



Agricultural Marketing Service

[Doc. No. AMS-FGIS-20-0094]

Grain Fees for Official Inspection and Weighing Services under the United States Grain Standards Act (USGSA)

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Notice.

SUMMARY: The Agricultural Marketing Service (AMS) is announcing the 2021 fee schedule for official inspection and weighing services performed under the USGSA, as amended, in order to comply with Federal Grain Inspection Service regulations and the Agriculture Reauthorizations Act of 2015. This action publishes the annual review of Schedule A fees calculation and the resulting fees.

DATES: The new fee schedule went into effect on January 1, 2021.

ADDRESSES: Prospective customers can find the fee scheduled posted on the Agency's public website.

FOR FURTHER INFORMATION CONTACT: Denise Ruggles, FGIS Executive Program Analyst, USDA AMS; Telephone: (816) 659-8406; Email: Denise.M.Ruggles@usda.gov.

SUPPLEMENTARY INFORMATION: The USGSA provides the Secretary of Agriculture with the authority to charge and collect reasonable fees to cover the costs of performing official services and the costs associated with managing the program. The regulations require that the Federal Grain Inspection Service (FGIS) annually review the national tonnage fees, local tonnage fees, and fees for service. After calculating the tonnage fees according to the regulatory formula in 7 CFR 800.71(b)(1), FGIS then reviews the amount of funds in the operating reserve at the end of the fiscal year (FY2020 in this case) to ensure that it has 4 ½ months of operating expenses as required

by § 800.71(b)(2) of the regulations. If the operating reserve has more or less than 4 ½ months of operating expenses, then FGIS must adjust all Schedule A fees. For each \$1,000,000, rounded down, that the operating reserve varies from the target of 4 ½ months, FGIS will adjust all Schedule A fees by 2 percent. If the operating reserve exceeds the target, all Schedule A fees will be reduced. If the operating reserve does not meet the target, all Schedule A fees will be increased. The maximum annual increase or decrease in fees is 5 percent (7 CFR 800.71(b)(2)(i)-(ii)).

Tonnage fees for the 5-year rolling average tonnage were calculated on the previous 5 fiscal years – 2016, 2017, 2018, 2019, and 2020. Tonnage fees consist of the national tonnage fee and local tonnage fee and are calculated and rounded to the nearest \$0.001 per metric ton. The tonnage fees are calculated as follows:

National tonnage fee. The national tonnage fee is the national program administrative costs for the previous fiscal year divided by the average yearly tons of export grain officially inspected and/or weighed by delegated States and designated agencies, excluding land carrier shipments to Canada and Mexico, and outbound grain officially inspected and/or weighed by FGIS during the previous 5 fiscal years.

$$\text{National Tonnage Fee} = \frac{\text{FY2020 National Administrative Costs}}{\text{5 Year Rolling Average Export Tons}}$$

Fiscal Year	Metric Tons
2016	122,330,979
2017	135,017,935
2018	129,687,652
2019	107,896,235
2020	110,090,771
5-year Rolling Average	121,004,714

The national program administrative costs for fiscal year 2020 were \$5,704,963. The fiscal year 2021 national tonnage fee, prior to the operating reserve review, is calculated

to be at \$0.047 per metric ton.

Local tonnage fee. The local tonnage fee is the field office administrative costs for the previous fiscal year divided by the average yearly tons of outbound grain officially inspected and/or weighed by the field office during the previous 5 fiscal years.

$$\text{Local Tonnage} = \frac{\text{FY2020 Field Office Administrative Costs}}{\text{5 Year Rolling Average Export Tons (Local)}}$$

The field office fiscal year tons for the previous 5 fiscal years and calculated 5-year rolling averages are as follows:

Field Office	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	5-year Rolling Average
New Orleans	66,077,535	70,439,862	66,996,126	57,807,378	59,768,303	64,217,841
League City	12,581,236	13,307,780	8,424,216	7,939,994	9,318,595	10,314,364
Portland	4,645,754	5,175,459	4,643,241	2,530,648	3,331,672	4,065,355
Toledo	2,030,506	2,229,920	1,802,762	1,597,584	948,840	1,721,922

The local field office administrative costs for fiscal year 2020 and the fiscal year 2021 calculated local field office tonnage fees, prior to the operating reserve review, are as follows:

Field Office	FY 2020 Local Administrative Costs	Calculated FY 2021 Local Tonnage Fee
New Orleans	\$1,209,886	\$0.019
League City	\$574,717	\$0.056
Portland	\$346,941	\$0.085
Toledo	\$238,162	\$0.138

Operating reserve. In order to maintain an operating reserve not less than 3 and not more than 6 months, FGIS reviewed the value of the operating reserve at the end of FY2020 to ensure that an operating reserve of 4 ½ months is maintained.

The program operating reserve at the end of fiscal year 2020 was \$10,007,544, with a monthly operating expense of \$2,983,133. The target of 4.5 months of operating reserve

is \$13,424,097. Therefore, the operating reserve is less than 4.5 times the monthly operating expenses by \$3,416,553. For each \$1,000,000, rounded down, below the target level, all Schedule A fees must be increased by 2 percent. The operating reserve is \$3.4 million below the target level, resulting in a calculated 5 percent increase, as required by § 800.71(b)(2)(ii). Therefore, for 2021, FGIS is increasing all the 2020 Schedule A fees for service in Schedule A in paragraph (a)(1) by 5 percent. All Schedule A fees for service are rounded to the nearest \$0.10, except for fees based on tonnage or hundredweight. The fee Schedule A has been published on the agency's public website. (Authority: 7 U.S.C. 71–87k.)

Bruce Summers,

Administrator,

Agricultural Marketing Service.

[FR Doc. 2021-00165 Filed: 1/7/2021 8:45 am; Publication Date: 1/8/2021]