DEPARTMENT OF TRANSPORTATION

Coast Guard

[USCG–1998–4448]

Mariner Licensing and Documentation

AGENCY: Coast Guard, DOT.

ACTION: Notice of public meeting; request for comments.

SUMMARY: The Coast Guard's National Maritime Center is holding a public meeting to discuss the feasibility of and alternatives available for privatizing certain aspects of its Mariner Licensing and Documentation (MLD) program, specifically, examinations for mariner licenses and merchant mariner documents. In addition, the Coast Guard seeks written comments from any party who is unable to attend the meeting or who wishes to submit comments on this topic.

DATES: The meeting will be held on October 22 through 23, 1998, from 8:30 a.m. to 4:30 p.m. Comments must reach the Docket Management Facility on or before October 23, 1998.

ADDRESSES: The meeting will be held at the Best Western Hotel New Orleans East, 12340 Interstate 10 Service Road, New Orleans, LA 70128; hotel telephone (504) 241–5100. You may mail your comments to the Docket Management Facility [USCG–1998–4448], U.S. Department of Transportation (DOT), room PL–401, 400 Seventh Street, SW, Washington, DC 20590–0001, or deliver them to room PL–401 on the Plaza Level of the Nassif Building at the same address, between the hours of 10 a.m. and 5 p.m., Monday through Friday, except for Federal holidays. The telephone number is 202–366–9329.

The Docket Management Facility maintains the public docket for this notice. Comments, and documents as indicated in this notice, will become part of this docket and will be available for inspection or copying at room PL–401, on the Plaza Level of the Nassif Building at the same address, between 10 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also access this docket on the Internet at *http://dms.dot.gov*.

FOR FURTHER INFORMATION CONTACT: For questions on this notice, contact Mr. Albert G. Kirchner, Jr., National Maritime Center, U.S. Coast Guard, 4200 Wilson Boulevard, Suite 510, Arlington, VA 22203–1804, telephone 8703–235–1950, facsimile 703–235–0017, or electronic mail address akirchner@ballston.uscg.mil. For questions on viewing or submitting material to the docket contact Ms. Dorothy Walker, Chief, Dockets, Department of Transportation, telephone 202–366–9329.

SUPPLEMENTARY INFORMATION:

Requests for Comments

The Coast Guard encourages interested persons to respond to this request by submitting written data, views or arguments. Persons submitting comments should include their names and addresses, identify this notice [USCG–1998–4448] and the specific section of this document to which each comment or question applies, and give the reason for each comment. Please submit all comments and attachments in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing to the Docket Management Facility at the address under **ADDRESSES**. Persons wanting acknowledgment of receipt of comments should enclose stamped, self-addressed postcards or envelopes. The Coast Guard will consider all comments received during the comment period.

Information on Service for Individuals With Disabilities

For information on facilities or services for individuals with disabilities or to request special assistance at the meeting, contact Mr. Albert G. Kirchner Jr at the address or phone number under **FOR FURTHER INFORMATION CONTACT** as soon as possible.

Background Information

The Coast Guard focus group report, ''Licensing 2000 and Beyond'' (November, 1993), recommended that the Coast Guard's Mariner Licensing and Documentation (MLD) program adopt new methods of verifying competency of mariners and that the Coast Guard consider Third Party and Fourth Party testing systems that maximize the significant benefits new technology offers. The focus group defined a ''Third Party'' as one who trains or teaches the mariner, and a ''Fourth Party'' as someone, other than the Coast Guard or a Third Party, who administers a test or makes an objective judgment about the competency of the mariner. A copy of this report is available for inspection in the Docket at the address listed under **ADDRESSES.**

In response to work of the focus group, a final rule (61 FR 47060) was published on September 6, 1996, that enabled the Coast Guard to implement recommendations for alternative testing and evaluation systems, and modernize examination methods. This meeting will address initiating Fourth Party services in the Coast Guard's MLD program.

