel who has received a waiver from DOT must submit a copy of the waiver to the Coast Guard. The requirement to submit a copy of the waiver to the Coast Guard will ensure that appropriate Coast Guard officials are aware that foreign-flagged vessels or vessels with only registry endorsements are conducting aquaculture support activities in U.S waters pursuant to a waiver issued by DOT under the authority of 46 U.S.C. 12102(d)(1).

## B. Small Entities

Under the Regulatory Flexibility Act, 5 U.S.C. 601-612, we have considered whether this proposed rule would have a significant economic impact on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

There is one U.S. entity that operates two foreign-flagged vessels that would be affected by this rulemaking at this time. This entity is neither a not-for-profit nor a governmental organization. The North American Industry Classification System (NAICS) for this entity is 424460, Fish and Seafood Merchant Wholesalers. An entity with this NAICS code is considered a small entity if it has less than 100 employees. Using the small entity definition for the NAICS code, we determined the entity is classified as a small entity, since this entity has 40 employees. Table 5 shows information on the U.S. entity classified as a small entity by NAICS code, and the small entity standard size established by the Small Business Administration.

Table 5: NAICS Code and Small Entities Size Standards

NAICS Code	Description	Small Business Size Standard
424460	Fish and Seafood Merchant Wholesalers	Less than 100 employees

We reviewed business revenue data provided by a publicly available source<sup>5</sup> and found that this entity has annual revenue estimated at \$4,800,000. Therefore, the expected burden on the company from this rulemaking is estimated at less than 0.001 percent of total annual revenue.

Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this proposed rule would have a significant economic impact on it, please submit a comment to the Docket Management Facility at the address under ADDRESSES. In your comment, explain why you think it qualifies and how and to what degree this proposed rule would economically affect it.

C. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996, Pub. L. 104-121, we want

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<sup>5</sup> MANTA (<http://www.manta.com/>) is an online business service directory and search engine that provides business revenue and size data.

to assist small entities in understanding this proposed rule so that they can better evaluate its effects on them and participate in the rulemaking. If you think that the proposed rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please consult with the Coast Guard personnel listed under the FOR FURTHER INFORMATION CONTACT section of this proposed rule. The Coast Guard will not retaliate against small entities that question or complain about this proposed rule or any policy or action of the Coast Guard.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1-888-REG-FAIR (1-888-734-3247).

#### D. Collection of Information

This proposed rule would call for a new collection of information under the Paperwork Reduction Act of 1995, 44

U.S.C. 3501-3520. This collection is explained below under ESTIMATE OF TOTAL ANNUAL BURDEN. As defined in 5 CFR 1320.3(c), "collection of information" comprises reporting, recordkeeping, monitoring, posting, labeling, and other, similar actions. The title and description of the information collections, a description of those who must collect the information, and an estimate of the total annual burden follow. The estimate covers the time for reviewing instructions, searching existing sources of data, gathering and maintaining the data needed, and completing and reviewing the collection.

Under the provisions of the proposed rule, an owner or operator of a vessel who is issued a waiver to conduct certain aquaculture support operations would notify the Coast Guard that such a waiver has been issued.

TITLE: Requirements for Vessels that Perform Certain Aquaculture Support Operations

SUMMARY OF THE COLLECTION OF INFORMATION: An owner or operator of a vessel who is issued a waiver to conduct certain aquaculture support operations would be required to notify the Coast Guard that such a waiver has been issued.

NEED FOR INFORMATION: This information is necessary to ensure that appropriate Coast Guard officials are aware

that foreign-flagged vessels or documented vessels with only registry endorsements are conducting aquaculture support activities in U.S waters pursuant to waivers issued by DOT under the authority of 46 U.S.C. 12102(d) (1).

PROPOSED USE OF INFORMATION: The Coast Guard would use this information to ensure vessels operating in U.S. waters in support of aquaculture are compliant with DOT's requirement.

DESCRIPTION OF THE RESPONDENTS: The respondents are owners or operators of vessels that are issued waivers to conduct certain aquaculture support operations.

NUMBER OF RESPONDENTS: The number of respondents is one per year.

