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Caitlyn E. Stewart  
Vice President – Regulatory Affairs

May 7, 2025

Mr. Russell T. Vought  
Director  
White House Office of Management and Budget  
725 17<sup>th</sup> Street NW  
Washington, DC 20503

Re: Request for Information:  
Deregulation

Dear Director Vought:

The American Waterways Operators (AWO) is the tugboat, towboat, and barge industry's advocate, resource, and united voice for safe, sustainable, and efficient transportation on America's waterways, oceans, and coasts. As the largest segment of the nation's 40,000-vessel domestic maritime fleet, our industry safely and efficiently moves 665 million tons of cargo each year and enables the flow of goods through ports on the inland and intracoastal waterways; the Atlantic, Pacific, and Gulf coasts; and the Great Lakes. On behalf of our more than 300 member companies, we appreciate the opportunity to comment on the White House Office of Management and Budget's request for information soliciting ideas for deregulation.


We applaud President Trump and OMB for initiating this effort to identify federal regulations that are unnecessary, unlawful, unduly burdensome, or unsound. AWO is deeply committed to ensuring that the federal regulatory regime governing the tugboat, towboat, and barge industry provides for a high level of safety, security, and environmental protection while allowing our members' businesses to succeed, preserving our industry's economic efficiency, and facilitating the free flow of maritime commerce. We continually seek to manifest this commitment through our constructive engagement in the rulemaking and policymaking process to assist federal agencies in developing, implementing, and enforcing practical, effective regulations and policy guidance for our industry. Regulations that compromise the safety of towing vessels and their crewmembers, that impose unnecessary costs and other burdens on companies operating towing vessels and barges, or that result in the diversion of cargo to other freight transportation modes are bad not only for our members and our industry, but also for our nation's economy and security, U.S. producers and consumers, and the American public at large.

AWO is also gratified by President Trump's recognition of the importance of a flourishing domestic maritime industry to national security and economic prosperity, as demonstrated in his recent Executive Order, *Restoring America's Maritime Dominance*.

In the spirit of constructive engagement, with the shared goal of eliminating unnecessary or unreasonable impediments to the success of American businesses, and with a shared understanding of the criticality of the domestic maritime industry, we are pleased to offer the attached list of deregulatory action items for OMB's consideration. This list is inclusive of regulations we recommend for rescission because their costs exceed their benefits, they are outdated or unnecessary, or they impose unreasonable burdens on towing vessel and barge operators. The list also includes recommendations for regulatory modifications and clarifications that would have a deregulatory effect.

Thank you again for the opportunity to comment. We would be happy to provide additional comments or further information as you see fit.

Sincerely,

A handwritten signature in cursive script that reads "Caitlyn E. Stewart". The ink is dark and the signature is fluid.

Caitlyn E. Stewart

Attachment: Deregulatory Action Items: AWO Recommendations

## **DEREGULATORY ACTION ITEMS: AWO RECOMMENDATIONS**

May 2025

### **U.S. COAST GUARD**

#### **Vessel Inspection (46 CFR Part 2)**

- Clarify requirement for notification of inspection at least 30 days prior to expiration of COI (46 USC §3309(c) and 46 CFR §2.01-3)

*Inspected vessel operators are currently required by statute and regulation to notify the Coast Guard at least 30 days prior to the expiration of the Certificate of Inspection (COI) if the vessel will be required to be reinspected for certification. In practice, some Officers in Charge of Marine Inspection (OCMI) require inspections for COI renewal to be scheduled at least 30 days in advance, which is impractical for inspected towing vessel and barge operators and disrupts maritime commerce due to the transient and unpredictable nature of towing vessel and barge operations. The Coast Guard should clarify that this notification requirement is not a requirement to schedule an inspection for COI renewal.*

- Reduce annual vessel inspection fees for inspected towing vessels (46 CFR §2.10-101)

