payments can be made online.) Once you search for your invoice, click ''Pay Now'' to be redirected to *www.pay.gov*. Electronic payment options are based on the balance due. Payment by credit card is available for balances that are less than $25,000. If the balance exceeds this amount, only the ACH option is available. Payments must be made using U.S. bank accounts as well as U.S. credit cards.

If a check, bank draft, or postal money order is submitted, make it payable to the order of the Food and Drug Administration and include the user fee ID number to ensure that the payment is applied to the correct fee(s). Payments can be mailed to: Food and Drug Administration, P.O. Box 979108, St. Louis, MO 63197–9000. If a check, bank draft, or money order is to be sent by a courier that requests a street address, the courier should deliver your payment to U.S. Bank, Attention: Government Lockbox 979108, 1005 Convention Plaza, St. Louis, MO 63101. (Note: this U.S. Bank address is for courier delivery only. If you have any questions concerning courier delivery, contact U.S. Bank at 314–418–4013. This telephone number is only for questions about courier delivery). Please make sure that the FDA post office box number (P.O. Box 979108) and ID number is written on the check, bank draft, or postal money order.

For payments made by wire transfer, include the unique user fee ID number to ensure that the payment is applied to the correct fee(s). Without the unique user fee ID number, the payment may not be applied. The originating financial institution may charge a wire transfer fee. Include applicable wire transfer fees with payment to ensure fees are fully paid. Questions about wire transfer fees should be addressed to the financial institution. The following account information should be used to send payments by wire transfer: U.S. Department of the Treasury, TREAS NYC, 33 Liberty St., New York, NY 10045, Acct. No: 75060099, Routing No: 021030004, SWIFT: FRNYUS33. FDA's tax identification number is 53–0196965.

B. Annual BPD and Program Fees

FDA will issue invoices with payment instructions for FY 2024 annual BPD and program fees under the new fee schedule in August 2023. Under section 744H(a)(1)(B)(ii) and (a)(3)(B) of the FD&C Act, annual BPD and program fees will be due on October 2, 2023.

If sponsors join the BPD program after the annual BPD invoices have been issued in August 2023, FDA will issue invoices in December 2023 to sponsors subject to fees for FY 2024 that qualify for the annual BPD fee after the August 2023 billing. FDA will issue invoices in December 2024 for any products that qualify for the annual program fee after the August 2023 billing.

C. Waivers and Refunds

To qualify for consideration for a small business waiver under section 744H(d) of the FD&C Act, or the return of any fee paid under section 744H of the FD&C Act, including if the fee is claimed to have been paid in error, a person shall submit to FDA a written request justifying such waiver or return and, except as otherwise specified in section 744H of the FD&C Act, such written request shall be submitted to FDA not later than 180 days after such fee is due. Such written request shall include any legal authorities under which the request is made. See section 744H(h) of the FD&C Act.

Dated: July 24, 2023.

Lauren K. Roth,

Associate Commissioner for Policy.

[FR Doc. 2023–15918 Filed 7–27–23; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2023–N–2896]

Food Safety Modernization Act Domestic and Foreign Facility Reinspection, Recall, and Importer Reinspection Fee Rates for Fiscal Year 2024

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the fiscal year (FY) 2024 fee rates for certain domestic and foreign facility reinspections, failures to comply with a recall order, and importer reinspections that are authorized by the Federal Food, Drug, and Cosmetic Act (FD&C Act), as amended by the FDA Food Safety Modernization Act (FSMA).

DATES: These fees are effective on October 1, 2023, and will remain in effect through September 30, 2024.

FOR FURTHER INFORMATION CONTACT: Olufunmilayo Ariyo, Office of Food Policy and Response, Food and Drug Administration, 10903 New Hampshire Ave., Silver Spring, MD 20993, 240–402–4989, *FSMAFeeStaff@fda.hhs.gov*.

