

DEPARTMENT OF TRANSPORTATION**Coast Guard****33 CFR Part 173**

[USCG 98-3386]

RIN 2115-AF62

Adjustment of Fees for Issuing Numbers to Undocumented Vessels in Alaska**AGENCY:** Coast Guard, DOT.**ACTION:** Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to increase the fees it charges for issuing numbers to undocumented vessels in Alaska, to a rate enabling full-cost recovery. It proposes this measure because the fees it now charges fall far short of covering the cost of issuing numbers there. This measure should bring it into full compliance with the general Federal statute on user fees and, not incidentally, should increase convenience to the public by allowing more means of payment.

DATES: Comments must reach the Docket Management Facility on or before April 2, 1999.

ADDRESSES: You may mail comments to the Docket Management Facility, (USCG 1998-3323), U. S. Department of Transportation, 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 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is (202) 366-9329.

The Docket Management Facility maintains the public docket for this rulemaking. Comments and documents, as indicated in this preamble, 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>. You may obtain a copy of this notice by calling the U. S. Coast Guard Infoline at 1-800-368-5647, or read it on the Internet, at the Web Site for the Office of Boating Safety, at <http://www.uscgboating.org> or at <http://dms.dot.gov>.

FOR FURTHER INFORMATION CONTACT: For questions on this rulemaking, contact Mrs. Janice B. Giles, Program Development and Implementation Division, Office of Boating Safety, Coast Guard, telephone 202-267-0911 (email: jgiles@comdt.uscg.mil), or Sue Hargis, Seventeenth Coast Guard District

(Alaska) Boating Safety Specialist, (907) 463-2297 (email: shargis@cgalaska.uscg.mil). For questions on viewing, or submitting material to, the docket, contact Dorothy Walker, Chief, Dockets, Department of Transportation, telephone 202-366-9329.

SUPPLEMENTARY INFORMATION:**Request for Comments**

The Coast Guard encourages interested persons to participate in this rulemaking by submitting written data, views, or arguments. Persons submitting comments should include their names and addresses, identify this rulemaking [USCG 1998-3386] and the specific section of this document to which each comment 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. It may change this proposed rule in view of the comments.

The Coast Guard plans no public meeting. Persons may request a public hearing by writing to the Docket Management Facility at the address under **ADDRESSES**. The request should include the reasons why a hearing would be beneficial. If it determines that the opportunity for oral presentations will aid this rulemaking, the Coast Guard will hold a public hearing at a time and place announced by a later notice in the **Federal Register**.

Background and Purpose

Title 33, Part 173, of the Code of Federal Regulations (CFR) governs the issuance of certificates of number to owners of vessels that need not be documented (generally, recreational boats). The issuing and reporting authority for these certificates is the State where the vessel is principally operated, with one exception: Alaska does not act as this authority. Under sub-section 12301(a) of Title 46, United States Code (U.S.C.), when a State does not act as the issuing authority, the Coast Guard must.

This proposed rule would raise the fees the Coast Guard charges for numbering undocumented vessels in Alaska, as well as revise the methods of payment of the fees. The current fees, promulgated in 1972 (33 CFR 173.85, CGD 72-54R, 37 FR 21399, October 7,

1972), fall far short of covering costs the Coast Guard incurs on numbering vessels. The Coast Guard must set these fees in accordance with the criteria specified in section 9701 of Title 31, U.S.C., and Revised OMB Circular A-25, which establishes guidelines by which Federal agencies are to assess fees for Government services and for the sale or use of Government property or resources. The current fees have not affected Coast Guard appropriations from year to year. They have gone into the general fund of the U. S. Treasury as offsetting receipts of the department in which the Coast Guard is operating, and are ascribed to activities of the Coast Guard. Under the provisions of 46 U.S.C. 2110, the new fees proposed would become available to reimburse the Coast Guard for most, if not all, of the costs of collection. The proposed rule should result in an increased fee that more nearly approximates the current costs for the Coast Guard to issue numbers to vessels in Alaska.

Discussion of Proposed Rule

The issuance of numbers by the Coast Guard to undocumented vessels is unique to the State of Alaska and the 17th Coast Guard District. In all other parts of the nation, State or Territorial authorities act as the issuing authorities. The Coast Guard retains the responsibility for Alaska under 33 CFR part 173, because the government of Alaska has not sought Coast Guard approval of a system for numbering vessels.

This proposed rule would amend 33 CFR 173.85 so that the fees charged would cover the costs incurred for the number-issuing service the Coast Guard must provide in Alaska. The increased fees would affect those people who own vessels to which 33 CFR 173.11 applies (undocumented vessels) and which are principally operated in Alaska.

Discussion of fees. The current fee, set in 1972, is \$6.00 for a three-year vessel number. Under the general Federal statute on user fees (31 U.S.C. 9701), Federal agencies required to charge user fees for services must charge fees sufficient to enable recovery of the full cost of providing the services. 46 U.S.C. 2110 mandated the establishment of a fee or charge for a service or thing of value provided by the Secretary under this subtitle, in accordance with section 9701 of title 31. Since the issuance of numbers to vessels is a labor-intensive service, and since the Coast Guard receives no appropriated funds for it, the Coast Guard has diverted resources from other programs to provide this service to the Alaskan boating public. The fee that the Coast Guard collects

does not accrue to the Coast Guard; it goes into miscellaneous receipts of the Federal Treasury. But even if it did accrue to the Coast Guard it would cover barely 25 percent of the cost of providing the service. It has remained unchanged for 26 years.

