

**SUPPORTING STATEMENT FOR AN  
INFORMATION COLLECTION REQUEST (ICR)**

**1. IDENTIFICATION OF THE INFORMATION COLLECTION**

**1(a) Title and Numbers of the Information Collection**

**Title: Pesticide Registration Fees Program**

**OMB No.: 2070-0179**

**EPA No.: 2330.02**

**1(b) Short Characterization/Abstract**

This Information Collection Requests (ICR) covers the paperwork burden hours and costs associated with the information collection activities under the pesticide registration fee programs implemented through the Office of Pesticide Programs (OPP), Environmental Protection Agency (EPA). Pesticide registrants are required by statute to pay an annual registration maintenance fee for all products registered under Section 3 and Section 24(c) of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). In addition, the Pesticide Registration Improvement Act (PRIA) amended FIFRA in 2004 to create a registration service fee system for applications for specific pesticide registration, amended registration, and associated tolerance actions (Section 33). This ICR specifically covers the activities related to the collection of the annual registration maintenance fees, the registration service fees and the burden associated with the submission of requests for fees to be waived.

**2. NEED FOR AND USE OF THE COLLECTION**

**2(a) Need/Authority for the Collection**

Under FIFRA, EPA must evaluate pesticides thoroughly, before they can be marketed and used in the United States, to ensure that they will not pose unreasonable adverse effects to human health and the environment. Pesticides that meet this test are granted a license or "registration" which permits their distribution, sale and use according to requirements set by EPA to protect human health and the environment.

**Pesticide Product Registration Maintenance Fees**

Section 4(i)(5) of FIFRA (Attachment A) requires registration maintenance fees to be applied to all products registered under Section 3 and Section 24(c) of FIFRA. The fees are paid annually for each product registered and payable on January 15 of each year. The authority to collect fees under the 1988 amendments would have terminated on September 30, 1997. However, the Food Quality Protection Act (FQPA) amended FIFRA and extended the authority to collect these fees until September 30, 2001. The EPA Appropriation Bills of FY 2002 and FY 2003 also extended the authority to collect maintenance fees. PRIA 1, which became effective on March 23, 2004, and PRIA 2 which became effective October 1, 2007 further extended the authority to collect maintenance fees through fiscal year 2012. PRIA 3 became effective on October 1, 2012 and extends the authority to collect maintenance fees through FY' 2017. Under PRIA 3 there is a new provision that allows qualified small businesses (defined as having ≤ 5 products, ≤ \$10 M in total, global sales and ≤ 500 employees) to seek a 25% maintenance fee reduction on their first product.

## **Pesticide Registration Service Fee and Waivers**

Section 33 of FIFRA requires the collection of fees in order to enhance the review of covered pesticide products (see Attachment B for information on the current fee schedule). Fees collected under this program will help to reduce time frames for registration decisions; provide greater predictability and more accountability for those decisions; ensure that FQPA deadlines are met; and result in more predictable and augmented funding for the pesticide program. Section 33 also established provisions that allow these fees to be exempted entirely. The registration service fee system was reauthorized by the Pesticide Registration Improvement Extension Act (PRIA 3) until September 30, 2017. Under the sunset provisions, if PRIA 3 is not reauthorized, the Agency is authorized to collect reduced fees for two additional years – 40% reduced fees in 2018 and 70% reduced fees in 2019 below the level in effect on September 30, 2017.

A registration applicant may seek a waiver as a small business, defined by the PRIA as a business with fewer than 500 employees and on average, annual global gross revenue from pesticides of no more than \$60 million over the most recent three-year maintenance fee billing cycle. For a business entity with one or more affiliates, the gross revenue limit includes total global revenues from pesticides for the entity and all of its affiliates, including parent and subsidiary entities.

A registration applicant qualifying as a small business under the PRIA will be entitled to a waiver of fifty percent (50%) of its fees. In addition, 75% of a fee will be waived for small businesses with, on average, annual gross global revenues from pesticides over the most recent three-year maintenance fee billing cycle, including affiliates, of no more than \$10 million. Small business applicants requesting waivers must provide EPA with appropriate documentation demonstrating that they meet these criteria.

A registration applicant may also request a minor use waiver or fee reduction if the applicant can demonstrate that anticipated revenues from the uses described in the registration application would be insufficient to justify the imposition of the full application fee. The Agency may grant a full exemption or a partial reduction in the fee based upon its consideration of the supporting documentation provided.

In addition, under PRIA 3, the Agency must determine that the exemption is in the public interest. In February 2013, the Agency issued the Policy document entitled “Factors for IR-4 Public Interest Finding” (Attachment C) which lists the criteria under which an application will be presumed to be in the public interest. Since this policy exempts most, if not all, IR-4 registration activities, the Agency does not anticipate any additional burden will be imposed on IR-4. Finally, the statute exempts agencies of the Federal Government or a State from fees.

The program is expected to generate in excess of \$10 million in new registration service fees annually over five years.

## **2(b) Practical Utility/Users of the Data**

### **Pesticide Product Registration Maintenance Fees**

In order to provide an efficient system to bill, collect, and account for registration maintenance fees, the Agency sends a filing form to all registrants of currently active products. The information is used by the Agency to ensure that the fees prescribed by FIFRA have been paid by each registrant. The information is also used to adjust OPP's computer files to reflect changes in the status of registrations

resulting from registrant responses. In the case where the registrant requests a small business cap and/or a 25% reduction in the first product's fee, the required information is used to ensure that the registrant qualifies for the fee reduction and is used to assess and report to Congress the impacts of maintenance fees on small businesses as required in PRIA 3.

### **Pesticide Registration Service Fee and Waivers**

EPA is the sole intended user of the information collected. This collection of information is critical for the proper performance of Agency functions because the information collected will allow EPA to properly review a request for a waiver or exemption of fees under the PRIA without delay. The actual usefulness of the information to the Agency is that the information collected will be used to determine if the applicant qualifies for a PRIA registration fee waiver or exemption. Statutorily, in instances where the applicant requests a fee waiver or exemption, the decision review time period does not begin until either the Agency grants the waiver or exemption or until the registrant has paid the appropriate registration service fee (or, in the case of a partial waiver or fee reduction, the balance of the appropriate registration service fee). Processing of the application, therefore, will be delayed until the Agency can render a decision on the fee waiver or fee reduction or exemption request. With the submission of this data by the registrant, the Agency will be able to meet its statutory obligation to grant or deny a waiver request within 60 days and, usually, earlier than the maximum 60 day period.

