

TABLE 15.—VALUES USED IN COST CALCULATIONS—Continued

Name	Value or distribution used	Source
Annual time recordkeeping .....	1/10 of setup time per provision .....	Ref. E44.
Personnel sanitation .....	1 hour per week per worker .....	Assumption, based on requirements of proposed rule.
Sanitation time for physical plant .....	1 hour per week for very small establishments; 3 hours per week for small establishments; 20 hours for physical plant per week for large establishments.	Assumption, based on difference in average physical plant size.
Sanitation supervisor .....	Very small and small establishments = 1 hour per week; large establishments = 1 hour per week.	Assumption, based on number of workers.
Pest control setup costs .....	\$1,500 to \$2,000 for very small establishments; \$1,800 to \$2,400 for small establishments; \$2,600 to \$3,400 for large establishments. Average for each size establishment was midpoint (\$1,750, \$2,100, \$3,000).	Ref. E52.
Pest control annual costs .....	\$400 to \$600 per month for very small establishments; \$480 to \$720 for small establishments; \$700 to \$1,000 for large establishments. Average for each size establishment was the midpoint (\$500, \$600, \$850).	Ref. E52.
Renovation cost .....	\$50 per square foot; with 0 to 20 percent of physical plant to be renovated, with 10 percent most likely.	Based on construction costs and square feet.
Minimum quality control unit .....	1 person or 1 percent of establishment work force.	Assumption based on requirements of proposed rule.
Equipment replacement .....	For very small establishments, 0 to \$1,000, with \$100 most likely; small, 0 to \$10,000, with \$1,000 most likely; large, 0 to \$100,000 with \$1,000 most likely.	Assumption, based on size of establishments.
Setup costs for automatic equipment .....	\$500 for hardware, 16 hours .....	Software costs and assumptions about labor hours.
Annual costs for automatic equipment .....	1 to 2 hours per month for very small and small establishments; 2 to 4 hours per month for large establishments.	Assumption based on average size of establishments.
Sanitation of equipment and surfaces .....	5 hours per week for very small establishments, 15 hours per week for small establishments, 100 hours per week for large establishments.	Assumption based on average sizes of establishments.
Number of dietary ingredients per batch, supplements other than vitamins.	12.8; standard deviation = 15.6 .....	Ref. E46.
Number of dietary ingredients per batch, supplements other than vitamins.	3.6; standard deviation = 4.8 .....	Ref. E46.
Cost per test .....	\$20 to \$150, with \$50 most likely .....	See text discussion.
Holding products and dietary ingredients: capital requirements.	Setup cost for very small 0 to \$1,000, with \$100 most likely. Multiply by 3 for small establishments and by 20 for large establishments.	Based on average sizes of establishments.
Default probabilities that establishments are not currently acting in accordance with a provision.	For very small establishments, 0.2; for small establishments, 0.1, for large establishments, 0.01.	Based on results of survey for other practices.

We combined the costs per establishment with the number of establishments and probabilities from the survey, and adjusted for establishments not in the survey to estimate the total costs of the proposed

rule. Table 16 of this document summarizes the estimated total costs for very small establishments, small establishments, large establishments, and warehouses. Table 17 of this document shows the total costs for the

first year and annually after the first year, assuming that the proposed rule is phased in over 3 years. Table 18 of this document shows the total costs of the proposed rule compared to the total costs of other options.

TABLE 16.—SUMMARY OF COSTS BY SIZE OF ESTABLISHMENT

	Number of establishments	1st Year costs per establishments	Annual costs per establishments	Total 1st year costs (in millions)	Total annual costs (in millions)
Very small establishments .....	740	\$62,000	\$38,000	\$46	\$28
Small establishments .....	766	99,000	61,000	76	47
Large establishments .....	60	83,000	47,000	5	3
Warehouses and other holders .....	26,617	436	342	12	9