



## United States Department of Agriculture

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Agricultural Marketing Service, Specialty Crops Program, Specialty Crops Inspection Division

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### **PATCH # 036**

**DOCUMENT:** General Market Manual October 2017

**REMARKS:** The following guidance is being issued to further set Specialty Crops Inspection Division (SCI) policy regarding Terminal Market Inspection (TMI) fees. The increment for charging Premium Time (Overtime) and Premium Time (Federal Holiday) has been changed to ¼ hour increments. Please review the following guidance and APPENDIX II – SCHEDULE OF USER FEES for the updated information and fees. The following guidance will be included in a General Market Manual revision.

### **Determining Lot Quantities**

When fees are calculated on a lot basis, use Appendix IV “Table of Carlot Equivalents” to determine whether the quantity of product requested for inspection represents “over half a lot” or “equal to or less than half a lot.” For container sizes not listed in the table, determine the number of packages in a full lot by dividing the weight per trailer load by the weight of the package. Divide this result by two to determine the number of packages in a half lot. Product unloaded directly from the same over the road, land or air transportation shall not be charged more than a carlot fee for a single lot of the same product when it is determined that it exceeds a carlot equivalent.

### **Lot Quantities of 50 Packages or Less**

Quality and condition and condition only inspections for lots of 50 Packages or less will be charged the same rate as Quality and Condition or Condition Only Inspections for Additional Lots of the Same Product as listed in Appendix II-Schedule of User Fees.

### **Bulk Bins**

For product in bulk bins, determine the number of packages by dividing the net weight of the product in the bulk bin by the net weight of the package most typically used for that product. Then multiply that figure times the number of bulk bins to determine if the lot is “over half a lot” or “equal to or less than half a lot.”

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## **Weight, Freezing, Count, Size, or Temperature Inspections**

Fees for weight, freezing, count, size, or temperature inspections are charged as follows:

- Weight only - Hourly Based Inspection Services rate with a 2-hour minimum;
- Weight in combination with quality and/or condition - lot fee plus one Hourly Based Inspection Services hour;
- Freezing, count, size, or temperature only - Hourly Based Inspection Services rate with ½ hour minimum;
- Freezing in combination with quality and/or condition - lot fee;
- Count or size with condition only - quality and condition lot fee.

All inspections that are restricted to an individual factor(s), other than condition only, must be billed on a lot basis based on the type of factor(s) being inspected, e.g. quality and/or condition.

## **Dockside Inspections**

Dockside inspections of an individual product unloaded directly from the same ship will be charged according to the package weight dependent on if the packages weigh less than 30 pounds or if they weigh 30 pounds or more. Minimum charge per individual product will be at the Minimum Charge per Individual Product for Dockside Inspection rate. A minimum charge for each additional lot of the same product will be at the Dockside Inspections for Additional Lots of the Same Product rate.

When performing inspections of products in sea containers unloaded directly from sea transportation, or when palletized products unloaded directly from sea transportation are not offered for inspection at dockside, lot fees apply. However, when palletized products are offered for inspection at dockside but the inspection service and the applicant, for reasons of efficiency or to facilitate the inspection process, agree to inspect the product(s) at another location, the package fee for dockside inspections will apply.

## **Contract Inspections**

Terminal Market inspections (including those performed under Section 8e for imports) performed on a contract basis must be charged at the Hourly Based Inspection Services rate. Contract basis consists of a written and approved service agreement between SCI or a Federal-State Inspection Program and an applicant. Under a contract basis inspection services are provided on a commitment basis where an on-duty inspector is provided for a predetermined time period, normally forty hours per work week. For additional inspectors requested to provide additional inspection work at a contract site, the normal lot rate must be charged.

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## **Inspection for Products under Canadian Import Requirements**

When an SC-205 is requested for product on which an unrestricted inspection has been previously performed that proved the product met Canadian Import Requirements, and that certificate is still valid as per established time frames, a subsequent inspection is not required and the fee for issuing the SC-205 must be charged on an Hourly Based Inspection Services basis with a ½ hour minimum. In these instances the original certificate is referenced on the SC-205. For lots not previously inspected or where the timeframe for the certificate has expired, detailed notesheets are required and fees must be based on the lot equivalency rate for Quality and Condition. This same policy applies to the issuance of export forms of apples and table grapes.

