

that would be subject to the APA notice and comment or delayed effective date requirements. This correcting amendment corrects a technical error in the regulation text, but does not make substantive changes to the policy regarding the CoPs relating to the administration of pneumococcal vaccines that was adopted in the final rule. As a result, this correcting amendment is intended to ensure that the regulations text at § 482.23(c) accurately reflects the policy adopted in that final rule.

In addition, even if this were a rule to which the notice and comment procedures and delayed effective date requirements applied, we find that there is good cause to waive such requirements. Undertaking further notice and comment procedures to incorporate the corrections in this document into the final rule or delaying the effective date would be contrary to the public interest because it is in the public's interest for providers to have access to the appropriate regulations text in as timely a manner as possible, and to ensure that the FY 2014 IPPS/LTCH PPS final rule accurately reflects our CoPs relating to the administration of pneumococcal vaccines policy. Furthermore, such procedures would be unnecessary, as we are not altering our policy, but rather we are simply providing the corrected regulations text that we previously proposed, received comment on, and subsequently finalized. This correcting amendment is intended solely to ensure that the FY 2014 IPPS/LTCH PPS final rule accurately reflects this policy. Therefore, we believe we have good cause to waive the notice and comment and effective date requirements.

#### List of Subjects in 42 CFR Part 482

Grant programs, Health, Hospitals, Medicaid, Medicare, Reporting and recordkeeping requirements.

Accordingly, 42 CFR chapter IV is corrected by making the following correcting amendments to part 482:

#### PART 482—CONDITIONS OF PARTICIPATION FOR HOSPITALS

- 1. The authority citation for part 482 continues to read as follows:

**Authority:** Secs. 1102, 1871, and 1881 of the Social Security Act (42 U.S.C. 1302, 1395hh, and 1395rr), unless otherwise noted.

- 2. In § 482.23, revise paragraph (c)(3) to read as follows:

#### § 482.23 Condition of participation: Nursing services.

\* \* \* \* \*

(c) \* \* \*

(3) With the exception of influenza and pneumococcal vaccines, which may be administered per physician-approved hospital policy after an assessment of contraindications, orders for drugs and biologicals must be documented and signed by a practitioner who is authorized to write orders in accordance with State law and hospital policy, and who is responsible for the care of the patient as specified under § 482.12(c).

(i) If verbal orders are used, they are to be used infrequently.

(ii) When verbal orders are used, they must only be accepted by persons who are authorized to do so by hospital policy and procedures consistent with Federal and State law.

(iii) Orders for drugs and biologicals may be documented and signed by other practitioners not specified under § 482.12(c) only if such practitioners are acting in accordance with State law, including scope-of-practice laws, hospital policies, and medical staff bylaws, rules, and regulations.

\* \* \* \* \*

(Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: July 24, 2014.

**C'Reda Weeden,**

*Executive Secretary to the Department, Department of Health and Human Services.*

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## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 46 CFR Parts 108, 117, 133, 160, 164, 180, and 199

[Docket No. USCG-2010-0048]

RIN 1625-AB46

#### Lifesaving Equipment: Production Testing and Harmonization With International Standards

**AGENCY:** Coast Guard, DHS.

**ACTION:** Final rule.

**SUMMARY:** This rule finalizes the amendments to Coast Guard regulations for certain lifesaving equipment, including launching appliances (winches and davits), release mechanisms, survival craft (lifeboats, inflatable liferafts, and inflatable buoyant apparatus), rescue boats, and automatic disengaging devices, which were published as an interim rule and

amended by a second interim rule. Additionally, it finalizes the amendments to the requirements for Coast Guard-approved release mechanisms proposed in a supplementary notice of proposed rulemaking (SNPRM). This final rule harmonizes the Coast Guard's design, construction, and performance standards for this lifesaving equipment with international standards, while providing for the use of qualified independent laboratories, instead of Coast Guard inspectors, during the approval process and for production inspections of certain types of lifesaving equipment.

**DATES:** This final rule is effective August 29, 2014. The incorporation by reference of certain publications listed in the rule is approved by the Director of the Federal Register on August 29, 2014.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this rule, call or email Mr. George Grills, Commercial Regulations and Standards Directorate, Office of Design and Engineering Standards, Lifesaving and Fire Safety Division (CG-ENG-4), Coast Guard; telephone 202-372-1385, or email [TypeApproval@uscg.mil](mailto:TypeApproval@uscg.mil). If you have questions on viewing or submitting material to the docket, call Ms. Cheryl Collins, Program Manager, Docket Operations, telephone 202-366-9826.

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#### I. Abbreviations

- CFR Code of Federal Regulations
- DHS Department of Homeland Security
- E.O. Executive Order
- FR Federal Register
- IMO International Maritime Organization
- IMO LSA Code "International Life-saving Appliance Code," IMO Resolution MSC.48(66)

LSA Life-saving Appliance  
 MISLE Marine Information for Safety and Law Enforcement database  
 MSC Maritime Safety Committee of the International Maritime Organization  
 NPRM Notice of Proposed Rulemaking  
 Revised recommendation on testing “Revised recommendation on testing of life-saving appliances,” IMO Resolution MSC.81(70)  
 SNPRM Supplemental Notice of Proposed Rulemaking  
 SOLAS International Convention for Safety of Life at Sea, 1974, as amended  
 § Section  
 U.S.C. United States Code

USCG United States Coast Guard  
 2010 NPRM “Lifesaving Equipment: Production Testing and Harmonization With International Standards,” August 31, 2010, (75 FR 53458).  
 2011 IR “Lifesaving Equipment: Production Testing and Harmonization With International Standards; Interim Rule,” October 10, 2011, (76 FR 62962).  
 2011 SNPRM “Lifesaving Equipment: Production Testing and Harmonization with International Standards” Supplemental notice of proposed rulemaking, October 10, 2011, (76 FR 62714).

2012 IR “Lifesaving Equipment: Production Testing and Harmonization with International Standards” Interim Rule, February 21, 2012, (77 FR 9859).  
 2012 SNPRM “Lifesaving Equipment: Production Testing and Harmonization with International Standards” Supplemental notice of proposed rulemaking, November 26, 2012, (77 FR 70390).

**II. Regulatory History**

The complete regulatory history of the Lifesaving Equipment rulemaking is summarized in Table 1 below.

TABLE 1—RULEMAKING HISTORY

Document type	Federal Register cite	Date published	Summary
Notice of proposed rulemaking (2010 NPRM).	75 FR 53458	8/31/2010	Proposed amendments to regulations for certain lifesaving equipment. Harmonized the design, construction, and performance standards for this life-saving equipment with international standards and provided for the use of qualified independent laboratories, instead of Coast Guard inspectors, during the approval process and for production inspections.
Interim Rule (2011 IR) .....	76 FR 62962	10/11/2011	Established the requirements set forth in the 2010 NPRM, and indicated this would be an interim rule because of anticipated forthcoming changes to international standards for release mechanisms.
Supplemental notice of proposed rulemaking (2011 SNPRM).	76 FR 62714	10/11/2011	Proposed amending the 2011 IR published on the same date to harmonize Coast Guard regulations for inflatable liferafts and inflatable buoyant apparatuses with recently adopted international standards.
Interim Rule Correction .....	76 FR 70062	11/10/2011	Made four editorial corrections to the 2011 IR.
Interim Rule (2012 IR) .....	77 FR 9859	2/21/2012	Implemented the requirements set forth in the 2011 SNPRM, recognizing that before the 2011 IR would become a final rule, an additional SNPRM would be issued to address release mechanisms for lifeboats and rescue boats.
Supplemental notice of proposed rulemaking (2012 SNPRM).	77 FR 70390	11/26/2012	Proposed amendments to the 2011 IR to harmonize lifeboats and rescue boat release mechanism regulations with recently adopted international standards affecting design, performance, and testing for such lifesaving equipment, and to clarify the requirements concerning grooved drums in launching appliance winches.