FREQUENCY OF RESPONSE: Waivers are issued on an annual basis, so the frequency of response is one response per vessel, per year.

BURDEN OF RESPONSE: The estimated burden for each respondent is 0.5 hours per vessel to copy waivers and send information to the Coast Guard.

ESTIMATE OF TOTAL ANNUAL BURDEN: There is currently one entity operating two vessels that have been issued waivers. The total annual burden would be 1 hour (0.5 hours x 2 vessels). Assuming this task is performed by a

legal assistant at a loaded hourly rate of \$35.18, the annual cost burden for this requirement is \$35.18 (\$35.18 loaded wage rate x 1 total entity hours).

We ask for public comment on the proposed collection of information to help us determine—

- (1) How useful the information is;
- (2) Whether it can help us perform our functions better;
- (3) Whether it is readily available elsewhere;
- (4) How accurate our estimate of the burden of collection is;
- (5) How valid our methods for determining burden are;
- (6) How we can improve the quality, usefulness, and clarity of the information; and
- (7) How we can minimize the burden of collection.

If you submit comments on the collection of information, submit them to both OMB and to the Docket Management Facility where indicated under ADDRESSES, by the date under DATES.

You are not required to respond to a collection of information unless it displays a currently valid control number from OMB. Before we could enforce the collection of information requirements in this proposed rule, OMB would need to approve our request to collect this

information.

E. Federalism

A rule has implications for federalism under E.O. 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in E.O. 13132. Our analysis is explained below.

This proposed rule implements Section 901(c) of the Coast Guard Authorization Act of 2010. Section 901(c) amends Section 12102 of Chapter 121 of 46 U.S.C. by adding a waiver of certain Federal vessel documentation requirements for vessels performing aquaculture support operations. Neither Section 901 nor Chapter 121 contains authority for States to waive Federal vessel documentation requirements. Additionally, while Chapter 121 does not expressly prohibit States from having state titling systems, vessels that are required to be documented under Chapter 121 cannot be simultaneously titled by a State or numbered by a State pursuant to Chapter 123 (see 46 U.S.C.

Section 12106). Therefore, the rule is consistent with the principles of federalism and preemption requirements in E.O. 13132.

While it is well settled that States may not regulate in categories in which Congress intended the Coast Guard to be the sole source of a vessel's obligations, the Coast Guard recognizes the key role that State and local governments may have in making regulatory determinations. Additionally, for rules with federalism implications and preemptive effect, E.O. 13132 specifically directs agencies to consult with State and local governments during the rulemaking process. If you believe this proposed rule has implications for federalism under E.O. 13132, please contact the person listed in the FOR FURTHER INFORMATION section of this preamble.

F. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531-1538, requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this proposed rule would not result in such an

expenditure, we do discuss the effects of this proposed rule elsewhere in this preamble.

G. Taking of Private Property

This proposed rule would not cause a taking of private property or otherwise have taking implications under E.O. 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

H. Civil Justice Reform

This proposed rule meets applicable standards in sections 3(a) and 3(b)(2) of E.O. 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

I. Protection of Children

We have analyzed this proposed rule under E.O. 13045, Protection of Children from Environmental Health Risks and Safety Risks. This proposed rule is not an economically significant rule and would not create an environmental risk to health or risk to safety that might disproportionately affect children.

J. Indian Tribal Governments

This proposed rule does not have tribal implications under E.O. 13175, Consultation and Coordination with Indian Tribal Governments, because it would not have a substantial direct effect on one or more Indian tribes, on

the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

K. Energy Effects

We have analyzed this proposed rule under E.O. 13211, Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use. We have determined that it is not a "significant energy action" under that order because it is not a "significant regulatory action" under E.O. 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

L. Technical Standards

The National Technology Transfer and Advancement Act, 15 U.S.C. 272 note directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through OMB, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and

related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This proposed rule does not use technical standards. Therefore, we did not consider the use of voluntary consensus standards.

