



**TESTIMONY OF
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**ON THE
COAST GUARD REGULATORY PROGRAM**

**BEFORE THE
HOUSE COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE
SUBCOMMITTEE ON COAST GUARD & MARITIME TRANSPORTATION**

SEPTEMBER 10, 2013

Introduction

Good morning Chairman Hunter, Ranking Member Garamendi, and distinguished members of the subcommittee. It is my pleasure to be here today to discuss the Coast Guard's regulatory program.

The Coast Guard's regulatory process focuses on managing maritime risk through the establishment of proficiency and safety standards to protect life, property and the maritime and coastal environment, while facilitating the efficient flow of commerce and the safe recreational use of our Nation's waterways. To meet these objectives, the Coast Guard continues to build upon our Regulatory Development Program, which includes investing in the workforce, improving process transparency, streamlining processes, soliciting public input, and carefully scrutinizing all regulatory actions to ensure they are achieving desired outcomes.

Coast Guard Regulatory Program

Since implementation of the Regulatory Development Program, the Coast Guard has seen significant improvements in publishing new rules and managing its rulemaking backlog. Figure 1 shows the rules that have gone into effect and published following Congress' addition of resources in Fiscal Year (FY) 2008 and the Coast Guard's initiation of major reforms (numbers throughout this report are as of August 28, 2013). These published rules include all Final Rules (FR), Interim Rules (IR), Direct Final Rules (DFR), and Technical Amendments. As shown, the Coast Guard published 16 Effective Rules in FY 2012, and 11 to date in FY 2013 (dark blue in the graph), with another five projected by the end of the fiscal year (light blue). One of the Effective Rules published in 2012 was statutorily mandated. Two Effective Rules published to date in 2013 are statutorily mandated and we project an additional two statutorily mandated Effective Rules will be published in 2013. Additionally, the Coast Guard publishes approximately 20 Notices of Proposed Rulemaking (NPRMs), Advance NPRMs, and Supplemental NPRMs per year.

