E. 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 rule elsewhere in this preamble.

F. Environment

We have analyzed this proposed rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M1647.1D, 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. This proposed rule involves special local regulation issued in conjunction with a regatta or marine parade. This rule is categorically excluded from further review under paragraph 34(h) of Figure 2–1 of the Commandant Instruction. We seek any comments or information that may lead to the discovery of a significant environmental impact from this rule.

G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the FOR FURTHER INFORMATION CONTACT section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places, or vessels.

V. Public Participation and Request for Comments

We view public participation as essential to effective rulemaking, and will consider all comments and material received during the comment period. Your comment can help shape the outcome of this rulemaking. If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation.

We encourage you to submit comments through the Federal eRulemaking Portal at http://www.regulations.gov. If your material cannot be submitted using http://www.regulations.gov, contact the person in the FOR FURTHER INFORMATION CONTACT section of this document for alternate instructions.

We accept anonymous comments. All comments received will be posted without change to http://www.regulations.gov and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the Federal Register (70 FR 15086).

Documents mentioned in this NPRM as being available in the docket, and all public comments, will be in our online docket at http://www.regulations.gov and can be viewed by following that Web site’s instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted or a final rule is published.

List of Subjects in 33 CFR Part 100

Marine safety, Navigation (water), Reporting and recordkeeping requirements, Waterways.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 100 as follows:

PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

§ 100.T07–0012 Special Local Regulations; Bucksport/Lake Murray Drag Boat Spring Nationals, Atlantic Intracoastal Waterway, Bucksport, SC.

(a) Regulated area. All waters of the Atlantic Intracoastal Waterway encompassed by a line connecting the following points: Point 1 in position 33°39′13″ N., 079°05′36″ W.; thence west to point 2 in position 33°39′17″ N., 079°05′46″ W.; thence south to point 3 in position 33°38′53″ N., 079°05′39″ W.; thence east to point 4 in position 33°38′54″ N., 079°05′31″ W.; thence north back to point 1. All coordinates are North American Datum 1983.

(b) Definition. As used in this section, “designated representative” means Coast Guard Patrol Commanders, including Coast Guard coxswains, petty officers, and other officers operating Coast Guard vessels, and Federal, state, and local officers designated by or assisting the Captain of the Port Charleston in the enforcement of the regulated areas.

(c) Regulations. (1) All persons and vessels are prohibited from entering, transiting through, anchoring in, or remaining within the regulated area, except persons and vessels participating in Bucksport/Lake Murray Drag Boat Fall Nationals or serving as safety vessels. Persons and vessels desiring to enter, transit through, anchor in, or remain within the regulated area may contact the Captain of the Port Charleston by telephone at (843) 740–7050, or a designated representative via VHF radio on channel 16, to request authorization. If authorization to enter, transit through, anchor in, or remain within the regulated area is granted by the Captain of the Port Charleston or a designated representative, all persons and vessels receiving such authorization must comply with the instructions of the Captain of the Port Charleston or a designated representative.

(2) The Coast Guard will provide notice of the regulated area by Marine Safety Information Bulletins, Local Notice to Mariners, Broadcast Notice to Mariners, and on-scene designated representatives.

(d) Enforcement Date. This rule will be enforced daily from 1 p.m. to 7 p.m. on September 10, and September 11, 2016.

Dated: June 27, 2016.

G.L. Tomasulo,
Captain, U.S. Coast Guard, Captain of the Port Charleston.

[FR Doc. 2016–16333 Filed 7–8–16; 8:45 am]
BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY
Coast Guard

33 CFR Part 164

[Docket No. USCG–2015–0926]

RIN 1625–AC27

Tankers—Automatic Pilot Systems in Waters

AGENCY: Coast Guard, DHS.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to permit tankers with automatic pilot systems that meet certain international standards to operate using those systems in waters subject to the shipping safety fairway or traffic separation scheme controls specified in our regulations. The proposed amendments would remove an unnecessary regulatory restriction, update the technical
requirements for automatic pilot systems, and promote the Coast Guard’s maritime safety and stewardship (environmental protection) missions by enhancing maritime safety.

DATES: Comments and related material must be submitted to the online docket via http://www.regulations.gov, or reach the Docket Management Facility, on or before October 11, 2016.

ADDRESSES: You may submit comments identified by docket number USCG–2015–0926 using the Federal eRulemaking Portal at http://www.regulations.gov. See the “Public Participation and Request for Comments” portion of the SUPPLEMENTARY INFORMATION section for further instructions on submitting comments.