Presently, 17 Regional Examination Centers (RECs), listed in Table 1, administer the Coast Guard's MLD program. The Coast Guard currently issues 72 different licenses and documents. Tables 2.0 and 2.1 depict the names of these licenses and documents, and also provide the numbers of original applications, renewals, endorsements, and duplicates processed for each.

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Table 1.0 Regional Examination Centers (RECs)

COMMANDING OFFICER (REC) USCG MARINE SAFETY OFFICE 510 L. STREET SUITE 100 ANCHORAGE, AK 99501-1946 (907) 271-6736	U.S. COAST GUARD REGIONAL EXAMINATION CENTER U.S. CUSTOM HOUSE 40 SOUTH GAY STREET BALTIMORE, MD 21202-4022 (410) 962-5132/33/34/35	COMMANDING OFFICER (REC) USCG MARINE SAFETY OFFICE 455 COMMERCIAL STREET BOSTON, MA 02109-1899 (617) 223-3040/41/42
COMMANDING OFFICER U.S. COAST GUARD MARINE SAFETY OFFICE (REC) 196 TRADD STREET CHARLESTON, SC 29401-1899 (803) 720-7693	COMMANDING OFFICER USCG MARINE SAFETY OFFICE 433 ALA MONA BOULEVARD HONOLULU, HI 96813 (808) 522-8264	U.S. COAST GUARD REGIONAL EXAMINATION CENTER 8876 GULF FREEWAY SUITE 200 HOUSTON, TX 77017-6595 (713) 947-0044/45
U.S. COAST GUARD REGIONAL EXAMINATION CENTER 2760 SHERWOOD LANE SUITE 2A JUNEAU, AK 99801-8545 (907) 463-2458	U.S. COAST GUARD MARINE SAFETY OFFICE REGIONAL EXAMINATION CENTER 165 NORTH PICO AVENUE LONG BEACH, CA 90802 (310) 980-4485	U.S. COAST GUARD MARINE SAFETY OFFICE REGIONAL EXAMINATION CENTER 200 JEFFERSON AVENUE SUITE 1302 MEMPHIS, TN 38103 (901) 544-3297
COMMANDING OFFICER USCG MARINE SAFETY OFFICE REGIONAL EXAMINATION CENTER CLAUDE PEPPER FEDERAL BUILDING 51 SW 1ST AVENUE 6TH FLOOR MIAMI, FL 33103-1608 (305) 536-6548/49/6874/4484	COMMANDING OFFICER USCG MARINE SAFETY OFFICE (REC) 1615 POYDRAS STREET NEW ORLEANS, LA 70112 (504) 589-6183/84/85	U.S. COAST GUARD ACTIVITIES NEW YORK (REC) BATTERY PARK BUILDING NEW YORK, NY 10004-8545 (212) 668-7492
U.S. COAST GUARD MARINE SAFETY OFFICE (REC) 6767 NORTH BASIN AVENUE PORTLAND, OR 97217-3992 (503) 240-9346	U.S. COAST GUARD MARINE SAFETY OFFICE REGIONAL EXAMINATION CENTER 1519 ALASKAN WAY SOUTH SEATTLE, WA 98134-1192 (206) 217-6115	U.S. COAST GUARD MARINE SAFETY OFFICE REGIONAL EXAMINATION CENTER 1222 SPRUCE STREET SUITE 8104E ST. LOUIS, MO 63103-2835 (314) 539-2657
U.S. COAST GUARD REGIONAL EXAMINATION CENTER FEDERAL BUILDING ROOM 501 234 SUMMIT STREET TOLEDO, OH 43604-1590 (419) 259-6395	MARINE SAFETY OFFICE SAN FRANCISCO BAY BUILDING 14 COAST GUARD ISLAND ALAMEDA, CA 94501-5100 (510) 437-3093	

