

Advocacy Forwards Small Business Concerns on Coast Guard Ballast Water Discharge Standards

On December 4, 2009, the Office of Advocacy (Advocacy) filed comments with the U.S. Coast Guard regarding the impacts of its proposed Ballast Water Discharge Standards on small businesses in the towing and supply boat industries. The purpose of the rule is to aid Coast Guard's efforts to manage the introduction and spread of non-indigenous and invasive species into U.S. waters. A copy of Advocacy's comments may be viewed at www.sba.gov/advo.

- On August 28, 2009 the Coast Guard published a proposed rule amending its regulations on ballast water management by establishing standards for the allowable concentration of living organisms in ships' ballast water discharged in U.S. waters. The proposed regulations establish a two-phased ballast water discharge standard (BWDS) for concentration of living organisms that can be discharged in ballast water and establish an approval process for ballast water management systems (BWMS) intended for use on board vessels to meet the proposed discharge standard.
- The Coast Guard's Initial Regulatory Flexibility Analysis (IRFA) did not examine a significant portion of the shipping industry comprised mainly of small businesses. Advocacy requested that the Coast Guard expand its IRFA to include an analysis of the rule's impact for businesses operating vessels under 100 feet in length, river vessels, and tug-boats. Advocacy also encouraged the Coast Guard to examine the relative benefits of imposing the new standards for small vessels with relatively low-volume ballast tanks after it completes an expanded analysis.
- Small businesses in the supply vessel industry contacted Advocacy and explained that a large number of their vessels use only municipal water in their ballast tanks. Because municipal water has not been shown to contribute to the spread of invasive species, Advocacy urged the Coast Guard to craft an exemption for vessels that use only municipal water in their ballast tanks.
- The proposed rule also includes a five-year grandfathering provision for those vessels that comply with the phase-one standard prior to January 1, 2016. Because the ballast water management systems required by the rule will be very costly to small businesses, Advocacy urged the Coast Guard to adopt a grandfathering provision that would apply for the life of a typical ballast water treatment system.

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