

requirement will remain in effect until July 1, 2004).

We are deleting the Sailing Plan Deviation Report in § 161.21, but we are still requiring this information in the general reporting requirements in § 161.18.

Throughout subpart B, we are adding “VMRS” after “VTS” to show that the provisions of this subpart can apply to either a VTS and or a VMRS.

Amendments to Part 164

We are adding a paragraph to § 164.01 to note that § 164.46 applies to some vessels less than 1600 gross tons, and we are revising § 164.01(c) to add § 164.46 to the list of sections not applicable to U.S. public vessels.

We are revising § 164.02 to reflect that the AIS requirement in part 164 applies to vessels subject to SOLAS Chapter V, Regulation 19.2.4.

We are amending § 164.03, the “Incorporation by Reference” section, by adding the IMO’s MSC AIS performance standard (MSC.74(69)), the ITU AIS technical standard (ITU-R M.1371-1), the IMO AIS shipborne installation guidelines (SN/Circ.277), the SOLAS 2000 Amendments and SOLAS 2002 Amendments (Conference resolution 1), and the IEC AIS certification and testing standard (IEC 61993-2).

We are renaming § 164.43 as “Automatic Identification System Shipborne Equipment—Prince William Sound,” and embedded an expiration date. We are adding new § 164.46 “Automatic Identification System (AIS)” to address applicability, operation, placement, and use of AIS units. In addition, we are extending AIS applicability to all vessels subject to SOLAS; to commercial vessels 65 feet or more in length not subject to SOLAS on an international voyage; and to other commercial vessels required to participate in a VTS or VMRS (these vessels are all passenger vessels certificated to have 50 or more passengers on board and every vessel subject to Vessel Bridge-to-Bridge Radiotelephone Act).

Given the similarities between vessel bridge-to-bridge radiotelephone and AIS, the usage, maintenance, and language requirements in 33 CFR 26.04(a) and (c), 26.05, 26.06, and 26.07 for Vessel Bridge-to-Bridge Radiotelephones, will also apply to AIS. We are also clarifying that proper maintenance includes accurate and timely, data entry and transmission. For vessels over 1600 gross tons, we are requiring the AIS Pilot Plug be readily available, placed at the conning position, and near an AC power outlet.

The use of portable AIS units on vessels will be permissible only if such use does not interfere with other installed navigation and communications systems, and, such that only one unit be in operation at a time.

Amendments to Part 165

In § 165.1704, we are amending the AISSE carriage requirement for tankers in Prince William Sound, so that it expires, and thus reverts to the AIS requirement, on July 1, 2004.

Incorporation by Reference

The Director of the Federal Register has approved the material in § 164.03 for incorporation by reference under 5 U.S.C. 552 and 1 CFR part 51. You may inspect this material at U.S. Coast Guard Headquarters where indicated under **ADDRESSES**. Copies of the material are available from the sources listed in § 164.03.

Regulatory Assessment

This interim rule is not economically significant, however, it is a “significant regulatory action” under Executive Order 12866, and has been reviewed by the Office of Management and Budget (OMB). It is also significant under the regulatory policies and procedures of the Department of Homeland Security due to significant public interest. A more detailed Regulatory Assessment is available in the docket as indicated under **ADDRESSES**. A summary of the assessment follows.

Cost Assessment

The interim rule is requiring the carriage of an AIS on all U.S. flag SOLAS vessels, certain domestic vessels in VTS areas, and foreign flag vessels less than 300 gross tonnage that make ports of call in the United States. We estimate that 438 U.S. flag SOLAS vessels, 4,121 non-SOLAS domestic vessels, and 70 non-SOLAS foreign vessels will be affected by the interim rule. These include the following:

- (1) Vessels subject to SOLAS;
- (2) All commercial, self-powered vessels of 65 feet or more in length in VTS areas, including fishing vessels;
- (3) Most passenger vessels in VTS areas;
- (4) All dredges and floating plants engaged in operations in VTS areas;
- (5) Certain commercial towing vessels of 26 feet or more in length in VTS areas; and
- (6) Non-SOLAS foreign flag vessels that are 65 feet or more in length that make port calls at any U.S. port.

The estimated cost of complying with the interim rule for domestic vessels is Present Value (PV) \$66 million (2003–

2012, 7 percent discount rate).

Approximately PV \$5 million of this total is attributable to U.S. flag SOLAS vessels. The remaining PV \$61 million is attributable to domestic vessels (non-SOLAS) that are affected. In the first year of compliance, the cost of purchasing and installing equipment and training personnel is an estimated \$40 million (non-discounted, \$2 million for the U.S. flag SOLAS fleet, \$38 million for the domestic fleet). Following initial implementation, the annual cost of compliance is an estimated \$1 million (non-discounted, \$0.1 million for the U.S. flag SOLAS fleet, \$0.9 million for the domestic fleet).

Non-SOLAS foreign flag vessel costs attributed to this rule are not included in the domestic cost calculations but are still considered here. The PV cost for these vessels to comply with the interim rule is estimated at \$1 million over the 10-year period. The initial cost of purchasing and installing equipment and training personnel is an estimated \$0.6 million (non-discounted). Following the initial implementation, the annual cost of compliance is less than \$0.1 million (non-discounted).

Safety Benefits

The Coast Guard expects both quantifiable and non-quantifiable benefits as a result of the interim rule. Quantified benefits include avoided property damage, injuries, fatalities, and pollution events as a result of having an AIS. Other benefits include better situational awareness, better information, and better communications. The interim rule will also enhance Coast Guard missions such as marine safety and security, aids to navigation, and maritime mobility.

In order to quantify the benefits of AIS implementation, the Coast Guard reviewed thousands of Marine Casualty Incident Reports (MCIRs) from 1993–1999 that involved the vessel populations affected by this interim rule. These incidents were used to develop a historical rate of marine casualties in VTS areas to determine the effectiveness of AIS as a mitigating factor. The estimated safety benefit of the interim rule is PV \$25 million (2003–2012, 7 percent discount rate). Approximately PV \$13 million is attributable to U.S. flag SOLAS vessels. The remaining PV \$12 million is attributable to domestic vessels (non-SOLAS). The estimated average annual benefit is \$5 million (non-discounted).

The costs of this interim rule are presented for a 10-year period. The Regulatory Assessment available in the public docket for this rulemaking