On August 31, 2010, the Coast Guard published a notice of proposed rulemaking (NPRM) titled “Lifesaving Equipment: Production Testing and Harmonization With International Standards” (2010 NPRM) to harmonize the Coast Guard’s requirements for certain lifesaving equipment, including launching appliances (winches and davits), release mechanisms, survival craft (lifeboats, inflatable liferafts, and inflatable buoyant apparatuses), rescue boats, and automatic disengaging devices with international design, construction, and performance standards, and to expand the use of qualified independent laboratories, instead of Coast Guard inspectors, in the approval process and for production inspections. A complete discussion of these changes is available in the NPRM, published August 30, 2010. *See* 75 FR 53458, 53460.

On October 11, 2011, the Coast Guard published an interim rule titled “Lifesaving Equipment: Production Testing and Harmonization With International Standards; Interim Rule”

(2011 IR) making effective the changes proposed in the NPRM. *See* 76 FR 62962. The Coast Guard issued that interim rule in anticipation of future amendments to international standards from the International Maritime Organization’s (IMO) Maritime Safety Committee (MSC) regarding release mechanisms. A complete discussion of the 2011 IR, published October 11, 2011, is also available. *See* 76 FR 62962.

Concurrently on October 11, 2011, the Coast Guard published a supplementary notice of proposed rulemaking (2011 SNPRM) proposing amendments to the portion of the Code of Federal Regulations (CFR) modified by the 2011 IR regarding inflatable liferafts and inflatable buoyant apparatuses. *See* 76 FR 62714. The 2011 SNPRM proposed manufacturers conduct tests on prototype and production liferafts for Coast Guard approval under subpart 160.151 (SOLAS liferafts) using the new assumed average mass of liferaft occupants (82.5 kg), instead of the previous assumed average mass (75 kg), without imposing this requirement on

liferafts currently in service. On February 21, 2012, the Coast Guard published a second interim rule (2012 IR) which made amendments to the 2011 IR by making the changes proposed in the 2011 SNPRM regarding inflatable liferafts and inflatable buoyant apparatuses effective. *See* 77 FR 9859. A complete discussion of these changes is available in the 2011 SNPRM. *See* 76 FR 62714. A complete discussion of the 2012 IR, published February 21, 2012, is also available. *See* 77 FR 9859.

On November 26, 2012, the Coast Guard published a second SNPRM (2012 SNPRM) proposing amendments to the portion of the CFR modified by the 2011 IR regarding release mechanisms. *See* 77 FR 70390. We received two public comments to the 2012 SNPRM, which we address below. No public meeting was requested and none was held.

The Coast Guard is making final the 2011 interim rule with some changes. The only changes are those made by the 2012 IR, and the 2012 SNPRM

amendments to 46 CFR parts 160 and 164. The rest of the 2011 IR remains the same.

### III. Basis and Purpose

The Coast Guard is charged with ensuring that lifesaving equipment used on vessels subject to inspection by the United States meets specific design, construction, and performance standards. See 46 U.S.C. 3306. The Coast Guard carries out this charge through the approval of lifesaving equipment per 46 CFR part 2, subpart 2.75. The approval process includes pre-approval review of lifesaving equipment designs, overseeing prototype construction, witnessing prototype testing, and monitoring production of the equipment for use on U.S. vessels. See 46 CFR part 159. At each phase of the approval process, the Coast Guard sets specific standards to which lifesaving equipment must be built and tested. Please see the 2010 NPRM for further information on the Coast Guard's International Convention for Safety of Life at Sea, 1974, as amended, (SOLAS) obligations.

### IV. Discussion of Rule

#### A. Background

In the 2012 SNPRM, amendments were proposed to the Coast Guard's standards for release mechanisms found in 46 CFR part 160, subpart 160.133 to implement current SOLAS requirements for lifeboat release mechanisms. The Coast Guard also proposed amendments to subpart 160.115 to clarify the winch drum design requirements, and also proposed technical amendments to correct non-substantive errors in 46 CFR part 160, subparts 160.133, 160.135, and 160.156, and in 46 CFR part 164.

Current requirements for lifeboat release mechanisms are the IMO standards referenced by Chapter III of SOLAS. Those IMO standards are the "International Life-saving Appliance Code," IMO Resolution MSC.48(66), as amended (IMO LSA Code), and the "Revised recommendation on testing of life-saving appliances," IMO Resolution MSC.81(70), as amended (Revised recommendation on testing). The IMO updates these standards by adopting MSC Resolutions which promulgate amendments to these standards. The 2011 IR incorporated by reference all MSC Resolutions affecting release mechanisms adopted at the time the 2010 NPRM was published.

On May 20, 2011, IMO adopted two new MSC Resolutions further amending the IMO LSA Code and the Revised recommendation on testing: IMO Resolution MSC.320(89), "Adoption of

amendments to the International Life-saving Appliance (LSA) Code," and IMO Resolution MSC.321(89), "Adoption of amendments to the Revised Recommendation on Testing of Life-saving Appliances (Resolution MSC.81(70)), as amended."

Resolution MSC.320(89) amends the design and performance requirements for release mechanisms in the IMO LSA Code, which entered into force on January 1, 2013. The amendments include specific requirements for increased hook stability, corrosion-resistance, and additional safety features. Resolution MSC.321(89) specifies revisions to the prototype testing of release mechanisms supporting the amendments to the IMO LSA Code's Revised recommendation on testing, which entered into force on January 1, 2013.

The Coast Guard proposed in the 2012 SNPRM to revise subpart 160.133 to incorporate by reference IMO Resolutions MSC.320(89) and MSC.321(89). These changes affect release mechanisms approved under approval series 160.133, applying new design, performance, and prototype testing requirements, as set forth in IMO Resolutions MSC.320(89) and MSC.321(89). The changes also affect davit-launched lifeboats approved under subpart 160.135, and SOLAS rescue boats and fast rescue boats approved under subpart 160.156 (other than those fitted with automatic release hooks under approval series 160.170). These lifeboats and rescue boats are required to have a release mechanism approved under subpart 160.133 as revised by this final rule. However, davit-launched lifeboats, SOLAS rescue boats, and fast rescue boats already installed prior to the implementation of this final rule are not affected.

Beyond the obligations to adopt the changes to the IMO LSA Code and Revised recommendation on testing as a signatory to the SOLAS convention, the Coast Guard desires to incorporate by reference the amendments in IMO Resolutions MSC.320(89) and MSC.321(89) because they provide higher standards of safety and performance than those of the existing requirements incorporated by reference in 46 CFR 160.133–5. Further, for manufacturers, harmonization with current international standards will facilitate marketing of their products internationally.

The United States actively participated in the negotiations that led to the development of these IMO standards and conducted a series of outreach sessions with the public. The Coast Guard considers these IMO

standards to represent the best available standards for the design and performance of release mechanisms. In order to facilitate international commerce with other contracting governments to SOLAS that follow IMO standards, and to achieve the benefits of the increased safety of adhering to these IMO standards, the Coast Guard, pursuant to 46 U.S.C. 3306, considers them to be appropriate for lifeboats and rescue boats subject to inspection by the United States.

A complete discussion of these changes is available in the 2012 SNPRM. See 77 FR 70390.

In this final rule, the Coast Guard is making final the 2011 IR with some changes. The changes are those made by the 2012 IR, and the 2012 SNPRM amendments to 46 CFR parts 160 and 164. The rest of the 2011 IR remains the same.

#### B. Discussion of Comments

The Coast Guard received two comments in response to the 2012 SNPRM.

