



United States
Department of
Agriculture

Food Safety
and Inspection
Service

Office of
Public Health
and Science

Office of the Deputy Administrator
Room 341-E , Jamie L. Whitten Bldg.
1400 Independence Ave., SW.
Washington, D.C. 20250-3700



MAR 26 2003

FSIS Docket Clerk
Docket #02-034P
U.S. Department of Agriculture
Food Safety and Inspection Service
Room 102, Cotton Annex
300 12th Street, SW
Washington, DC 20250-3700

02-034P
02-034P-1
Karen L. Hulebak

Dear Sir or Madam:

I am writing in response to the proposed rule published in the Federal Register on Wednesday, February 26, 2003, at page 8858 (68 FR 8858) entitled "Changes in Fees for Meat, Poultry, and Egg Products Inspection Services - Calendar Year (CY) 2003."

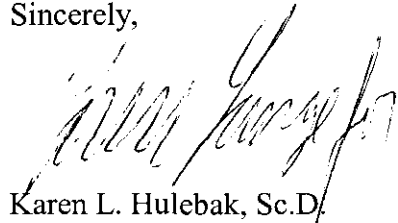
One provision of this proposed rule is the reduction of fees for the Accredited Laboratory Program from the current level of \$1,500 to a level of \$1,000 because of a surplus of funds. I wish to comment on this provision.

As noted in the proposed rule, the Food, Agriculture, Conservation, and Trade Act of 1990, as amended, mandates laboratory accreditation fees that cover the costs of the Accredited Laboratory Program. In response to this mandate, an annual fee was instituted in 1993 at a level of \$3,500. It was soon recognized that the costs of the program at that time were lower than originally estimated. The annual fee was subsequently reduced, first to \$2,500 in 1995 and later to \$1,500 in 1999. However, during that period of time, a surplus of accumulated funds had developed.

The Food Safety and Inspection Service instituted a plan in 2001 that would allow the accreditation fee to remain at the 1999 level and would utilize the surplus of accumulated funds to cover the increasing cost of administering the program. Under this plan, it is anticipated that the accumulated surplus of funds will be drawn down within about two years. At that time, the fee will have to be adjusted upward to maintain a balance between costs of the program and income from the fee.

Because current program costs are depleting the accumulated surplus of funds, and because the fee will have to be increased in the near future, I strongly recommend against the proposal to reduce the Accredited Laboratory Program fee at this time. I recommend that the fee remain at \$1,500.

Sincerely,

A handwritten signature in black ink, appearing to read "Karen L. Hulebak". The signature is written in a cursive style with a large, sweeping initial "K".

Karen L. Hulebak, Sc.D.
Deputy Administrator
Office of Public Health and Science