## **All Other Types of Inspections Performed**

For all other types of inspections (i.e., product certification for Department of Defense contractors, State institutions, and tree nut inspections; etc.), the fees must be based on the time spent on-site performing the inspection and must be charged on an Hourly Based Inspection Services basis with a ½ hour minimum for work performed during the grader's regularly scheduled work week.

### **Premium Time (Overtime)**

#### Lot or Packaged Based Inspections

In addition to the lot or package based inspection service fee, charge the Premium Time (Overtime) for Lot or Packaged Inspection Based rate as listed in Appendix II-Schedule of User Fees, when this service type is performed outside the employee's normal tour of duty hours. This rate is ½ the Hourly Based Inspection Services rate, rounded up to the nearest whole dollar. Charge in ¼ hour increments, rounded up to the nearest ¼ hour.

#### Hourly Based Inspections

In addition to the hourly based inspection service fee (i.e. under an hourly contract, net weight, temperature only, etc.), charge the Premium Time (Overtime) Hourly Inspection Based rate as listed in Appendix II-Schedule of User Fees, when this service type is performed outside the employee's normal tour of duty hours. Charge in ¼ hour increments, rounded up to the nearest ¼ hour.

### **Premium Time (Federal Holiday)**

#### Lot or Packaged Based Inspections

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In addition to the lot or package based inspection service fee, charge the Premium Time (Holiday) for Lot or Packaged Inspection Based rate as listed in Appendix II-Schedule of User Fees, when this service type is performed by a Federal employee during normal tour of duty hours on a Federal Holiday. Charge the regular overtime rate for hours before or after the normal tour of duty hours. This rate is ½ the Hourly Based Inspection Services rate, rounded to the nearest whole dollar. Charge in ¼ hour increments, rounded up to the nearest ¼ hour.

#### Hourly Based Inspections

##### A. Within Normal Tour of Duty

In addition to the hourly based inspection service fee (i.e. under an hourly contract, net weight, temperature only, etc.), charge the Premium Time (Holiday) Hourly Inspection Based Within Normal Tour of Duty rate as listed in Appendix II-Schedule of User Fees, when this service type is performed by a Federal employee on a Federal Holiday within the employee's normal tour of duty hours. Charge in ¼ hour increments, rounded up to the nearest ¼ hour.

##### B. Outside Normal Tour of Duty

In addition to the hourly based inspection service fee (i.e. under an hourly contract, net weight, temperature only, etc.), charge the Premium Time (Holiday) Hourly Inspection Based Outside Normal Tour of Duty rate as listed in Appendix II-Schedule of User Fees, when this service type is performed by a Federal employee on a Federal Holiday outside of the employee's normal tour of duty hours. Charge in ¼ hour increments, rounded up to the nearest ¼ hour.

#### **Request for Additional Certificate Copies**

Requests for additional certificate copies of an occasional nature are provided free as part of good customer service and in promotion of our services. However, when requests involve a significant number of certificates, occur frequently, or involve considerable administrative resources the time spent completing the request must be charged on an Hourly Based Inspection Services basis with a ½ hour minimum.

#### **Waiting Time Charges**

A charge for waiting time must be made at the Hourly Based Inspection Services rate (rounded to the nearest ½ hour) in addition to the lot, package, or hourly fees when an inspection is delayed because the product is not available or not readily accessible. When waiting time is charged state under "Remarks" on the certificate that the fee includes a charge for waiting time.

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## **Travel charges**

A charge for travel expenses must be applied in addition to the lot, package, or hourly fees in accordance with approved Division guidance. These fees may include; airfare, mileage, tolls, parking fees and travel time. If multiple services for the same applicant are performed during the same service visit, travel charges must be divided equally among all certificates. Guidance for charging applicants for travel-related expenses by Federal and Federal/State terminal market inspection offices, and the procedures to be used in calculating travel charges for typical non-contract service situations can be found within the Terminal Market Travel Charge Policy.

## **Mixed Loads**

When multiple products are inspected and:

- A continuation certificate is needed for products from the same shipper:
  - The fee is determined on each individual product;
  - For hand written certificates: the total fee for all products must be shown on the first certificate only, and draw a line in the fee block on each continued certificate and make a statement in the Remarks section such as “Fees charged on Certificate No. 999999.”
  - For FEIRS certificates total fee is shown on the first lot only with “See Page 1” in the fee block on each continued lot on the certificate.
- The applicant requests separate certificates for each shipper and/or product:
  - Separate certificates must be issued for each lot as requested by the applicant;
  - The fee must be determined and reported on each certificate according to the quantity of product or time spent on each certificate.