The first commenter was generally supportive of the suggested changes, but noted that the IMO Standardized Life-Saving Appliance Evaluation and Test Report Forms published in IMO MSC Circular 980 have not been updated since they were originally issued in 2001.

The Coast Guard acknowledges that the standardized IMO forms are out of date. However, the forms were developed by the IMO to provide guidance on how to conduct the proscribed tests, how to record data, and how to report the results, and are within IMO's control to change. Use of these forms is not required. It is the responsibility of the manufacturer to ensure that the test reports submitted for approval appropriately document both the tests performed and the results. Therefore, no changes to the 2012 SNPRM were made based on this comment.

The second commenter applauded the Coast Guard's actions to harmonize U.S. regulations with international standards, but expressed concern that the IMO Resolutions incorporated by reference, specifically Resolution MSC.321(89), and the resolution that it amends (MSC.81(70)), are written in non-mandatory language. The commenter requested clarification on how the Coast Guard will apply the provisions of an otherwise non-mandatory document when it is referenced in a regulatory requirement.

The Revised recommendation on testing, as amended by Resolution MSC.321(89), sets forth requirements for

prototype testing of release mechanisms. It is accepted as the best available standard to demonstrate compliance with the LSA Code. The Coast Guard makes these requirements mandatory by incorporating by reference the Revised recommendation on testing and IMO Resolution MSC.321(89) into the regulations. Alternative standards or tests to demonstrate compliance with the LSA Code may be accepted in accordance with 46 CFR 159.005–7(c). The non-mandatory language in these documents does not matter for the purposes of Coast Guard regulations, as the standards become mandatory when incorporated by reference into Coast Guard regulations, as we do in this final rule. Therefore, no changes to the 2012 SNPRM were made based on this comment.

Based on the above discussion of the two comments received, no changes were made to the regulatory text proposed in the 2012 SNPRM. All comments received on the NPRM and the 2011 SNPRM were addressed in the 2011 and 2012 IRs, respectively. See 76 FR 62962 and 77 FR 9859.

## V. Incorporation by Reference

The Director of the Federal Register has approved the material in 46 CFR 160.133–5(c)(6) and (c)(7) for incorporation by reference under 5 U.S.C. 552 and 1 CFR part 51. Copies of the material are available from the sources listed in paragraph (a) of that section.

## VI. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive Orders (E.O.s) related to rulemaking. Below we summarize our analyses based on several of these statutes or E.O.s.

### A. Regulatory Planning and Review

Executive Orders 12866 (“Regulatory Planning and Review”) and 13563 (“Improving Regulation and Regulatory Review”) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of

<sup>1</sup> The 2010 NPRM, 2011 SNPRM, 2011 IR and the 2012 SNPRM. The 2010 NPRM and 2011 SNPRMs also contained regulatory analyses, but as the analyses in these documents were the same as those in the 2011 IR and the 2012 IR, they are not discussed separately.

reducing costs, of harmonizing rules, and of promoting flexibility.

This rule is not a significant regulatory action under section 3(f) of E.O. 12866. The Office of Management and Budget (OMB) has not reviewed it under E.O. 12866. Nonetheless, we developed an analysis of the costs and benefits of the rule to ascertain its probable impacts on industry. A final regulatory assessment follows.

As this regulatory assessment is based on the regulatory analyses contained in the previously published documents and supporting documentation for the 2011 IR, the 2012 IR, and the 2012 SNPRM, the regulatory assessment below is only a summation of the analyses performed in those documents.<sup>1</sup> A summary of each rulemaking is provided here. Those interested in the full analyses contained in those documents should refer to them on the docket as indicated in Table 1 of this preamble. As all the documents, with the exception of the 2012 SNPRM, are already effective, the emphasis of the discussion below will be on the 2012 SNPRM. As the phases of this rulemaking prior to the 2012 SNPRM are already effective, and the 2012 SNPRM does not impose costs, the final rule also does not impose any new costs. We received no additional information from the public or from other sources to cause us to modify our estimated costs and benefits for any of these phases.

### Summary of the 2011 IR Regulatory Assessment

The 2011 IR became effective November 10, 2011. As a result, this final rule does not add any incremental costs or benefits to that IR. This summary of the 2011 IR provides background into the regulatory history surrounding the final rule.

In the 2011 IR, which promulgated the requirements set forth in the 2010 NPRM, the Coast Guard amended 46 CFR part 160 to harmonize its regulations with IMO standards governing certain types of lifesaving equipment. The Coast Guard also allowed the use of independent laboratories under Coast Guard approval procedures for certain types of lifesaving equipment, including requiring the use of independent laboratories at certain stages of the approval procedures, instead of Coast Guard personnel to perform these inspections and witness these tests. We

<sup>2</sup> The deflator used for conversion was the consumer price index (all urban consumers), series CUUR0000SA0. This data was downloaded on December 12, 2013 from the Bureau of Labor (<http://data.bls.gov/cgi-bin/survey/most>). Data from the “Annual” column in this table, for 2008 and

expected that the changes to harmonize existing regulations with international standards would have no additional costs for manufacturers of lifesaving equipment. In order for their lifesaving equipment to be used on vessels for international voyages from any nation that is signatory to SOLAS, equipment manufacturers must comply with the international standards for lifesaving equipment established by SOLAS. We further expected that the 2011 IR reflected existing industry practices adopted in response to these international standards governing the performance of certain types of lifesaving equipment.

We expected the changes requiring the use of independent laboratories, instead of Coast Guard personnel, would result in additional costs for manufacturers of certain types of lifesaving equipment. The Coast Guard did not have a regulatory mechanism to charge for any step in the approval process for lifesaving equipment. The use of independent laboratories required by the 2011 IR created a new cost for manufacturers of lifesaving equipment. However, we expected that the costs of inspections by independent laboratories would be partially offset by an overall reduction in the number of inspections, made possible through the coordination of independent laboratories. Manufacturers, as a result of the 2011 IR, are able to schedule inspections and testing for independent laboratories acting on behalf of multiple nations, including the United States, rather than requiring separate Coast Guard inspections and testing. This coordinated use of independent laboratories avoids multiple inspections and testing of the same equipment.

Data obtained from the Coast Guard Maritime Information Exchange indicated that the population affected by the 2011 IR included eight U.S. manufacturers. We estimated the annual costs to manufacturers for using independent laboratories was approximately \$130,000 for U.S. firms, in 2008 dollars. After converting to 2012 dollars, the cost comes to \$138,597.<sup>2</sup> Over a 10-year period the nominal non-discounted cost is estimated at \$1,385,969. The cost is \$973,447 when discounted at 7 percent, and \$1,182,260 when discounted at 3 percent. These estimates, along with the annual costs, can be seen in Table 2.

2012, was used (215.303 and 229.594). Dollars were converted to 2012 instead of 2013 because the 2013 data was not available as of the date the calculations were made. Unless otherwise stated, all conversions in this regulatory analysis to 2012 dollars were made using this BLS dataset.

TABLE 2—10-YEAR ESTIMATED COSTS OF INSPECTION AND TESTING BY THIRD-PARTY INSPECTORS TO U.S. MANUFACTURERS  
[2012 dollars]

Year	Nominal	Discounted	
		7%	3%
1 .....	\$138,597	\$129,530	\$134,560
2 .....	138,597	121,056	130,641
3 .....	138,597	113,136	126,836
4 .....	138,597	105,735	123,142
5 .....	138,597	98,818	119,555
6 .....	138,597	92,353	116,073
7 .....	138,597	86,311	112,692
8 .....	138,597	80,665	109,410
9 .....	138,597	75,388	106,223
10 .....	138,597	70,456	103,129
Total .....	1,385,969	973,447	1,182,260
Annualized .....	138,597	138,597	138,597

The other changes stemming from the 2011 IR, not resulting from harmonization with international standards or use of independent laboratories, updated Coast Guard regulations to reflect current industry practice or to incorporate newer versions of existing standards, and were determined to have no costs. These included an amendment specifying the attachment point for sea anchors to liferafts, the addition of a new subpart in 46 CFR part 164 addressing resins used in the construction of lifeboats and rescue boats, and incorporating the use of equivalent international standards as an alternative to national consensus standards.