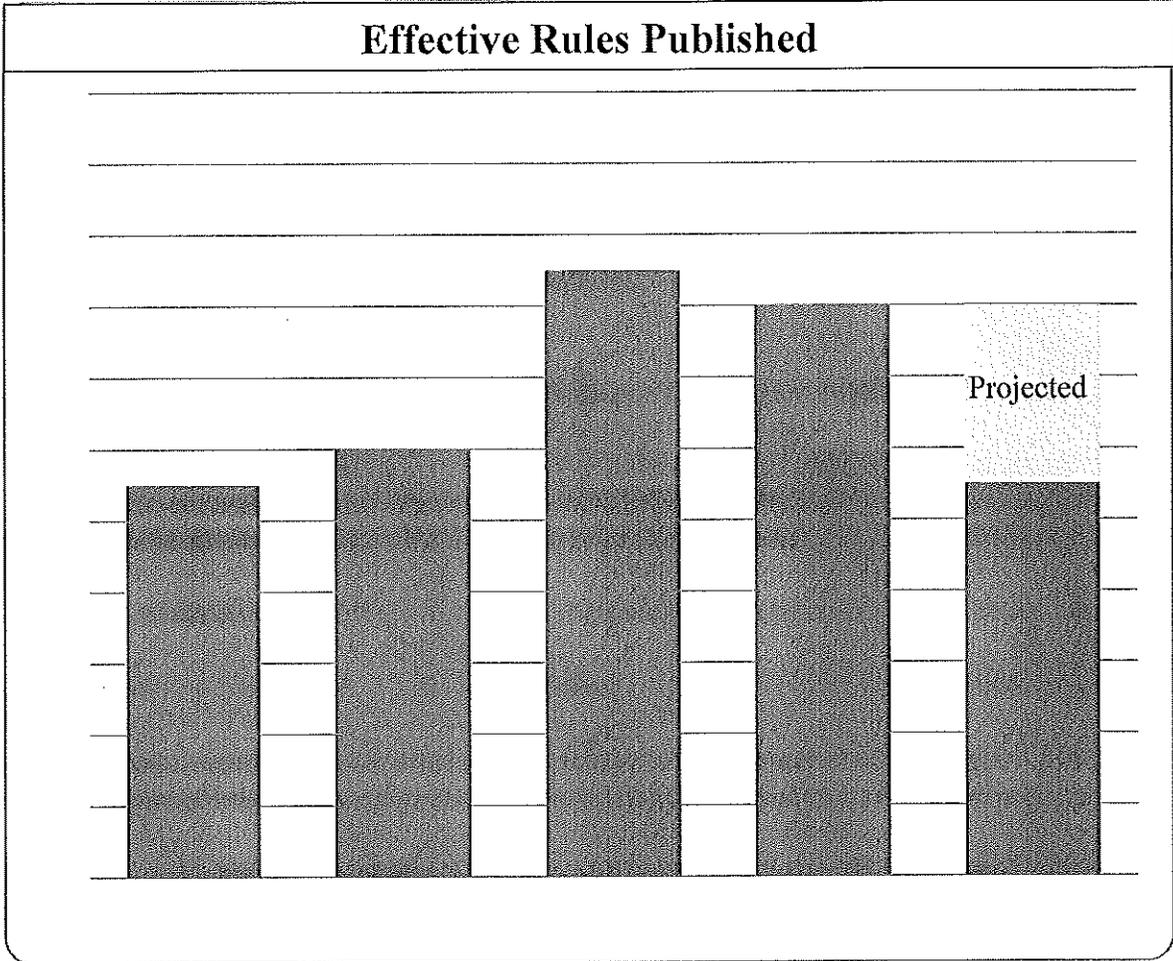


Figure 1: Published Rules That Have Gone Into Effect by Fiscal Year
*Indicates projection for 2013

We currently have 68 projects in our rulemaking backlog, as noted in Figure 2, and progress continues on all active regulatory projects.

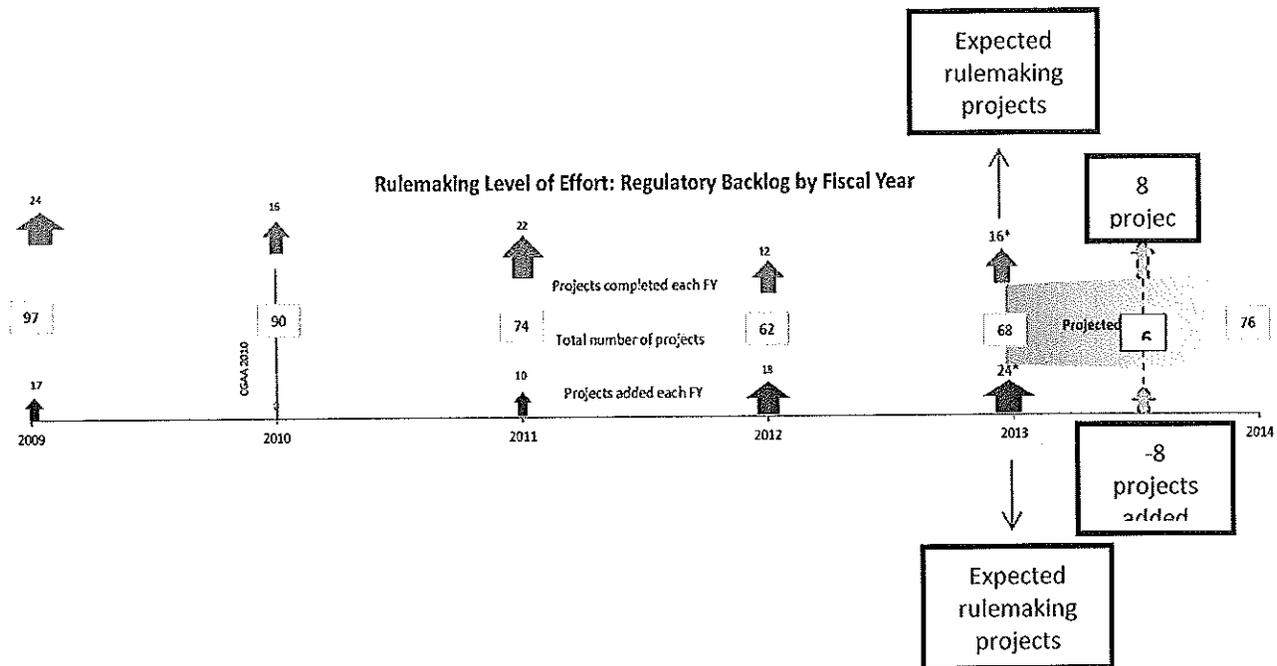


Figure 2: Number of Active Rulemaking Projects

With a significant focus on older rulemakings, the average rule development time has been reduced from 6.2 years at the end of FY 2009 to just over four years in FY 2013. This trend is shown in Figure 3. The Coast Guard anticipates further reductions by prioritizing the completion of older rulemaking projects. We recognize the value of soliciting industry and public comments in our rulemaking projects and clear cost-benefit analysis, which takes time but results in rules that do not impose unwarranted costs and can more rapidly achieve the required safety, security, and/or environmental stewardship outcomes.