## **Lots in Excess of a Full Lot (i.e., Railcars or Break Bulk unloaded from a ship)**

When lots are in excess of the standard lot equivalent the following rule should apply:

- Charge only full lot fee until the quantity reaches ¼ more than the standard lot equivalent. For each additional complete ¼ lot, charge an additional ¼ lot fee.
- This rule does not apply for lots loaded or unloaded from a single over the road conveyance when the quantity is in excess of the standard lot equivalency, (e.g. 50 foot trailer).

## **Charges for Restricted Inspections**

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Restricted inspections are charged on the basis of the quantity certified, regardless of the restriction. When the inspection is specifically requested on a single brand or grade, the charges must be based on the quantity inspected. For example: the trailer contains both Brand X and Brand Y; however, the applicant requested only Brand Y to be inspected. The fee is based on the quantity of brand Y only. The notesheet and certificate must show a remark such as; “Restricted to above noted lot only, trailer contains other product not covered by this inspection.”

### **Appeal Inspections**

Fees for appeal inspections must be charged as normal except as follows:

- When appeal inspection results reverse the original inspection results, and the same applicant was already charged for the original inspection, no inspection fee will be charged; only applicable travel expenses and/or overtime must be assessed.
- On market inspections that reverse shipping point inspections, the receiver must be charged as normal.

### **Responsibility for Payment of Fees**

The applicant is responsible for payment of all fees and expenses incurred in providing the requested inspection service. Financially interested parties other than the applicant must not be billed by the inspection service. If another financially interested party requests an inspection they must be listed as the applicant before the inspection will be made.

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## APPENDIX II – SCHEDULE OF USER FEES

### Fresh Fruit and Vegetable Fees

| <b>When performing inspections of product unloaded directly from land or air transportation, the charges shall be determined on the following basis</b> | <b>Rate</b>                    | <b>Start Date</b> |
|---|--------------------------------|-------------------|
| Quality and Condition Inspections for Over Half Lot   | \$191.00 per lot <sup>1</sup>  | 10/1/17           |
| Quality and Condition for Half Lot or Less and Condition Only for Over Half Lot   | \$159.00 per lot               | 10/1/17           |
| Condition Only for Half Lot or Less   | \$146.00 per lot <sup>1</sup>  | 10/1/17           |
| Quality and Condition or Condition Only Inspections for Additional Lots of the Same Product   | \$87.00 per lot <sup>1</sup>   | 10/1/17           |
| Quality and Condition and Condition Only for Lots of 50 Packages or Less  | \$87.00 per lot <sup>1</sup>   | 10/1/17           |
| Dockside Inspections – Each package weighing < 30 lbs.  | \$0.044 per pkg. <sup>1</sup>  | 10/1/17           |
| Dockside Inspections – Each package weighing 30 lbs. or more  | \$0.068 per pkg. <sup>1</sup>  | 10/1/17           |
| Minimum Charge per Individual Product for Dockside Inspection   | \$174.00 per lot <sup>1</sup>  | 10/1/17           |
| Dockside Inspections for Additional Lots of the Same Product  | \$79.00 per lot <sup>1</sup>   | 10/1/17           |
| Hourly based inspection services  | \$85.00 per hour <sup>1</sup>  | 10/1/17           |
| Hourly based audit services   | \$108.00 per hour <sup>2</sup> | 10/1/17           |
| Premium Time (Overtime) Lot or Packaged Inspection Based  | \$43.00 per hour               | 10/1/17           |
| Premium time (Overtime) Hourly Inspection Based   | \$27.00 per hour               | 10/1/16           |
| Premium time (Holiday) Lot or Packed Based  | \$43.00 per hour               | 10/1/17           |
| Premium time (Holiday) Hourly Based Within Normal Tour of Duty  | \$63.00 per hour               | 10/1/16           |
| Premium time (Holiday) Hourly Based Outside Normal Tour of Duty   | \$43.00 per hour               | 10/1/17           |
| Rate for Billable Mileage   | \$1.96 per mile                | 08/01/18          |

<sup>1</sup> Additional travel costs will apply where applicable.

<sup>2</sup> Only airfare and travel costs outside of the United States will be added to the fee, if applicable.

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