The Coast Guard recently employed KPMG Peat Marwick LLP, through a contract with Computer Sciences Corporation of Falls Church, Virginia, to analyze the processes associated with all user fees collected by the Coast Guard, including the issuance of certificates of number in Alaska, and to develop a methodology for determining user fees that would enable the Coast Guard to fully recover its costs for providing these services. A copy of the analysis is in the docket for this rulemaking.

The analysis concluded that the Coast Guard was not applying the resources needed to efficiently provide the Alaskan boating public with this service and that, at the 26-year-old rate, it could never recover the cost of providing the service. Based on that analysis, the report proposed a rationale and methodology for calculating the appropriate user fees that would allow it to fully recover its cost for providing this unique service in Alaska.

Cost methodology. Acting on the recommendations of KPMG, the Coast Guard adopted a costing methodology that is based in part on Activity-Based Costing (ABC). ABC differs from traditional cost accounting in that it assigns costs according to the activities required to produce an output, rather than according to categories of expenses. In addition, the staff of the

17th Coast Guard District conducted a study of its costs for issuing certificates of number: direct labor hours for providing these services, plus costs of material such as forms, validation stickers (decals), mailing, office equipment, and other supplies.

Fee calculations. No automated system of the Coast Guard distinctly records direct hours of labor spent on issuance of certificates of number. The Coast Guard calculated its indirect costs for general and administrative (G&A) expenses and allocated these costs based on resource labor hours used to process the four types of transactions comprising undocumented vessel numbering (certificates issued or transferred, certificates renewed, certificates duplicated; and decals replaced). District staff reconstructed the numbers of each of these types of transactions, using data consistently recorded in worksheets.

The steps employed to calculate the user fees for numbering undocumented vessels are as follows:

1. Determine the annual hours of labor spent on numbering undocumented vessels. Staff determined these by using the Personnel Allowance List (PAL) for the District and conducting interviews with personnel of the District.

2. Determine the percentage of annual hours of labor spent providing each of the four types of transactions comprising this numbering. Staff multiplied the annual number of each of the transactions by the average time required to perform each of those transactions to determine the total annual time spent performing each

transaction. Staff determined the annual time to perform each of the four transactions by the percentage of the total annual time attributable to each transaction type.

3. Determine the annual labor cost for each of the four types of transactions by prorating the annual salary of the numbers and grades of personnel of the Coast Guard employed in direct support of vessel numbering. Staff prorated salaries using the factors developed in steps 1 and 2.

4. Determine the total direct costs of undocumented vessel numbering. Again, staff provided detailed information on direct costs incurred for numbering undocumented vessels that no system of the Coast Guard distinctly records. These direct costs comprise labor (as determined in steps 1-3, above), the cost for vessel numbering materials used, and mailing expenses.

5. Determine the general and administrative (G&A) costs attributable to issuing undocumented vessels numbers. These indirect costs comprise the Coast Guard's general and administrative expenses for administering the services, and were allocated based upon labor hours.

6. Determine the amount for each user fee by dividing the annual cost for each of the four types of transactions by the number of transactions accomplished. Figure 1 outlines the number of transactions, and the direct and indirect costs associated with each of the four types of transactions comprising undocumented vessels' numbering, provided in Alaska during fiscal year 1997, as well as the user fee derived with this methodology.

FIGURE 1.—DERIVED USER FEES FOR VESSEL NUMBERING

Service	Transactions	Direct costs	G&A costs	Total cost	Computed fee
Certificates issued or transferred	6,377	129,066	28,774	157,840	24.75
Certificates renewed	5,053	68,087	15,179	83,266	16.48
Certificates duplicated or decals replaced	602	4,766	1,062	5,828	9.68

We have rounded the fees proposed down to the nearest whole dollar amount to simplify collection and accounting and to conform with 46 U.S.C. 2110(a)(3).

Changes to 33 CFR 173.85

The three-year fee for original and transferred certificates of number would increase from \$6.00 to \$24.00. The fee for renewal of a certificate of number would increase from \$6.00 to \$16.00. The fee for a duplicate certificate of number would increase from \$1.00 to \$9.00. The fee for replacement of a lost or destroyed Validation Sticker would

increase from \$0.25 to \$9.00. The Coast Guard would accept payment of fees by check, money-order, major credit card (MasterCard or Visa), or cash.

Regulatory Evaluation

This proposed rule is not a significant regulatory action under section 3(f) of Executive Order 12866 and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. It has not been reviewed by the Office of Management and Budget under that Order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT)

(44 FR 11040, February 26, 1979). The Coast Guard expects the economic impact of this proposed rule to be so minimal that a full Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT is unnecessary. The prospective increase in number-issuing fees (which are paid by owners of recreational boats only once every three years) would be less than \$25.00, and would affect a minority of the State's population.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Coast Guard

considers whether this proposed rule, if adopted, will have a significant economic impact on a substantial number of small entities. "Small entities" include 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.