The benefits of the 2011 IR included compliance with U.S. obligations as a signatory nation to SOLAS, and the removal of inconsistencies between international standards and the Coast Guard's regulations. In addition, the rule also provided possible savings for manufacturers from coordination efficiencies for inspections that were not quantified in the IR. It also increased efficiency for the Coast Guard by providing flexibility in assigning its human resources, particularly those

stationed at overseas Coast Guard offices.

The 2011 IR's provisions relating to third-party inspections have already been enacted, and the final rule makes no further modifications to these provisions. Therefore, this final rule does not impose new costs or benefits.

#### Summary of the 2012 IR Regulatory Assessment

The 2012 IR became effective March 22, 2012. As a result, this final rule does not add any incremental costs or benefits to that IR. This summary of the 2012 IR provides background to the regulatory history surrounding the final rule.

In the 2012 IR, which implemented the requirements set forth in the 2011 SNPRM, the Coast Guard amended the 2011 IR addressing lifesaving equipment to harmonize Coast Guard regulations for inflatable liferafts and inflatable buoyant apparatuses with recently adopted international standards affecting capacity requirements for such lifesaving equipment. Having found no additional information (including public comments) that changed our findings in the 2011 SNPRM, we adopted the assessment in the 2011 SNPRM for the 2012 IR as final.

The 2012 IR addressed the change in the international standard for occupant weight used in testing equipment to establish the rated capacity of inflatable liferafts and inflatable buoyant apparatuses by revising the occupant weight or "assumed average occupant mass" from the previous 75 kg (approximately 165 pounds)<sup>3</sup> to the current weight standard of 82.5 kg (approximately 182 pounds).

While the 2012 IR required manufacturers to conduct prototype and production tests for inflatable liferafts and inflatable buoyant apparatuses manufactured on or after March 22, 2012, using the new occupant weight standard, it limited retesting of currently approved equipment manufactured to only liferafts then currently rated for six occupants. The 2012 IR did not apply to liferafts currently in service aboard U.S. vessels. These were grandfathered in. As a result, no vessel incurred replacement costs for liferafts based on the 2012 IR. Therefore, only manufacturers were impacted. A summary of changes to the baseline testing requirements is shown in Table 3. It should be noted that Table 3 only applies to manufacturers of liferafts, not vessels carrying liferafts.

<sup>3</sup> One kilogram is equal to 2.20462262 pounds.

TABLE 3—SUMMARY OF CHANGES TO THE BASELINE TESTING REQUIREMENTS STEMMING FROM THE 2012 IR

Device	Testing type	Existing equipment (approval prior to January 1, 2012)		New equipment (approval after January 1, 2012)	
		Testing	Impacts	Testing	Impacts
SOLAS Inflatable Liferrafts (160.151).	Prototype testing ...	Manufacturers must obtain a new Certificate of Approval certifying rated occupancy using the new occupant weight standard. Manufacturers may either retest or have a certification made using previous test results adjusted for the new occupant weight standard.	Units with rated capacity of fewer than six occupants are ineligible for SOLAS service. Costs of testing unchanged as nature of the test is unchanged.	All tests use the new occupant weight standard to establish occupancy rating. Costs of testing unchanged as nature of the test is unchanged.	Units with rated capacity of fewer than six occupants are ineligible for SOLAS service.
	Production Testing	All tests use the new weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.	All tests use the new occupant weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.
Non-SOLAS Inflatable Liferrafts (160.051).	Prototype testing ...	Existing Certificates of Approval may be renewed without retesting.	No cost or benefit as the use of the new occupant weight standard is optional.	All tests use the new occupant weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.
	Production Testing	No cost or benefit. The use of the new occupant weight standard is optional for equipment manufactured under an existing Certificate of Approval.		All tests use the new occupant weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.
Inflatable Buoyant Apparatus (160.010).	Prototype testing ...	Existing Certificates of Approval may be renewed without retesting.	No cost or benefit as the use of the new occupant weight standard is optional.	All tests use the new occupant weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.
	Production Testing	No cost or benefit. The use of the new occupant weight standard is optional for equipment manufactured under an existing Certificate of Approval.		All tests use the new occupant weight standard to establish occupancy rating.	Costs of testing unchanged as nature of the test is unchanged.

As shown in Table 3, manufacturers of SOLAS inflatable liferafts approved under subpart 160.151 and manufactured on or after March 22, 2012, were allowed the option of either retesting using the new occupant weight standard or requesting certification for a lower rated occupancy (adjusted for the new occupant weight standard) based on the certification testing submitted for their current approval.

We expected that the principal cost impact for manufacturers of SOLAS liferafts would be for currently approved inflatable liferafts whose rated capacity is six occupants using the current weight standard of 75 kg. Since SOLAS requires that inflatable liferafts

have a minimum capacity of six occupants, any SOLAS liferaft currently approved for six occupants had to be retested under the new occupant weight standard in order to retain approval.

We indicated in the 2012 IR that there were three U.S. manufacturers of in-scope liferafts. These three firms manufactured a total of five different models of liferafts with three of the models having a capacity of six occupants. See Table 4. U.S. firms that manufactured liferafts with a capacity of six occupants were assumed to retest their liferafts in order to maintain their SOLAS certification. From data obtained from industry and used in the 2012 IR, we estimated the costs of

retesting for compliance with the new occupant weight standard at \$1,800 for each model.

We estimated the total cost to industry to retest all current SOLAS liferaft models manufactured by U.S. firms to be \$5,400. This figure is in 2011 dollars. See Table 4. We show the converted 2011 dollars to 2012 dollars in Table 5. This cost was only incurred once, when the 2012 IR was implemented. There were no requirements to test in subsequent years. Therefore, in terms of the overall cost of the 2012 IR, we expected that there were no additional costs, other than those identified in Tables 4 and 5.

TABLE 4—SOLAS LIFERAFTS; COSTS TO RETEST FROM THE 2012 IR, IN 2011 DOLLARS

Manufacturer	Number of manufacturers	Total number of models of liferaft produced	Total number of models of liferaft produced with an occupancy rating of six	Cost to retest each SOLAS liferaft	Total cost to retest
U.S. owned Total .....	3	5	3	\$1,800	\$5,400

TABLE 5—SOLAS LIFERAFTS; COSTS TO RETEST FROM THE 2012 IR, IN 2012 DOLLARS, FOR U.S. MANUFACTURERS PRODUCING SOLAS LIFERAFTS

Number of U.S. owned manufacturers	Total number of models of lifeboat manufactured	Total number of models of liferafts produced with an occupancy rating of six	Cost-to retest each SOLAS liferaft	Total cost to retest
3 .....	5	3	\$1,876	\$5,513

The principal benefit of the 2012 IR was the protection of life at sea by establishing capacity standards for inflatable liferafts and inflatable buoyant apparatuses, reflecting a global increase in mariner weights. Additionally, the 2012 IR ensured compliance with internationally applicable standards for SOLAS and adopted by the IMO.

This final rule does not change the requirements in the 2012 IR discussed above, and it does not add additional costs or benefits related to the 2012 IR.

