

SMALL BUSINESS IMPACT STATEMENT (For Review of Existing Regulations)

In order to accurately predict the impact the adoption, amendment, or repeal of a regulation will have on small businesses, the promulgating authority must conduct a thorough analysis that not only considers the potential effects of the action but also quantifies the costs, if any, associated with each. The questions below are designed to aid promulgating authorities in conducting their analysis.

Subject Regulations: *State Pilotage Commission Rules and Regulations*

Agency Submitting Regulation: RI Department of Environmental Management (RIDEM) – Rhode Island State Pilotage Commission

Subject Matter of Regulation: The proposed rule would amend the *Rhode Island State Pilotage Commission Rules and Regulations* (the “Regulations”). These Regulations govern the obligations imposed upon the vessels entering or leaving the waters of the State relative to marine pilots, specifically the selection, training, and qualifications of those marine pilots. The proposed rule suggested six proposed amendments to the existing regulations.

The first and most substantial proposed amendment is an effort to update the Regulations governing the Commission’s hearing procedures by making the procedures consistent with the rules of practice recently adopted by the Department in regulations captioned the *ADMINISTRATIVE RULES OF PRACTICE AND PROCEDURE FOR THE ADMINISTRATIVE ADJUDICATION DIVISION FOR ENVIRONMENTAL MATTERS*. This modification is proposed to be accomplished by the amendment of the Definition section 1.01, Rule 3 which sets forth the eligibility requirements for counsel to represent parties at hearings, and Rule 5 a substantial revamping of the hearing procedures.

The second proposed amendment proposes an amendment of Rule 14 in order to make this rule consistent with the requirements imposed by the United States Coast Guard. The Commission proposes to establish standards for the state’s pilot boat(s) by incorporating by reference those requirements set forth in the *U. S. COAST GUARD REQUIREMENTS FOR UNINSPECTED PASSENGER VESSELS (For The Atlantic District)*.

The third proposed amendment proposes a modification of a Section 15.04 for safety purposes that mandates certain additional obligations be imposed upon a pilot who has been on inactive status for six months or longer before that pilot may return to active status.

The fourth proposed amendment proposes an amendment of a Section 15.05 in order to increase the promptness with which a pilot must report any incident which occur during his/her time piloting a vessel and in addition increases from \$500 to \$1000 the penalty imposed for the failure of a pilot to provide a timely report of such an incident.

The fifth proposed amendment proposes an amendment of a Section 15.06 in order to update the means by which the vessel receiving a pilot at sea must provide for the safe embarking of the pilot. The amendment also would increase from \$500 to \$1000 and from \$100 to \$500 the penalties imposed for failure to comply with these obligations of this Section.

The sixth proposed amendment proposes an amendment of a Section 15.07 in order to more appropriately address the relationship between the pilot and the master of the vessel being assisted as well as replace certain outdated terminology in the Section.

The seventh proposed amendment proposes an amendment of a Section 15.16 in order to comply with a recommendation that all pilotage commissions received from the National Transportation Safety Board in an effort to reduce the incidents of pilot fatigue/accidents.

ERLID Number: 7708

Statutory Authority: R.I. Gen. Laws 46-9 and 46-9.1, adopted in accordance with 42-35, of the Rhode Island General Laws of 1956, as amended.

Other Agencies Affected: None

Other Regulations That May Duplicate or Conflict with the Regulation: None

Describe the Scope and Objectives of the Regulation See **Subject Matter of Regulation** above.

What was the rationale for establishing this regulation? See **Subject Matter of Regulation** above.

Does the rationale still exist? YES

Is the rationale still relevant? YES

Business Industries Affected by the Regulation: Marine pilots

Types of Businesses Included in the Industry: Marine pilots; In addition, all businesses engaged in the transportation of product, raw material, or fuel by water into or out of the waters of the State benefit from the safe and financially advantageous rates that are consistently less than the rates charged in sister states.

Total Number of Small Businesses included in the Regulated Industries *Please see the attached guidance documents for assistance determining the total number of small businesses:*

There are currently 11 Marine pilots who are licensed by the Rhode Island State Pilotage Commission.

Number of Small Businesses Potentially Subject to the Proposed Regulation: Same as above.

What is the cost to your agency of establishing and enforcing this regulation?