Table 2.0 License Statistics for Deck Department

LICENSE STATISTICS

FROM 01/01/95 TO 12/31/95

		DECK DEPARTMENT						
		DESCRIPTION	ORIGINAL	ENDORSEMENTS	FAILURES	RENEWALS	DUPLICATE	Suspension & Revocation
UPPER LEVEL LICENSES		Master Ocean Any	114	79	2	764	16	0
		Master Near Coastal Any	100	28	0	375	13	0
		Chief Mate Ocean Any	111	33	7	207	8	0
		Chief Mate Near Coastal Any	1	0	0	3	0	0
		Second Mate Ocean Any	109	20	2	188	8	0
		Second Mate Near Coastal Any	0	3	0	4	1	0
		Third Mate Ocean Any	351	29	20	441	14	0
		Third Mate Near Coastal Any	9	1	1	6	0	0
LOWER LEVEL LICENSES		Master Ocean Not More Than 1.6 K GT	252	144	5	666	31	2
		Master Near Coastal Not More Than 1.6 K GT	118	97	17	423	20	3
		Mate Ocean Not More Than 1.6 K GT	18	17	2	59	4	2
		Mate Near Coastal Not More Than 1.6 K GT	126	31	15	136	14	5
		Master Ocean Not More Than 500 GT	19	24	2	122	7	2
		Master Near Coastal Not More Than 500 GT	53	59	4	342	14	10
		Mate Ocean Not More Than 500 GT	1	4	0	15	2	0
		Mate Near Coastal Not More Than 500 GT	11	8	0	60	1	2
	*	Mate Inland Not More Than 100 GT	17	0	1	3	0	0
	*	Mate Inland Not More Than 200 GT	21	3	0	13	2	0
		Master Ocean Not More Than 200 GT	3	9	0	46	5	0
	*	Master Near Coastal Not More Than 200 GT	62	75	9	321	8	6
	*	Mate Near Coastal Not More Than 200 GT	162	25	7	85	9	1
	*	Master Near Coastal Not More Than 100 GT	1863	334	105	4830	152	30
	*	Master Uninspected Fishing Industry Vessel	36	22	2	154	4	1
	*	Mate Uninspected Fishing Industry Vessel	30	11	0	37	7	0
		Master MODU	1	0	0	3	0	0
		Mate MODU	0	0	0	0	0	0
		Master Great Lakes and In Any	7	9	0	43	0	0
		Master Inland Any	37	14	2	192	4	0
		Mate Great Lakes and In. Any	17	7	1	63	1	0
		Master Great Lakes and In. Not More Than 1.6 K GT	2	4	2	6	0	0
		Mate Great Lakes and In. Not More Than 1.6 K GT	2	2	0	2	0	0
	*	Master Great Lakes and In. Not More Than 200 GT	0	10	0	8	0	0
		Mate Great Lakes and In. Not More Than 200 GT	9	1	0	4	0	0
		Offshore Installation Manager	75	3	0	35	1	0
		Barge Supervisor	15	4	0	140	6	0
		Ballast Control Operator	23	3	2	6	0	0
	*	Master Inland Not More Than 100 GT	1211	97	74	1562	60	4
	*	Master Inland Not More Than 200 GT	14	23	7	36	1	1
		Master Great Lakes and Inland	411	67	8	555	6	0
		First Class Pilot	99	307	4	964	24	1
		Operator Uninspected Towing Vessel	317	105	34	1837	61	34
		2ND-Class Operator Uninspected Towing Vessel	34	6	4	61	4	0
	*	Operator Uninspected Passenger Vessel	1893	74	247	2515	59	0
	*	Assistant Towing Endorsement	1835	145	64	764	50	0
		Total	9589	1937	650	18096	617	104

* Indicates existence of Coast Guard approved courses in lieu of Coast Guard examination

Table 2.1 License Statistics for Engine Department, Radio Officer and Certificates of Registry, and Summary of License Transactions

