

Table 36.--Summary of Costs for Option 9  
(8-hour prior notice minimum submission time, 1-hour amendment)

	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	\$8,300
Lost value for Canadian produce	\$964
Lost value for Central American produce	\$522
Lost value for Mexican seafood	\$938
Lost value for Canadian seafood	\$15,558
Lost value for Central American seafood	\$2,103
Cost for truck time	\$88,462
Total first year costs for Option 9	\$470,744
Annual costs after first year	\$364,603
Present value of costs at 7% for 20 years	\$3,961,802
Present value of costs at 3% for 20 years	\$5,527,415

i. *Option 10: Prior notice received by 12 noon of the calendar day before arrival; electronic submission of information; any change in information requires resubmission.* This option requires that prior notice be submitted no later than 12 noon of the calendar day before the expected day of arrival. Under this option, prior notice submitters will have to let FDA know of the incoming food shipment at least 12 hours before the shipment reaches the U.S. port of arrival. This option would likely cause a change in importer business practices and the business practices of their clients in much the same way as option 8, but the potential loss of product value is higher because the minimum prior notice time has increased.

Again, how business practices would be affected by prior notice requirements depends on how early the invoice orders are received, when the truck is loaded, and when prior notice is submitted.

As before, we assume that as the minimum notice time increases, the likelihood of a resubmission also increases. Instead of 30 percent of the importers of perishable products from Canada and Mexico having to cancel their original prior notices and resubmit, we will assume that the 12-hour submission timetable means that 40 percent will have to cancel and resubmit their notices.

We increase the percentage of resubmission this time by 10 percent because as the prior notice time frame

increases relative to the time of arrival, it becomes more likely that the prior notice information will change after the notice is submitted to FDA, thus requiring resubmission of the notice. The transporters of products with resubmitted prior notices may then have to wait as long as 12 hours, which affects 7.1 percent of the produce life span (12 hours out of 168 hours) and 25 percent of the seafood life span (12 hours out of 48 hours).

Table 37 of this document shows the loss in value caused by the resubmitted prior notice information for the 40 percent of imported Mexican, Canadian, and Central American perishable seafood and produce that might be affected.