## **3. NON DUPLICATION, CONSULTATIONS, AND OTHER COLLECTION CRITERIA**

### **3(a) Non duplication**

For pesticide product registration, the specific information required under this ICR (i.e., the number of registrations that a given registrant wishes to maintain and, thus, the fee amount that will be remitted to EPA) does not exist in data bases at EPA or any other agency. To determine the amount of maintenance fees accurately, the Agency and the registrant must have a joint understanding concerning the number of products currently registered. Prior to implementing the current process, the Agency considered an alternative approach which was to simply notify registrants that fees were due for each of their products according to a fee schedule. Under this alternative, the registrant would submit payment according to their best information concerning the number of registrations that they wanted to support. However, if a registrant submitted payment that did not correspond to the fee schedule, the Agency would be in a position of either unilaterally determining which registrations to cancel, or contacting each registrant to determine that registrant's intentions. This option was considered to be inefficient, and not in the best interest of the Agency or the registrants.

For pesticide registration fee waivers, no other federal agency or EPA program is collecting fees for the processing of applications for pesticide registration or information for the waiver or exemption of such fees. As such, this information collection activity does not duplicate any other collection of information by the federal government.

### **3(b) Public Notice Required Prior to ICR Submission to OMB**

Pursuant to 5 CFR 1320.8(d), EPA announced and provided a 60-day public comment period on the information collection activities as described in this ICR (78 FR 36774, June 19, 2013).

### **3(c) Consultations**

During the preparation of this ICR renewal, EPA staff contacted Kimberlee Young, RegWest Inc, Amy Roberts, Technology Sciences Group Inc and Kyle Price, Nufarm Americas Inc to solicit stakeholder comment on the burden and costs associated with this ICR renewal. The Agency received two comments which have been incorporated into this document as Attachment G are a part of electronic docket EPA-HQ-OPP-2013-0287 for this action.

### **Pesticide Product Registration Maintenance Fees**

Consultation and/or dialogue between respondents and the Agency is frequent and on-going. In addition to phone conversations, e-mails, and letters, Agency personnel participate in meetings with individual registrants as well as gatherings of large groups of registrants from time to time. These communications permit an exchange of issues, problems, and solutions on many issues.

### **Pesticide Registration Service Fee Waivers**

The Pesticide Registration Improvement Extension Act (PRIA 3) that was introduced into Congress was based upon the past experience in implementing PRIA 1 and PRIA 2, and a consensus reached by stakeholders, which was informed in part by technical information provided by the Agency. These stakeholders included CropLife America, the Consumer Specialty Products Association, the Chemical Producers and Distributors Association, the American Chemistry Council, the Natural Resources Defense Council, and Consumers Union, among other parties.

Consultation and/or dialogue between respondents and the Agency on the PRIA waiver and exemption process, content, definitions, format, and timing is frequent and on-going. In addition to phone conversations, e-mails, and letters, Agency personnel participate in meetings with individual registrants as well as gatherings of large groups of registrants from time to time. These communications permit an exchange of issues, problems, and solutions on many issues.

### **3(d) Effects of Less Frequent Collection**

Annual payment of maintenance fees for all pesticide products is mandated by FIFRA. Thus, there can be no option other than to require a minimum submission of the filing form once a year. Less frequent information collection in this area would violate the statute.

For the payment of PRIA registration application fees, there is no set collection schedule, per se. Rather, the registration service fee is collected each time a registrant submits a registration application. The applicant must either pay a fee or request and be granted a waiver or exemption for each registration application submitted. Therefore, the frequency of collection depends entirely on the frequency with which applicants submit registration applications. EPA cannot grant a waiver or exemption when one has not been requested and documented. Therefore, less frequent collection is not an option.

### **3(e) General Guidelines**

With respect to the PRA imposed guidelines contained in 5 CFR 1320.6, the information collection activity for pesticide product registration has the following features:

- The respondents are required to respond on an annual basis and hence the quarterly response limitation is not applicable
- The respondents are not required to keep records relating to this information collection for a period of more than 3 years.
- This information collection activity does not utilize a statistical survey. The requirement to collect maintenance fees for all products means that all pesticide registrants submit replies.
- The respondents are given at least 30 days to respond.
- The information collection under this ICR can be held confidential under long established procedures for properly handling Confidential Business Information. Confidentiality is discussed in more detail below.
- The respondents are not required to submit more than an original and two copies of any document.
- The ICR is for processing of fees mandated by Congress. No provision in the law allows for remuneration of respondents.
- This information collection activity utilizes automation to the extent practicable without electronic reporting and payment. For example, the name and address of each respondent is pre-printed by computer, alleviating the registrant of the burden of writing it in. A computer generated listing of products is also provided, and the registrant must only circle an appropriate keyword (CAN, PAY) etc. Because the regulated community runs the gamut from large multinational corporations to small sole proprietor firms, some with limited technological capabilities, the Agency makes available a simple filing form and the ability to make electronic reporting and payment.
- As discussed in Section 4(c), this form requires the minimum amount of information from all firms.
- This collection activity does not apply to grantees.

The collection activities for pesticide registration fee waivers comply with the guidelines for information collections under the PRA. There is no record keeping requirement for information submitted under this information collection.

A registration applicant eligible for a fee waiver or exemption must submit their signed request for the waiver, certification of eligibility, and required documentation demonstrating eligibility. The industry has developed a form for the small business fee waiver request. Many requesters use this form, although the Agency does not require it. Most waivers are granted based on the small business status of the applicant, and Confidential Business Information is included in their submission (e.g., gross global revenues, business structures and employment levels). Although EPA would accept waiver requests sent in Adobe PDF format on CD-ROM, the Agency's expectation based on experience is that the majority of registrants want to send their requests in writing with ink signatures. In the future, if it appears that electronic submission of waiver requests by e-mail is beneficial and feasible for respondents and EPA, we will seek to facilitate such submissions.