Summary of the 2012 SNPRM Regulatory Assessment

The 2012 SNPRM proposed amendments to the regulations promulgated by the 2011 IR concerning rescue mechanisms for lifeboats and rescue boats with recently adopted international standards affecting design, performance, and testing for such lifesaving equipment. It also proposed to clarify the requirements concerning grooved drums in launching appliance winches. The 2012 SNPRM had three components that could potentially have cost impacts. The first component involved amendments made to the IMO LSA Code by the IMO MSC regarding release mechanisms for lifeboats and rescue boats. The second component was a rewording made to 46 CFR 160.115–7(b)(5)(i) with respect to the acceptance of non-grooved winch drums as an alternative to grooved drums on launching appliance winches. The third component dealt with the need for applications for pre-approval review for Certificates of Approval.<sup>4</sup>

The first component, the set of amendments made by the IMO’s MSC to

design, performance and testing requirements for release mechanisms, incorporated into the CFR, impacted one U.S. manufacturer of release mechanisms. That one manufacturer had to design, manufacture and test a release mechanism that fulfilled these new amendments. However, that single manufacturer designed, tested, and began to manufacture, market and sell release mechanisms that fulfilled the new requirements before the 2012 SNPRM became effective on January 1, 2013.<sup>5</sup> The manufacturer did this independently of the Coast Guard’s implementation of the 2012 SNPRM.<sup>6</sup>

If we had assumed the Coast Guard had promulgated the 2012 SNPRM in the absence of an IMO amendment, there would have been a cost. The single U.S. manufacturer would have experienced fixed testing and design costs that it would not otherwise have incurred.<sup>7</sup>

The second component, the rewording made to 46 CFR 160.115–7(b)(5)(i), had no impact on the design, manufacturing or testing of release mechanism, or on any process involving government approval. The rewording only was intended to make it clear to the public that non-grooved winch drums were acceptable as well as grooved winch drums. This wording clarified the Coast Guard’s previous practice of accepting both.

The third component was a requirement for manufacturers to provide the Coast Guard with an application for pre-approval review for certificates of approval for the new

release mechanisms. However, as already stated in this preamble, the single U.S. manufacturer phased in production of release mechanisms that fulfilled the new IMO requirements prior to January 1, 2013, and independently of whether the Coast Guard put forth the requirements in the 2012 SNPRM.<sup>8</sup> As the introduction of a new release mechanism would have required, regardless of its specifications, the completion of such paperwork, the cost was already incurred.

The incorporation of the IMO’s new amendments to the LSA Code into the CFR harmonized U.S. standards with the IMO’s standards. This harmonization was necessary for two reasons. First, it was needed for the United States to comply with its treaty obligations as a signatory to SOLAS. By harmonizing Coast Guard requirements for release mechanisms for lifeboats and rescue boats, the United States now has the same requirements as the international standards established by the IMO LSA Code. Secondly, the harmonization was necessary to clarify requirements and remove inconsistencies between the requirements for SOLAS compliance and parts of Title 46 that regulate release mechanisms on lifeboats and rescue boats.

One benefit of U.S. harmonization with international standards is that it allows the domestic manufacturer, as well as any future manufacturers, of in-scope equipment to sell the equipment on the international market and to do so in a more efficient manner. Adoption of the international standards, and Coast Guard inspection and certification of the equipment in line with those standards,

<sup>4</sup> These pre-approval reviews are in accordance with 160.133–23.

<sup>5</sup> Telephone conversation between the Coast Guard and the manufacturer.

<sup>6</sup> Telephone conversation between the Coast Guard and the manufacturer.

<sup>7</sup> Based on telephone conversation between the Coast Guard and the manufacturer.

<sup>8</sup> The manufacturer told the Coast Guard this in a phone conversation in June of 2012.

enables domestic manufacturers to enter foreign markets and to sell more effectively as a result of the Coast Guard certification they obtain.

Harmonization also enables vessels with the in-scope equipment to operate in international waters and ports without fear of detention or fines. Without the adoption of the international standards, these vessels would be in violation of IMO requirements. There are 170 members<sup>9</sup> of the IMO. As member-nations of the IMO normally adopt IMO requirements into their own legal maritime codes, vessels with in-scope equipment would be able to operate in a large number of nations without fear of legal repercussions and the implied fines and loss of revenue stemming from associated delays.

The 2012 SNPRM could also have affected U.S. vessel owners or operators of U.S. vessels that were required to carry lifeboats and/or rescue boats, which would need to be equipped with release mechanisms that fulfilled the new requirements. However, only those release mechanisms purchased after January 1, 2013, would need to be replaced. If release mechanisms meeting both the pre-2012 SNPRM and post-2012 SNPRM requirements were available, the Coast Guard assumes

vessel owners or operators would purchase the less expensive of the two, which were those mechanisms that met the pre-2012 SNRPM requirements (i.e., pre-January 1, 2013). As stated above, however, the one U.S.-based supplier of in-scope, galvanized steel release mechanisms stopped manufacturing them and began manufacturing and selling release mechanisms that fulfilled the new IMO LSA Code amendments proposed in the 2012 SNPRM. This U.S. manufacturer was the only manufacturer of galvanized steel (or its regulatory equivalent) in the world.<sup>10</sup> Therefore, the galvanized steel mechanisms (or their regulatory equivalent) would no longer be available for purchase after the single U.S. manufacturer stopped producing them. Only the non-galvanized, corrosion resistant mechanisms that were in compliance with the IMO requirements would be available after January 1, 2013.

The 2012 SNPRM is adopted without change in this final rule. The Coast Guard does not expect a change in the benefits or costs between the 2012 SNPRM and this final rule.<sup>11</sup>

Summation of the Costs and Benefits of the 2011 IR, 2012 IR, and 2012 SNPRM

As stated previously, the 2011 and 2012 IRs have already been

implemented. The 2012 SNPRM had no quantifiable costs or benefits and is being implemented in this final rule with no additional changes being made that may impact either costs or benefits. Thus, this final rule has no incremental costs or benefits associated with it. The aggregate costs and benefits of the 2011 IR, 2012 IR, and the 2012 SNPRM are only being presented to provide the reader with perspective on the previous rulemakings.

This section aggregates the monetized costs and qualitative benefits relating to the 2011 IR, 2012 IR, and the 2012 SNPRM. The costs and benefits are each aggregated in Tables 6 and 7. In Table 6, we aggregate the total nominal 10-year costs at \$1,391,482. Discounted, at 7 percent, the 10-year total came to \$978,599 (\$139,331 on an annualized basis) and, at 3 percent, to \$1,187,612 (\$139,224 on an annualized basis). The 2012 SNPRM had no monetized costs, and it is not included in the table.

It should be stressed that this final rule does not add additional costs to those already established by the previous phases of this rulemaking. Additionally, we received no public comments or other information suggesting any change was required.

TABLE 6—MONETIZED COSTS  
[2012 Dollars]

Year	2011 IR			2012 IR			Total		
	Estimated annual cost inspection and testing by third-party inspectors for U.S. manufacturers			Costs to U.S. manufacturers producing in-scope liferafts with the capacity of holding only six passengers			Nominal	Discounted	
	Nominal	Discounted		Nominal	Discounted			7%	3%
		7%	3%		7%	3%			
1 .....	\$138,597	\$129,530	\$134,560	\$5,513	\$5,152	\$5,352	\$144,110	\$134,682	\$139,913
2 .....	138,597	121,056	130,641	0	0	0	138,597	121,056	130,641
3 .....	138,597	113,136	126,836	0	0	0	138,597	113,136	126,836
4 .....	138,597	105,735	123,142	0	0	0	138,597	105,735	123,142
5 .....	138,597	98,818	119,555	0	0	0	138,597	98,818	119,555
6 .....	138,597	92,353	116,073	0	0	0	138,597	92,353	116,073
7 .....	138,597	86,311	112,692	0	0	0	138,597	86,311	112,692
8 .....	138,597	80,665	109,410	0	0	0	138,597	80,665	109,410
9 .....	138,597	75,388	106,223	0	0	0	138,597	75,388	106,223
10 .....	138,597	70,456	103,129	0	0	0	138,597	70,456	103,129
<b>Total</b> .....	<b>1,385,969</b>	<b>973,447</b>	<b>1,182,260</b>	<b>5,513</b>	<b>5,152</b>	<b>5,352</b>	<b>1,391,482</b>	<b>978,599</b>	<b>1,187,612</b>
<b>Annualized</b> .....	<b>138,597</b>	<b>138,597</b>	<b>138,597</b>	<b>551</b>	<b>734</b>	<b>627</b>	<b>139,148</b>	<b>139,331</b>	<b>139,224</b>

The benefits from the 2011 IR, 2012 IR, and the 2012 SNPRM are summarized in Table 7. The final rule

does not change any of the amendments discussed above relating to benefits, nor does it add or delete any benefits.