SUPPLEMENTARY INFORMATION:

I. Background

Section 107 of the FSMA (Pub. L. 111–353) added section 743 to the FD&C Act (21 U.S.C. 379j–31) to provide FDA with the authority to assess and collect fees from, in part: (1) the responsible party for each domestic facility and the U.S. agent for each foreign facility subject to a reinspection to cover reinspection-related costs; (2) the responsible party for a domestic facility and an importer who does not comply with a recall order to cover food [1] recall activities associated with such order; and (3) each importer subject to a reinspection to cover reinspection-related costs (sections 743(a)(1)(A), (B), and (D) of the FD&C Act). Section 743 of the FD&C Act directs FDA to establish fees for each of these activities based on an estimate of 100 percent of the costs of each activity for each year (sections 743(b)(2)(A)(i), (ii), and (iv)), and these fees must be made available solely to pay for the costs of each activity for which the fee was incurred (section 743(b)(3)). These fees are effective on October 1, 2023, and will remain in effect through September 30, 2024. Section 743(b)(2)(B)(iii) of the FD&C Act directs FDA to develop a proposed set of guidelines in consideration of the burden of fee amounts on small businesses. As a first step in developing these guidelines, FDA invited public comment on the potential impact of the fees authorized by section 743 of the FD&C Act on small businesses (76 FR 45818, August 1, 2011). The comment period for this request ended November 30, 2011. As stated in FDA's September 2011 ''Guidance for Industry: Implementation of the Fee Provisions of Section 107 of the FDA Food Safety Modernization Act,'' (*https://www.fda.gov/regulatory-information/search-fda-guidance-documents/guidance-industry-implementation-fee-provisions-section-107-fda-food-safety-modernization-act*), because FDA recognizes that for small businesses the full cost recovery of FDA reinspection or recall oversight could impose severe economic hardship, FDA intends to consider reducing certain fees for those firms. FDA does not intend to issue invoices for reinspection or recall order fees until FDA publishes a guidance document outlining the process through which firms may request a reduction in fees.

In addition, as stated in the September 2011 Guidance, FDA is in the process of considering various issues associated with the assessment

[1] The term ''food'' for purposes of this document has the same meaning as such term in section 201(f) of the FD&C Act (21 U.S.C. 321(f)).

and collection of importer reinspection fees. The fee rates set forth in this notice will be used to determine any importer reinspection fees assessed in FY 2024.

II. Estimating the Average Cost of a Supported Direct FDA Work Hour for FY 2024

FDA is required to estimate 100 percent of its costs for each activity in order to establish fee rates for FY 2024. In each year, the costs of salary (or personnel compensation) and benefits for FDA employees account for between 50 and 60 percent of the funds available to, and used by, FDA. Almost all the remaining funds (operating funds) available to FDA are used to support FDA employees for paying rent, travel, utility, information technology (IT), and other operating costs.

A. Estimating the Full Cost per Direct Work Hour in FY 2024

Full-time Equivalent (FTE) reflects the total number of regular straight-time hours—not including overtime or holiday hours—worked by employees, divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, compensatory time off, and other approved leave categories are considered ''hours worked'' for purposes of defining FTE employment.

In general, the starting point for estimating the full cost per direct work hour is to estimate the cost of an FTE or paid staff year. Calculating an Agency-wide total cost per FTE requires three primary cost elements: payroll, nonpayroll, and rent.

We have used an average of past year cost elements to predict the FY 2024 cost. The FY 2024 FDA-wide average cost for payroll (salaries and benefits) is $192,848; nonpayroll (including equipment, supplies, IT, and general and administrative overhead) is $99,316; and rent, including cost allocation analysis and adjustments for other rent and rent-related costs, is $23,239 per paid staff year, excluding travel costs.

Summing the average cost of an FTE for payroll, nonpayroll, and rent, brings the FY 2024 average fully supported cost to $315,403 [2] per FTE, excluding travel costs. FDA will use this base unit fee in determining the hourly fee rate for reinspection and recall order fees for FY 2024 prior to including domestic or foreign travel costs as applicable for the activity.

To calculate an hourly rate, FDA must divide the FY 2024 average fully supported cost of $315,403 per FTE by the average number of supported direct FDA work hours in FY 2022 (the last fiscal year for which data are available). See table 1.

TABLE 1—SUPPORTED DIRECT FDA WORK HOURS IN A PAID STAFF YEAR IN FY 2022

Total number of hours in a paid staff year	2,080
Less:	
11 paid holidays	−88
20 days of annual leave	−160
10 days of sick leave	−0
12.5 days of training	−100
22 days of general administration	−176
26.5 days of travel	−212
2 hours of meetings per week	−104
Net Supported Direct FDA Work Hours Available for Assignments	−1,160

Dividing the average fully supported FTE cost in FY 2024 ($315,403) by the total number of supported direct work hours available for assignment in FY 2022 (1,160) results in an average fully supported cost of $272 (rounded to the nearest dollar), excluding inspection travel costs, per supported direct work hour in FY 2024.

