



The American Waterways Operators

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Jennifer Carpenter
Senior Vice President - National Advocacy

March 1, 2011

Docket Management Facility (M-30)
U.S. Department of Transportation
West Building Ground Floor, Room W12-140
1200 New Jersey Ave., SE
Washington, DC 20590

Re: Updates to Vessel Inspection Fees
(USCG-2010-0245)

Dear Sir or Madam:

The American Waterways Operators is the national trade association for the inland and coastal tugboat, towboat and barge industry. AWO's members account for approximately 80 percent of the barge tonnage and two-thirds of the towing vessel horsepower in this critical industry segment, moving cargoes essential to the American economy on the inland rivers, the Atlantic, Pacific, and Gulf coasts, and the Great Lakes. Tugboats also provide essential services, including shipdocking, tanker escort and bunkering, in ports and harbors around the country.

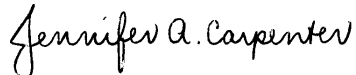
Thank you for the opportunity to comment on the notice of inquiry and request for information on updates to vessel inspection fees.

Our comments will focus on the establishment of user fees for currently uninspected towing vessels that will be inspected under the forthcoming 46 CFR Subchapter M. (Because inspection user fees for tank barges are established by statute, we offer no further comment on them here.) The Coast Guard and Maritime Transportation Act of 2004 added towing vessels to the list of vessels subject to inspection under 46 USC 3301. However, regulations implementing this statutory mandate and establishing the inspection requirements for towing vessels are still pending. Until the Subchapter M regulations have been finalized, neither the Coast Guard nor industry can be certain what specific inspection requirements will be established and what the accompanying resource demands on the Coast Guard will be. **AWO thus strongly urges the Coast Guard not to establish inspection fees for currently uninspected towing vessels until Subchapter M is finalized. The Coast Guard should not assume that the fees currently in place for seagoing towing vessels inspected under 46 CFR Subchapter I (\$2915) will be appropriate for towing vessels inspected under Subchapter M.**

Once the Subchapter M regulations are finalized, the Coast Guard will be able to propose a towing vessel inspection user fee schedule that is fully informed by the content of the regulations. In this regard, it is worth noting that the Towing Safety Advisory Committee (TSAC), the federal advisory committee established by Congress to advise the Coast Guard on matters concerning shallow-draft inland and coastal waterway navigation and safety, has recommended that Subchapter M require towing companies to have a safety management system and that Coast Guard-approved third-party organizations play a significant role in the forthcoming inspection regime. The TSAC recommendations are intended to leverage private sector resources and make optimal use of Coast Guard inspection resources. **To the extent that these recommendations are reflected in the forthcoming Subchapter M regulations, the Coast Guard should take this into account in the establishment of towing vessel inspection user fees. The Coast Guard should take care to ensure that vessel owners are not faced with duplicative fees or forced to pay the Coast Guard for inspection services for which they are already paying Coast Guard-approved third parties.**

Thank you for the opportunity to comment. We stand ready to provide further information or assistance as the Coast Guard sees fit.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer A. Carpenter".

Jennifer A. Carpenter