Viewing material proposed for incorporation by reference. Make arrangements to view this material by calling the person identified in the FOR FURTHER INFORMATION CONTACT section of this document.

FOR FURTHER INFORMATION CONTACT: For information about this document or to view material proposed for incorporation by reference call or email LCDR Matthew J. Walter, CG–NAV–2, U.S. Coast Guard; telephone 202–372–1565, email Matthew.J.Walter@uscg.mil.

SUPPLEMENTARY INFORMATION:

Table of Contents for Preamble
I. Public Participation and Request for Comments
   A. Submitting Comments
   B. Viewing Comments and Documents
   C. Privacy Act
   D. Public Meeting
II. Abbreviations
III. Basis and Purpose
IV. Discussion of Proposed Rule
V. Incorporation by Reference

II. Abbreviations

A. BLS Bureau of Labor Statistics
B. COTP Captain of the Port
C. DHS Department of Homeland Security
D. Executive Order
E. FR Federal Register
F. IEC International Electrotechnical Commission
G. IMO International Maritime Organization
H. INS Integrated navigation system
I. LOD Letter of Deviation
J. OMB Office of Management and Budget
K. RA Regulatory Analysis
L. SBA Small Business Administration
M. TSS Traffic separation scheme

III. Basis and Purpose

The legal basis for this rulemaking is provided by 46 U.S.C. 2103 and 3703. Section 2103 gives the Secretary of the department in which the Coast Guard is operating discretionary authority to "prescribe regulations to carry out the provisions of” 46 U.S.C. Subtitle II, which includes provisions for tanker carriage of liquid bulk dangerous cargoes. Section 3703 requires the Secretary to prescribe regulations for the operation, equipment, and other issues relating to the carriage of liquid bulk dangerous cargoes. In DHS Delegation No. 0170.1 (II)(70), (92.a), and (92.b), the Secretary delegated authority under these statutes to the Coast Guard.

The purpose of the proposed rule is to permit tankers with automatic pilot systems (autopilots, a generic term) that meet certain international standards to operate using those systems in waters subject to the shipping safety fairway or traffic separation scheme (TSS) controls specified in 33 CFR parts 166 and 167.

IV. Discussion of Proposed Rule

The proposed rule would amend 33 CFR 164.13, relating to the navigation of tankers underway. We promulgated § 164.13 in 1993. Paragraph (d)(3) of the section prohibited a tanker’s use of an autopilot in waters subject to 33 CFR parts 166, shipping safety fairway 2 or 33 CFR part 167 TSS’s, but made an exception for an autopilot working in concert with an “integrated navigation system” (INS), as described in paragraph (e) of the section.

Immediately after we promulgated 33 CFR 164.13, we received a public comment noting that, at the time, “INS” described a wide range of shipboard systems for which there was no performance standard for the INS’ accuracy, integrity, or reliability. Therefore, before § 164.13 was to take effect, we suspended paragraph (e) until such time as we could develop the testing and methodology necessary for certifying that an INS has satisfactory accuracy, integrity, and reliability. The 1993 suspension was noted in an editor’s note to 33 CFR 164.13. The
suspension had the effect of prohibiting the use of any autopilot in fairway or TSS waters.

Section 164.13(e) provided three criteria for showing that an INS can adequately control a tanker. The system must show that it:

1. Can maintain a predetermined trackline with a cross track error of less than 10 meters 95 percent of the time;
2. Can provide continuous position and speed data accurate to within 20 meters 95 percent of the time; and
3. Has immediate override control.

Today, Criterion 2 is easily met by any tanker with a modern global navigation satellite system, and Criterion 3 is met by all systems now on the market.

Criterion 1, the ability to maintain a predetermined trackline with high accuracy, has benefited from advances in autopilot technology since 1993, in particular the advent of heading control systems,7 track control systems,8 or integrated navigation systems.9 The International Electrotechnical Commission (IEC), a voluntary industry consensus standards-setting body, has developed a standard for heading and track control systems. The International Maritime Organization (IMO) has adopted resolutions endorsing this standard and has recommended to IMO member states that they adopt performance standards “not inferior to”10 those the IMO has adopted. We believe that tanker autopilot systems meeting the IEC standard should be relieved of the regulatory burden that prohibits their use in fairway and TSS waters.