LICENSE STATISTICS

FROM 01/01/95 TO 12/31/95

ENGINE DEPARTMENT

	DESCRIPTION	ORIGINAL	ENDORSEMENTS	FAILURES	RENEWALS	DUPLICATE	Suspension & Revocation
UPPER LEVEL LICENSES	Chief Engineer Motor	202	48	9	742	17	3
	1ST Asst. Eng. Motor	85	13	6	88	2	0
	2ND Asst. Eng. Motor	65	13	5	120	5	0
	3RD Asst. Eng. Motor	100	10	5	283	5	0
	Chief Engineer Steam	45	6	3	175	1	0
	1ST Asst. Eng. Steam	45	2	2	130	2	0
	2ND Asst. Eng. Steam	66	6	3	149	1	0
	3RD Asst. Eng. Steam	79	2	3	172	4	0
	Chief Engineer Steam or Motor	83	17	6	415	11	1
	1ST Asst. Eng. Steam or Motor	61	3	3	91	7	1
	2ND Asst. Eng. Steam or Motor	54	5	0	95	2	0
	3RD Asst. Eng. Steam or Motor	382	15	7	446	10	3
LOWER LEVEL LICENSES	Chief Engineer Ocean	129	39	6	534	15	2
	Chief Engineer Near Coastal	59	5	3	74	2	1
	Assistant Engineer	100	14	13	111	5	0
	Designated Duty Eng.	216	66	34	150	8	2
	Chief Engineer Uninspected Fishing Industry Vessel	30	8	1	134	8	0
	Assistant Engineer UnisnpectedFishing Ind. Vessel	14	2	1	17	0	0
	Chief Engineer MODU	4	0	0	13	0	0
	Assistant Engineer MODU	1	0	0	8	0	0
	Total	1820	274	110	3947	105	13

RADIO OFFICER AND CERTIFICATES OF REGISTRY

DESCRIPTION	ORIGINAL	ENDORSEMENTS	FAILURES	RENEWALS	DUPLICATE	Suspension & Revocation
Radio Officer	27	1	0	154	4	0
Chief Purser	22	0	0	16	0	0
Purser	7	0	0	2	0	0
Sr. Asst. Purser	2	0	0	2	0	0
Jr. Asst. Purser	10	0	0	4	0	0
Medical Doctor	22	0	0	1	1	0
Professional Nurse	9	0	0	2	0	0
Surgeon	3	0	0	4	1	0
Total	102	1	0	185	6	0

SUMMARY LICENSE TRANSACTIONS

DESCRIPTION	ORIGINAL	ENDORSEMENTS	FAILURES	RENEWALS	DUPLICATE	Suspension & Revocation
Deck Department	9589	1937	650	18096	617	104
Engine Department	1820	274	110	3947	105	13
Radio and Staff Officers	102	1	0	185	6	0
Total	11511	2212	760	22228	728	117

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For MLD transactions, the RECs may provide up to three distinct services to the mariner: (1) evaluation of qualifications of the applicant; (2) conduct of examination(s) related to the license or document; and (3) issuance of the license or document to the mariner who meets all requirements. The Coast Guard is currently interested in privatizing only the examination portion of these services.

The current fees for these services are published in 46 CFR Parts 10 and 12. The Coast Guard bases its fees for a particular service on the latest calculations of the costs involved in providing that service, without overcharging. Not all license and document processes involve examinations; most licenses and documents require an evaluation of qualifications transaction, and all require an issuance transaction. When examining 46 CFR Parts 10 and 12, the indication of an examination fee for a particular license or document means that an examination is given.

Recently, the Coast Guard implemented a program in which mariners may take a Coast Guard-approved course at a privately operated training school and the Coast Guard will accept satisfactory completion of that course in lieu of a Coast Guard examination. Thus, in some cases, the mariner may present the REC with a certificate of completion for a Coast Guard-approved course taken in lieu of a Coast Guard examination, and not be required to pay for and take the Coast Guard examination at the REC. Licenses for which Coast Guard-approved courses in lieu of Coast Guard examinations exist are marked with an asterisk in Table 2.0. Additional courses in those license categories and courses for additional license categories may be approved in the future. No data is available to indicate how many mariners are using this Coast Guard-approved training in lieu of Coast Guard examination alternative.

