

TABLE 5.—EFFECT OF FIRST-YEAR COST ON AVERAGE ANNUAL REVENUE FOR SMALL ENTITIES OWNING U.S. FLAG SOLAS VESSELS—Continued

Percent of annual revenue that is first-year AIS cost	Number of entities with known annual revenues	Percent of entities with known annual revenues	Expanded number of entities with unknown annual revenues	Total small entities per impact category
> 30%	1	2	1	2
Total	59	100	63	122

Detail may not calculate to total due to independent rounding.

Number and Types of Small Entities Affected: Non-SOLAS Fleet in VTS Areas

We estimate that there are 1,491 small businesses that will be affected by the interim rule that own non-SOLAS vessels that transit VTS areas. These 1,491 companies own 2,360 vessels, representing 57 percent of the 4,121 non-SOLAS vessels affected by the rule. An estimated 1,456 vessels (35 percent) are owned by 150 large businesses, and 55 vessels (1 percent) are owned by State and local governments. We have 248 vessels that transit VTS areas (7 percent of the non-SOLAS fleet) that

have no company associated with the vessel whatsoever, due to missing company information in our data. We cannot be certain if these vessels belong to small, large, or government entities and do not apportion these 248 vessels to one type of entity or another.

As with the U.S. flag SOLAS fleet, annual cost following installation of an AIS will have little impact on annual revenues—a less-than-1-percent impact on annual revenue for most small businesses. The first-year cost of the interim rule, therefore, will again have the greatest impact on average annual revenue. To estimate the revenue impact on small businesses in the first year, the

cost per vessel for an AIS, \$9,330, multiplied by the number of vessels owned by each company, then divided by the average annual revenue for each company. Of the 1,491 small businesses that own non-SOLAS vessels in VTS areas, we found revenue for 453 of them (30 percent). As with the assessment for the U.S. flag SOLAS fleet, if we could not find revenue data for a business, we assumed the business was small. For the remaining 1,038 small entities without revenue data, we expanded the revenue impacts for the known 453 companies. The results of the assessment for the non-SOLAS fleet in VTS areas are presented in Table 6.

TABLE 6.—EFFECT OF FIRST-YEAR COST ON AVERAGE ANNUAL REVENUE FOR SMALL ENTITIES OWNING NON-SOLAS VESSELS IN VTS AREAS

Percent of annual revenue that is first-year AIS cost	Number of entities with known annual revenues	Percent of entities with known annual revenues	Expanded number of entities with unknown annual revenues	Total small entities per impact category
0–3%	334	74	767	1,101
> 3–5%	47	10	104	151
> 5–10%	34	8	83	117
> 10–20%	20	4	42	62
> 20–30%	11	2	21	32
> 30%	7	2	21	28
Total	453	100	1,038	1,491

Detail may not calculate to total due to independent rounding.

As shown, the interim rule will have a less-than-3-percent impact on 74 percent of small businesses in the first year it is in effect. Approximately 92 percent have a less-than-10-percent impact. We conclude, therefore, that the interim rule may have a significant economic impact on a substantial number of small entities.

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 rule so that they can better evaluate its effects on them and participate in the rulemaking. If the rule

would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please consult Mr. Jorge Arroyo (G–MWV) by telephone 202–267–1103, toll-free telephone 1–800–842–8740 ext. 7–1103, or electronic mail msregs@comdt.uscg.mil.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture 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 business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247).

Collection of Information

This rule calls for no new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The reports required by this rule are considered to be operational communications, transitory in nature, and, therefore, do not constitute the collection of information under the Paperwork Reduction Act.