Therefore, the final rule will not change the benefits from the 2011 IR, 2012 IR and 2012 SNPRM.

<sup>9</sup> According to the official IMO's Web site, on March 14, 2014, the IMO had 170 members and three associate members (<http://www.imo.org/About/Membership/Pages/Default.aspx>).

<sup>10</sup> Based on telephone discussions with numerous distributors and manufacturers of release mechanisms in the U.S.

<sup>11</sup> There were no public comments received, or other information found, that implied any changes were needed in the 2012 SNPRM.

TABLE 7—BENEFITS

	Benefits (qualitative)
2011 IR .....	<p><i>Harmonization of domestic and international standards will lead to—</i></p> <ul style="list-style-type: none"> <li>* The implementation of the regulation has led to the requirement for one homogeneous standard that replaces the more numerous standards being used domestically. This leads to reduced transaction costs due to the fact that there are fewer standards to follow.</li> <li>* Increased market size, and economies of scale, to manufacturers that will lead to lower costs in terms of investment that is fixed in manufacturing, research and development, marketing, and other fixed variables.</li> <li>* Common international standards also encourage new entrants into the market by reducing the barriers to entry encountered in markets fragmented by different standards.</li> <li>* Enabling the U.S. to fulfill its obligations as a signatory party to SOLAS.</li> </ul> <p><i>New placement of anchor requirements will lead to—</i></p> <ul style="list-style-type: none"> <li>* Potentially fewer personnel casualties.</li> <li>* Updating and replacing some standards for fire retardant resins incorporated by reference in 46 CFR 160.035(b) into a separate subpart, 46 CFR subpart 164.017.</li> </ul> <p>Possibly reduced costs of manufacturing and inventories because the adoption of international standards means the need for fewer models of in-scope equipment for both domestic and international markets.</p> <p><i>The use of independent laboratories instead of Coast Guard personnel will lead to—</i></p> <ul style="list-style-type: none"> <li>* Manufacturers will have greater flexibility over when they can arrange inspections.</li> <li>* Enables the Coast Guard to concentrate on fulfilling its lifesaving and environmental stewardship functions.</li> </ul>
2012 IR .....	<p><i>Higher weight testing standards lead to—</i></p> <ul style="list-style-type: none"> <li>* Possibly fewer personnel casualties and less property damage.</li> <li>* Enabling the U.S. to fulfill its obligations as a signatory party to SOLAS.</li> </ul>
2012 SNPRM ....	<p><i>Adoption of new IMO LSA design, construction and testing standards leads to—</i></p> <ul style="list-style-type: none"> <li>* Potentially fewer accidents, and therefore few personnel casualties and less property damage.</li> </ul> <p><i>Added wording on Coast Guard's acceptance of non-grooved drums as alternative to grooved drums on launching appliance winches is expected to—</i></p> <ul style="list-style-type: none"> <li>* Reduce uncertainty for both manufacturers and consumers. This, in turn, leads to more confidence in purchasing the appropriate in-scope equipment.</li> </ul>

### B. Small Entities

Under the Regulatory Flexibility Act, 5 U.S.C. 601–612, we have considered whether this 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.

A brief summary of the analyses performed for the 2011 IR, 2012 IR and 2012 SNPRM for purposes of the Regulatory Flexibility Act is provided below. Each of these analyses is discussed separately in its own section. The discussions are only intended as a brief synopsis. In-depth analysis can be found on the docket.

#### 2011 IR

As discussed in the “Summary of the 2011 IR” in Section VII.A of this preamble, we determined that six of the eight U.S. firms manufacturing in-scope lifesaving equipment were classified as small entities under the Small Business Administration (SBA) size standards. We estimated the annual costs to use independent laboratories was less than 0.5 percent of annual revenue for five of the six small entities, and less than 1.25 percent of annual revenue for the other. However, these estimates do not include adjustments for manufacturer savings

from the coordinated use of independent laboratories, which would avoid multiple inspections and tests of the same equipment. This adjustment could not be made, as there was no data on which to base an estimate, but its omission should only serve to inflate costs. Based on available information, the Coast Guard certified under 5 U.S.C. 605(b) that the 2011 IR would not have a significant economic impact on a substantial number of small entities.

#### 2012 IR

As discussed in the “Summary of the 2012 IR” in Section VII.A of this preamble, the 2012 IR identified only one material cost, and that was associated with testing three different inflatable liferafts that had the capacity to hold exactly six passengers in order to determine if they could meet the new weight standards of 82.5 kg instead of 75 kg. This cost was estimated at \$1,876<sup>12</sup> per model. There were a total of three in-scope models being produced, so the total industry cost was estimated at \$5,513. This cost was only incurred in the first year of the implementation of the 2012 IR. No further testing would be required.

The Coast Guard identified three manufacturers that could be considered small entities according to SBA small business requirements.<sup>13</sup> For two of

these companies, revenue data were not available. For the third, the revenues were \$20 million per year.<sup>14</sup> The 2012 IR's costs came to 0.027 percent of total annual revenue.<sup>15</sup> Based on this information, the Coast Guard certified under 5 U.S.C. 605(b) that the 2012 IR would not have a significant economic impact on a substantial number of small entities.

#### 2012 SNPRM

As discussed in the “Summary of the 2012 SNPRM Regulatory Assessment” in Section VII.A of this preamble, there were no costs estimated as a result of the implementation of the 2012 SNPRM. The single U.S. manufacturing firm that produced the in-scope release mechanisms had stopped manufacturing the release mechanisms that fulfilled older IMO requirements and began manufacturing only those release mechanisms that fulfilled the new IMO requirements prior to January 1, 2013 (the date the new IMO requirements took effect). Only those release mechanisms that fulfill the IMO requirements are available on the

<sup>14</sup> Data was not available in 2010 when the search was originally conducted. In December 2013 another search was conducted for the same two companies' revenue in MANTA but the data was also not available at that time.

<sup>15</sup> Total costs were estimated at \$5,513 over the entire 10 year period. Total revenue was at least \$20 million for the most recent available year. Thus the cost/revenue ratio was conservatively estimated at 0.027%.

<sup>12</sup> In 2012 dollar terms.

<sup>13</sup> 2011 SNPRM. 76 FR 62714, page 62719.

market. The manufacturer made this change prior to the publication of the 2012 SNPRM and independently of whether or not the Coast Guard would have implemented the 2012 SNPRM.<sup>16</sup>

Therefore, the Coast Guard certified under 5 U.S.C. 605(b) that this rule would not have a significant economic impact on a substantial number of small entities.

#### Final Rule

The final rule does not amend the 2011 IR, 2012 IR or 2012 SNPRM in any manner that may add costs and does not add any new requirements that we find to add costs. Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

#### C. Assistance for Small Entities

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996, Public Law 104–121, we offered to assist small entities in understanding this rule so that they can better evaluate its effects on them and participate in the rulemaking. The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

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).