Since late 2013, we have relieved the existing regulatory burden on many tanker owners and operators by authorizing, on a case-by-case basis and in specific Coast Guard Captain of the Port (COTP) zones, deviations11 from the § 164.13(d)(3) prohibition on a tanker’s use of an autopilot. To date, we have authorized 35 deviations allowing tankers to operate specific IEC-compliant autopilots in fairway or TSS waters within specific COTP zones. However, the authorization of deviations does not relieve the regulatory burden for those who do not apply for authorization, and what relief we do provide comes at the expense of new burdens on industry and the Coast Guard. First, a tanker owner or operator must apply for a deviation for each COTP zone in which the tanker operates. Second, the cognizant COTP must ensure that the tanker’s autopilot is IEC-compliant, and then authorize the deviation.

We would like to eliminate all these burdens on industry and the Coast Guard. Given that the apparent lack of standards in 1993 has now been remedied, we propose amending 33 CFR 164.13 to allow tankers equipped with specific IEC-compliant autopilots to use those systems in fairway and TSS waters, without having to apply to individual COTPs for deviations, and without the need for COTPs to ensure IEC compliance and issue deviations. Not only will this eliminate the current burdens on industry and the Coast Guard by giving force to IMO resolutions, it will also promote both the United States’ leading role in IMO affairs, and the goals of Executive Order 13609, “Promoting International Regulatory Cooperation.”12 Moreover, our proposal could enhance maritime safety, because the autopilots in question offer far greater precision and navigational safety than conventional autopilots, and arguably, even human steering.

For these reasons, we propose amending 33 CFR 164.13(d), incorporating the existing substance of paragraph (d) and suspended paragraph (e) with the substantive changes we will describe, and also with nonsubstantive wording changes that are intended to improve § 164.13’s clarity. Except as noted, those nonsubstantive changes are minor.

In the introductory language in (d), we would make it clear that the paragraph preempts (makes invalid) State or local laws intended to regulate the same topic. Also, instead of the generic term “autopilot,” we would specify that (d) authorizes the use of only a heading or track control system.

In paragraph (d)(1), we would retain the existing § 164.13(d)(3)(iii) and (iv) prohibitions against using a track or heading control system within a half nautical mile of shore or within any anchorage ground specified in 33 CFR part 110.

In paragraph (d)(2), we would retain, but substantially revise for clarity, the existing § 164.13(d)(2) requirement for the full-time presence of a qualified person to assume manual control of the tanker’s steerage.

In paragraph (d)(3), we would replace the existing § 164.13(d)(1) reference to an IMO autopilot compliance standard with a reference to two editions of the IEC standard for heading and track control systems.

We would remove existing suspended paragraph (e). As revised, paragraph (d) would replace the substance of that paragraph by setting new requirements for the use of heading or track control systems in fairway or TSS waters.

V. Incorporation by Reference

Material proposed for incorporation by reference in 33 CFR 164.13 appears in the proposed amendment to 33 CFR 164.03. See ADDRESSES for information on viewing this material. Copies of the material are available from the sources listed in § 164.03. Before publishing a binding rule, we will submit this material to the Director of the Federal Register for approval of the incorporation by reference. We propose incorporating the International Electrotechnical Commission standard IEC 62065, Edition 1.0 (2002–03) and Edition 2.0 (2014–02). Both editions of this standard specify operational and performance requirements and tests for heading and track control systems.

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 proposed rule is not a “significant regulatory action,” under section 3(f) of E.O. 12866. Accordingly, the rule has not been reviewed by the Office of Management and Budget (OMB). A combined preliminary regulatory action (RA) and Threshold Regulatory Flexibility Analysis follows and provides an evaluation of the economic impacts associated with this proposed rule. The table which follows provides a summary of the proposed rule’s costs and benefits.

TABLE 1—SUMMARY OF THE PROPOSAL’S IMPACTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potentially Affected Population</td>
<td>An estimated 9,458 foreign-flagged vessels that are owned by 2,285 companies and 95 U.S.-flagged vessels that are owned by 40 businesses.</td>
</tr>
<tr>
<td>Costs (7% discount rate) (costs only accrue in the first year)</td>
<td>$12,403.</td>
</tr>
<tr>
<td>10-Year Total Quantified Cost Savings (7% discount rate)</td>
<td>$85,220.</td>
</tr>
<tr>
<td>10-Year Net Cost Savings (7% discount rate)</td>
<td>$72,816.</td>
</tr>
<tr>
<td>Annualized Net Savings (7% discount rate)</td>
<td>$10,367.</td>
</tr>
<tr>
<td>Unquantified Benefits</td>
<td>* Improve effectiveness without compromising safety.</td>
</tr>
<tr>
<td></td>
<td>* Prevent misuse and misunderstandings.</td>
</tr>
<tr>
<td></td>
<td>* Improved goodwill between regulated public and Coast Guard.</td>
</tr>
</tbody>
</table>

The proposed rule would revise the existing regulations regarding navigation on tankers. It would update the regulations to lift the suspension on tanker use of autopilot systems that has been in place since 1993 and which is no longer needed and update the performance standard for traditional autopilot systems referenced in 33 CFR 164.13(d). The proposed rule, if finalized, would remove an unnecessary regulatory restriction and result in an overall cost savings for the regulated public and the Coast Guard.

