



Agricultural Marketing  
Service

Specialty Crops  
Program

Specialty Crops  
Inspection Division

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Mr. Brian Murray  
Executive Director  
Texas Cooperative Inspection Program  
11044 Research Boulevard, Suite D-225  
Austin, Texas 78759

Dear Mr. Murray:

Based on input received from the Texas International Produce Association, the Texas Congressional members, and the Texas Cooperative Inspection Program (TCIP), I am pleased to inform you that the Agricultural Marketing Service (AMS) has reached a mutually acceptable approach to implementing 8e inspection fees in Texas.

AMS maintains cooperative agreements with States that carry out inspection and auditing services on our behalf. We value our long-standing, productive relationship with the TCIP in that capacity.

As we've indicated previously, it is USDA's opinion that all inspections of imported produce should be considered terminal (receiving) market work, and that both Federal inspectors and our State partners should charge Federal terminal market inspection fees those services. A recent review found that Texas was charging a lower rate than the published Federal terminal market inspection rate for 8e inspection services.

We understand that adjusting 8e inspection fees will impact small and medium-sized produce businesses in Texas. After consideration of all interests, we have decided to phase in the full implementation of the terminal market inspection fee over a three-year period beginning October 1, 2016, and ending on October 1, 2019. At the end of the three-year period, inspection fees being charged by Texas for produce imported into the State will be at the published Federal terminal market rate. Below is a chart that defines the rates to be implemented on October 1 of each of the three years.

Mr. Brian Murray

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<b>Texas Yearly 8e Inspection Fee Rates Three-Year Phase-In</b>			
	<b>Rate as of 10/1/16</b>	<b>Rate as of 10/1/17 *</b>	<b>Rate as of 10/1/18 *</b>
Quality and Condition Inspections for Over Half Lot	\$55 per lot	\$122 per lot	\$201 per lot
Quality and Condition, Condition on Different Lots of Same Product from same conveyance	\$25 per lot	\$56 per lot	\$92 per lot
Quality and Condition and Condition Only for Lots of 50 Packages or Fewer	\$25 per lot	\$56 per lot	\$92 per lot
<b>Overtime and Holiday Rate</b> For all inspections performed outside the regularly scheduled work week	\$20 per hour	\$20 per hour	\$20 per hour
<b>Mileage Rate</b> for billable mileage	.54¢ per mile	.54¢ per mile	.54¢ per mile

**\*Federal Carlot fees including a proposed annual 10 percent fee increases over 3 years**

We look forward to continued cooperation with the TCIP in serving the Texas produce industry. Please contact Nathaniel “Chip” Taylor at 202-720-2333 or [Nathaniel.Taylor@ams.usda.gov](mailto:Nathaniel.Taylor@ams.usda.gov) if you have additional questions.

Sincerely,

  
Lorenzo A. Tribbett  
Director