

## DEVELOPING USER FEES FOR APHIS SERVICES

### 1. PURPOSE

This Directive establishes policy, delegations of authority, and responsibilities for developing, approving, and implementing user fees and reimbursable overtime for APHIS services. This Directive does not cover cooperative service agreements (CSAs). CSAs are covered in the APHIS Cooperative Service Agreements Manual.

### 2. REPLACEMENT HIGHLIGHTS

This Directive replaces APHIS Directive 2150.1, dated 04/16/09. This revision includes authority APHIS received for charging user fees in the Food, Agriculture, Conservation, and Trade Act (FACT Act) of 1990, as amended by the Federal Agriculture Improvement and Reform Act of 1996, the Plant Protection Act of 2000, the Animal Health Protection Act of 2002, the APHIS Annual Appropriations Act, and the Act of August 31, 1951.

### 3. BACKGROUND

Fees, as used in this Directive, refer to the fees charged for agricultural quarantine inspection, phytosanitary export plant certification, animal import and export, veterinary diagnostics, and reimbursable overtime. The APHIS Budget and Accounting Manual, Chapter 9, Revenue and Receivables, and Chapter 10, Cost Identification and Recovery, contains APHIS' policy on what these fees are for and for determining amounts to be charged. In all cases, APHIS will follow the Office of Management and Budget (OMB) Circular A-25, User Charges, and USDA Department Regulation 2100-3, dated 01/22/02, OCFO Biennial Review of Charges for Things of Value, Appendix A, USDA Definition of Full Cost, to determine and assess fees that provide an appropriate share of the costs for our services. APHIS will follow Statement of Federal Financial Accounting Standard 4, Managerial Cost Accounting Standards and Concepts, to provide reliable and timely information on APHIS user fee program costs. APHIS will accumulate and report costs on activities through cost finding techniques. APHIS will use the following methods, in this order of preference:

- a. Directly tracing costs wherever feasible and economically practicable,
- b. Assigning costs on a cause-and-effect basis, or
- c. Allocating costs on a reasonable and consistent basis.

#### 4. AUTHORITIES

Authorities to establish fees are contained in:

| Description   | Authority Citation   |
|---|--|
| Agriculture Quarantine Inspection Fees – international air passengers, aircraft, truck, vessel and railcar clearances | 21 U.S.C., Food and Drugs, Section 136(a), Collection of Fees for Inspection Services, Quarantine and Inspection fees. [Food, Agriculture, Conservation and Trade Act of 1990, as amended]               |
| Veterinary Services user fees   | 21 U.S.C., Food and Drugs, Section 136(c), Collection of Fees for Inspection Services, Animal Inspection and Veterinary Diagnostics. [Food, Agriculture, Conservation and Trade Act of 1990, as amended] |
| Phytosanitary export certifications   | 7 U.S.C., Agriculture, Chapter 104, Plant Protection, Subchapter III, Miscellaneous Provisions, Section 7759, Fees for inspection of Plants for exporting or transiting. [The Plant Protection Act]      |
| Reimbursable Overtime – Plant Protection and Quarantine   | 7 U.S.C., Agriculture, Chapter 104, Plant Protection, Subchapter III, Miscellaneous Provisions, Section 7753(c), Payment of employees. [The Plant Protection Act]  |
| Reimbursable Overtime – Veterinary Services   | 7 U.S.C., Agriculture, Chapter 109, Animal Health Protection, Section 8311(c), Payment of employees. [The Animal Health Protection Act]  |
| Reimbursable Overtime - special   | The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act. [Annual Appropriations Act]   |
| Miscellaneous Receipts  | 31 U.S.C., Money and Finance, Chapter 97, Miscellaneous, Section, 9701, Fees and Charges for Government Services and Things of Value. [Act of August 31, 1951]   |

The affected program activities and implementation regulations are as follows:

- a. Agricultural Quarantine and Inspection Services, 7 CFR 354;
- b. Phytosanitary Certificates, 7 CFR 354.3;
- c. Reimbursable Overtime, 7 CFR 354.1 and 9 CFR 97.1;
- d. Animal Import/Export, 9 CFR 93 and 9 CFR 130; and
- e. Veterinary Diagnostics, 9 CFR 130.

## **5. DELEGATION OF AUTHORITY**

The Under Secretary for Marketing and Regulatory Programs has delegated to the Administrator complete authority to establish and approve all APHIS fees.

## **6. POLICY**

It is APHIS policy to establish fees at levels that will recover, to the fullest extent possible, all costs from providing the requested services. Fees will be reviewed at least biennially to ensure proper cost recovery of APHIS user fee program costs.

## **7. RESPONSIBILITIES**

- a. In order to properly set user fee rates, the Financial Management Division (FMD), will:
- (1) Conduct a continuing review and analysis of the impact of current fees on the programs, using accounting program data.
  - (2) Develop proposals for fee changes based on analyses of accounting program data, projected trends, and contacts with headquarters, field, and port personnel.
  - (3) Set fees to cover the intended share of costs over time through the projection and consideration of future program costs.
  - (4) Review legislation authorizing fees and develop proposals for implementing new fees.
  - (5) Present recommendations for new or revised fees, supported by all pertinent documentation, to the appropriate Agency officials. FMD obtains concurrence from the appropriate Deputy Administrator/Director and approval from the Administrator.
  - (6) Coordinate, with Deputy Administrators/Directors and Policy and Program Development - Regulatory Analysis and Development (RAD) staff, the publication of new or revised fees in the Federal Register and updates to the APHIS user fees information on the Web.
  - (7) Inform the Minneapolis Financial Operations Branch (MFOB) of new or revised fees and the effective date of implementation.
  - (8) Act as liaison with MFOB and other collecting agents (e.g., U.S. Treasury and Department of Homeland Security) to coordinate billing and collection and audit activities for fees.

- (9) Conduct periodic reviews of program activities to review the adequacy of the cost components included in the fee.
- (10) Assist management support staffs with financial audits and reviews to determine compliance with charging and collecting established fees.
- (11) Make fee information available to ensure APHIS, Congress, and stakeholders have complete information.

b. Deputy Administrators/Directors will:

- (1) Conduct ongoing reviews of programs to ensure the most economical and efficient use of resources and assist in ensuring compliance with established billing and collection systems.
- (2) Advise FMD of program developments including volume fluctuations that may affect fees charged.
- (3) Assist FMD in the review of fees applicable to their programs.
- (4) Concur with new or revised fees prior to approval by the Administrator.
- (5) Assign the appropriate priority status to user fee dockets.
- (6) Notify all field stations of new or revised fees and the effective date of implementation. If publication of fees is not required, interested parties or users of APHIS services should be notified.
- (7) Notify Agency officials of their current financial position through the monthly status of funds process, and develop special reports, as needed, to assist with the analysis.
- (8) Monitor Program carry-forward/reserve amounts.

c. The RAD Staff will:

- (1) Write Federal Register user fee dockets.
- (2) Coordinate the necessary economic analyses, other analysis as appropriate, and clearances for publication.
- (3) Notify appropriate offices of the publication date of final rules and their effective dates.
- (4) Work with FMD, Web designers, and LPA to maintain and update user fee information on the APHIS Web site.

**8. INQUIRIES**

- a. Direct any questions or inquiries to FMD's User Fee Section at 301-734-0882.
- b. This Directive can be accessed on the [APHIS](#) Administrative Issuances homepage.

/s/

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