Affected Population

Based on the Coast Guard’s MISLE database, we estimate that this proposed rule would affect approximately 9,458 foreign-flagged vessels and approximately 95 U.S.-flagged vessels. No governmental jurisdictions would be impacted.

Costs

The Coast Guard expects that this rule, if promulgated, would result in one-time costs of approximately $12,403 (7% discount) or an undiscounted cost of $13,272.13 These costs would be derived by regulated entities needing to communicate to their vessel staff information about the proposed change (a regulatory familiarization cost). The Coast Guard estimates that approximately 4 minutes (0.676 hour) would be expended per company to do so; these communications are anticipated to be via electronic bulletin boards or mass distribution email. Labor costs are estimated at $85.20 per hour (fully loaded to account for the cost of employee benefits) for an operations manager based on a mean wage rate of $55.81; this estimate is based on Bureau of Labor Statistics (BLS) Occupational Employment Statistics, Occupational Employment and Wages data, for General and Operations Managers for Industrial Production (11–1021, May 2013).14 From there, we applied a load factor of 1.53, to determine the actual cost of employment to employers and industry.15 The following table presents the estimated cost of compliance with the rulemaking.

TABLE 2—TOTAL ESTIMATED COST OF REGULATORY FAMILIARIZATION

<table>
<thead>
<tr>
<th>Year</th>
<th>Discounted 7%</th>
<th>Discounted 3%</th>
<th>Undiscounted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$12,403</td>
<td>$12,885</td>
<td>$13,272</td>
</tr>
<tr>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>3</td>
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<td>10</td>
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<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>12,403</td>
<td>12,885</td>
<td>13,272</td>
</tr>
<tr>
<td>Annualized</td>
<td>1,766</td>
<td>1,511</td>
<td>1,327</td>
</tr>
</tbody>
</table>

13 As derived by the summation of the equations: [0.0767 hour * $85.20 marine operations manager wage rate * (2,285 foreign-flagged vessel owners/operators + 40 U.S.-flagged vessel owners/operators) * 7% discount rate.
14 The reader may review the source data at http://www.bls.gov/oes/2013/may/oes111021.htm. Also please see http://www.bls.gov/oes/2013/may/oes430014.htm for the wage rate for an administrative assistant. After adding the load factor the wage rate for an administrative assistant is estimated to be $24.96. The wage rate for a lead engineer is estimated to be $100.22, which is derived from the product of the unloaded wage rate as found on the BLS Web site (http://www.bls.gov/oes/2013/may/oes119041.htm) and the load factor (1.53 rounded).
15 This load factor is calculated specifically for production, transportation and material moving occupations, Full-time, Private Industry (Series ID: CMU20100005200000D, CMU20100005200000P, and CMU20100005200000D, CMU20100005200000P).

14 From there, we applied a load factor of 1.53, to determine the actual cost of employment to employers and industry.15 The following table presents the estimated cost of compliance with the rulemaking.

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<td>10</td>
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</tbody>
</table>
The Coast Guard has not estimated a cost to comply with the documents proposed to be incorporated by reference (International Electrotechnical Commission’s standards IEC 62065, 2014–02; IMO Resolution MSC.74(69), Annex 2). The Coast Guard has not estimated a cost for these provisions because manufacturers participate in the development of the standards at IEC and are aware of the changes to standards. As a result they already have been producing equipment to meet the standard; manufacturers typically will begin to make manufacturing modifications even before such changes are formally adopted. The proposal would not require owners and operators to acquire the standards; they would not need the standard in hand to be in compliance. They simply would look for evidence from manufacturers that products meet or exceed the standard before purchase. For these reasons, the Coast Guard has not included a cost for these provisions.

No equipment would be required by the rule. As well, some parts of the affected population would experience no cost increase due to the rulemaking, since some vessels do not use autopilot under the conditions noted in the proposal; therefore they would have no costs. No further action would be required by these parties. Only 40 U.S. vessel owners and operators and approximately 2,285 foreign vessel owners and operators are potentially impacted; for these, they would incur a cost only if they need to communicate to staff the proposed rules changes on the use of autopilot.

