



June 4, 2008

CROSS BORDER INSPECTION FEES INCREASING

The U.S. Department of Agriculture is proposing an increase in user fees charged for inspecting animals imported into the United States. Such inspections are intended to minimize the risk that animals could introduce a foreign animal disease into the United States and are provided at U.S. border ports, airports, and ocean ports.

The fee increases reflect the increased cost of providing import and export related services by the Animal and Plant Health Inspection Service (APHIS) for animals, animal products, birds, germ plasm, and organisms. The cost of providing a service includes direct labor, local support costs, Agency overhead, and departmental charges. The proposed user fees are based on FY 2007 costs and include direct labor costs adjusted by 3 percent for FY 2009 through 2013 to cover increases in employee pay, and adjustments in estimated non-labor costs for inflation at 3.3 percent each year.

USDA describes the total impact of the proposed changes as small, "as the proposed fee changes represent a tiny fraction of the value of the shipments of animals and animal products. Imports and exports of livestock, meats, dairy products, poultry, and poultry products were valued at more than \$23.8 billion in 2005. By contrast, the increase in annual collections from user fees included in this proposed rule would be about \$5.3 million in FY 2009, and rising to about \$14 million in 2013.

A few of examples of the fees:

- the rate per head for feeder cattle coming into the U.S. from Canada at land border ports would go from \$2.25 in 2008/2009 to \$2.50 in 2010/2011;
- the rate per load for poultry would go from \$71 in 2008/2009 to \$77 in 2011/2012;
- the rate for swine would remain unchanged at \$.50 per head.
- the rate per head for cattle coming into the U.S. from Mexico at land border ports would go from \$13 in 2009/2010 to \$14 in 2010/2011.

USDA will consider comments regarding these fees increases. The deadline for feedback to USDA is August 4, 2008. PLEASE LET ME KNOW IF YOU HAVE CONCERNS THAT SHOULD BE EXPRESSED.

The full text of the proposal (including a full schedule of fees) can be found at:

<http://edocket.access.gpo.gov/2008/E8-12376.htm>

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