When the Coast Guard conducts an examination for a particular license or document, that examination is made up of various modules, some of which may also be used in more than one of the licensing or documentation examinations. A Coast Guard test question data bank randomly generates questions for each module. The number of modules in any particular license or document examination and the time the full examination takes, varies. Generally, the larger the vessel the mariner is being licensed to operate and the fewer the operating restrictions on the license, the longer and more exhaustive the examination is. Some examinations involve only a few modules and take as little as 4 hours to complete while others can involve up to 19 modules and take five days to complete.

Discussion

The Coast Guard seeks information that may be useful when it considers the feasibility of and alternatives in privatizing examinations in its Mariner Licensing and Documentation (MLD) program.

The Coast Guard needs feedback on the following issues

1. Feasibility of a Privatized Examination System

Before the Coast Guard can determine the desirability of a privatized examination system, we need to learn about its feasibility and know that it is advantageous for both the Coast Guard and the mariner. As part of this process, the Coast Guard will provide an overview to the commercial learning and examination industry of its present mariner licensing and documentation program, including the Coast Guard's reduced reliance on REC administered examinations and the potential impact this would have on the business decision to enter the market. After the overview is presented, small group visits to nearby REC New Orleans will be conducted to permit first hand observation of Coast Guard examinations being administered to actual customers from the marine profession. We expect the overview presentation and the on-site visit to provide the core information necessary for commercial suppliers to determine whether the administration of MLD examinations is a potentially attractive business opportunity. Included in this assessment would be the views from industry on the levels of automation that would be desirable for such a system, and the ability of commercial providers to provide quality services to the mariner that are affordable, yet profitable.

2. The Effect of Such a System on the Quality of Services, and the Costs of These Licenses and Documents to the Mariner

If the administration of MLD licensing and documentation examinations is an attractive business opportunity to certain segments of the commercial training and examination industry, we would like their views on how better, more responsive examination services could be delivered and what the cost estimates for the various services would be. As part of these cost estimates, the Coast Guard is interested in how costs are determined, the three factors having the greatest effect on cost, and the ''break even'' points associated with these cost estimates.

3. Maintaining the Integrity of the Licensing and Documentation System to Ensure That Those Who are Licensed and Documented are Fully Competent and do not Jeopardize Marine Safety or Environmental Protection

Among the concerns in privatization of our MLD examinations are the potential for compromise of the present integrity of the system, and the need for the highest level of protection of the private information about individual mariners. We would like to learn more about the capabilities of commercial providers in these areas and how they address similar concerns with their current clientele.

4. Determining the Timing and Sequence To Implement Privatized MLD Examinations

The core activities of a MLD examination privatization would be largely confined to the conduct of the actual licensing and documentation examinations. We would like to engage in dialogue with commercial training and examination service providers to learn how they could implement a privatized examination process, how long the process would take, what staff training would be required, what site preparations would be necessary, and how they would interface with the Coast Guard's random test generation capability.

5. The Range of Options and Arrangements Open for Providing Privatized Mariner Licensing and Documentation Examination Administration Services

We think there are a number of ways MLD privatized examination services could be structured. These could range from awarding a no-cost contract to a single, nation-wide provider to opening this opportunity to an unlimited number of ''qualified'' service providers. Another possibility is that the current Regional Examination Centers could be run as Government-owned, Contractor operated (GO–CO) facilities or, converted entirely, to Contractor-owned, Contractor operated (CO–CO) facilities. Another possibility for privatization is to encourage the expansion of the current Coast Guard program for training courses in lieu of examinations until requirements for every Coast Guard license and document can be verified through this means. We believe there are certain advantages, disadvantages, and vulnerabilities

associated with each of the many possible options across this range. For example, there is concern that a service provider could go out of business after the Coast Guard and mariners have come to depend on its service. We would like to gauge commercial interest prior to developing a design for privatized MLD examination services. Once we understand the advantages and disadvantages various options pose to commercial providers, the Coast Guard, and the mariner, we will work towards an optimal system design for a potential pilot test and evaluation. This evaluation may occur as early as 1999.