Cost Savings

The proposal would result in cost savings for the regulated public and the Coast Guard. The proposed rule would prevent unnecessary inquiries to the Coast Guard regarding regulations and the filing of (and Coast Guard processing of) letters of deviation (LODs). With regard to the first cost savings, the Coast Guard estimates that it spends a collective 20 hours annually (one hour per call on average) fielding calls from the regulated public seeking clarification of the intent of the existing regulations. This labor cost for the regulated public and the Coast Guard would be eliminated by the proposed rule.16 To estimate these costs, the Coast Guard used publicly available data as found in the Memorandum of the Commandant entitled “Coast Guard Reimbursable Standard Rates.”17 Labor costs are estimated for the Coast Guard at $88 18 for a Lieutenant Commander. This figure represents a wage rate with a fully loaded labor factor of 1.85 for uniformed Coast Guard positions. For the regulated public, the wage rate for a lead engineer is estimated to be $100.22 per hour, based upon a load factor applied to the BLS wage data; the unloaded wage rate for an engineering manager is $65.65 and the load factor is 1.53 (rounded).19 The total cost savings from the elimination of inquiries to Coast Guard is estimated at $3,764 per year.20 In addition, the proposal would save the regulated public and the Coast Guard labor costs associated with the filing and processing of annual LODs. The proposal would preclude the need for the regulated public to file an LOD. In doing so, it would preclude the need for the Coast Guard to process the LOD and respond to it. The Coast Guard estimates that each LOD requires a given marine business to expend 1.7 hours of an operations manager’s time and 0.5 hour of an administrative assistant’s time to prepare and submit the LOD. These precluded costs would be incurred annually and would be calculated by the sum of the products of the loaded wage rates and labor duration estimates times the number of requests per year.21 In turn, we estimate 17 ($85.20/hour operations manager’s wage rate * 1 hour * 20 calls per year = $1704). 18 The memorandum is dated February 11, 2015 and is numbered COMDTINST 7310.1P. Enclosure 2 lists the relevant data. The memorandum may be found on www.uscg.mil/directives/ci/7000-7999/CI_7310_1p.PDF. This document is known as Commandant Instruction P. 19 See http://www.uscg.mil/directives/ci/7000-7999/CI_7310_1p.PDF. See Enclosure 2 for government rate of an O-4 officer and a GS-11 employee. 20 Coast Guard Cost Savings: ($88 Lt Commander * 1 hour * 20 calls per year = $1760) Regulated Public Cost Savings: ($100.22 lead engineer * 1 hour * 20 calls per year = $2004). 21 ($85.20/hour operations manager’s wage rate * 1.7 hours) + ($24.96/hour admin assistant’s wage rate * 0.5 hour) = $200.45. 22 35 waivers annually * 1.7 hours * wage rate for operations manager + 0.5 hour * wage rate for an admin assistant. 23 35 waivers annually * 0.6 hour * wage rate for Lt. Commander + 0.5 hour * wage rate for Coast Guard admin assistant. that the Coast Guard would spend 0.6 hour of a Lieutenant Commander’s time; and 0.5 of an administrative assistant’s time to process, review and respond to each LOD request. The loaded wage rates for these positions are: $88 for a Lieutenant Commander (O–4); $58 for an administrative assistant (GS–11). These wage rates may be found in Commandant Instruction P (Enclosure 2’s in-government rates).

To estimate these cost savings, we requested data from Coast Guard sectors on their processing with experience LODs. Based on that review, we estimated the number of LOD requests to be approximately 35 annually, which would be precluded by the proposed rule. We also reviewed previous Coast Guard regulatory analyses for the labor costs of the regulated public for filing waiver requests. Our estimated duration for labor for the regulated public and for the Coast Guard are based on Coast Guard experience with LOD requests as well as an existing information collection, which is entitled Ports and Waterways Safety—Title 33 CFR Subchapter P (RIN 1625–0043; the Coast Guard’s proposed rule for cranes (RIN 1625–AB78, USCG–2011–0992); and the proposed and final rules for Vapor Control Systems (RIN 1625–AB37, USCG–1999–5150). We used the existing information collection 1625–0043 to obtain the estimates of existing tasks; we used the information collections for cranes and vapor control systems to estimate tasks that were not in 1625–0043, but were similar to the tasks of these information collections. We estimate that the regulated public would spend approximately 2.2 hours to prepare the paperwork and to file an LOD.22 In addition, we estimate that the Coast Guard spends 1.1 hours in total for each LOD.23 Total cost savings per year would be $12,133.24 The following table presents the estimated cost savings.