Pursuant to Rhode Island General Laws Chapters 46-9, administrative support is provided at no charge by the Department of Environmental Management.

How often do small businesses contact your agency for assistance with clarification of the regulation and/or receive assistance with compliance issues?

The regulated community is fairly well acquainted with the *State Pilotage Commission Rules and Regulations* and the Commissioners and DEM support staff seldom receive inquiries concerning the subject regulations.

What would the consequences be if the regulation did not exist?

Without the subject rules, the Department of Environmental Management would not be in compliance with the *R.I. Gen. Laws Chapters 46-9 and 46-9.1*.

Effective Date Used In Cost Estimate: Spring 2014.

	Yes	No	<i>*Note: For each question, please answer “yes” or “no” and offer a brief explanation. Please describe any facts, data, views, arguments, or other input from small businesses, organizations or any other sources that were used to quantify the impacts outlined below.</i>
1.	Yes	No X	Do small businesses have to create, file, or issue additional reports? No. These regulations do not require additional reports by small businesses with the exception of a Section 15.05 which increases the promptness with which a pilot must report any incident which occurs during his/her time piloting a vessel.
2.	Yes	No X	Do small businesses have to implement additional recordkeeping procedures? No the subject regulations do not require additional recordkeeping by small businesses.
3.	Yes	No X	Do small businesses have to provide additional administrative oversight? No. These regulations do not require additional administrative oversight by small businesses.
4.	Yes	No X	Do small businesses have to hire additional employees in order to comply with the proposed regulation?

			No. These regulations do not require small businesses to hire additional employees.
5.	Yes	No X	Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)? No. These regulations do not require small businesses to hire professionals.
6.	Yes	No X	Does the regulation require small businesses to purchase a product or make any other capital investments in order to comply with the regulation? No. These regulations do not require capital investments by small businesses.
7.	Yes	No X	Are performance standards more appropriate than design standards? No. This question is not applicable to this type of regulation.
8.	Yes	No X	Does the regulation require small businesses to cooperate with audits, inspections, or other regulatory enforcement activities? No. These regulations do not require cooperation in such audits by small businesses.
9.	Yes	No X	Does the regulation have the effect of creating additional taxes and/or fees for small businesses? No. These regulations do not create additional taxes and/or fees except for the pilotage fees that are imposed by <i>R.I. Gen. Laws</i> Chapter s 46-9 and 46-9.1.
10.	Yes	No X	Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements? No. These regulations do not require the provision of educational services by small businesses.
11.	Yes	No X	Is the regulation likely to <i>deter</i> the formation of small businesses in Rhode Island? No. These regulations are not likely to deter the formation of small businesses in Rhode Island.
12.	Yes X	No	Is the regulation likely to <i>encourage</i> the formation of small businesses in Rhode Island? Yes. These regulations are likely to directly encourage the formation of small businesses in Rhode Island by permitting small businesses a safer more more dependable stream of commerce.

13.	Yes	No X	<p>Can the regulation provide for less stringent compliance or reporting requirements for small businesses?</p> <p>No. These regulations can not provide for less stringent compliance reporting requirements by small businesses.</p>
14.	Yes	No X	<p>Can the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?</p> <p>No. These regulations can not provide for less stringent schedules for compliance by small businesses.</p>
15.	Yes	No X	<p>Can the compliance or reporting requirements be consolidated or simplified for small businesses?</p> <p>No. These regulations can not provide for consolidation in order to obtain compliance by small businesses.</p>
16.	Yes	No X	<p>Can performance standards for small businesses replace design or operational standards?</p> <p>No. This question is not applicable to this type of regulation.</p>
17.	Yes	No X	<p>Are there alternative regulatory methods that would minimize the adverse impact on small businesses?</p> <p>No. Given that there does not appear to be any adverse impact upon small businesses caused by these regulations, alternative methods would not be available to minimize adverse impact upon small businesses.</p>
18.	Yes X	No	<p>Were any small businesses or small business organizations contacted during the preparation of this document? If so, please describe.</p> <p>Although no organization participated in the preparation of this document, all interested parties were afforded the opportunity to comment and participate in adoption of the subject regulations pursuant to R.I. Gen. Laws Gen. Chapter 42-35.</p>