

EPA Assessment of PRIA Scenarios in Response to February 22, 2018 Letter from Congressman Davis

| | A lapse in PRIA: | Continuation of current law (PRIA 3) | Passage of PRIA reauthorization (PRIA 4) |
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| EPA Staffing | <p>EPA would continue collecting registration service fees but at reduced levels as described below and would cease collection of maintenance fees. Activities reliant on these funds could be supported for a duration of time relying on carryover PRIA and maintenance fee money. Starting on October 1, 2020, EPA would not be able to support approximately 75 FTEs with PRIA funds. Beginning on October 1, 2021, EPA would no longer be able to support an estimated additional 91 FTEs with FIFRA funds, bringing the total FTE count that EPA could no longer support with PRIA and FIFRA funds to approximately 166 FTEs.</p> | <p>EPA would continue collecting registration service fees and maintenance fees at levels specified in the current law.</p> | <p>Under PRIA 4, EPA would collect an additional \$3.2 million/year in maintenance fees above PRIA 3 levels, and a projected increase of \$1 million/year above PRIA 3 levels in PRIA registration service fees under section 33 due to establishment of new fee categories and changes to fees of existing categories.</p> <p>With the removal of the appropriations constraint on spending maintenance fees under section 4(k)(2), EPA would be able to better utilize maintenance fees previously collected and to be collected under PRIA 4 authority.</p> <p>These funds would help fund current staff and potentially hire additional staff to support pesticide registration and the activities supported by maintenance fees (pesticide reevaluation activities, inert ingredient review, and expedited processing of substantially similar new product and amendment applications).</p> |
| Collection of Maintenance Fees | <p>Authority to collect maintenance fees would expire. \$27.8 million/year in maintenance fees would not be collected. (Maintenance fees for FY '18 were invoiced under the continuing resolution language extending authority, and collection is ongoing.)</p> | <p>Maintenance fees would continue to be collected annually for the duration of EPA's authority at the \$27.8 million annual level specified in PRIA 3.</p> | <p>Maintenance fees would be collected at the \$31 million/year level specified in PRIA 4.</p> <p>PRIA 4 includes a provision allowing EPA to average across years to correct for over or under collection of maintenance fees during PRIA 4.</p> |

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| Collection of Registration Service Fees | <p>FIFRA section 33(m) phase-out provisions would be initiated;</p> <ul style="list-style-type: none"> • Actions submitted in FY '18 (after lapse)- fees reduced 40% from FY '17 levels. Assuming an expiration of PRIA at the mid-point of FY '18, the reduced fees would represent a projected loss to EPA of over \$3.6 million. • Actions submitted in FY '19- fees reduced 70% from FY '17 levels. Reduced fees would represent a loss to EPA of over \$12 million in addition to the projected FY '18 losses. • After September 30, 2019, the requirement to pay and collect registration service fees under PRIA would terminate. EPA has collected \$18 million annually in PRIA fees averaged over the past 3 years. With a lapse of PRIA, these fees would not be collected. | EPA's authority to collect registration service fees at current levels would continue. | <p>EPA's authority to collect registration service fees would be reauthorized.</p> <p>Under PRIA 4, there are new categories created and adjustments to fees of existing categories which, if enacted, are projected to increase registration service fee collections approximately \$1 million/year.</p> |
| EPA's ability to adhere to timelines for registration and other applications as prescribed in current law | For fee for service applications received prior to expiration of authority, decision time frames specified in the current law would apply. While it is EPA's goal to continue to meet statutory time frames specified in section 33 of PRIA, the projected FTE shortage would likely impact EPA's performance. Applications received after the lapse would <u>not</u> receive statutory decision time frames, | EPA would continue to operate under the decision time frames specified in the current law. | PRIA 4 proposes modifications to existing categories and establishment of new categories to better align fee and time frame structure to EPA resources necessary to evaluate those actions. This is expected to increase EPA's ability to complete decisions in the time frames specified in the law. |