*Inspected towing vessels are currently required to pay annual vessel inspection fees of \$2,184 if using the Coast Guard option or \$973 if using the Towing Safety Management System (TSMS) option. The Coast Guard's cost study to determine these fees was flawed and incomplete. Specifically, in establishing the fee for TSMS option vessels, the Coast Guard did not take into account the monetized benefits of the TSMS option associated with reductions in towing vessel accidents and reductions in costs to the government, and did not consider the duplicative and excessive costs borne by TSMS option operators. In addition, in establishing the fee for Coast Guard option vessels, the Coast Guard did not adequately address concerns about the financial hardship imposed on small entities by doubling the previous fee. The Coast Guard should revisit its cost study and reduce the fees to lower costs for the regulated community.*

#### **Towing Vessel Inspection (46 CFR Subchapter M)**

- Modify definition of "replacement in kind" (46 CFR §136.110)

*The current definition of "replacement in kind" states, "If the replacement item upgrades the system in any way, the change is not a replacement in kind." This definition creates confusion and adds costs because all installations on an inspected towing vessel that are not a "replacement in kind" must undergo verification for compliance with design standards. Current Coast Guard policy provides that a new installation may be considered "similar equipment" if it has the same fundamental characteristics and capabilities and does not require changing or altering supporting equipment and systems (see CVC-FM-002(1)). The regulatory definition of "replacement in kind" should be modified to incorporate similar equipment in order to clarify that design standards compliance verification is not required for similar equipment.*

- Eliminate requirement to post or keep original COI onboard (46 CFR §136.220)\*  
*An inspected towing vessel is currently required to post or keep its original COI onboard. This is an outdated requirement that can delay a vessel from operating until its COI arrives by mail. The Coast Guard should provide COIs to vessel operators electronically and permit vessel operators to maintain them electronically.*
- Establish standardized and expedited procedures to amend COI for change in managing operator (46 CFR §136.235)  
*Inspected towing vessel operators are currently required to request an amended COI when there is a change in the vessel's managing operator. In our industry, operators routinely use "bareboat charters" to supplement vessel crewing and operation, and under current Coast Guard practice, the COI must be transferred to the new managing operator. This process can be time-consuming and inconsistent from unit to unit, which results in operational delays, significant costs, and administrative burdens for vessel operators. The Coast Guard should establish standardized and expedited procedures to facilitate this routine event without burdening maritime commerce.*
- Permit towing vessel operators to maintain a consistent drydock and internal structural examination due date if examination is conducted within three months of that date (46 CFR §137.300)  
*An inspected towing vessel is currently required to undergo a drydock and internal structural examination at least twice every five years for a salt water vessel or at least once every five years for a fresh water vessel, with the due date for the next exam based on the completion date of the previous exam. As a practical matter, operators must complete their exams in advance of the due date, which leads to a shorter interval between exams than permitted by regulation. This increases costs for operators and makes scheduling exams unpredictable as the problem compounds over successive cycles. The Coast Guard should permit towing vessel operators to maintain a consistent exam due date provided that the exam is conducted within three months of that date.*
- Eliminate requirement to notify cognizant OCMI prior to internal surveys (46 CFR §137.315(d))\*  
*An inspected towing vessel operator using the TSMS option and implementing an internal survey program is currently required to notify the cognizant OCMI prior to commencing activities related to credit drydock or internal structural examinations. Because these activities are required to be conducted under the oversight of a Coast Guard-approved third-party organization, this requirement is unnecessary and should be eliminated.*
- Eliminate requirement for copy of TSMS certificate to be maintained onboard (46 CFR §138.305(f))\*  
*Each inspected towing vessel covered by a TSMS certificate is currently required to maintain a copy of the TSMS certificate onboard. This is an outdated requirement that creates administrative burdens for operators and mariners when the TSMS certificate is updated and must be redistributed. The Coast Guard should permit the TSMS certificate to be maintained in electronic format, consistent with other certificates (see CG-CVC Policy Letter 17-09).*