B. Adjusting FY 2022 Travel Costs for Inflation To Estimate FY 2024 Travel Costs

To adjust the hourly rate for FY 2024, FDA must estimate the cost of inflation in each year for FY 2023 and FY 2024. FDA uses the method prescribed for estimating inflationary costs under the Prescription Drug User Fee Act (PDUFA) provisions of the FD&C Act (section 736(c)(1) (21 U.S.C. 379h(c)(1)), the statutory method for inflation adjustment in the FD&C Act that FDA has used consistently. FDA previously determined the FY 2023 inflation rate to be 1.6404 percent; this rate was published in the FY 2023 PDUFA user fee rates notice in the **Federal Register** (October 7, 2022, 87 FR 61063). Utilizing the method set forth in section 736(c)(1) of the FD&C Act, FDA has calculated an inflation rate of 1.6404 percent for FY 2023 and 3.8896 percent for FY 2024, and FDA intends to use these inflation rates to make inflation adjustments for FY 2024 for several of its user fee programs; the derivation of this rate will be published in the **Federal Register** in the FY 2024 notice for the PDUFA user fee rates.

The average fully supported cost per supported direct FDA work hour, excluding travel costs, of $272 already takes into account inflation as the calculation above is based on FY 2024 predicted costs. FDA will use this base unit fee in determining the hourly fee rate for reinspection and recall order fees for FY 2024 prior to including domestic or foreign travel costs as applicable for the activity. In FY 2022, FDA's Office of Regulatory Affairs (ORA) spent a total of $6,566,835 for domestic regulatory inspection travel costs and General Services Administration Vehicle costs related to FDA's Center for Food Safety and Applied Nutrition (CFSAN) and Center for Veterinary Medicine (CVM) field activities programs. The total ORA domestic travel costs spent is then divided by the 7,930 CFSAN and CVM domestic inspections, which averages a total of $828 per inspection. These inspections average 46.29 hours per inspection. Dividing $828 per inspection by 46.29 hours per inspection results in a total and an additional cost of $18 (rounded to the nearest dollar) per hour spent for domestic inspection travel costs in FY 2022. To adjust for the $18 per hour additional domestic cost inflation increases for FY 2023 and FY 2024, FDA must multiply the FY 2023 PDUFA inflation rate adjustor (1.016404) times the FY 2024 PDUFA inflation rate adjustor (1.038896) times the $18 additional domestic cost, which results in an estimated cost of $19 (rounded to the nearest dollar) per paid hour in

[2] Total includes rounding.

addition to $272 for a total of $291 per paid hour ($272 plus $19) for each direct hour of work requiring domestic inspection travel. FDA will use these rates in charging fees in FY 2024 when domestic travel is required.

In FY 2022, ORA spent a total of $802,057 on 175 foreign inspection trips related to FDA's CFSAN and CVM field activities programs, which averaged a total of $4,583 per foreign inspection trip. These trips averaged 3 weeks (or 120 paid hours) per trip. Dividing $4,583 per trip by 120 hours per trip results in a total and an additional cost of $38 (rounded to the nearest dollar) per paid hour spent for foreign inspection travel costs in FY 2022. To adjust $38 for inflationary increases in FY 2023, and FY 2024, FDA must multiply it by the same inflation factors mentioned previously in this document (1.016404 and 1.038896), which results in an estimated cost of $40 (rounded to the nearest dollar) per paid hour in addition to $272 for a total of $312 per paid hour ($272 plus $40) for each direct hour of work requiring foreign inspection travel. FDA will use these rates in charging fees in FY 2024 when foreign travel is required.

TABLE 2—FSMA FEE SCHEDULE FOR FY 2024

Fee category	Fee rates for FY 2024
Hourly rate if domestic travel is required	$291
Hourly rate if foreign travel is required	312