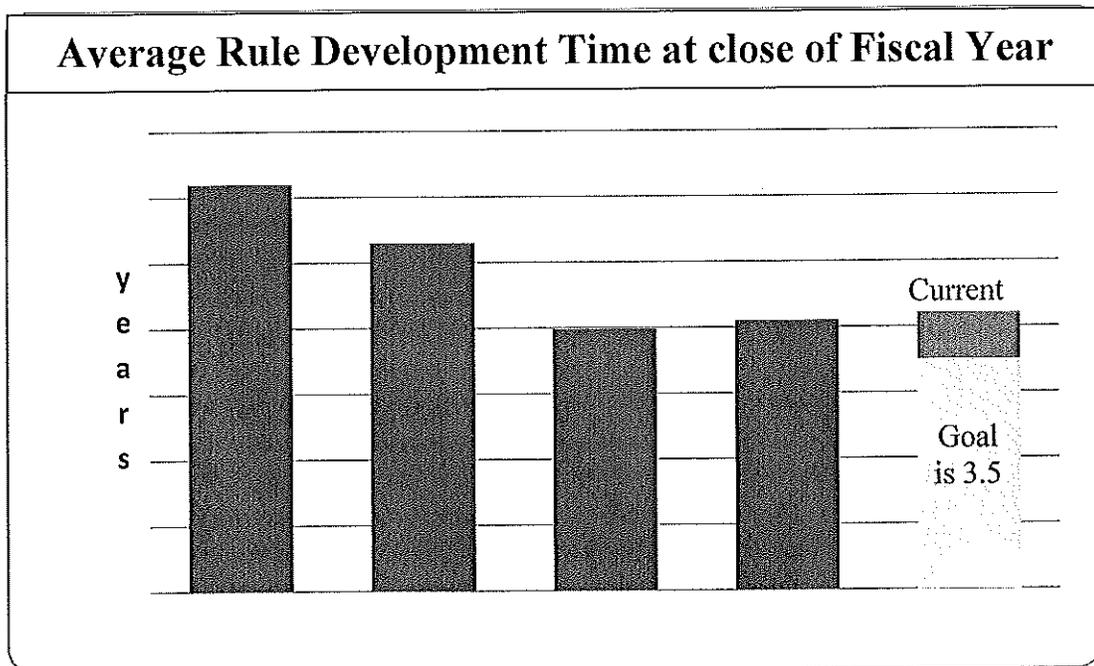


Figure 3: Average Rule Development Time of Active Rulemaking Projects

The Coast Guard is also working with DHS to implement the requirements of Executive Order 13563 (“Improving Regulation and Regulatory Review” January 18, 2011). Furthermore, the Coast Guard assisted in the development of the DHS-wide plan for the retrospective review of existing DHS regulations, and identified the four rules shown in Table 1 for detailed study. Each of these retrospective reviews consume rulemaking resources at approximately the same level as a large, significant rulemaking project. These reviews have been completed and integrated into updates to those regulations as appropriate.

Table 1: Regulations Currently Undergoing Retrospective Review

Rule	Year Published
Standards of Training, Certification and Watchkeeping (STCW)	1997
Facility Security Plans (Maritime Transportation Security Act of 2002)	2004
Vessel Security Plans (Maritime Transportation Security Act of 2002)	2004
Revisions to TWIC Requirements	2007
Inland Waterways Navigation Regulations	2010

Noteworthy Publications

Table 2 shows the notable publications in FY 2012 and thus far in FY 2013.