- Eliminate requirement for towing vessels covered by a TSMS certificate to be selected randomly for external audit (46 CFR §138.315(b)(3))\*  
*An operator using the TSMS option is currently required to have each of its inspected towing vessels undergo one external audit during the five-year validity period of its TSMS certificate, selected randomly. This significantly limits operational flexibility, imposes unnecessary costs on operators and third-party organizations, and arguably results in less consistent safety oversight. The Coast Guard should allow external vessel audits to be conducted on a fixed five-year cycle.*
- Eliminate requirement to notify local OCMI at least 72 hours prior to external audit (46 CFR §138.500)  
*An inspected towing vessel operator using the TSMS option is currently required to notify the local OCMI at least 72 hours prior to an external audit being conducted. This requirement constrains vessel operators from scheduling external audits less than 72 hours in advance, which may be necessary due to the transient and unpredictable nature of towing vessel operations. It is also unnecessary because the external audit is conducted by a Coast Guard-approved third-party organization and the Coast Guard is not required to attend. It should be eliminated.*
- Eliminate requirement for visual distress signals for towing vessels on Rivers routes (46 CFR §141.375)  
*Inspected towing vessels on Rivers routes are currently required to carry three day and three night visual distress signals. These vessels operate within very short distances from shore and are equipped with many other, more effective means of notifying nearby vessels of a distress condition. In 2020, the Coast Guard approved a distress notification procedure as an alternative arrangement for towing vessels operating exclusively on Rivers routes that can be incorporated into the vessel's TSMS. This alternative arrangement is redundant and the requirement for visual distress signals should be eliminated to reduce costs and administrative burdens.*
- Eliminate requirement for line throwing appliance for towing vessels on domestic voyages (46 CFR §141.385)\*  
*Each inspected towing vessel operating in oceans and coastwise service is currently required to be equipped with a line throwing appliance. This requirement expanded an international rule to vessels on domestic voyages. Due to the amount of equipment associated with the line throwing appliance and the limited space available onboard towing vessels, it imposes significant costs and storage challenges that are not balanced by safety benefits. The requirement should be eliminated for vessels on domestic voyages.*
- Eliminate requirement for flammable liquid storage cabinet to be steel (46 CFR §142.225)  
*An inspected towing vessel is currently required to store paints, coatings, and other flammable or combustible products in a steel storage cabinet. Prior to the implementation of Subchapter M, aluminum cabinets were widely used. Steel storage cabinets do not offer any safety advantage over aluminum cabinets and add costs and generate waste because they rust and must be replaced frequently. The Coast Guard should eliminate the requirement for storage cabinets to be steel and permit the use of aluminum cabinets.*

- Clarify requirement for high bilge level alarms (46 CFR §143.230)\*  
*Each inspected towing vessel is currently required to have alarms to provide notification of high bilge levels. However, Subchapter M does not specify where these alarms must be located, and some OCMI's have asserted that all void spaces require alarms, which would add considerable costs and create significant inconsistencies. The Coast Guard should clarify that, as with other vessel inspection subchapters, high bilge level alarms are required only in spaces with through-hull fittings below the waterline.*
- Modify requirement to test engine alarm setpoints from twice every five years to once every five years (46 CFR Table 143.245(b))  
*Inspected towing vessels are currently required to test engine alarm setpoints twice every five years. To conduct these tests, the alarms must be disassembled, which introduces risk to functionality and safety. The requirement should be modified to require testing once every five years.*
- Modify requirement to test emergency dewatering equipment from at least once every three months (46 CFR Table 143.245(b))\*  
*Inspected towing vessels are currently required to test essential systems, including emergency dewatering equipment (or bilge pumps), at least once every three months. Current Coast Guard practice requires this testing to engage the suction of the pumps and produce a discharge stream, which for some vessels risks an overboard discharge of oil. As a result, on these vessels, the piping must be disassembled for testing, which is too time-consuming and costly to do every 90 days without extreme disruptions to vessel operations. The Coast Guard should work with operators to develop a more reasonable interval and more feasible, consistent procedures for testing of emergency dewatering equipment.*

#### **Lifesaving Appliances and Arrangements (46 CFR Subchapter W)**

- Modify definition of “accommodation” to exempt workstations on ATB barges (46 CFR §199.30)  
*Unmanned barges forming part of an articulated tug-barge unit may be conditionally occupied by personnel of the accompanying tug when operating beyond the Boundary Line per NVIC 02-81 Ch-2. These ATB barges often have workstations to provide shelter from the weather for personnel during cargo operations when the barge is docked. Current Coast Guard policy allows OCMI's to classify these workstations as an “accommodation” under Subchapter W and apply prescriptive and excessive requirements for lifesaving equipment that are not risk-based and do not enhance safety. The Coast Guard should exempt workstations on ATB barges from the Subchapter W definition of “accommodation.”*