III. Fees for Reinspections of Domestic or Foreign Facilities Under Section 743(a)(1)(A)

A. What will cause this fee to be assessed?

The fee will be assessed for a reinspection conducted under section 704 of the FD&C Act (21 U.S.C. 374) to determine whether corrective actions have been implemented and are effective and compliance has been achieved to the Secretary of Health and Human Services' (the Secretary) (and, by delegation, FDA's) satisfaction at a facility that manufactures, processes, packs, or holds food for consumption necessitated as a result of a previous inspection (also conducted under section 704) of this facility, which had a final classification of Official Action Indicated (OAI) conducted by or on behalf of FDA, when FDA determined the noncompliance was materially related to food safety requirements of the FD&C Act. FDA considers such noncompliance to include noncompliance with a statutory or regulatory requirement under section 402 of the FD&C Act (21 U.S.C. 342) and section 403(w) of the FD&C Act (21 U.S.C. 343(w)). However, FDA does not consider noncompliance that is materially related to a food safety requirement to include circumstances where the noncompliance is of a technical nature and not food safety related (*e.g.,* failure to comply with a food standard or incorrect font size on a food label). Determining when noncompliance, other than under sections 402 and 403(w) of the FD&C Act, is materially related to a food safety requirement of the FD&C Act may depend on the facts of a particular situation. FDA intends to issue guidance to provide additional information about the circumstances under which FDA would consider noncompliance to be materially related to a food safety requirement of the FD&C Act.

Under section 743(a)(1)(A) of the FD&C Act, FDA is directed to assess and collect fees from ''the responsible party for each domestic facility (as defined in section 415(b) (21 U.S.C. 350d(b))) and the U.S. agent for each foreign facility subject to a reinspection'' to cover reinspection-related costs.

Section 743(a)(2)(A)(i) of the FD&C Act defines the term ''reinspection'' with respect to domestic facilities as ''1 or more inspections conducted under section 704 subsequent to an inspection conducted under such provision which identified noncompliance materially related to a food safety requirement of the Act, specifically to determine whether compliance has been achieved to the Secretary's satisfaction.''

The FD&C Act does not contain a definition of ''reinspection'' specific to foreign facilities. In order to give meaning to the language in section 743(a)(1)(A) of the FD&C Act to collect fees from the U.S. agent of a foreign facility subject to a reinspection, the Agency is using the following definition of ''reinspection'' for purposes of assessing and collecting fees under section 743(a)(1)(A), with respect to a foreign facility: ''1 or more inspections conducted by officers or employees duly designated by the Secretary subsequent to such an inspection which identified noncompliance materially related to a food safety requirement of the FD&C Act, specifically to determine whether compliance has been achieved to the Secretary's (and, by delegation, FDA's) satisfaction.''

This definition allows FDA to fulfill the mandate to assess and collect fees from the U.S. agent of a foreign facility in the event that an inspection reveals noncompliance materially related to a food safety requirement of the FD&C Act, causing one or more subsequent inspections to determine whether compliance has been achieved to the Secretary's (and, by delegation, FDA's) satisfaction. By requiring the initial inspection to be conducted by officers or employees duly designated by the Secretary, the definition ensures that a foreign facility would be subject to fees only in the event that FDA, or an entity designated to act on its behalf, has made the requisite identification at an initial inspection of noncompliance materially related to a food safety requirement of the FD&C Act. The definition of ''reinspection-related costs'' in section 743(a)(2)(B) of the FD&C Act relates to both a domestic facility reinspection and a foreign facility reinspection, as described in section 743(a)(1)(A).

B. Who will be responsible for paying this fee?

The FD&C Act states that this fee is to be paid by the responsible party for each domestic facility (as defined in section 415(b) of the FD&C Act) and by the U.S. agent for each foreign facility (section 743(a)(1)(A) of the FD&C Act). This is the party to whom FDA will send the invoice for any fees that are assessed under this section.

C. How much will this fee be?

The fee is based on the number of direct hours spent on such reinspections, including time spent conducting the physical surveillance and/or compliance reinspection at the facility, or whatever components of such an inspection are deemed necessary, making preparations and arrangements for the reinspection, traveling to and from the facility, preparing any reports, analyzing any samples or examining any labels if required, and performing other activities as part of the OAI reinspection until the facility is again determined to be in compliance. The direct hours spent on each such reinspection will be billed at the appropriate hourly rate shown in table 2 of this document.

IV. Fees for Noncompliance With a Recall Order Under Section 743(a)(1)(B)

A. What will cause this fee to be assessed?

The fee will be assessed for not complying with a recall order under section 423(d) (21 U.S.C. 350l(d)) or section 412(f) of the FD&C Act (21 U.S.C. 350a(f)) to cover food recall activities associated with such order performed by the Secretary (and by delegation, FDA) (section 743(a)(1)(B) of

the FD&C Act). Noncompliance may include the following: (1) not initiating a recall as ordered by FDA; (2) not conducting the recall in the manner specified by FDA in the recall order; or (3) not providing FDA with requested information regarding the recall, as ordered by FDA.