Table 2: Notable Publications

Fiscal Year	Rule (Date Published)	Phase
2012	International Anti-Fouling System Certificate (December 9, 2011) Statutorily Required <ul style="list-style-type: none"> • Implements revisions to international convention and meets statutory mandate. 	Final Rule
	Ballast Water Discharge Standard (March 23, 2012) Statutorily Required <ul style="list-style-type: none"> • Aligns to international ballast water convention and establishes numeric discharge standard for living organisms in ships' ballast water discharged in U.S. waters. 	Final Rule
	Carbon Dioxide Fire Suppression Systems (June 7, 2012) <ul style="list-style-type: none"> • Allows alternatives to and safety components in carbon dioxide systems increasing ship and crew safety and enhancing competitiveness. 	Final Rule
2013	Nontank Vessel Response Plans* Statutorily Required <ul style="list-style-type: none"> • Establishes standards for the content and use of oil pollution response plans for nontank vessels. 	Final Rule
	STCW* <ul style="list-style-type: none"> • Implements revisions to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW). 	Final Rule
	Transportation Worker Identification Credential (TWIC) Readers (March 22, 2013) Statutorily Required <ul style="list-style-type: none"> • Implements TWIC reader requirements and meets statutory mandate. 	Notice of Proposed Rulemaking
	Double Hull Tanker Escorts on the Waters of Prince William Sound, Alaska (August 9, 2013) Statutorily Required <ul style="list-style-type: none"> • Improves oil pollution prevention measures in Prince William Sound. 	Interim Rule

* Anticipated

The rules noted in Table 2 are priority rulemaking actions including: Congressional mandates (e.g., Double Hull Tanker Escorts, which was required by the 2010 Coast Guard Authorization Act), rules required for compliance with international conventions (e.g., STCW), and discretionary rulemakings to improve vessel and mariner safety or establish updated equipment standards (e.g., Carbon Dioxide Fire Suppression Systems). A current list of active regulatory projects, for which information is publicly available, is maintained at www.reginfo.gov, and at <http://www.uscg.mil/hq/cg5/cg523/projects.asp>, which contains links to the Unified Agenda, dockets, and other information sources.

Progress on Statutory Mandates

Of the 68 rules under development, 29 are derived from, or incorporate, statutory mandates. This includes 18 projects either added or modified by the 2010 and 2012 Coast Guard Authorization Acts. All 29 of these statutorily mandated projects are underway, with eight at either an Interim Rule or Final Rule stage or close to finalization/effective action. Table 3 lists 13 rules published in the Spring 2013 Regulatory Agenda that have an associated statutory mandate.

Table 3: Rules with Statutory Mandate listed in the Spring 2013 Regulatory Agenda

Title	RIN	Stage
Commercial Fishing Industry Vessels	<u>1625-AA77</u>	Prerule Stage
Outer Continental Shelf Activities	<u>1625-AA18</u>	Proposed Rule Stage
Updates to Maritime Security	<u>1625-AB38</u>	Proposed Rule Stage
Tonnage Regulations Amendments	<u>1625-AB74</u>	Proposed Rule Stage
Lifesaving Devices --Uninspected Commercial Barges and Sailing Vessels	<u>1625-AB83</u>	Proposed Rule Stage
Implementation of the 1995 Amendments to the STCW	<u>1625-AA16</u>	Anticipate Publication
Vessel Requirements for Notices of Arrival and Departure, and Automatic Identification System	<u>1625-AA99</u>	Final Rule Stage
Transportation Worker Identification Credential (TWIC); Card Reader Requirements	<u>1625-AB21</u>	Final Rule Stage
Nontank Vessel Response Plans and Other Vessel Response Plan Requirements	<u>1625-AB27</u>	Anticipate Publication
Offshore Supply Vessels of at Least 6000 GT ITC	<u>1625-AB62</u>	Final Rule Stage
Revision to Transportation Worker Identification Credential (TWIC) Requirements for Mariners	<u>1625-AB80</u>	Final Rule Stage
Commercial Fishing Vessels--Implementation of 2010 and 2012 Legislation	<u>1625-AB85</u>	Final Rule Stage
Double Hull Tanker Escorts on the Waters of Prince William Sound, AK	<u>1625-AB96</u>	Final Rule Stage

Conclusion

The Coast Guard continues to improve its regulatory program. Through streamlining internal processes, balancing input from maritime stakeholders, careful analysis of alternatives and thorough evaluation of the cost and benefit of each rule, we are focused on ensuring every regulatory action achieves the desired safety, security, and environmental protection outcomes without imposing unnecessary costs on U.S.-flag vessel operators competing in a global industry.

Thank you for your continued support and the opportunity to testify before you today. I am happy to answer any questions you may have.