### 3(f) Confidentiality

Product registration maintenance fee information submitted by pesticide registrants under this ICR is considered by OPP to contain no confidential business information (CBI). If, however, registrants submit data that contains CBI or relates to trade secrets or commercial or financial information, such information is protected from disclosure under section 10 of FIFRA.

The information requested to document fee waiver or exemption requests may contain CBI. However, data and/or information submitted to the Agency in conjunction with service fee waiver or exemption requests may be claimed as trade secret or commercial or financial information and will be protected from disclosure under FIFRA section 10 and the associated regulation as contained in 40 CFR Part 2, Subpart B. Information claimed as CBI is protected from public disclosure unless the Administrator determines that disclosure is in the public interest. OPP routinely handles CBI data, and personnel are familiar with security procedures in accordance with provisions of the FIFRA Confidential Business Security Manual to ensure confidentiality. If any information is submitted that applicants claim as confidential, the Agency will employ the established procedures for handling such material.

### 3(g) Sensitive Questions

No information of a sensitive or private nature is requested in conjunction with this collection activity. Further, this information collection activity complies with the provisions of the Privacy Act of 1974 and OMB circular A-108.

## 4. THE RESPONDENTS AND THE INFORMATION REQUESTED

### 4(a) Respondents/NAICS Codes

The North American Industrial Classification System (NAICS) codes assigned to the parties responding to this information collection are as follows:

| <u>NAICS Code</u> | <u>Category</u>   | <u>Description</u>   |
|-------------------|---|--|
| 32532             | Pesticide and other agricultural chemical manufacturing | individuals or entities engaged in activities related to the registration of a pesticide product |
| 32518             | Other Basic Inorganic Chemical Manufacturing            | manufacturers of inorganic chemicals used as inert ingredients in pesticide products             |
| 32519             | Other Basic Organic Chemical Manufacturing              | manufacturers of organic chemicals used as inert ingredients in pesticide products.              |
| 9641              | Regulation of Agricultural Marketing and Commodities    | Includes government establishments responsible for agricultural pest and weed regulation.        |

### 4(b) Information Requested

Annually, the Agency provides registrants with a list of their products currently registered with the Agency. Registrants are provided the opportunity to review the list, determine its accuracy, and remit payment of the maintenance fee. The list of products has space identified for marking those products to be supported and those products that are to be canceled. The registrants are also instructed to identify any products on the list which they believe are transferred to another company, and to add to the list any products which the company believes are registered that are not on the Agency-provided list. Respondents complete and submit EPA Form 8570-30 (Attachment D) indicating the respondent's liability for the registration maintenance fee. Each affected firm is required to complete the filing form and submit their fee payment by January 15 of each year. The failure to pay the required fee for a product will result in cancellation of that product's registration.

#### **4(b)(i) Data Items, Including Record Keeping Requirements**

##### **Pesticide Product Registration Maintenance Fees**

|  |  |
|--|--|
| Data Item A --<br>Registrant<br>Identification                     | Registrant Name and Address are pre-printed. The registrant needs to complete this section only to indicate a name and/or address change.  |
| Data Item B --<br>EPA Company<br>Numbers                           | If a firm has been assigned more than one company number, the firm may combine its fee payments under a single number by writing in all of the company numbers for which the firm is paying.   |
| Data Item C --<br>Maintenance Fee<br>Calculation                   | The respondent must fill in the number of registrations for which he is paying the fee, number of registrations which he believes to be transferred, number of registrations to be canceled, number of registrations which he believes to be in error, total fee amount due, and check number. |
| Data Item D --<br>Authorized Company<br>Representative or<br>Agent | The respondent must print the name and title of the company representative or agent. The respondent must sign and date the form, and provide the telephone number of the respondent.   |
| Data Item E<br>Small Business<br>Waiver                            | A small business seeking the small business cap and/or a 25% waiver on their first product's maintenance fee must submit the necessary information to substantiate their claim.  |

##### **Pesticide Registration Service Fee Waivers**

A registration applicant who seeks a small business waiver must submit a waiver request with appropriate documentation demonstrating that he meets the criteria established in the PRIA, i.e., that he has fewer than 500 employees and has no more than \$60 million in annual global gross revenue from pesticides, averaged over the most recent three maintenance fee billing cycles, including any such revenue from affiliates. For this purpose, the applicant may be required to submit documentation regarding numbers of employees and, on behalf of itself and its affiliates, gross revenue figures, and information on revenue from pesticides over a three-year period.

A registration applicant who seeks a minor use waiver or exemption must provide supporting documentation that anticipated revenues from the uses that are the subject of the application would be insufficient to justify imposition of the full registration fee.

A registration applicant seeking an IR-4 exemption must merely request the waiver on Form 8570-1 (*Application for Pesticide Registration*, approved under OMB Control #2070-0060) and submit the application at the same time that the IR-4 tolerance petition is submitted. The Agency will, in turn, determine whether the application is solely associated with a tolerance petition submitted by IR-4 and that the waiver is in the public interest.

Although there is no record keeping requirement, PRIA provides that an application shall be subject to a registration service fee if, at any time, EPA determines that (i) the documentation supporting the waiver request is not accurate or (ii) based on the documentation or any other information, the waiver or reduction should not have been granted. Therefore, it is anticipated that applicants will retain copies of their submissions as well as documents demonstrating that the applicant is eligible for the waiver or reduction.

Currently no EPA forms are associated with this information collection activity. The Agency will accept information that is submitted in any format that meets the requirements of the statute.