Cost savings for the Coast Guard are based on Coast Guard experience with LOD requests as well as an existing information collection, which is entitled Ports and Waterways Safety—Title 33 CFR Subchapter P (RIN 1625–0043; the Coast Guard’s proposed rule for cranes (RIN 1625–AB78, USCG–2011–0992); and the proposed and final rules for Vapor Control Systems (RIN 1625–AB37, USCG–1999–5150). We used the existing information collection 1625–0043 to obtain the estimates of existing tasks; we used the information collections for cranes and vapor control systems to estimate tasks that were not in 1625–0043, but were similar to the tasks of these information collections. We estimate that the regulated public would spend approximately 2.2 hours to prepare the paperwork and to file an LOD.22 In addition, we estimate that the Coast Guard spends 1.1 hours in total for each LOD.23 Total cost savings per year would be $12,133.24 The following table presents the estimated cost savings.

Total cost savings per year would be $12,133.24 The following table presents the estimated cost savings.

The proposed rule would result in a net cost savings of $72,816 (7% discount rate for a 10 year period) since the estimated cost savings exceed the costs of the proposed rule. Costs are incurred only in year 1. The net cost savings of the proposal are calculated by subtracting the total cost of the rule ($12,403) from the total cost savings ($85,220). These cost savings result from precluded labor costs to the regulated public and to the Coast Guard as noted earlier. Table 4 presents the cost savings of the proposal.

**Table 3—Total Cost Savings by Year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost savings to the regulated public</th>
<th>Cost savings to the government</th>
<th>Total estimated cost savings</th>
</tr>
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<td>Annualized 7%</td>
<td>Annualized 3%</td>
<td>Undiscounted</td>
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<tr>
<td>1</td>
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<td>$7,292</td>
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<tr>
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<td>$7,510</td>
<td>$7,510</td>
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</table>

Benefits

The proposed rule would amend existing regulations to remove the requirements that prohibit tanker use of autopilot systems. The proposal also would update the performance standard for traditional autopilot systems. The Coast Guard is pursuing this amendment to existing standards in order to prevent inefficient use of labor and to add clarity to the current system; the proposal would prevent inefficient use of labor (as noted in the cost savings discussion earlier) and would add clarity to the regulated public as to the need for safety precautions. The proposed changes would improve regulatory intent and keep regulations in step with existing technology without compromising the existing level of safety. Instead, the proposed rule would promote maritime safety by eliminating confusion associated with outdated regulations that have not kept pace with technology.

Regulatory Alternatives Considered

In developing the proposal, the Coast Guard considered the following alternatives when developing the proposed rule:
1. Take no action.
2. Develop a different time table for small entities.
3. Provide an exemption for small entities (from the proposed rule or any part thereof).

The first alternative is not preferred because it does not offer solutions to issues identified earlier in the preamble. It would perpetuate an inefficient use of labor on the part of the regulated public and the Coast Guard. The second alternative prevents small entities from enjoying the benefits of these efficiencies at all. As this regulation reduces an unnecessary regulatory restriction, the Coast Guard does not want to restrict its applicability to small entities in any way.

Most entities are expected to experience no additional cost; for those who would incur a cost, the Coast Guard estimates costs to be less than $6 per entity.\(^2\)\(^3\) Cost savings would accrue only to those covered by the rulemaking and who have not already applied for a waiver or who are not in compliance with the existing regulations. An exemption would preclude cost savings to those under the exemption; the Coast Guard estimates that cost savings would be less than $200 per affected entity annually.\(^2\)\(^6\)

For the reasons discussed earlier, we rejected these alternatives in favor of the

\(^{2}\)\(^3\) As noted earlier, the cost to communicate information is calculated by the equation $85.20 \times 0.067 \text{ hour}.

\(^{2}\)\(^6\) Labor to make an inquiry is estimated by the equation: 1.7 \text{ hours} \times \text{ wage rate for operations manager} + 0.6 \text{ hour} \times \text{ wage rate for an admin assistant}.
preferred alternative. The preferred alternative (the proposed rule) would amend existing regulations to remove the requirements that prohibit tanker use of autopilot systems. The preferred alternative also would update the performance standard for traditional autopilot systems.

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 fewer than 50,000 people.

The Coast Guard expects that this proposed rule would not have a significant economic impact on small entities. As described in the “Regulatory Planning and Review” section, the Coast Guard expects this proposed rule to result in net cost savings to regulated entities. An estimated 67 percent of the regulated companies (a total of 27 businesses) are considered small by the Small Business Administration (SBA) industry size standards; for any company for which we were not able to find SBA size data, we assumed it was a small entity. The compliance costs for this proposed rule (which are only regular familiarization costs) would amount to less than 1 percent of revenue for all small entities ($5.71 per entity) and, therefore, do not represent a significant economic impact on a substantial number of small entities. Costs would be incurred only in the first year of the final rule’s enactment. No additional costs for labor or equipment would be incurred in future years. In fact, as this rule is removing an unnecessary regulatory restriction, this rule is expected to reduce labor costs. No small governmental jurisdictions are impacted by the proposed rule.

Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule, if promulgated, would 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 affect it economically.

C. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104–121, we want 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 the proposed rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the Coast Guard (see ADDRESSES). 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 Administration 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 businesses. 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 no new collection of information under the Paperwork Reduction Act of 1995, 44 U.S.C. 3501–3520; the proposed rule would not add requirements for recording and recordkeeping to the existing collection which is entitled Ports and Waterways Safety—Title 33 CFR Subchapter P and which is numbered 1625–0043. However, the proposed rule would adjust this collection. 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 gathering and maintaining the data needed, and completing and reviewing the collection.

Title: Ports and Waterways Safety—Title 33 CFR Subchapter P.

OMB Control Number: 1625–0043.

Summary of the Collection of Information: The existing collection of information requires written responses such as LODs. Under the proposed rule, the Coast Guard would no longer require an LOD to be submitted under specific conditions as noted in the proposal; LODs would continue to be required for other existing reasons. The collection of information aids the regulated public in assuring safe practices.

Need for Information: The Coast Guard needs this information to determine whether an entity meets the regulatory requirements.

Proposed Use of Information: The Coast Guard uses this information to determine whether an entity request for deviation is justified.

Description of the Respondents: The respondents are owners and operators of vessels which travel in the regulated waterways as noted in the regulatory text.

Number of Respondents: The burden of this proposed rule for this collection of information includes submittal of LODs. This collection of information applies to owners/operators of vessels which travel in the regulated waterways. We estimate the maximum number of respondents is 35 per year.

Frequency of Response: The number of Deviation under the conditions noted in
the proposal are filed once per year. The proposal would eliminate the need for this particular use of the LOD. The Coast Guard estimates that 35 fewer LODs would be filed annually because of the proposal.

**Burden of Response:** The burden of response for each LOD is an estimated 2.2 hours.

**Estimate of Total Annual Burden:** This proposed rule would decrease burden hours by 77 hours from the previously approved burden estimate of 2,110.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), we will submit a copy of this proposed rule to OMB for its review of the collection of information.

We invite public comment on the proposed collection of information. Advise us on how useful the information is; whether it can help us perform our functions better; whether it is readily available elsewhere; how accurate our estimate of the burden of collection is; how valid our methods for determining burden are; how we can improve the quality, usefulness, and clarity of the information; and how we can minimize the burden of collection. You need not respond to a collection of information unless it displays a currently valid control number from OMB. Before the Coast Guard could enforce the collection of information requirements in this rule, OMB would need to approve the Coast Guard’s 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.

It is well settled that States may not regulate in categories reserved for regulation by the Coast Guard. It is also well settled, now, that all of the categories covered in 46 U.S.C. 3306, 3703, 7101, and 8101 (design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of vessels), as well as the reporting of casualties and any other category in which Congress intended the Coast Guard to be the sole source of a vessel’s obligations, are within the field foreclosed from regulation by the States. (See the decision of the Supreme Court in the consolidated cases of United States v. Locke and Intertanko v. Locke, 529 U.S. 89, 120 S.Ct. 1135 (March 6, 2000)). This rule is promulgated under Title II of the Ports and Waterways Safety Act 27 (46 U.S.C. 3703) and amends existing regulations for tank vessels regarding certain vessel equipment technical standards and operation. Under the principles discussed in Locke, States are foreclosed from regulating within this field. Thus, 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 rule has implications for federalism under E.O. 13132, please contact the person listed in the FOR FURTHER INFORMATION CONTACT 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, 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 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 25 U.S.C. 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. 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 Tribal governments, on the relationship between the Federal Government and Tribal governments, or on the distribution of power and responsibilities between the Federal Government and Tribal governments.

**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 E.O. 13211 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, codified as a note to 15 U.S.C. 272, 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 uses voluntary consensus standards to track control and integrated navigation systems used in vessel automatic pilot systems. These standards provide parameters within which these systems must operate to ensure proper navigational control given the vessel’s position, heading, speed, and other factors. The standards were developed by the International Electrotechnical Commission, an international voluntary consensus standards body.

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standards-setting organization, and the IMO.

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 we 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 categorical exclusion determination is available in the docket where indicated under the “Public Participation and Request for Comments” section of this preamble.