#### **Marine Casualties and Investigations (46 CFR Part 4)**

- Modify definition of “major marine casualty” (46 CFR §4.40-5(d)(3))  
*Per 46 USC §6101(i)(3), a “major marine casualty” has been defined by Congress as a casualty that results in property damage initially estimated at \$2 million or more. The Coast Guard has not made a corresponding update to its regulations and continues to use the previous, far lower threshold of \$500,000 to trigger a notification to the National Transportation Safety Board. This exposes vessel operators to costly and burdensome*

*NTSB investigations of casualties that do not meet the legal threshold. The definition must be updated to be consistent with the law.*

### **Navigation Safety (33 CFR Part 83 and Part 164)**

- Eliminate requirement for towing vessels on Rivers routes to carry day shapes (33 CFR Part 83 Subpart C and Part 84)

*The codified Inland Navigation Rules require all vessels on U.S. inland waters to carry and display day shapes (bulky black balls, cones, and diamonds measuring at least 0.6 meters in diameter) to indicate navigation status. Technology has rendered day shapes obsolete for communicating navigation status among vessels and they have not been utilized on the inland waterways for decades. Some Coast Guard districts have issued policy to ease the enforcement of this requirement for inland towing vessels, but others continue to penalize inland towing vessels that are not outfitted with the required day shapes. This requirement serves no useful purpose for towing vessels on Rivers routes and should be eliminated.*

- Provide more flexibility on ECS for towing vessels on Rivers routes operating in limited geographic areas (33 CFR Part 164 and NVIC 01-16 CH-2)

*Requirements for electronic chart carriage have not yet been promulgated, but under current Coast Guard policy, electronic charts may be accepted in lieu of paper charts. Some Coast Guard inspectors are interpreting this policy to require electronic chart systems (ECS) designed for commercial, as opposed to recreational, vessels. However, for towing vessels on Rivers routes operating in limited geographic areas such as fleeting areas, ECS designed for recreational vessels meet navigation safety needs, are much less expensive than ECS designed for commercial vessels, and should be permitted for use.*

### **Maritime Security (33 CFR Subchapter H)**

- Delay implementation of minimum cybersecurity requirements for U.S. vessels (33 CFR Subpart F)

*Under new Coast Guard regulations published in February, U.S. vessels subject to the Maritime Transportation Security Act (MTSA) are currently required to provide training to vessel personnel and contractors by July 16, 2026, and to conduct a Cybersecurity Assessment and submit a Cybersecurity Plan to the Coast Guard for approval by July 16, 2027. Vessel operators – most of whom do not have IT personnel with specialized knowledge or experience in cybersecurity – need more time to understand and develop compliance strategies for these broad, technically complex requirements and to absorb the significant and unplanned costs that they impose. The training requirements should be delayed by 12 months and the Cybersecurity Assessment and Cybersecurity Plan requirements should be delayed for a period of five years for U.S. vessels.*

- Exempt barge fleeting facilities from minimum cybersecurity requirements (33 CFR §101.605)

*Barge fleeting facilities that receive barges carrying certain dangerous cargoes, which comprise the vast majority, are required to comply with the Coast Guard's minimum cybersecurity requirements. However, barge fleeting facilities are unique: many are located in rural areas, only a small percentage have shoreside access, and most have no permanent infrastructure, including electricity and internet access. The requirement for*



*these facilities to comply with complex and expensive cybersecurity requirements is not practical or risk-based and will impose significant costs without accruing commensurate security benefits. It should be eliminated.*