#### **4(b)(ii) Respondent Activities**

##### **Pesticide Product Registration Maintenance Fees**

Activities in which a registrant must engage in order to comply with this collection include the following:

|                               |   |
|-------------------------------|---|
| Read instructions             | Read accompanying instructions to understand how to fill out form, annotate list of registrations, and calculate fee due.   |
| Plan Activities               | Plan the activities necessary to respond to the billing.  |
| Review Information            | Review the attached listing of registrations and compare to the firm's records.   |
| Complete Paperwork            | Annotate attached listing of registrations to indicate which products the respondent is paying and which products are to be canceled or transferred.                            |
| Document small business claim | Provide required information to substantiate small business cap and/or 25% first product fee reduction claim  |
| File Information              | Maintain a copy of the form in company files. Although this is not required, the Agency assumes that most companies will retain this information as a common business practice. |

The existing paper version form is printed on 3 part NCR paper. The respondent sends one copy along with payment to the Headquarters Accounting Operations Branch Lock Box in St. Louis and the second copy together with the annotated list of products to OPP via a designated Washington D.C. area mail box. The third copy is retained by the respondent for his own records. Information contained on the forms returned to OPP is used to check and ensure that the proper amount of fees have been submitted by each registrant. In the past there has been a need for follow-up with some registrants when the information provided indicates that there has been a misunderstanding of the requirements. For the most part these have been handled by telephone. There is also a toll free information line available which registrants may use to ask questions and resolve problems regarding their maintenance fee



payments. The information provided also serves as an update for pesticide product information files. Updates of the Agency's files are an ongoing process.

### **Pesticide Registration Service Fee Waivers**

Guidance on the content and submission of fee waiver requests is available on EPA's website at <http://www.epa.gov/pesticides/fees/questions/waivers.htm> (also, see Attachment E). If a registration applicant wishes to request a fee waiver or exemption, at a minimum, it must undertake the following activities:

- Generate and submit the necessary materials to support the request.
- Indicate that a waiver or exemption is requested and that the appropriate documentation supporting the request is enclosed or has been otherwise submitted to the Agency.

## **5. THE INFORMATION COLLECTED - AGENCY ACTIVITIES, COLLECTION METHODOLOGY, AND INFORMATION MANAGEMENT**

### **5(a) Agency Activities**

#### **Pesticide Product Registration Maintenance Fees**

The following Agency activities are necessary to process the information request:

|                    |  |
|--------------------|--|
| Develop Letter     | Prepare a cover/transmittal letter to be included in the package.  |
| Answer Questions   | Staff a toll free information line to respond to any questions that respondents have regarding payment requirements.                 |
| Review Submissions | Review submitted forms and annotated listings for completeness.  |
| Record Submissions | Record information provided by respondents into a tracking system. Make adjustments to Product Information Master Files as required. |
| Verify Payments    | Cross check payment information from Financial Management Division to ensure that payment has been received.                         |
| Store Data         | Image all forms, listings, and telephone conversation logs for archiving.  |

### **Pesticide Registration Service Fee Waivers**

The Agency is expected to engage in the following activities:

- Review and evaluate fee waiver requests. Notify applicant of decision.
- Verify payments. Cross check payment information from Financial Management Division.
- Store the data. Image all forms, listings, telephone conversations, etc., for archiving.

## **5(b) Collection Methodology and Management**

### **Pesticide Product Registration Maintenance Fees**

For the past 17 years, the Agency has employed the same method of collecting maintenance fees. This method involves using OPP master files of product information to identify the firms to which the billing information is to be sent. Computer generated listings of products are mailed to each firm along with the Maintenance Fee Filing Form. The registrant is instructed to circle the word PAY, CAN, XFR, ERR, next to each Registration Number to indicate if he wants to pay for the registration, cancel the registration, indicate if he believes that the registration was transferred, or if the registration is listed in error.

The list of registrations is pre-loaded into a tracking file, and only the PAY, CAN, XFR, ERR indicator is keyed manually for each product. Company name and address information is also pre-loaded reducing the data entry burden for the maintenance fee filing forms. The total number of products for each company is calculated by computer, and totals entered from the filing form are verified by computer to ensure that all items balance. In addition, data entry for all forms is quality checked visually.

Receipt of payment is entered by the Financial Management Division into the Integrated Financial Management System (IFMS). This information is then extracted and posted to the maintenance fee tracking system to close out each record. Results are made available to OPP staff on request as soon as the information is entered into the tracking system.

EPA implemented electronic payment of maintenance fees via <http://www.pay.gov> in the FY08 collection cycle. Currently, 34% of maintenance fee payments are received electronically; this represents an increase of about 14% over the last ICR.

### **Pesticide Registration Service Fee Waivers**

Fee payments are sent to the Financial Management Division in St. Louis, MO and entered in to the Agency's Integrated Financial Management System (IFMS). Payment information is extracted from IFMS and loaded into OPP's tracking system (OPPIN). Payment is due at time of application. If additional payment is required, invoices are generated and sent both electronically and in paper. All payments and invoices are generated electronically and tracked in OPPIN. Incoming letters, fee waiver and exemption applications, mail receipts, petitions, and other types of correspondence from registrants will be retained in hard copy for a period of time and then imaged for long term electronic storage.

Procedures for evaluating fee waiver and exemption requests will not change. Information and materials submitted to justify a fee waiver are screened for completeness by the receiving division. Economic data are sent to OPP's Biological and Economic Analysis Division for analysis. The Agency will keep applicants informed of the status of the waiver application throughout the process by telephone and by mail.

## **5(c) Small Entity Flexibility**

The Agency's filing form for the submission of maintenance fees requires the minimum amount of information needed to provide adequate communication between pesticide product registrants and the Agency. The needs of small businesses were of primary concern in designing the filing form. The

respondents are asked to provide only readily available information. To qualify business must: 1) provide the necessary data to demonstrate that the entity qualifies as a small business, 2) identify products that firms wish to continue to support. In 2012 the fee structure was changed to provide a 25% discount on the first product supported. Therefore, qualified small businesses with five or fewer products receive a benefit from the discount.

Small businesses may also request a waiver of the registration service fee. A waiver applicant must demonstrate that it meets the criteria as outlined in PRIA. The information that needs to be compiled in order to make this determination is information that companies routinely collect and maintain in the normal course of business.

#### 5(d) Collection Schedule

The payment of maintenance fees for all pesticide products is mandated in FIFRA to occur annually. Thus, there can be no option other than to require a minimum submission of the filing form once a year. Less frequent information collection in this area would violate the statute.

The registration service fee is collected each time a registrant submits a registration application. The applicant must either pay a fee or request and be granted a waiver or exemption for each registration application submitted if the application is within the scope of one of the 140 fee categories.

