CFSAC REGULATORY REFORM SUBCOMMITTEE RECOMMENDATION REPORT- Submitted by: Chris Woodley

**SUBJECT: EVALUATION OF EXISTING COAST GUARD REGULATIONS, GUIDANCE DOCUMENTS, INTERPRETATIVE DOCUMENTS, AND COLLECTIONS OF INFORMATION IDENTIFICATION DETAILS OF REGULATION, GUIDANCE OR INFORMATION COLLECTION (BY SECTION, PARAGRAPH, SENTENCE, CLAUSE, ETC.)**

**TOPIC: VESSEL EXAMINATION AND CERTIFICATION**

☐ Existing Regulation

Proposed Regulation re: NPRM # USCG-2012-0025

☐ Guidance

☐ Collection of Information

**ADVICE AND RECOMMENDATIONS:**

☐ **Repeal**

☐ **Replace**

 **Modification**

**IF MODIFICATION - SPECIFIC RECOMMENDATIONS FOR HOW THE REGULATION, GUIDANCE, OR INFORMATION COLLECTION SHOULD BE MODIFIED:**

The proposed regulation 46 CFR 28.201(a) would require commercial fishing vessels to be examined ***at least*** ***once*** ***every five years***. The proposed modification would change the language in 46 CFR 28.201(a) to read as follows: ***at least*** ***once*** ***every two years***.

**HOW AND TO WHAT EXTENT MODIFICATION WILL REDUCE COSTS OR BURDENS TO INDUSTRY:**

Reduce Costs: The vast majority (over 90%) of commercial fishing vessel safety examinations (exams) are performed by the U.S. Coast Guard without fees being charged to fishing vessel owners. For the remaining 10% of exams that are performed by 3rd party examiners, the additional cost would increase from $120/year to $180/year. However, given that majority of 3rd party exams are conducted on large fishing processing and fish tender vessels, and that these vessels often are required by insurance companies to have these examinations completed every two years, the costs are viewed as being minimal.

Reduce Burdens: Increasing the frequency of dockside examinations is a long-term preventative strategy designed to reduce fatalities, vessel losses, and serious injury. Increased frequency of exams reduces casualty rates as a result lowers insurance premiums, litigation costs, and loss of livelihood and vessel. With few exceptions, U.S. Coast Guard and 3rd party fishing vessel safety examiners are readily available throughout the country to perform dockside exams. As such, increased examination frequency should not be a logistical to burden fishing vessel owners. In those limited areas of the country where fishing vessel safety examiners are not always available (such as remote locations in Alaska), the District Commander could use their authority under 46 CFR 28.65 to allow for increased time between examinations.

**BACKGROUND:**

The benefits of a two-year fishing vessel safety examination are most clearly seen in the fleets of the North Pacific fishing industry. Since the passage of the Commercial Fishing Industry Vessel Safety of 1988 and the implementation of the Act’s regulations in 1991, fatalities in Alaskan fisheries have dropped by over 75%. This success has been unequalled anywhere in the United States.

Insert Chart

There are a variety of factors behind this dramatic reduction of fatalities: vessel owners and crew embracing safety culture, development of specific safety programs for high risk fisheries, the rationalization of major fisheries, and the availability of a robust network of vessel safety training organizations. While these factors have all had important impacts, the most important reason for the decline of fatalities has been the Coast Guard’s presence in conducting dockside exams and the adoption of the two-year exam cycle by NOAA fisheries’ observer program and vessel insurers. It is this regular, one on one interaction between Coast Guard vessel safety experts and fishermen that is saving lives.

**THE EXTENT TO WHICH RISKS TO HEALTH OR SAFETY WOULD LIKELY INCREASE:**

A two-year exam cycle (adopted by the USCG in the early 1990’s and that has remained in place until 2015) creates a regular opportunity for Coast Guard or 3rd party examiners to develop familiarity with each other and to increase each other’s knowledge of vessel safety and fishing operations, as well as ensuring that the vessel is safety to sail. This two-year interval has been fully embraced by NOAA fisheries and is of significant importance to vessel insurers.

Despite best intentions, incremental decreases in the safety of a vessel can occur. Whether it is a leaking shaft seal, a malfunctioning high water alarm, a frozen dog on a watertight door, the improper installation of a liferaft, a tear in an immersion suit, the individual items added together can result in catastrophic vessel loss with fatalities. The key of the Coast Guard’s fishing vessel dockside exam program was to have sufficient presence and expertise to detect these individual problems before they manifested into a larger problem. Reducing the frequency of dockside exams is a drastic reduction in safety standards that will needlessly reduce safety of vessel and crew and could increase fatalities, vessel losses, and serious injuries in the commercial fishing industry.

**HOW AND TO WHAT EXTENT THE REGULATION, GUIDANCE, OR INFORMATION COLLECTION HAS LED TO THE ELIMINATION OF JOBS OR INHIBITS JOB CREATION:**

There is nothing in this modification that will lead to the elimination of jobs or inhibit job creation.

**PROVIDE QUANTITATIVE AND/OR QUALITATIVE DATA TO SUPPORT AND ILLUSTRATE THE IMPACT, COST, OR BURDEN, AS APPLICABLE. IF THE DATA IS NOT READILY AVAILABLE**

**INCLUDE INFORMATION AS TO HOW SUCH INFORMATION CAN BE OBTAINED BY THE COMMITTEE OR THE COAST GUARD.**

The Coast Guard has already provided data in the NPRM as to the cost of fishing vessel safety exams.