- **Modify, harmonize, and streamline cyber incident reporting requirements (33 CFR §101.615 and 33 CFR §6.01-8 and §6.16-1)**  
*The current Coast Guard definition of “reportable cyber incident” is extremely overbroad and seems to require reporting of “nuisance” or “low-level” events and other incidents that do not have the potential to result in a transportation security incident. This has the potential to result in an incalculable volume of cyber incident reports that create unmanageable burdens for both MTSA-regulated vessel and facility operators and the Coast Guard and has negligible benefits to safeguarding the marine transportation system. Further, cyber incident reporting requirements issued by President Biden in Executive Order 14116 establish a different definition of “cyber incident” and mandate redundant reporting to the Federal Bureau of Investigation, the Cybersecurity and Infrastructure Security Agency, and the Coast Guard Captain of the Port. This maze of reporting requirements is confusing, duplicative, and shifts the burden of information-sharing and coordination among relevant federal agencies to the regulated community. The Coast Guard should establish a single, uniform definition of cyber incident and a process by which reporting requirements can be met with a single report to the National Response Center.*
- **Eliminate excessive required qualifications for Cybersecurity Officer (33 CFR §101.625(e))**  
*MTSA-regulated U.S. vessels are currently required to designate a Cybersecurity Officer (CySO), a new organizational position with an extensive list of required qualifications that imposes significant costs because, as currently conceived, it necessitates that vessel operators hire a cybersecurity expert. Towing vessels and barges use a limited number of critical IT and OT systems, and it is not necessary for the CySO of these vessels to be a subject matter expert in cybersecurity. The Coast Guard should eliminate excessive required qualifications and focus the CySO role on ensuring that the requirements of the Cybersecurity Plan are met.*
- **Reduce frequency of and modify requirements for cybersecurity drills (33 CFR §101.635(b)(1))**  
*MTSA-regulated U.S. vessels are currently required to conduct at least two cybersecurity drills every year. This is excessive for towing vessels given their limited cybersecurity risks and burdensome for vessel crewmembers who may have little to no role or training in cybersecurity. The Coast Guard should reduce cybersecurity drill frequency to one per year and permit drills to be conducted at the company level instead of the vessel level.*
- **Eliminate training requirements for vessel contractors (33 CFR §101.650(d)(1)-(2))**  
*MTSA-regulated U.S. vessels are currently required to provide all personnel with access to vessel IT or OT systems, including contractors, with cybersecurity training. Contractors may visit a vessel once and never again, or may be dispatched in the middle of the night to fix an urgent problem; in these and many other circumstances, it is not reasonable to require a contractor to undergo cybersecurity training. The Coast Guard should eliminate this requirement.*



### **Pollution (33 CFR Subchapter O)**

- Eliminate requirement for U.S. vessels on voyages between U.S. ports or places to submit ballast water reports to the NBIC (33 CFR §151.2060)  
*A vessel with ballast tanks bound for ports or places in the United States, including a U.S. vessel on a domestic voyage, is currently required to submit a ballast water report to the National Ballast Information Clearinghouse (NBIC). This requirement is not statutory, is not risk-based (it provides no exception for vessels that use water from a U.S. public water system as ballast or that never discharge ballast water), and imposes costs and administrative burdens. Under this requirement, the NBIC has collected over 20 years of comprehensive data on ballast water management patterns and practices that should provide the Coast Guard with an adequate basis for future programmatic and regulatory decision-making. It should be eliminated for U.S. vessels on domestic voyages.*
- Eliminate requirement for vessel response plan revisions or amendments to be submitted 30 days in advance of operation (33 CFR §155.1070)  
*A vessel operator with a Coast Guard-approved vessel response plan is currently required to submit revisions or amendments to the Coast Guard for approval 30 days in advance of operation whenever there is a change in owner or operator or a change in operating area. This requirement can result in significant delays and financial losses when vessels are sold, chartered, or redeployed due to the transient and sometimes unpredictable nature of towing vessel operations. The Coast Guard should grant interim operating authorization to operators seeking approval of revisions or amendments to an approved plan provided that the certifications of compliance required under §155.1065(b) and §155.5065(b) are submitted along with the revisions or amendments.*
- Eliminate requirement for tank barges and towing vessels on Rivers routes to list emergency towing resource providers in their vessel response plans (33 CFR §155.4030(e))  
*Operators of vessels required to have vessel response plans must currently list emergency towing resource providers. Since 2010, the Coast Guard has approved AWO's Alternative Planning Criterion (APC) for emergency towing for inland tank barges and towing vessels, which is premised on the industry's longstanding mutual assistance approach to emergency response. The AWO APC has functioned successfully and as of 2023 the Coast Guard has removed its expiration date so that AWO members may use it to satisfy vessel response plan requirements indefinitely. However, the requirement is ill-fitting for inland tank barges and towing vessels and, to prevent future revisions to or reversals in agency policy, it should be eliminated.*
- Permit existing MSDs to be used if device manufacturer, name, and model number can be established (33 CFR Part 159)  
*The Coast Guard requires marine sanitation device (MSD) manufacturers to mark each device with identification information capable of withstanding normal wear and tear. However, even if information such as a serial number is no longer legible, the Coast Guard is still able to verify that the device is certified by establishing the manufacturer, name, and model number and should not require an otherwise operable MSD to be replaced at significant cost to the vessel operator.*