#### D. 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.

#### E. Federalism

A rule has implications for federalism under Executive Order 13132, Federalism, if it has a substantial direct effect on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. We have analyzed this rule under that Order and have determined that it is consistent

with the fundamental federalism principles and preemption requirements described in Executive Order 13132. Our analysis is explained below.

It is well settled that States may not regulate in categories reserved for regulation by the Coast Guard. It is also well settled that all of the categories covered for inspected vessels in 46 U.S.C. 3306, 3703, 7101, and 8101 (design, construction, alteration, repair, maintenance, operation, equipping, personnel qualification, and manning of vessels), as well as the reporting of casualties and any other category in which Congress intended the Coast Guard to be the sole source of a vessel's obligations are within fields foreclosed from regulation by the States. (See the Supreme Court's decision in *United States v. Locke* and *Intertanko v. Locke*, 529 U.S. 89, 120 S.Ct. 1135 (March 6, 2000).)

This rule amends regulations that establish the approval process for lifesaving equipment designs, oversight of prototype construction, prototype testing, and production monitoring of equipment for use on U.S. vessels. As these regulations are promulgated under the authority of 46 U.S.C. 3306, they fall within fields foreclosed from regulation by State or local governments. Therefore, this final rule is consistent with the fundamental federalism principles and preemption requirements described in E.O. 13132.

#### F. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531–1538, requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of \$100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such an expenditure, we do discuss the effects of this rule elsewhere in this preamble.

#### G. Taking of Private Property

This rule will not cause a taking of private property or otherwise have taking implications under E.O. 12630 (“Governmental Actions and Interference with Constitutionally Protected Property Rights”).

#### H. Civil Justice Reform

This rule meets applicable standards in sections 3(a) and 3(b)(2) of E.O. 12988 (“Civil Justice Reform”) to minimize litigation, eliminate ambiguity, and reduce burden.

#### I. Protection of Children

We have analyzed this rule under E.O. 13045 (“Protection of Children from Environmental Health Risks and Safety Risks”). This rule is not an economically significant rule and will not create an environmental risk to health or risk to safety that might disproportionately affect children.

#### J. Indian Tribal Governments

This rule does not have tribal implications under E.O. 13175 (“Consultation and Coordination with Indian Tribal Governments”), because it does not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

#### K. Energy Effects

We have analyzed this rule under E.O. 13211 (“Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use”). We have determined that it is not a “significant energy action” under that order because it is not a “significant regulatory action” under E.O. 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy, and the Administrator of OMB's Office of Information and Regulatory Affairs has not designated it as a significant energy action.

#### L. Technical Standards

The National Technology Transfer and Advancement Act, codified as a note to 15 U.S.C. 272, directs agencies to use voluntary consensus standards in their regulatory activities unless the agency provides Congress, through the OMB, with an explanation of why using these standards would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g., specifications of materials, performance, design, or operation; test methods; sampling procedures; and related management systems practices) that are developed or adopted by voluntary consensus standards bodies.

This rule uses technical standards other than voluntary consensus standards:

- International Life-Saving Appliance Code, (IMO Resolution MSC.48(66)), as amended by IMO Resolution MSC.320(89);
- IMO Resolution MSC.81(70), Revised recommendation on testing of life-saving appliances, as amended by IMO Resolution MSC.321(89).

<sup>16</sup> Telephone conversation between the Coast Guard and the manufacturer.

The sections that reference these standards, and the locations where these standards are available, are listed in 46 CFR 160.133–5. They are used because we did not find voluntary consensus standards that are applicable to this rule.

Additionally, this rule finalizes technical standards, some of which are voluntary consensus standards, which were addressed in the 2011 and 2012 IRs. Please see 76 FR 62962 and 77 FR 9859 for information on these standards. *M. Coast Guard Authorization Act Sec. 608 (46 U.S.C. 2118(a))*

Section 608 of the Coast Guard Authorization Act of 2010 (Pub. L. 111–281) adds new section 2118 to 46 U.S.C. Subtitle II (Vessels and Seamen), Chapter 21 (General). New section 2118(a) sets forth requirements for standards established for approved equipment required on vessels subject to 46 U.S.C. Subtitle II (Vessels and Seamen), Part B (Inspection and Regulation of Vessels). Those standards must be “(1) based on performance using the best available technology that is economically achievable; and (2) operationally practical.” See 46 U.S.C. 2118(a). This rule addresses lifesaving equipment for Coast Guard approval that is required on vessels subject to 46 U.S.C. Subtitle II, Part B, and the Coast Guard has ensured that this rule would satisfy the requirements of 46 U.S.C. 2118(a), as necessary.

#### N. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.ID, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have concluded that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule is categorically excluded under section 2.B.2, figure 2–1, paragraph (34)(a), (d) and (e) and under section 6a of the “Appendix to National Environmental Policy Act: Coast Guard Procedures for Categorical Exclusions, Notice of Final Agency Policy” (67 FR 48244, July 23, 2002). This rule involves regulations which are editorial, regulations concerning equipping of vessels, regulations concerning equipment approval and carriage requirements, and regulations concerning vessel operation safety standards. An environmental analysis checklist and a categorical exclusion determination are available in

the docket where indicated under **ADDRESSES**.

#### List of Subjects

##### 46 CFR Part 160

Marine safety, Incorporation by reference, Reporting and recordkeeping requirements.

##### 46 CFR Part 164

Fire prevention, Marine safety, Reporting and recordkeeping requirements.

For the reasons discussed in the preamble, the Coast Guard adopts the interim rule amending 46 CFR parts 108, 117, 133, 160, 164, 180, and 199, which published at 76 FR 62962 on October 11, 2011, as a final rule without change, except as amended by the interim rule published at 77 FR 9859 on February 12, 2012, with the following changes:

#### PART 160—LIFESAVING EQUIPMENT

- 1. The authority citation for part 160 is revised to read as follows:

**Authority:** 46 U.S.C. 2103, 3306, 3703 and 4302; E.O. 12234; 45 FR 58801; 3 CFR, 1980 Comp., p. 277; and Department of Homeland Security Delegation No. 0170.1.

##### Subpart 160.115—Launching Appliances—Winches

- 2. Amend § 160.115–7 by revising paragraph (b)(5)(i) to read as follows:

##### § 160.115–7 Design, construction, and performance of winches.

\* \* \* \* \*

(b) \* \* \*

(5) \* \* \*

- (i) Winch drums must either be grooved or otherwise designed to wind the falls evenly on and off each drum.

\* \* \* \* \*

- 3. Amend § 160.115–13 by adding paragraph (d)(4) to read as follows:

##### § 160.115–13 Approval instructions and tests for prototype winches.

\* \* \* \* \*

(d) \* \* \*

- (4) *Winch drum.* Each winch designed without grooved drums must demonstrate during prototype testing that the falls wind evenly on and off each drum.

\* \* \* \* \*

- 4. Amend the heading of Subpart 160.133 to read as follows:

#### Subpart 160.133—Release Mechanisms for Lifeboats and Rescue Boats

##### § 160.133–3 [Amended]

- 5. In § 160.133–3, in the introductory text, after the words “IMO LSA Code”, add the words “, as amended by Resolution MSC.320(89)”.