## 6. ESTIMATING THE BURDEN AND COST OF THE COLLECTION

### 6(a) Estimating Respondent Burden

#### Pesticide Product Registration Maintenance Fees

Experience has shown that the average burden per respondent has remained at approximately 1 hour. The agency believes that the number of actual burden hours has remained steady due to the fact that registrants now have 20 years of experience. In 2013 there were 1,744 firms with registrations. A summary of firms and their number of registrations is provided below.

**Table 1. Number of Registrations Held by Registrants (Summary)**

| Number of Products | Number of Registrants | Registrants Cumulative Total | Cumulative % |
|--------------------|-----------------------|------------------------------|--------------|
| 1 – 5              | 1,337                 | 1,337                        | 77%          |
| 6 – 10             | 156                   | 1,493                        | 86%          |
| 11 – 20            | 100                   | 1,593                        | 91%          |
| 21 – 50            | 84                    | 1,677                        | 96%          |
| 51 - 100           | 32                    | 1,709                        | 98%          |
| > 100              | 35                    | 1,744                        | 100%         |

Based on consultations with several respondents, both in the past and for this ICR renewal, we believe that the average time required to complete the maintenance fee filing form depends upon the number of registrations held by the registrant. Below is the breakdown of the burden associated with the maintenance fee filing based on registrant-supplied information.

**Table 2. Respondent Burden, by Number of Registrations Held**

| Number of Products | Average Hours | Number of Registrants | Total Hours |
|--------------------|---------------|-----------------------|-------------|
| 1 – 5              | 1.0           | 1,337                 | 1,337       |
| 6 – 10             | 0.75          | 156                   | 117         |
| 11 – 20            | 1.0           | 100                   | 100         |
| 21 – 50            | 2.0           | 84                    | 168         |
| 51 – 100           | 3.0           | 32                    | 96          |
| > 100              | 5.0           | 35                    | 175         |
| Totals             |               | 1,744                 | 1,993       |

PAPERWORK BURDEN: 1,993 (total hours) / 1744 (number of respondents) = 1.14 hours per response (rounded to two decimals).

### Pesticide Registration Service Fee Waivers

In calculating the potential respondent burden, the Agency estimated 307 responses per year for requesting fee waivers or reductions or exemptions, based on the numbers of fee waiver or exemption applications during the maintenance fee cycle for FY2012.

IR-4 waiver requests are not accounted for in this burden estimation. To be eligible for the IR-4 exemption under PRIA 2, the application must be solely associated with a tolerance petition submitted by the IR-4 program and the exemption must be in the public interest. To facilitate this request, the applicant may simply include the statement "This application is being submitted with a tolerance petition submitted in connection with IR-4. I request EPA to exempt the registration service fee for this application under the IR-4 waiver provisions of FIFRA Section 33(b)(7)(E)" on Form 8570-1 (Application for Pesticide Registration). Burden hours associated with completing this form are already covered by the ICR entitled "*Application for New or Amended Registration*" approved under OMB Control Number 2070-0060. EPA is not requiring registrants to submit additional information. The Agency will determine whether the application is solely associated with a tolerance petition submitted by IR-4 and whether the exemption is in the public interest.

Minor use waiver or exemption requests are not considered in estimating respondent burden because since March 23, 2004, only thirteen requests have been received out of several thousand applications.

There are three types of small business waiver applications. The first type, Type A, is a first-time applicant requesting fee waiver or reduction. The second type, Type B, is an application requesting another fee waiver or reduction within the same maintenance fee billing cycle. The third type, Type C, is from an applicant who has applied for a fee waiver in a prior maintenance fee billing cycle but not in the current cycle. EPA assumes that the respondent burden and cost for the Type B application is the lowest because Type B applicants will only need to certify that there have been no changes to the information previously submitted or, in the alternative, only provide documentation with respect to those elements that have changed. Type C applications, on the other hand, will need to submit all the documentation supporting the waiver request, providing updated financial and employee information. EPA assumes, however, that the cost and burden on most Type C applicants will be less than first time applicants because applicants will already be familiar with the waiver requirements and, in many cases, should have a portion of the supporting financial and business affiliation documentation readily available. The cost and burden on the Type A applicants will be the same as those for the first-year applicants.

Type A applicants have the most burden because EPA assumes that every new applicant seeking a waiver of the registration service fee will want to familiarize him/herself with the criteria from the outset. Thus this burden is considered a one-time burden that will occur the first time the applicant submits a registration application under the PRIA.

Based on the number of waiver requests EPA actually received during FY 2012, EPA estimates that less than 1600 requests for registration actions will be received per year, of which 307 will request fee waivers or reductions. Of the 307 responses EPA estimates that 11% (34 out of 307) will be the first-time applicants (Type A), 59% (181 out of 307) will be the Type B applications, and 30% (92 out of 307) will be Type C applications each year, EPA estimates of respondent burden hours per response, for each of the three response types, were corroborated by representative respondents in consultations (see section 3(c) of this supporting statement) and have not been revised for this ICR renewal. The burden per response, number of responses, and total burden for each of the three response types are presented in Tables 4, 5, 6, and 10.

## **6(b) Estimating Respondent Costs**

### **Labor Costs**

OPP uses labor cost estimates from the BLS (Bureau of Labor Statistics) with respect to wages, benefits and overhead for all labor categories for affected industries, state government, and EPA employees. This approach provides a transparent and consistent methodology using current publicly-available data to provide more accurate estimates and allow easy replication of the estimates.

*Methodology:* The methodology uses data on each sector and labor type for an *Unloaded wage rate* (hourly wage rate), and calculates the *Loaded wage rate* (unloaded wage rate + benefits), and the *Fully loaded wage rate* (loaded wage rate + overhead). Fully loaded wage rates are used to calculate the paperwork cost.

*Unloaded Wage Rate:* Wages are estimated for labor types (management, technical, and clerical) within applicable sectors. The Agency uses average wage data for the relevant sectors available in the National Industry-Specific Occupational Employment and Wage Estimates from the Bureau of Labor Statistics (BLS) at <http://www.bls.gov/oes/current/oesrci.htm>

*Sectors:* The specific North American Industry Classification System (NAICS) code and website for each sector is included in that sector's wage rate table. Within each sector, the wage data are provided by Standard Occupational Classification (SOC). The SOC system is used by Federal statistical agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data (see [http://www.bls.gov/oes/current/oes\\_stru.htm](http://www.bls.gov/oes/current/oes_stru.htm) ).