#### M. Environment

We have analyzed this proposed rule under Department of Homeland Security Management Directive 023-01 and Commandant Instruction M16475.1D, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969, 42 U.S.C. 4321-4370f, and have made a preliminary determination that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. A preliminary environmental analysis checklist supporting this determination is available in the docket where indicated under the "Public Participation and Request for Comments" section of this preamble. This proposed rule involves vessels that have received waivers from the DOT to perform certain aquaculture support operations in U.S. waters (or could receive such waivers in the future) and the Coast Guard's notification and documentation requirements for those vessels. The proposed rule entails administrative activities, which

pertain to regulations concerning documentation of vessels, and collectively appear to fall under section 2.B.2 and Figure 2-1, paragraphs (34)(a) and (d) of the Instruction. We seek any comments or information that may lead to the discovery of a significant environmental impact resulting from this proposed rule.

List of Subjects in 46 CFR Part 106

Aquaculture operations, Coastwise, Fishing vessels, Registry endorsement, Waiver.

For the reasons discussed in the preamble, the Coast Guard proposes to add 46 CFR part 106 to read as follows:

Title 46—Shipping

Part 106—REQUIREMENTS FOR NONQUALIFIED VESSELS THAT PERFORM CERTAIN AQUACULTURE SUPPORT OPERATIONS

Sec.

106.100 Purpose.

106.105 Applicability.

106.110 Definitions.

106.115 Notification requirements.

106.120 Operational and geographic requirements.

106.125 Penalties.

Authority: Sec. 901(c)(2), Pub. L. 111-281, 124 Stat. 2905, Title IX; Department of Homeland Security Delegation No. 0170.1.

§ 106.100 Purpose.

The regulations in this part implement 46 U.S.C. 12102(d).

§ 106.105 Applicability.

The regulations in this part apply to a documented vessel with only a registry endorsement or a foreign-flagged vessel that has been issued a waiver by DOT under 46 U.S.C. 12102(d)(1), for the purpose of conducting aquaculture support operations.

§ 106.110 Definitions. For the purpose of this part:

Aquaculture support operations means activities that treat aquaculture fish for or protect aquaculture fish from disease, parasitic infestation, or other threats to their health.

§ 106.115 Notification requirements.

(a) Prior to operating in U.S. waters, a vessel owner, operator, or charterer that has been issued a waiver by DOT to conduct aquaculture support operations must notify the Coast Guard in writing of its status. The notification must include the following information:

- (1) The vessel(s) name(s);
- (2) The vessel's official and/or International Maritime Organization number;
- (3) The geographic location within the waters of the United States where the vessel(s) will conduct treatment

operations;

(4) The period of time during which the waiver for the vessel(s) is approved including:

(i) The start date (MM/DD/YYYY); and

(ii) The expiration date (MM/DD/YYYY); and

(5) A copy of the DOT-approved aquaculture waiver.

(b) Written notification must be made to the Commandant (CG-CVC), ATTN: Office of Commercial Vessel Compliance, U.S. Coast Guard Stop 7501, 2703 Martin Luther King Jr. Avenue SE., Washington, DC 20593-7501, or by email to [CG-CVC-3@uscg.mil](mailto:CG-CVC-3@uscg.mil).

§ 106.120 Operational and geographic requirements.

(a) Vessels with a DOT waiver, issued under 46 U.S.C. 12102(d)(1), for the purpose of performing aquaculture support operations are subject to the following restrictions:

(1) Commercial operations other than operations that treat or protect aquaculture fish are prohibited;

(2) While conducting aquaculture support operations, vessels will operate solely within the geographic location identified in the approved waiver issued by DOT; and

(3) Vessels will not conduct aquaculture support operations beyond the period of time approved in the waiver issued by DOT.

(b) Vessels conducting aquaculture support operations will, at all times, maintain a copy of the waiver issued by DOT on board the vessel as proof of its eligibility to conduct aquaculture support operations.

§ 106.125 Penalties.

A vessel owner, operator, or charterer not operating a vessel as required in this part is subject to penalty under 46 U.S.C. 12151.

Dated: July 23, 2015

V.B. Gifford, Jr.,  
Captain, U.S. Coast Guard,  
Director of Inspections and Compliance.  
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