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| | and EPA could not guarantee time frames for those applications due to reduction in available resources. | | |
| EPA's ability to meet deadlines for registration review | As the majority of maintenance fees collected go to support of pesticide registration review activities, EPA's ability to meet the statutory deadline to complete the 725 chemical cases by October 1, 2022 would be severely impacted. EPA's performance reviewing other maintenance fee-supported activities such as fast-track amendments to registered products and notifications would also be impacted. | Maintenance fee authority to collect \$27.8 million/year would continue, which assists EPA in meeting statutory deadlines for registration review. | PRIA 4 proposes to raise maintenance fees by \$3.2 million/year, which would provide additional resources for registration review. PRIA 4 also proposes to remove the appropriations constraint on spending maintenance fees specified in section 4(k)(2). |
| The impact section 4(2)(k) of FIFRA remaining in effect would have on EPA resources and on registrants | The appropriations constraint on spending maintenance fees specified in section 4(k)(2) would remain in place. EPA would not be able to access carryover maintenance fees previously paid to EPA by registrants without a matching expenditure of appropriated funds. The impact on EPA resources and on registrants is that EPA would not be able to fully draw upon carryover fees to help fund the range of activities supported by maintenance fees. | The appropriations constraint provision would remain in place. EPA would not be able to access maintenance fees previously paid to EPA by registrants without a matching expenditure of appropriated funds. | The provision in section 4(k)(2) prohibiting EPA from spending maintenance fee dollars without matching with appropriation dollars would be removed with enactment of PRIA 4, allowing EPA to better access carryover maintenance fee funds that have built up partially as a result of this provision. This would provide additional resources to the activities for which these funds can be spent, foremost of which is meeting the statutory obligation under registration review to complete decisions on 725 chemical cases by October 1, 2022. It is through registration review that EPA reevaluates older chemicals to determine if they continue to meet standards for registration. |

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| The impact on EPA and registrants of not providing for the new uses of funds proposed in H.R. 1029 | <p>PRIA 4 proposes maintenance fee set-asides for the following activities:</p> <ul style="list-style-type: none"> • \$500,000/year to develop and implement guidance and rule making for product performance data requirements to evaluate products claiming efficacy against pests of significant public health or economic importance. This effort would give EPA better information on how well a product works against public health pests and organisms, which is part of EPA’s evaluation in determining whether to allow a product onto the market. These products include hospital disinfectants as well as repellants and insecticides that control mosquitoes that are vectors of the Zika virus. • \$500,000/year for enhancements to the good laboratory practices standards compliance monitoring program; this money would be used to increase the number of laboratory inspections and data audits conducted in support of pesticide product registrations under PRIA, an outcome desired by the registrant community and important to the data integrity of the studies that EPA uses to support its regulatory decisions. <p>These activities could still occur without the passage of PRIA 4, but potential reduction in FTE/funds could impact resource expenditures on discretionary activities such as these.</p> | | |
| Any other impacts identified by EPA | <p>\$2 million/year of PRIA funds set aside for worker protection activities, pesticide safety education programs, and partnership grants would not be awarded. These activities include:</p> <ul style="list-style-type: none"> • Developing and administering a pesticide safety training program that will support a national network of pesticide safety trainers providing worker safety training to migrant and seasonal farmworkers and their families (National Farmworker Training Program) • Developing pesticide education materials for workers, handlers, and trainers on how to comply with WPS (cooperative agreement with UC-Davis and Oregon State University) | <p>PRIA set-aside funds for worker protection activities, pesticide safety education programs, and partnership grants would continue.</p> | <p>PRIA set-aside funds for worker protection activities, pesticide safety education programs, and partnership grants would continue.</p> <p>PRIA 4 emphasizes that activities related to worker protection shall focus on field worker populations in the United States, and includes annual reporting requirements on the appropriateness and effectiveness of activities supported by the three grant programs.</p> <p>PRIA 4 proposes additional annual reporting requirements, including:</p> <ul style="list-style-type: none"> • Amended registration review and IT reporting requirements • Progress in meeting mandatory schedule in developing efficacy |

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| | <ul style="list-style-type: none"> Supporting National Pesticide Information Center (NPIC), a bilingual, factual source of information for professional and public audiences on pesticide-related issues | | <p>guidelines for invertebrate pests of significant public health and/or economic importance</p> <ul style="list-style-type: none"> Progress in priority review and approval of new pesticides to control vector-borne public health pests for use in the U.S., including territories and military bases globally Number of good laboratory practice inspections/audits conducted |