This proposed rule involves regulations concerning tank vessel equipment approval and operation. Thus, this proposed rule will likely be categorically excluded under Section 2b.h.2, figure 2–1, paragraph 34(d), (e), and (i) of the Instruction and Section 6(a) of the “Appendix to National Environmental Policy Act: Coast Guard Procedures for Categorical Exclusions, Notice of Final Agency Policy” (67 FR 48243, July 23, 2002). We seek any comments or information that may lead to the discovery of a significant environmental impact from this proposed rule.

List of Subjects in 33 CFR Part 164

Marine, Navigation (water), Incorporation by reference, Reporting and recordkeeping requirements, Waterways.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 164 as follows:

Title 33—Navigation and Navigable Waters

PART 164—NAVIGATION SAFETY REGULATIONS

§ 164.03 Incorporation by reference.  
* * * * *  
(1) IEC 62065 Edition 1.0 (2002–03), Maritime navigation and radiocommunications equipment and systems—Track control systems—Operational and performance requirements, methods of testing and required test results—incorporation by reference approved for § 164.13(d).  
(2) IEC 62065 Edition 2.0 (2014–02), Maritime navigation and radiocommunications equipment and systems—Track control systems—Operational and performance requirements, methods of testing and required test results—incorporation by reference approved for § 164.13(d).  
3. Amend § 164.13 by removing paragraph (e) and revising paragraph (d) to read as follows:

§ 164.13 Navigation underway: Tankers.  
* * * * *  
(d) This paragraph (d) has preemptive effect over State or local regulation within the same field. A tanker may navigate using a heading or track control system only if—  
(1) The tanker is beyond one-half nautical mile off shore or not within waters specified in 33 CFR part 110 (anchorages);  
(2) There is a person, competent to steer the vessel, present to assume manual control of the steering station; and  
(3) The system meets the heading or track control specifications of either IEC 62065 (2002–03) or IEC 62065 (2014–02) (incorporated by reference, see § 164.03).  
Dated: June 28, 2016.  
David C. Barata,  
Acting Director of Marine Transportation Systems Management, U.S. Coast Guard.  
[FR Doc. 2016–15791 Filed 7–8–16; 8:45 am]  
BILLING CODE 9110–04–P  

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165  
[Docket Number USCG–2016–0077]  
RIN 1625–AA00  
Safety Zone, Daytona Beach Wings and Waves Air Show; Atlantic Ocean, Daytona Beach, FL  
AGENCY: Coast Guard, DHS.  
ACTION: Notice of proposed rulemaking.  
SUMMARY: The Coast Guard proposes to establish a safety zone on the waters of the Atlantic Ocean east of Daytona Beach, Florida during the Daytona Beach Wings and Waves Air Show. This action is necessary to provide for the safety of life on the navigable waters surrounding the event. This safety zone will be enforced daily 11 a.m. to 4:30 p.m., from October 6 through October 9, 2016. This proposed rulemaking would prohibit persons and vessels from being in the safety zone unless authorized by the Captain of the Port (COTP) Jacksonville or a designated representative. We invite your comments on this proposed rulemaking.  
DATES: Comments and related material must be received by the Coast Guard on or before August 10, 2016.  
ADDRESSES: You may submit comments identified by docket number USCG–2016–0077 using the Federal eRulemaking Portal at http://www.regulations.gov. See the “Public Participation and Request for Comments” portion of the SUPPLEMENTARY INFORMATION section for further instructions on submitting comments.  
FOR FURTHER INFORMATION CONTACT: If you have questions about this proposed rulemaking, call or email Lieutenant Allan Storm, Sector Jacksonville, Waterways Management Division, U.S. Coast Guard; telephone (904) 714–7616, email Allan.H.Storm@uscg.mil.  
SUPPLEMENTARY INFORMATION:  
I. Table of Abbreviations  
CFR Code of Federal Regulations  
DHS Department of Homeland Security  
FR Federal Register  
NPRM Notice of proposed rulemaking  
§ § Section  
II. Background, Purpose, and Legal Basis  
On December 15, 2015, Embry Riddle Aeronautical University/David Schultz Airshows LLC submitted a marine event application to the Coast Guard for the Daytona Beach Wings and Waves Air Show that will take place from October 6 through 9, 2016. The air show will consist of various flight demonstrations over the Atlantic Ocean, just offshore from Daytona Beach, FL. Over the years, there have been unfortunate instances of aircraft mishaps that involve crashing during performances at various air shows around the world. Occasionally, these incidents result in a wide area of scattered debris in the water that can damage property or cause significant injury or death to the public observing...