*Loaded Wage Rate:* Unless stated otherwise, all benefits represent 44% of unloaded wage rates, based on benefits for all civilian non-farm workers, from <http://www.bls.gov/news.release/ecec.t01.htm>. However, if other sectors are listed for which 44% is not applicable; the applicable percentage will be stated.

*Fully Loaded Wage Rate:* We multiply the loaded wage rate by 50% (EPA guidelines 20-70%) to get overhead costs.

Attachment F contains worksheets providing the breakout of these costs. Costs are based on 2011 data.

To derive the labor rates for this ICR, Agency economists estimated the wages for the management, technical, and clerical labor categories using the methodology cited above. The respondent costs for this renewal for managerial, technical and clerical rates are estimated at \$124, \$61, and \$37 per hour, respectively. These labor rates are fully loaded and include benefits and overhead costs.

EPA expects that applicants will incur minor expenses that are not directly related to paperwork activities, such as the costs of producing photocopies and postage costs. EPA estimates that these costs will average about \$10 per applicant and has factored these costs into the estimated total cost figures. Annual respondent burden and costs could vary with such factors as business structure of waiver applicants and types of information submitted. Therefore, the actual respondent burden and costs to a respondent could be higher or lower than the estimated respondent burden and costs reflected in tables 4, 5, and 6.

### Pesticide Product Registration Maintenance Fees

The upper part table below describes the average burden and costs for completing one maintenance fee filing form. The average total hourly burden was derived from Table 2 and the allocation of the hours between collection activities and types of labor was derived from consultation with a selected group of respondents. The lower part of the table estimates the total annual burden and costs for all respondents.

**Table 3. Average Respondent Paperwork Burden and Costs**

| Collection Activities | Burden Hours       |                      |                  | Total           |                  |
|-----------------------|--------------------|----------------------|------------------|-----------------|------------------|
|                       | Mgmt               | Technical            | Clerical         | Hours           | Costs            |
|                       | \$124.10 per hour  | \$61.21 per hour     | \$36.79 per hour |                 |                  |
| Read instructions     |                    | 0.3                  |                  | 0.3             | \$18.36          |
| Plan activities       | 0.24               |                      |                  | 0.24            | \$29.78          |
| Review information    | 0.24               |                      |                  | 0.24            | \$29.78          |
| Complete Paperwork    |                    | 0.24                 |                  | 0.24            | \$14.69          |
| File Information      |                    |                      | 0.123            | 0.123           | \$4.52           |
| <b>TOTAL</b>          | 0.48               | 0.54                 | 0.123            | 1.143           | \$97.15          |
| Annual Costs          | Hours per response | x Responses per year | = Hours per year | x Wage per hour | = Costs per year |
| Management:           | 0.48               | 1,744                | 837              | \$124.10        | \$103,888        |
| Technical:            | 0.54               | 1,744                | 942              | \$61.21         | \$57,643         |
| Clerical:             | 0.12               | 1,744                | 215              | \$36.79         | \$7,891          |
| <b>TOTAL</b>          | 1.14               | 1,744                | 1,993            |                 | \$169,422        |

Numbers may not calculate exactly because they are displayed as rounded.

## Pesticide Registration Fee Waivers

Table 4. Annual Respondent Burden and Cost Estimates (Type A)

| Collection Activities<br>Type A                             | Burden Hours         |                      |                     | Total           |                  |
|---|----------------------|----------------------|---------------------|-----------------|------------------|
|   | Mgmt                 | Technical            | Clerical            | Hours           | Costs            |
|   | \$124.10<br>per hour | \$61.21<br>per hour  | \$36.79<br>per hour |                 |                  |
| Read regulation and plan activities                         | 7                    | 0                    | 0                   | 7               | \$869            |
| Generate materials for waiver request for submission to EPA | 0                    | 24                   | 0                   | 24              | \$1,469          |
| Store/maintain/submit and produce information               | 0                    | 0                    | 6                   | 6               | \$221            |
| <b>TOTAL</b>  | 7                    | 24                   | 6                   | 37              | \$2,558          |
| Annual Costs  | Hours per response   | x Responses per year | = Hours per year    | x Wage per hour | = Costs per year |
| Management:   | 7                    | 34                   | 238                 | \$124.10        | \$29,536         |
| Technical:  | 24                   | 34                   | 816                 | \$61.21         | \$49,946         |
| Clerical:   | 6                    | 34                   | 204                 | \$36.79         | \$7,504          |
| Total   | 37                   | 34                   | 1,258               |                 | \$86,986         |

## NON-PAPERWORK COSTS:

\$10.00 (postage and paper copies) X 34 responses = \$340.00

## TOTAL ANNUAL RESPONDENT COST (TYPE A):

\$86,986 (paperwork) + \$340.00 (non-paperwork) = \$87,326

**Table 5. Annual Respondent Burden and Cost Estimates (Type B)**

| Collection Activities<br>Type B                             | Burden Hours         |                      |                     | Total           |                  |
|---|----------------------|----------------------|---------------------|-----------------|------------------|
|   | Mgmt                 | Technical            | Clerical            | Hours           | Costs            |
|   | \$124.10<br>per hour | \$61.21<br>per hour  | \$36.79<br>per hour |                 |                  |
| Read regulation and plan activities                         | 2                    | 0                    | 0                   | 2               | \$248            |
| Generate materials for waiver request for submission to EPA | 0                    | 4                    | 0                   | 4               | \$245            |
| Store/maintain/submit and produce information               | 0                    | 0                    | 6                   | 6               | \$221            |
| <b>TOTAL</b>  | 2                    | 4                    | 6                   | 12              | \$714            |
| <b>Annual Costs</b>   | Hours per response   | x Responses per year | = Hours per year    | x Wage per hour | = Costs per year |
| Management:   | 2                    | 181                  | 362                 | \$124.10        | \$44,925         |
| Technical:  | 4                    | 181                  | 724                 | \$61.21         | \$44,315         |
| Clerical:   | 6                    | 181                  | 1,086               | \$36.79         | \$39,949         |
| Total   | 12                   | 181                  | 2,172               |                 | \$129,188        |

