



16711
28 October 1999

From: Commander, Eighth Coast Guard District
To: Distribution

Subj: PROCEDURES FOR IDENTIFYING AND PROCESSING OVERDUE INSPECTIONS

1. Recently a barge company incurred significant expense when unbeknown to the company, an Officer in Charge of Marine Inspection (OCMI) deactivated a tankbarge's COI thinking the barge did not get its required inspection for certification. In this case, another MSO *had* done the required inspection but failed to enter the MSIS case/information in a timely manner. This letter outlines procedures to be used in identifying vessels which are overdue for inspection and defines the actions to be taken to resolve overdue inspections.
2. Many OCMI's routinely identify those vessels *within* their fleets of responsibility that are past their inspection "due" dates. To assist in the administration of this process, OCMI's should ensure that all vessel inspections are at least *scheduled* in MSIS no later than 1 week after the commencement of the inspection. MIARs should be started no later than 2 weeks after completion of the inspection, although MIARs need not be fully completed within this time frame.
3. OCMI's shall ensure that the records for vessels with overdue inspections are carefully screened to ensure that:
 - a. there are no inspections shown in the MSIS (VFCG) contact logs which could account for the inspection(s);
 - b. there are no apparent administrative errors by the CG; and
 - c. there is nothing in the unit's vessel files indicating that the inspections were completed or have been rendered unnecessary.
4. If after completing the above steps an inspection remains unresolved, OCMI's shall notify the vessel's owner/operator in writing using enclosure (1). When an inspection still remains unresolved 30 days after sending this letter, the owner/operator should be contacted by telephone and informed that:
 - a. the vessel's COI is being revoked, if the unresolved inspection is a reinspection or hull examination; or

Subj: PROCEDURES FOR IDENTIFYING AND PROCESSING OVERDUE INSPECTIONS

b. the CG has placed the vessel's files in an inactive status as of the expiration date of the Certificate of Inspection, if the unresolved inspection is an overdue inspection for certification.

5. If telephone contact cannot be made, the OCMI may still deactivate the vessel, but should summarize the efforts made to contact the owner/operator in an entry in MSIS.

6. Upon deactivating a vessel in MSIS, the OCMI shall notify the owner/operator in writing using enclosure (2). OCMI's should not deactivate vessels which are not in their fleet of responsibility unless they have obtained confirmation from the owner of their inactive status.

7. OCMI's should realize that deactivation of a vessel impacts the user fee assessment mechanism run by FINCEN in the following ways:

a. Vessels which have been deactivated in MSIS will automatically be removed from subsequent user fee notifications.

b. An owner will not be entitled to any user fee refund for the year in which the vessel was deactivated. However, in accordance with 46 CFR 2.10-105(e), an owner is entitled to a refund for those years which have been prepaid and should submit a request for a refund to the FINCEN via the OCMI that deactivated the vessel.

8. Vessels which are reactivated by an OCMI are not automatically reinstated on the user fee schedule upon completion of an inspection for certification, and the owners will not be billed for any user fees. Consequently, if an OCMI re-certificates a previously deactivated vessel, the OCMI must notify the FINCEN at (800)941-3337 of the reactivation in order to reinstate the user fee schedule for the vessel.


C. T. DESMOND
By direction

Encl: (1) Sample letter, Notification of Overdue Inspections
(2) Sample letter, Notification of Revocation of COI

Dist: All Eighth District MSOs, MSDs and MSU
Commandant (G-MOC)

U.S. Department
of Transportation

United States
Coast Guard



Commanding Officer
U.S. Coast Guard
Marine Safety Office

Staff Symbol:
Phone:
FAX:

16711
Date

Dear -----:

Subject: ----- , O.N. ----- , OVERDUE INSPECTION

A review of our records indicates the subject vessel is overdue for the following inspection(s) as of the date(s) indicated:

Completion of the required inspection(s) is a condition of the Certificate of Inspection; if not completed, the Certificate of Inspection is invalidated and no longer in force.

If the vessel has been laid-up (if a tank vessel, laid-up in a "gas free" condition) since the date the inspection was due, you should submit evidence to that effect and surrender the vessel's original Certificate of Inspection. The certificate can be returned to the vessel after the satisfactory completion of all required inspections.

If you have evidence that this inspection has been completed, please submit it so that we may correct our records.

Failure to satisfactorily resolve this matter within thirty (30) days may result in revocation of the vessel's Certificate of Inspection and/or the initiation of civil penalty proceedings.

If you have any questions, my staff or I would be happy to discuss them with you.

Sincerely,

Enclosure (1)

Commanding Officer
U. S. Coast Guard
Marine Safety Office

Staff Symbol:
Phone:
Fax:

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

16711/_____

Subj: _____, O.N. _____, REVOCATION OF CERTIFICATE OF INSPECTION

Gentlemen:

You were advised on _____ that, according to our records, your vessel was overdue for required inspections. You were given an opportunity to provide any evidence not available to this office, indicating that the required inspections had been completed or show that the vessel was not in service and surrender its Certificate of Inspection.

Completion of these required inspections is a condition of the Certificate of Inspection. Since our records show that these inspections were not completed, and you have presented no evidence to the contrary, the vessel's Certificate of Inspection is hereby revoked.

As the vessel's Certificate of Inspection is no longer valid, you should take immediate steps to ensure that the vessel is taken out of service (and if a tank vessel, cleaned of all cargo residue and maintained in a gas-free condition as required by 46 CFR 31.01-1(b)). If this vessel is a tank vessel, you must provide this office with a copy of a Marine Chemist Certificate or other evidence that the vessel has been cleaned and is gas-free.

The original Certificate of Inspection should be returned to this office without delay. You are warned that any operation of the vessel in a service requiring an inspection under 46 USC 3301 will be considered a violation of 46 USC 3311 (a) as operation of a vessel subject to inspection without a Certificate of Inspection.

Sincerely,

Enclosure (2)