Records of the Coast Guard indicate that as of December 31, 1997, there were 32,414 undocumented vessels numbered by the Coast Guard in Alaska. Of those, 7,107 vessels (23 percent) are owned by commercial entities (4,945 commercial fishing vessels, 1,656 commercial passenger-carrying vessels, and 506 rental or livery vessels), some of which may qualify as "small entities." Also, in 1997, the Coast Guard issued 6,377 original certificates of number, 5,053 renewal certificates of number, and 601 duplicate certificates of number or replacement validation stickers. The proposed fees would increase the cost of three-year original and renewal certificates of number by \$18.00 and \$10.00, respectively, for an annual rise in cost of about \$6.00 and \$3.33, respectively, where the fees applied at all. The fees would increase the cost of duplicate certificates of number and replacement validation stickers by \$8.00 and \$8.75, respectively, when needed. The Coast Guard estimates that the fees could increase costs about \$36,000, or about \$12,000 annually, for the entire fleet of currently numbered commercial-use vessels in Alaska. Again, however, under the general Federal statute on user fees, the Coast Guard is bound to recover its costs. But, under 5 U.S.C. 610 and Circular A-25, the Coast Guard is bound to review these fees every two years.

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

Collection of Information

This proposed rule does not provide for a collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Federalism

The Coast Guard has analyzed this proposed rule under the principles and criteria contained in Executive Order 12612 and has determined that this proposed rule does not have sufficient implications for federalism to warrant the preparation of a Federalism Assessment. The Coast Guard is complying with the general Federal statute on user fees, and the specific Federal statute for services provided under subtitle II of title 46.

Environment

The Coast Guard considered the environmental impact of this proposed rule and concluded that under figure 2-1, paragraph (34)(a), of Commandant Instruction M16475.IC, this proposed rule is categorically excluded from further environmental documentation. The rulemaking merely adjusts the fee amounts charged to owners of undocumented vessels for issuing vessel numbers and validation stickers. A "Categorical Exclusion Determination" is available in the docket for inspection or copying where indicated under ADDRESSES.

List of Subjects in 33 CFR Part 173

Marine Safety, Reporting and Recordkeeping Requirements.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 173 as follows:

PART 173—VESSEL NUMBERING AND CASUALTY AND ACCIDENT REPORTING

1. Revise the authority citation for Part 173 to read as follows:

Authority: 5 U.S.C. 610; 31 U.S.C. 9701; 46 U.S.C. 2110, 6101, 12301, 12302; OMB Circular A-25; 49 CFR 1.46.

2. Revise § 173.85 to read as follows:

§ 173.85 Fees levied by the Coast Guard.

(a) In a State where the Coast Guard is the issuing authority, the fees for issuing certificates of number are:

- (1) Original or transferred certificate of number and two validation stickers—\$24.00;
- (2) Renewal of certificate of number and two validation stickers—\$16.00;
- (3) Duplicate certificate of number—\$9.00; and
- (4) Replacement of lost or destroyed validation stickers—\$9.00.

(b) Fees are payable by check or money-order made payable to the "U.S. Coast Guard"; by major credit card (MasterCard or Visa); or, when the owner applies in person, in cash.

Dated: January 13, 1999.

Ernest R. Riutta,

Rear Admiral, U.S. Coast Guard, Assistant Commandant for Operations.

[FR Doc. 99-1986 Filed 1-29-99; 8:45 am]

BILLING CODE 4910-15-P

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

36 CFR Part 1228

Facility Standards; Notice of Meeting

AGENCY: National Archives and Records Administration (NARA).

ACTION: Notice of meeting.

SUMMARY: NARA will hold a public meeting to discuss its plans to revise regulations on facility standards for records centers used to store Federal records (36 CFR part 1228, subpart K). Additional background information on the planned regulation may be found in the October 1998 Regulatory Plan and the Unified Agenda of Federal Regulatory and Deregulatory Actions, at page 61388 of the November 9, 1998, **Federal Register** (63 FR 61388).

DATES: The meeting will be held on February 18, 10 a.m. to noon.

ADDRESSES: The meeting will be held in Lecture Rooms B, C, and D, in NARA's College Park facility at 8601 Adelphi Road, College Park, MD 20740-6001.

FOR FURTHER INFORMATION CONTACT: Nancy Allard (301) 713-7360.

Dated: January 27, 1999.

Richard L. Claypoole,

Assistant Archivist for Regional Records Services.

[FR Doc. 99-2355 Filed 1-29-99; 8:45 am]

BILLING CODE 7515-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 262

[FRL-6227-8]

RIN 2050-AE60

180-Day Accumulation Time for Waste Water Treatment Sludges From the Metal Finishing Industry

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: As part of the Common Sense Initiative (CSI), the Environmental Protection Agency (EPA) is today proposing a cleaner, cheaper, and smarter opportunity for environmental