**NON-PAPERWORK COSTS:**

\$10.00 (postage and paper copies) X 181 responses = \$1810.00

**TOTAL ANNUAL RESPONDENT COST (TYPE B):**

\$129,188 (paperwork) + \$1810.00 (non-paperwork) = \$130,998



**Table 6. Annual Respondent Burden and Cost Estimates (Type C)**

| Collection Activities<br>Type C                             | Burden Hours         |                      |                     | Total           |                  |
|---|----------------------|----------------------|---------------------|-----------------|------------------|
|   | Mgmt                 | Technical            | Clerical            | Hours           | Costs            |
|   | \$124.10<br>per hour | \$61.21<br>per hour  | \$36.79<br>per hour |                 |                  |
| Read regulation and plan activities                         | 2                    | 0                    | 0                   | 2               | \$248            |
| Generate materials for waiver request for submission to EPA | 0                    | 19                   | 0                   | 19              | \$1,163          |
| Store/maintain/submit and produce information               | 0                    | 0                    | 6                   | 6               | \$221            |
| <b>TOTAL</b>  | 2                    | 19                   | 6                   | 27              | \$1,632          |
| <b>Annual Costs</b>   | Hours per response   | x Responses per year | = Hours per year    | x Wage per hour | = Costs per year |
| Management:   | 2                    | 92                   | 184                 | \$124.10        | \$22,835         |
| Technical:  | 19                   | 92                   | 1,748               | \$61.21         | \$106,992        |
| Clerical:   | 6                    | 92                   | 552                 | \$36.79         | \$20,305         |
| Total   | 27                   | 92                   | 2,484               |                 | \$150,132        |

**NON-PAPERWORK COSTS:**

\$10.00 (postage and paper copies) X 92 responses = \$920.00

**TOTAL ANNUAL RESPONDENT COST (TYPE C):**

\$150,132 (paperwork) + \$920.00 (non-paperwork) = \$110,520

**6(c) Estimating Agency Burden and Cost****Labor Costs**

Agency labor rates are estimated for the relevant technical and clerical staff using the methodology described in 6(b) above. Management, technical and clerical rates are estimated at \$120, \$78 and \$44 per hour, respectively. Labor rates are fully loaded and include benefits and overhead costs.

**Pesticide Product Registration Maintenance Fees**

The cost to the Federal Government for this ICR is estimated to be \$90,454. This estimate has two components. The first is the annual costs of generating listings and conducting mass mailings as well as pre-loading tracking data. The Agency estimates that these activities cost \$1,639. The second component is the per submission costs totaling \$88.815 (see annual number of actions in Table 2). The Agency expends no management hours in processing maintenance fee submissions.

**Table 7. Agency Burden Hours per Filing Form and Total Cost**

| Collection Activities          | Burden Hours     |                  | Total per Activity |         | Annual Number of Actions | Total all Activities |          |
|--------------------------------|------------------|------------------|--------------------|---------|--------------------------|----------------------|----------|
|                                | Technical        | Clerical         | Burden Hours       | Cost    |                          | Burden Hours         | Cost     |
|                                | \$77.85 per hour | \$44.05 per hour |                    |         |                          |                      |          |
| Generate Listings/Mass Mailing | 8                | 16               | 24                 | \$1,328 | 1                        | 24                   | \$1,328  |
| Pre-load Tracking Data         | 4                |                  | 4                  | \$311   | 1                        | 4                    | \$311    |
| Receive/Review Submissions     |                  | 0.2              | 0.2                | \$9     | 1,744                    | 349                  | \$15,364 |
| Enter Data into Tracking Sys.  |                  | 0.2              | 0.2                | \$9     | 1,744                    | 349                  | \$15,364 |
| Reconcile Discrepancies        | 0.5              |                  | 0.5                | \$39    | 100                      | 50                   | \$3,892  |
| Respond to Questions           | 0.5              |                  | 0.5                | \$39    | 300                      | 150                  | \$11,677 |
| Verify Payment                 | 0.2              |                  | 0.2                | \$16    | 1,744                    | 349                  | \$27,154 |
| File Documents                 |                  | 0.2              | 0.2                | \$9     | 1,744                    | 349                  | \$15,364 |
| <b>TOTAL</b>                   | NA               | NA               | NA                 | NA      | NA                       | 1623                 | \$90,454 |

### Pesticide Registration Fee Waivers

The Agency's burden consists of reviewing, evaluating, and notifying applicants of the Agency's decision to grant or deny fee waiver requests; entering data into tracking systems; verifying fee payment; and storing/maintaining this information. Table 8 estimates EPA's burden for performing these activities.<sup>1</sup>

<sup>1</sup> All table totals have been rounded to the nearest dollar or hour.

**Table 8. Annual Agency Burden and Cost Estimates**

| Collection Activities  | Burden Hours             |                            |                     | Total              |                     |
|--|--------------------------|----------------------------|---------------------|--------------------|---------------------|
|  | Mgmt                     | Technical                  | Clerical            | Hours              | Costs               |
|  | \$120.32<br>per hour     | \$77.85<br>per hour        | \$44.05<br>per hour |                    |                     |
| Review submitted waiver request and notify requestor of decision | 1                        | 20                         | 2                   | 23                 | \$1,765             |
| Enter data into tracking systems                                 | 0                        | 0                          | 0.5                 | 0.5                | \$22                |
| Verify payment   | 0                        | 0                          | 0.5                 | 0.5                | \$22                |
| Store/maintain/submit information                                | 0                        | 0                          | 1                   | 1                  | \$44                |
| <b>TOTAL</b>   | 1                        | 20                         | 4                   | 25                 | \$1,854             |
| Annual Costs   | Hours<br>per<br>response | x<br>Responses<br>per year | = Hours<br>per year | x Wage<br>per hour | = Costs<br>per year |
| Management:  | 1                        | 307                        | 307                 | \$120.32           | \$36,938            |
| Technical:   | 20                       | 307                        | 6,140               | \$77.85            | \$477,999           |
| Clerical:  | 4                        | 307                        | 1,228               | \$44.05            | \$54,090            |
| Total  | 25                       | 307                        | 7,675               |                    | \$569,027           |