6. Identification of the Coast Guard Resources Needed To Effectively Operate and Conduct Oversight of a Privatized System

To decide if a privatized examination system has value, the costs must be weighed against the benefits. Privatized examination administration will shift many of the current Coast Guard costs of MLD to the service provider(s) and reconfigure those costs that remain with the Coast Guard. Because of the sensitivities of system integrity, security, and safeguarding of private information, one of the Coast Guard costs will be to maintain an active and effective oversight mechanism, no matter what form a privatized MLD examination administration system takes. We need to know more about how the commercial examination industry handles these matters in order to determine the resources that might be required of the Coast Guard to properly conduct oversight of a privatized examination administration system.

7. Experience of Other Agencies, Professional Organizations, and Service Providers in Privatizing Licensing and Similar Functions in Other Professions or Industries

We would like to learn more from others who have undergone privatization of a critical professional examination system or from those who have helped others successfully put these types of systems in place.

8. Other Valuable Lessons Learned To Assist the Coast Guard in Determining If Privatizing Merchant Mariner Licensing and Documentation Examination Administration Can Be Accomplished in a Smooth, Effective and Cost Efficient Manner

Finally, we would like to have help from anyone who is willing to share ''lessons learned'' in making the decision to privatize, or not to privatize, a professional qualifications or competency system similar to MLD licensing and document examinations. This can be in such areas as making cost calculations and comparisons, writing performance specifications, developing audit and oversight systems, deciding on quality control techniques and performance metrics, or any other insights that would help the Coast Guard in its decision on whether or not to privatize MLD examinations.

Public Meeting

The meeting will be held in the form of an informal workshop open to the public. It is intended to bring together people knowledgeable about the issues addressed in this notice to assist the Coast Guard in assessing the feasibility and best course of action in the privatization of merchant mariner licensing and documentation examination administration.

The proposed agenda is as follows:

October 22, 1998		
8:30 a.m	Call to Order, Review of Agenda & Introductions	Captain M.M. Rosecrans, Commanding Officer, National Maritime Center.
8:45 a.m	''Licensing 2000 and Beyond''	Captain M.M. Rosecrans, Commanding Officer, National Maritime Center.
9:00 a.m	Overview of MLD Processes & Business Dimensions	Mr. S. A. Walker, Chief, Mariner licensing & Evaluations Branch.
9:30 a.m	Move to Regional Examination Center, New Orleans	Private Transportation.
10:00 a.m	Visits begin to Regional Examination Center, New Orleans	Coast Guard Staff.
1:00 p.m	Lunch Break	
2:00 p.m	Visits resume at Regional Examination Center, New Orleans	Coast Guard Staff.
3:30 p.m.	Move to Conference Site	Private Transportation.
4:00 p.m	General Questions and Summary of Day's Observations	Facilitator.
4:30 p.m	Adjournment	Captain M.M. Rosecrans.

October 23, 1998		
8:30 a.m	Call to Order & Review of Agenda	Facilitator.
9:00 a.m	Issue 1: Feasibility of MLD Privatization	Facilitator.
9:45 a.m.	Issue 2: Service Possibilities and Cost Implications to the Mariner.	Facilitator.
10:30 a.m	Issue 3: System Integrity and Privacy of Records	Facilitator.
11:15 a.m.	Issue 4: Elements and Sequencing Considerations of MLD Privatization.	Facilitator.
12 noon	Lunch	
1:00 p.m.	Issue 5: Options and Arrangements Facilitator for Privatized Service Delivery.	Facilitator.
1:45 p.m	Issue 6: Resource Requirements and Professional Organizations.	Facilitator.
2:30 p.m	Break	
2:45 p.m	Issue 7: Experience of Other Agencies	Facilitator.
3:30 p.m	Issue 8: Valuable Lessons of Others	Facilitator.
4:15 p.m	Summary and Wrap Up	Facilitator.
4:30 p.m	Adjournment	Captain M.M. Rosecrans.

Dated: September 11, 1998.

Joseph J. Angelo,

Director of Standards, Marine Safety and Environmental Protection.

[FR Doc. 98–25163 Filed 9–18–98; 8:45 am]

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