



16711/Serial No. 1431
CG-CVC Policy Letter 17-03
14 June 2017

From: M. Edwards, CAPT
COMDT (CG-CVC)

To: Distribution

Subj: CERTIFICATE OF INSPECTION (COI) PHASE-IN PERIOD FOR EXISTING TOWING
VESSELS USING THE TSMS OPTION UNDER TITLE 46, CODE OF FEDERAL
REGULATIONS (CFR) SUBCHAPTER M

Ref: (a) Inspection of Towing Vessels Final Rule, 81 FR 40004, published 20JUN16
(b) CG-CVC Policy Letter 17-01

1. PURPOSE. The purpose of this policy letter is to provide guidance to the Officer(s) in Charge, Marine Inspection (OCMI) and the marine industry on the applicability of 46 CFR 136.202, Certificate of Inspection (COI) phase-in period, to existing towing vessels using the Towing Safety Management System (TSMS) option to obtain an initial COI under 46 CFR Subchapter M.
2. APPLICATION. This policy letter is intended for use by both OCMI's and the maritime industry when an owner or managing operator, using the TSMS option, wishes to obtain initial COI's for greater than the percentage of the towing vessels outlined in 46 CFR 136.202.
3. DIRECTIVES AFFECTED. None.
4. BACKGROUND.
 - a. As discussed on 81 FR 40021 in reference (a), the phase-in period was designed to evenly distribute the costs and workload of issuing initial COI's to towing vessels over four years. The phase-in period also helps to avoid a single-year or peak period in COI issuance which would create a periodic spike in activity during the COI cycle for these vessels potentially impacting the availability of resources and customer service to the towing vessel industry in years to come.
 - b. In the course of discussing this matter with industry, it became apparent that some companies, which elected to use one of the TSMS-based options, were being driven by market forces to obtain COI's as quickly as possible. Additionally, some companies may realize a cost savings and reduced disruption to operations by conducting multiple COI inspections in succession.

5. DISCUSSION.

- a. The final rule delayed implementation of the majority of provisions of parts 140 through 144 of Subchapter M until July 20, 2018. As indicated by the phase-in period specified in 46 CFR 136.202, however, not all towing vessels subject to Subchapter M will have COIs by that date. Vessel owners and managing operators who elected to use the TSMS option to obtain a COI earlier for their vessels may reduce potential disruption to their operations and costs as well as accelerate the verification that towing vessels are in compliance with applicable regulations.
 - b. OCMI's must balance their required workload with industry's desire to obtain a COI earlier than mandated. Therefore, on a case-by-case basis, and as resources permit, an OCMI may issue COIs to vessels that employ the TSMS option in excess of the specified phase-in percentage. Since towing vessels may operate in different OCMI zones, it is important that the owner or managing operator communicate their intentions to the local OCMI's to ensure that resources are available to accommodate the issuance of additional COIs before the deadlines specified in 46 CFR 136.202.
6. ACTION. OCMI's and the marine industry should refer to this policy letter when towing vessel owners or managing operators are seeking to obtain a COI for a vessel or vessels in excess of the minimums specified in 46 CFR 136.202. This approach should only be undertaken when the specifics are agreed to by both the OCMI and the vessel owner or managing operator. When evaluating resources required to accommodate a request to exceed the phase-in requirements, OCMI's should determine if reference (b) is applicable and consider prioritization of resources to owners and managing operators with vessels that have a valid Uninspected Towing Vessel (UTV) decal.
7. POLICY. For an owner or managing operator using the TSMS option, an OCMI may issue a COI or COIs in excess of the percentage specified in 46 CFR 136.202 taking into account the following:
- a. The OCMI has the resources available to accommodate the request for the issuance of additional COIs. To reduce the impact to towing vessel operations and Coast Guard resources, the OCMI should consider giving priority to those vessels that have a valid UTV decal and meet the provisions in reference (b).
 - b. The owner or managing operator must meet the requirements in 46 CFR 136.210 for obtaining a COI.
 - c. For owners or managing operators with vessels operating in more than one OCMI zone, a request should be sent to the cognizant OCMI (consistent with 46 CFR 136.210) with a copy to each of the other OCMI(s).
 - d. If an OCMI is unable to meet an owner or managing operator's request for the additional COI inspections, the OCMI will coordinate with the other OCMI(s) to ensure the required percentage of the fleet is inspected.

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8. ENVIRONMENTAL ASPECT AND IMPACT CONSIDERATIONS. Environmental considerations were examined in the development of this policy letter and have been determined not to be applicable.
9. DISCLAIMER. This policy letter guidance is neither a substitute for applicable legal requirements, nor a rule. It is not intended nor does it impose legally-binding requirements on any party. It represents the Coast Guard's current thinking on this topic and may assist industry, mariners, the general public, and the Coast Guard, as well as other Federal and state regulators, in applying statutory and regulatory requirements. An alternative approach may be used for complying with these requirements if the approach satisfies the requirements of the applicable statutes and regulations. If you want to discuss an alternative approach (you are not required to do so), you may contact the Coast Guard Office of Commercial Vessel Compliance (CG-CVC) who is responsible for implementing this guidance.
10. QUESTIONS. Questions concerning this policy letter and guidance should be directed to Office of Commercial Vessel Compliance, COMDT (CG-CVC), Domestic Compliance Division at CG-CVC-1@uscg.mil. This policy letter and other Domestic Vessel Policy documents are posted on the CG-CVC website at http://www.uscg.mil/hq/cgcvc/cvc/policy/policy_letters.asp.

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