

Pesticide Registration Service Fees

Paying Fees

Each of the 140 fee categories or types of application under PRIA 2 has a specific fee and a decision time frame. Fees were increased by 5% effective the beginning of FY 2011 (October 1, 2010) as required by Section 33(b)(6)(B). Guidance describing the type of application covered by each fee category is available on the [Fee Determination Decision Tree](#) for inexperienced applicants, a [PRIA 2 fee table](#) for experienced applicants, and a [PDF table](#) that can be printed and used as a hardcopy reference. As required by Section 33 (b)(6)(c), the Agency published a Federal Register Notice announcing the increase effective October 1, 2010

The Agency encourages registration applicants to pay their fees by credit card or wire transfer using the Treasury Department's pay.gov system. The EPA's tracking system assigns a decision number to each action or item that requires a decision and consequently counts "decisions" rather than applications. In FY 2009, payments totaling \$5,804,462 were made through pay.gov for 1,150 decisions. In FY 2010, pay.gov payments totaling \$8,425,487 were made for 1,113 decisions, and in FY 2011 payments totaling \$ 6,478,627 were made through pay.gov for 1,165 decisions. Thus, in FY 2009, 2010, and 2011, 65%, 69%, and 68% of the total number of applications for which payment was received were paid through pay.gov.

Under Section 33(b)(2)(D), the fee is due upon submission of the application. Section 33(b)(2)(F) directs the Agency to reject any application submitted without the required registration service fee. If certification of payment is not received within 14 days, the Agency will reject the application and invoice the registrant for 25% of the appropriate fee. In FY 2008, FY 2009, and FY 2010, nine, two and five applications, respectively, were rejected for failure to pay a fee. In FY 2011, 17 applications were rejected for non-payment.

Funds Management

Section 33(c) of PRIA established the Pesticide Registration Fund. Congress established this fund in the Treasury of the United States to carry out the provisions of PRIA. All registration service fees received by EPA are deposited in this fund, and expenditures from the fund can cover costs associated with review and decision-making for applications for which registration service fees have been paid. As of October 2007, fees are deposited into an account maintained by the U.S. Bank in St. Louis, Missouri, which informs the Agency when a payment is received. The later of date of payment or application receipt triggers the start of the PRIA decision review period, or time frame. On average, EPA has been informed of the receipt of a payment within 7.2 days of receipt by the bank, consistent with past fiscal years.

Fee Collections and Expenditures

During FY 2011, the Agency received \$12.9 million in new registration service fees and, after subtracting \$1.3 million in refunds (overpayments and withdrawals), net receipts were \$11.6 million as of September 30, 2011. A balance of \$7.4 million was carried forward from FY 2010, including recoveries of prior year unpaid obligations. From this total of \$19.0 million, the Agency spent approximately \$14.3 million, carrying the remaining balance of \$4.7 million forward to FY 2012. A balance is carried forward to fund personnel and contractor support for

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applications with multi-year time frames and for which some or most of the work is performed in the next fiscal year. Without a balance at the beginning of a fiscal year, staff would have to be reassigned from PRIA work until more fees were collected. This would disrupt the process and possibly result in missed PRIA deadlines. Spending decreased by 21% in FY 2011, compared with FY 2010. The end-of-year remaining balance decreased by 36% in FY 2011 from FY 2010. The decrease in spending was prompted by the lower amount of PRIA receipts received in FY 2011.

Under Section 33(c), interest earned and added to the PRIA Registration Fund is available to the Agency for spending. Interest in FY 2011 totaled \$4,644.

EPA's FY 004 through FY 2011 Expenditures from the Pesticide Registration Fund

For	Expenditures (in thousands) by Fiscal Year (FY)							
	2004	2005	2006	2007	2008	2009	2010	2011
Payroll	\$2,535.3	\$7,898.2	\$5,819.8	\$7,111.6	\$7,556.4	\$9,401.6	\$9,401.3	\$7,595.2
Contracts	\$1,591.3	\$2,228.8	\$4,013.1	\$6,979.5	\$7,168.1	\$6,733.3	\$6,485.7	\$4,561.6
Worker Protection	\$430.0	\$750.1	\$750.0	\$750.0	\$2,250.0	\$2,250.0	\$2,000.0	\$2,000.0
Other Expenses	\$455.8	\$274.3	\$221.6	\$302.7	\$205.8	\$140.6	\$309.9	\$168.8
Total	\$5,012.5	\$11,151.4	\$10,804.5	\$15,143.8	\$17,180.3	\$18,525.5	\$18,196.9	\$14,325.6

Payroll expenditures were down sharply at \$7.6 million in FY 2011 compared to \$9.4 million in FY 2010. Expenditures on contracts decreased to approximately \$4.6 million in FY 2011, compared to almost \$6.5 million in FY 2010. The balance between payroll and contract expenditures remained relatively constant from 2010 to 2011 (with payroll at 53% of expenditures in FY 2011 and 52% in FY 2010, and contracts down slightly to 32% in FY 2011 from 36% in FY 2010). Approximately 80% of the Pesticide Program's active contracts or work assignments were performance-based, the same as reported for FY 2010 per FIFRA Section 33(k)(2)(A)(vii). Performance based contracts tend to be contracts with routine and predictable work assignments. Areas covered by these contracts include, for instance, information management, records management, and as appropriate, review and characterization of hazard and exposure data and risk assessment. In addition to funds from the PRIA Pesticide Registration Fund, the registration program spent about \$38.2 million from appropriated funds.