**6(d) Bottom Line Burden Hours and Cost Tables****Table 9. Total Annual Respondent and Agency Burden and Costs for Pesticide Product Registration Maintenance Fees**

|                   | TOTAL ESTIMATES |           |
|-------------------|-----------------|-----------|
|                   | Burden Hours    | Costs     |
| Respondent Burden | 1,993           | \$169,422 |
| Agency Burden     | 1,623           | \$90,454  |

**Table 10. Total Annual Burden and Cost Estimates for Pesticide Registration Fee Waivers**

|  | TOTAL ESTIMATES |           |
|--|-----------------|-----------|
|  | Burden Hours    | Costs     |
| Type A   | 1,258           | \$86,986  |
| Type B   | 2,172           | \$129,188 |
| Type C   | 2,484           | \$150,132 |
| <b>Total Applicant -Annual</b><br>(Type A + Type B + Type C) | 5,914           | 366,306   |
| <b>Agency - Annual</b>                                       | 7,675           | \$569,027 |

**Table 11. Combined Respondent Burden for the Pesticide Registration Fees Program ICR**

| PROGRAMS                                       | TOTAL ESTIMATES |                  |
|--|-----------------|------------------|
|  | Burden Hours    | Costs            |
| Pesticide Product Registration Maintenance Fee | 1,993           | \$169,422        |
| Pesticide Registration Fee Waivers             | 5,914           | \$366,306        |
| <b>Total</b>                                   | <b>7,907</b>    | <b>\$535,728</b> |

### 6(e) Reasons for Change in Burden

The total annual burden for respondents associated with pesticide product registration maintenance fee is 1,993 hours, up from 1,651 hours, previously. The reason for the increase was a refinement in the estimate per response from 0.96 to 1.14 hours and a slight increase in the number of responses. Costs also increased since the last renewal because of labor cost increases.

The total estimated annual respondent burden for the pesticide registration service fee waivers information collection has increased slightly, from 5,611 hours in the existing ICR to 5,914 hours for this renewal, due to a slight increase in the number of responses. The average estimated burden per response for each of the three types of applications has not changed: 37 hours for Type A, 12 hours for Type B, and 27 hours for Type C. In addition, the estimated annual O&M costs associated the 3 types of small business waiver applications have increased slightly, from \$2,930 to \$3,070. In this renewal request, the annual number and distribution of responses among the three types are based on actual responses received.

These changes are adjustments.

### 6(f) Burden Statement

The annual "respondent" (applicant) burden for the **Pesticide Product Registration Maintenance Fee** program is estimated to average 1.14 hours per form, or per respondent, as there is one form per respondent. The annual public reporting and recordkeeping burden for the collection of information for **Pesticide Registration Service Fee Waivers** is estimated to range between 12 and 37 hours per response, depending upon which of 3 types of small business waiver applications is submitted (as described in section 6(a) of this supporting statement). Under PRA, "burden" is defined at 5 CFR 1320.3(b).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information that is subject to the PRA unless the Agency displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in title 40 of the CFR, after initial display in the final rule, are listed in 40 CFR part 9. Since the collection activities in this ICR are contained in the statute and not a current regulation, the OMB control number for this collection activity appeared in the Federal Register, and on the collection instruments.

The Agency has established a public docket for this ICR under Docket ID No. EPA-HQ-OPP-2013-0287, which is available for online viewing at <http://www.regulations.gov>, or in person viewing at

the OPP Regulatory Public Docket in Rm. S-4400, One Potomac Yard (South Building), 2777 S. Crystal Drive, Arlington, VA. This docket facility is open from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The docket telephone number is (703) 305-5805. You may submit comments regarding the Agency's need for this information, the accuracy of the provided burden estimates and any suggested methods for minimizing respondent burden, including the use of automated collection techniques.

Submit your comments, referencing Docket ID No. EPA-HQ-OPP-2013-0287 to (1) EPA online using [www.regulations.gov](http://www.regulations.gov) (our preferred method), or by mail to: OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), Mail code: 28221T, 1200 Pennsylvania Ave., NW, Washington, DC 20460, and (2) OMB by mail to: Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Attention: Desk Officer for EPA, 725 17th Street, NW, Washington, DC 20503. Since an OMB Control Number has not yet been assigned to this ICR, please include docket ID No. EPA-HQ-OPP-2013-0287 in any correspondence but do not submit any fees or fee waiver requests to these addresses.

## ATTACHMENTS TO THE SUPPORTING STATEMENT

All of the attachments listed below can be either found in the docket for this ICR, or a link to the source is provided (unless otherwise noted); accessible electronically through <http://www.Regulations.gov>. On the main page, select **Advanced Search** from the menu bar at the top and select **Docket Search**. Enter the Docket ID Number, **EPA-HQ-OPP-2013-0287** in the **Docket ID** field. Click on the **Submit button**. From the results page, you will be able to link to the docket view or directly open select documents found in the docket.

- Attachment A** The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Section 4(i)(5) is available as part of the docket EPA-HQ-OPP-2013-0287.
- Attachment B:** Pesticide Registration Improvement Extension Act (PRIA 3) fees. Available electronically at <http://www.epa.gov/pesticides/regulating/fees/tool/category-table.html>
- Attachment C:** Guidance on IR-4 Exemptions. Available electronically at [http://www.epa.gov/pesticides/fees/questions/guidance\\_ir-4.htm](http://www.epa.gov/pesticides/fees/questions/guidance_ir-4.htm)
- Attachment D:** EPA Form 8570-30 - Pesticide Registration Maintenance Fee Filing Form is available as part of the docket EPA-HQ-OPP-2013-0287.
- Attachment E:** Guidance on How to Request Small Business Fee Waivers. Available electronically at <http://www.epa.gov/pesticides/fees/questions/waivers.htm>
- Attachment F:** Worksheet for Estimating OPP ICR Wage Rates for Industry, and EPA Labor is available as a docket attachment EPA-HQ-OPP-2013-0287.
- Attachment G:** Consultations – Stakeholder response to consultation questions are available as part of the docket EPA-HQ-OPP-2013-0287.