- 6. Amend § 160.133–5 as follows:

- a. Remove paragraphs (b)(1) and (b)(5);

- b. Redesignate paragraphs (b)(2), (b)(3), (b)(4), and (b)(6) as paragraphs (b)(1), (b)(2), (b)(3), and (b)(4), respectively;

- c. In paragraph (c)(2), after the words “pages 7–71”, remove the words “(“IMO LSA Code””, and after the words “and 160.133–7” add the words “(“IMO LSA Code””);

- d. In paragraph (c)(3), after the words “Revised recommendation on testing of”, remove the words “live-saving” and add, in their place, the words “life-saving”, and after the words “pages 79–254”, remove the words “(“IMO Revised recommendation on testing””); and

- e. Add paragraphs (c)(6) and (c)(7) to read as follows:

##### § 160.133–5 Incorporation by reference.

\* \* \* \* \*

(c) \* \* \*

(6) Annex 4 to MSC 89/25, Report of the Maritime Safety Committee on its Eighty-Ninth Session, “Resolution MSC.320(89), Adoption of Amendments to the International Life-Saving Appliance (LSA) Code,” (adopted May 20, 2011), IBR approved for §§ 160.133–3, 160.133–5(c)(6), 160.133–7(d)(1), 160.133–7(b)(8), and 160.133–7(b)(9) (“Resolution MSC.320(89)”).

(7) Annex 5 to MSC 89/25, Report of the Maritime Safety Committee on its Eighty-Ninth Session, “Resolution MSC.321(89), Adoption of Amendments to the Revised Recommendation on Testing of Life-Saving Appliances (Resolution MSC.81(70)),” (adopted May 20, 2011), IBR approved for §§ 160.133–5(c)(7), 160.133–7(a)(2), and 160.133–13(d)(2) (“Resolution MSC.321(89)”).

- 7. Amend § 160.133–7 as follows:

- a. In paragraph (a)(1), after the words “IMO LSA Code,” add the words “as amended by Resolution MSC.320(89),”;

- b. In paragraph (a)(2), after the words “IMO Revised recommendation on testing,” add the words “as amended by Resolution MSC.321(89),”;

- c. Revise paragraph (b)(3) to read as set forth below;

- d. In paragraph (b)(8), after the words “required by”, add the word “IMO”, and after the words “LSA Code”, add

the words “, as amended by Resolution MSC.320(89),”;

■ e. In paragraph (b)(9), after the words “required by”, add the word “IMO”, and after the words “LSA Code”, add the words “, as amended by Resolution MSC.320(89),”; and

■ f. Remove paragraph (b)(15).

**§ 160.133–7 Design, construction, and performance of release mechanisms.**

\* \* \* \* \*

(b) \* \* \*

(3) *Steel*. Each major structural component of each release mechanism must be constructed of corrosion-resistant steel. Corrosion-resistant steel must be a type 302 stainless steel per ASTM A 276, ASTM A 313 or ASTM A 314 (incorporated by reference, see § 160.133–5 of this subpart). Other corrosion-resistant materials may be used if accepted by the Commandant as having equivalent or superior corrosion-resistant characteristics;

\* \* \* \* \*

**§ 160.133–13 [Amended]**

■ 8. Amend § 160.133–13 as follows:

■ a. In paragraph (d)(2) introductory text, after the words “tests described in IMO Revised recommendation on testing,” add the words “as amended by Resolution MSC.321(89),” and after the words “with these paragraphs of IMO Revised recommendation on testing,” add the words “as amended by Resolution MSC.321(89),”;

■ b. Remove paragraph (d)(2)(iii); and

■ c. Redesignate paragraphs (d)(2)(iv), (d)(2)(v), and (d)(2)(vi) as paragraphs (d)(2)(iii), (d)(2)(iv), and (d)(2)(v), respectively.

**§ 160.133–15 [Amended]**

■ 9. Amend § 160.133–15(e) by removing the last two sentences.

■ 10. Amend the heading of Subpart 160.135 to read as follows:

**Subpart 160.135—Lifeboats**

**§ 160.135–5 [Amended]**

■ 11. Amend § 160.135–5(d)(4) by removing the word “and” and adding, in its place, the punctuation “,” and, after the numbers “160.135–13”, adding the words “, and 160.135–15”.

■ 12. Amend § 160.135–15 as follows:

■ a. In paragraph (d), remove the reference “(e)(2)” and add, in its place, the reference “(e)”;

■ b. In paragraph (e)(1)(iv), remove the reference “§ 160.135–13(c)(2)(i)(B)” and add, in its place, the reference “§ 160.135–11(c)(2)(i)(B)”;

■ c. Revise paragraph (e)(2) to read as follows:

**§ 160.135–15 Production inspections, tests, quality control, and conformance of lifeboats.**

\* \* \* \* \*

(e) \* \* \*

(2) *Post assembly tests and inspections*. The finished lifeboat must be visually inspected inside and out. The manufacturer must develop and maintain a visual inspection checklist designed to ensure that all applicable requirements have been met and the lifeboat is equipped in accordance with approved plans. Each production lifeboat of each design must pass each of the tests described in the IMO Revised recommendation on testing, part 2, section 5.3 (incorporated by reference, see § 160.135–5 of this subpart).

**§ 160.156–5 [Amended]**

■ 13. Amend § 160.156–5(d)(4) by removing the word “and” and adding, in its place, the punctuation “,” and, after the numbers “160.156–13”, adding the words “, and 160.156–15”.

**§ 160.156–7 [Amended]**

■ 14. Amend § 160.156–7(b)(13) by removing the word “lifeboat” and adding, in its place, the words “rescue boat”.

**§ 160.156–9 [Amended]**

■ 15. Amend § 160.156–9 as follows:

■ a. In paragraph (b)(22)(iv), remove the word “lifeboat” and add, in its place, the words “rescue boat”; and

■ b. In paragraph (d)(2), remove the word “lifeboat” and add, in its place, the words “rescue boat”.

■ 16. Amend § 160.156–15 as follows:

■ a. In paragraph (e)(1) introductory text, remove the words “In accordance with the interval prescribed in paragraph (d)(1) of this section, each” and add, in their place, the word “Each”; and

■ b. Revise paragraph (e)(2) to read as follows:

**§ 160.156–15 Production inspections, tests, quality control, and conformance of rescue boats and fast rescue boats.**

\* \* \* \* \*

(e) \* \* \*

(2) *Post assembly tests and inspections*. The finished rescue boat must be visually inspected inside and out. The manufacturer must develop and maintain a visual inspection checklist designed to ensure that all applicable requirements have been met and the rescue boat is equipped in accordance with approved plans. Each production rescue boat of each design must pass each of the tests described in the IMO Revised recommendation on

testing, part 2, section 5.3 (incorporated by reference, see § 160.156–5 of this subpart).

**PART 164—MATERIALS**

■ 17. The authority citation for part 164 is revised to read as follows:

**Authority:** 46 U.S.C. 3306, 3703, 4302; E.O. 12234, 45 FR 58801, 3 CFR, 1980 Comp., p. 277; and Department of Homeland Security Delegation No. 0170.1.

Dated: July 22, 2014.

**J.G. Lantz,**

*Director of Commercial Regulations and Standards, U.S. Coast Guard.*

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**FEDERAL COMMUNICATIONS COMMISSION**

**47 CFR Part 25**

[IB Docket No. 12–267; FCC 13–111]

**Comprehensive Review of Licensing and Operating Rules for Satellite Services**

**AGENCY:** Federal Communications Commission.

**ACTION:** Final rule; correction.

**SUMMARY:** The Federal Communications Commission published a document in the **Federal Register** at 79 FR 8308, February 12, 2014, revising Commission rules. That document inadvertently included a reference to 2 GHz Mobile-Satellite Service in § 25.285(a)(2). This document corrects the final regulation by revising that provision.

**DATES:** The Commission will publish a document in the **Federal Register** announcing the effective date of the rule section corrected here and of this correction after receiving approval from the Office of Management and Budget for the information collection requirements contained in the rulemaking.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:** In FR Doc. 2014–02213 appearing on page 8308 in the **Federal Register** of Wednesday, February 12, 2014, the following correction is made:

**§ 25.285 [Corrected]**

■ On page 8326, in the first column, in § 25.285 paragraph (a)(2), “ATC