With spending on Partnership Grants reduced by the PRIA 2 statute, spending on mandated programs totaled \$2.0 million in FY 2011 and \$2.0 million in FY 2010. These mandated programs included worker protection (\$1.0 million), partnership grants (\$0.5 million), and the Pesticide Safety Education Program (\$0.5 million). The percentage of expenditures going to the mandatory programs was 14% in FY 2011, up from 11% in FY 2010. The Agency also continued to invest in upgrading its information management systems to track compliance with the PRIA review time frames, to meet reporting requirements, and to implement PRIA 2 requirements. Other funds went primarily to pay for *Federal Register* printing costs associated with PRIA registrations.

Waivers of and Exemptions from Registration Service Fees

Section 33(b)(7) of PRIA authorizes the Agency to reduce or exempt the registration service fee for specified situations. The maximum [fee reduction for small businesses](#) with less than \$10 million per year in global gross pesticide sales is 75% of the fee. A portion of all fees (25%) is non-refundable. A 50% reduction in the fee may be granted for a small business with less than \$60 million in annual global gross pesticide sales. Section 33(b)(7) also provides an [exemption from a registration service fee for applications from Federal or State agencies](#) and for applications solely associated with a tolerance petition submitted in connection with the [Inter-Regional Project Number 4 \(IR-4\)](#) that is in the public interest.

In FY 2011, the Agency granted 319 fee waivers and exemptions and denied 4 of the 331 fee waiver or exemption requests received as shown in the following table – an increase over FY 2010. In FY 2010, 276 were granted and 3 denied of the 284 requests received.

FY 2011 Fee Waiver or Exemption Requests

Waiver Type	Received	Granted	Denied	Withdrawn
75% Small Business	227	217	4	6
50% Small Business	64	63	0	1
IR-4	32	31	0	1
Minor Use	0	0	0	0
Federal State	8	8	0	0
Total	331	319	4	8

The average number of days required to grant a fee waiver in FY 2011 was approximately the same as in FY 2010 (27 versus 25 days). The average time to deny a waiver in FY 2011 (36 days) was less than in FY 2010 (57 days) and similar to FY 2009 (37 days). The extra amount of time taken to deny a request reflects the time that the Agency took in an attempt to resolve the issues.

The total fees waived and exempted in FY 2011 was \$9.9 million, greater than in all previous years except FY 2007. IR-4 exemptions accounted for the majority of the amount waived or exempted. The amount exempted is based on the full fee for the fee category of the application. EPA does not consider further whether the application may have qualified for a [discretionary refund or fee reduction](#) under Section 33(b)(8)(C) because data previously reviewed for another application was considered. Some of the IR-4 associated applications involved establishing tolerances based on information previously reviewed for another crop.

If the table below is compared with a similar table in the FY 2009 report, the amount waived or exempted for some past fiscal years has changed because once some applications were reviewed in depth, the Agency determined that the application belonged to a different PRIA fee category.

Amount in Fee Waivers and Exemptions by Fiscal Year of Receipt and Type (in \$1,000)

Fiscal Year/Type	Small Business	IR-4	Federal/State Agencies	Minor Use Waiver or Exemptions	Total
FY 2004	\$3,699	\$2,745	-----		\$6,444
FY 2005	\$3,006	\$5,460	\$15		\$8,481
FY 2006	\$1,497	\$4,226	\$40	\$4	\$5,767
FY 2007	\$2,162.5	\$8,342	\$924		\$11,429
FY 2008	\$1,286	\$6,908	\$28		\$8,222
FY 2009	\$936	\$5,376	\$471	\$209	\$6,992
FY 2010	\$1,393	\$2,639	\$413		\$4,445
FY 2011	\$970.5	\$8,329	\$629.5		\$9,929

Fee Reductions

Section 33(b)(8)(C) authorizes EPA to issue discretionary refunds, including instances where the Agency had completed portions of the review of an application before March 2004. For fees required for pending new active ingredients and for applications pending prior to March 2004 where the registrant has offered to pay the registration service fee voluntarily, the Agency applied this refund provision as a credit toward the registration application service fee. In FY 2011, no voluntary payments were received.

Under Section 33(b)(8)(C) of FIFRA, the Agency has discretionary authority to issue a partial refund (up to 75%) of the registration service fee on the basis that, in reviewing the application, the Agency has considered data submitted in support of another pesticide registration application. Some discretionary refunds are routine and are applied at the time of submission. Guidance on these refunds is available on the [PRIA 2 Web page](#) . Approximately \$547,000 in reductions were made in FY 2011 in fees for secondary new product and amendment applications.