

titled "Implementation of National Maritime Security Initiatives" (USCG–2003–14792) published elsewhere in today's **Federal Register**.

We determined annual risk points reduced for each of the six interim rules

using the N–RAT. The benefits are apportioned among the Vessel, Facility, OCS Facility, AMS, and AIS requirements. As shown in Table 1, the implementation of Vessel Security Plans for the affected population reduces

781,285 risk points annually through 2012. The benefits attributable for part 101—General Provisions—were not considered separately since it is an overarching section for all the parts.

TABLE 1.—ANNUAL RISK POINTS REDUCED BY THE INTERIM RULES

Maritime entity	Annual risk points reduced by rulemaking				
	Vessel security plans	Facility security plans	OCS facility security plans	AMS plans	AIS
Vessels	778,633	3,385	3,385	3,385	1,448
Facilities	2,025	469,686	.....	2,025	.....
OCS Facilities	41	.....	9,903	.....	.....
Port Areas	587	587	.....	129,792	105
Total	781,285	473,659	13,288	135,202	1,553

Once we determined the annual risk points reduced, we discounted these estimates to their present value (7 percent discount rate, 2003–2012) so that they could be compared to the costs. We presented the cost

effectiveness, or dollars per risk point reduced, in two ways: first, we compared the first-year cost and first-year benefit because first-year cost is the highest in our assessment as companies develop security plans and purchase

equipment. Second, we compared the 10-year PV cost and the 10-year PV benefit. The results of our assessment are presented in Table 2.

TABLE 2.—FIRST-YEAR AND 10-YEAR PV COST AND BENEFIT OF THE INTERIM RULES

Item	Interim rule				
	Vessel security plans	Facility security plans	OCS facility security plans	AMS Plans	AIS *
First-Year Cost (millions)	\$218	\$1,125	\$3	\$120	\$41
First-Year Benefit	781,285	473,659	13,288	135,202	1,553
First-Year Cost Effectiveness (\$/Risk Point Reduced)	\$279	\$2,375	\$205	\$890	\$26,391
10-Year PV Cost (millions)	\$1,368	\$5,399	\$37	\$477	\$42
10-Year PV Benefit	5,871,540	3,559,655	99,863	1,016,074	11,671
10-Year PV Cost Effectiveness (\$/Risk Point Reduced)	\$233	\$1,517	\$368	\$469	\$3,624

* Cost less monetized safety benefit.

Small Entities

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

notice of proposed rulemaking and, therefore, is exempt from the requirements of the Regulatory Flexibility Act. Although this interim rule is exempt, we have reviewed it for potential economic impacts on small entities. An Initial Regulatory Flexibility Analysis discussing the impact of this interim rule on small entities is available in the docket where indicated under **ADDRESSES**.

U.S. Flag SOLAS Vessels

We estimated that 88 companies that own U.S. flag SOLAS vessels will be

affected by the interim rule. We researched these companies and found revenue data for 32 of them (36 percent). The revenue impacts for these vessels are presented in Table 3. In this analysis, we considered the impacts to small businesses during the first year of implementation, when companies will be conducting assessments, developing security plans, and purchasing equipment. We also considered annual revenue impacts following the first year, when companies will have the assessments and plans complete, but will need to conduct quarterly drilling.

TABLE 3.—ESTIMATED REVENUE IMPACTS FOR SMALL BUSINESSES THAT OWN U.S. FLAG SOLAS VESSELS

Percent impact on annual revenue	Initial		Annual	
	Number of small entities with known revenue data	Percent of small entities with known revenue data	Number of small entities with known revenue data	Percent of small entities with known revenue data
0–3	8	25	8	25
3–5	3	9	3	9