B. Who will be responsible for paying this fee?

Section 743(a)(1)(B) of the FD&C Act states that the fee is to be paid by the responsible party for a domestic facility (as defined in section 415(b) of the FD&C Act) and an importer who does not comply with a recall order under section 423 or under section 412(f) of the FD&C Act. In other words, the party paying the fee would be the party that received the recall order.

C. How much will this fee be?

The fee is based on the number of direct hours spent on taking action in response to the firm's failure to comply with a recall order. Types of activities could include conducting recall audit checks, reviewing periodic status reports, analyzing the status reports and the results of the audit checks, conducting inspections, traveling to and from locations, and monitoring product disposition. The direct hours spent on each such recall will be billed at the appropriate hourly rate shown in table 2 of this document.

D. How must the fees be paid?

An invoice will be sent to the responsible party for paying the fee after FDA completes the work on which the invoice is based. Payment must be made within 30 days of the invoice date in U.S. currency by check, bank draft, or U.S. postal money order payable to the order of the Food and Drug Administration. Detailed payment information will be included with the invoice when it is issued.

V. What are the consequences of not paying these fees?

Under section 743(e)(2) of the FD&C Act, any fee that is not paid within 30 days after it is due shall be treated as a claim of the U.S. Government subject to provisions of subchapter II of chapter 37 of title 31, United States Code.

Dated: July 24, 2023.

Lauren K. Roth,

Associate Commissioner for Policy.

[FR Doc. 2023–15927 Filed 7–27–23; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2023–N–3059]

Generic Drug User Fee Rates for Fiscal Year 2024

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Federal Food, Drug, and Cosmetic Act (FD&C Act or statute), as amended by the Generic Drug User Fee Amendments of 2022 (GDUFA III), authorizes the Food and Drug Administration (FDA, Agency, or we) to assess and collect fees for abbreviated new drug applications (ANDAs); drug master files (DMFs); generic drug active pharmaceutical ingredient (API) facilities, finished dosage form (FDF) facilities, and contract manufacturing organization (CMO) facilities; and generic drug applicant program user fees. In this document, FDA is announcing fiscal year (FY) 2024 rates for GDUFA III fees. These fees are effective on October 1, 2023, and will remain in effect through September 30, 2024.

FOR FURTHER INFORMATION CONTACT: Olufunmilayo Ariyo, Office of Financial Management, Food and Drug Administration, 4041 Powder Mill Rd., Rm. 62080, Beltsville, MD 20705–4304, 240–402–4989; or the User Fees Support Staff at *OO-OFBAP-OFM-UFSS-Government@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

Sections 744A and 744B of the FD&C Act (21 U.S.C. 379j–41 and 379j–42), as amended by GDUFA III, authorize FDA to assess and collect fees associated with human generic drug products. Fees are assessed on: (1) certain types of applications for human generic drug products; (2) certain facilities where APIs and FDFs are produced; (3) certain DMFs associated with human generic drug products; and (4) generic drug applicants who have ANDAs (the program fee) (see section 744B(a)(2) through (5) of the FD&C Act). For more information about GDUFA III, please refer to the FDA website (*https://www.fda.gov/gdufa*).

For FY 2024, the generic drug fee rates are ANDA ($252,453), DMF ($94,682), domestic API facility ($40,464), foreign API facility ($55,464), domestic FDF facility ($220,427), foreign FDF facility ($235,427), domestic CMO facility ($52,902), foreign CMO facility ($67,902), large size operation generic drug applicant program ($1,729,629), medium size operation generic drug applicant program ($691,852), and small business generic drug applicant program ($172,963). These fees are effective on October 1, 2023, and will remain in effect through September 30, 2024. The fee rates for FY 2024 are set out in table 1.

TABLE 1—FEE SCHEDULE FOR FY 2024

Generic drug fee category	Fees rates for FY 2024
Applications	
Abbreviated New Drug Application (ANDA)	$252,453
Drug Master File (DMF)	94,682
Facilities	
Active Pharmaceutical Ingredient (API)—Domestic	40,464
API—Foreign	55,464
Finished Dosage Form (FDF)—Domestic	220,427
FDF—Foreign	235,427
Contract Manufacturing Organization (CMO)—Domestic	52,902
CMO—Foreign	67,902
GDUFA Program	
Large size operation generic drug applicant	1,729,629
Medium size operation generic drug applicant	691,852
Small business generic drug applicant	172,963

II. Fee Revenue Amount for FY 2024

Under section 744B(b)(1)(B)(ii) of the FD&C Act, the base revenue amount for FY 2024 for GDUFA III is $582,500,000. