

Table 32.--Summary of Costs for Option 8  
(8-hour minimum prior notice submission time)

	Dollars (thousands)
Learning costs	\$66,420
Coordination costs	\$31,095
Computer acquisition costs	\$7,600
FDA prior notice system cost	\$13,000
Annual costs to fill out prior notice screens	\$187,500
Additional costs for BRASS users	\$48,462
Lost value for Mexican produce	\$49,803
Lost value for Canadian produce	\$5,786
Lost value for Central American produce	\$3,131
Lost value for Mexican seafood	\$5,625
Lost value for Canadian seafood	\$93,347
Lost value for Central American seafood	\$12,615
Cost for truck time	\$132,693
Total first year costs for Option 8	\$656,897
Annual costs after first year	\$550,756
Present value of costs at 7% for 20 years	\$5,933,909
Present value of costs at 3% for 20 years	\$8,296,901

h. *Option 9: Prior notice required 8 hours before arrival; electronic submission of information; allow changes to the prior notice submission up to 1 hour before arrival.* We now take the estimates in option 8 and adjust them to account for the effects of allowing changes to the prior notice submission. With an original submission time of 8 hours before arrival, it is likely that allowing changes to the original submission, in the form of electronic amendments and updates, would improve the flow of import traffic—especially since comments indicated that between 40 and 100 percent of products coming from Canada and Mexico are within 4 hours of a U.S. border. Regardless of when the order is placed, if the exporting facility of the product is located less than 8 hours from a U.S. border, allowing amendments and updates to prior notice would reduce the notice resubmission rate, and also reduce the loss of value for perishable foods that might

otherwise have to wait extra time before crossing the U.S. border.

Again, we note with this option, we assume that the FDA 1-hour time estimate for filling out each prior notice is sufficient, even with the option of amending prior notice information. This time is sufficient because amending or updating a particular item in the prior notice submission should only take a few seconds to a few minutes in time.

For this option, with amendment and updates, we will assume that the number of prior notice resubmissions necessitated by changes in information on the notice will be reduced from 30 to 5 percent. Although the amendment will eliminate the need for notice resubmission for many entries, the uncertainty associated with some shipment information increases as the prior notice minimum submission timeframe increases. Thus, for an 8-hour original submission time frame, it is unlikely that the allowance of an amendment will reduce the prior notice

resubmission rate to 2.5 percent as presented in option 7. Instead, we assume that an 8-hour prior notice submission timeframe with a 1-hour amendment will reduce the prior notice resubmission rate to 5 percent.

Option 9 saves 8 hours of wait time per entry for prior notices that can be amended or updated. The 5 percent of imports for which the prior notice cannot be amended, however, will end up waiting at the border or at the manufacturing/processing facility an additional 8 hours before arriving in the United States, which is 4.8 percent of the perishable produce life span (8 hours out of 168 hours) and 16.7 percent of the perishable seafood life span (8 hours out of 48 hours). Table 33 of this document shows the costs of submitting prior notice for an 8-hour minimum time, with a 1-hour amendment and updates, for Canadian, Mexican, and Central American perishable produce and seafood.