### **Mariner Credentialing (46 CFR Subchapter B)**

- Reconsider requirement for mariners with national towing vessel officer endorsements to undergo firefighting training (46 CFR §11.201(h)(3)(ii))  
*Mariners seeking national Merchant Mariner Credential (MMC) endorsements as master or mate (pilot) of towing vessels on inland waters or Western Rivers routes are required to complete a Coast Guard-approved course that meets the basic firefighting training requirements of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, or a modified agency-approved course that covers only the equipment, fire prevention procedures, and firefighting operations required on towing vessels on inland waters or Western Rivers routes. However, this firefighting training is not a good fit for inland towing vessel officers, who are responsible for managing the crew's response to the fire, not fighting the fire. The requirement should be reconsidered.*
- Modify chemical drug testing regulations to permit oral fluids testing (46 CFR Part 16)  
*In 2023 the U.S. Department of Transportation modified its Transportation Workplace Drug and Alcohol Testing Programs to include oral fluids testing, which provides much-needed flexibility for regulated employers in the safety-sensitive transportation sector. However, Coast Guard regulations have not yet been updated accordingly and continue to permit only urine testing. The Coast Guard should modify its requirements to redefine "drug test" to include a chemical test of an individual's oral fluids and allow specimens to be tested according to 49 CFR §40.91, which provides cutoff concentrations for oral fluid drug tests.*

### **U.S. ENVIRONMENTAL PROTECTION AGENCY**

#### **Discharges Incidental to the Normal Operation of Vessels (40 CFR Part 139)**

- Eliminate the requirement for seagoing unmanned, unpowered barges to meet the numeric ballast water discharge standard (40 CFR §139.10(d)(3)(ii))  
*EPA's final rule to establish national standards of performance for ballast water and other vessel discharges exempts from the numeric ballast water discharge standard any non-seagoing, unmanned, unpowered barge that is not part of a dedicated vessel combination. However, compliance with the numeric ballast water discharge standard is infeasible for all unmanned, unpowered barges, whether or not they are seagoing. The majority of seagoing barges are towed on wires, have no crew, and cannot be practicably retrofit to accommodate ballast water treatment systems because they do not have infrastructure for complex or energy intensive operations. All unmanned, unpowered barges should be exempt from the numeric ballast water discharge standard and required to minimize the discharge of untreated ballast water through best management practices.*

#### **California State Nonroad Engine Pollution Control Standards**

- Rescind waiver for California Air Resources Board's Commercial Harbor Craft Rule or send waiver to Congress for review (90 FR 1998)  
*In the final weeks of the Biden Administration, the EPA Acting Administrator issued a notice of decision partially granting the California Air Resources Board's (CARB) request for authorization to enforce amendments to its Commercial Harbor Craft (CHC) Rule under*

*section 209(e) of the Clean Air Act. These amendments pose unacceptable risks to mariner and vessel safety as well as the maritime supply chain. The waiver should be rescinded or sent to Congress for review under the Congressional Review Act.*

**U.S. DEPARTMENT OF TRANSPORTATION and DEPARTMENT OF HEALTH AND HUMAN SERVICES**

- Support laboratories seeking certification for oral fluids drug testing  
*The Department of Transportation's inclusion in 2023 of oral fluids testing in its Transportation Workplace Drug and Alcohol Testing Programs is a key regulatory flexibility that our industry needs to ensure towing vessels can be crewed safely and with adequate manning. However, employers in the transportation sector have not yet been able to take advantage of this action to reduce regulatory burdens because the Department of Health and Human Services has yet to certify laboratories for oral fluids testing. These departments must work together to ensure laboratories are certified as soon as possible.*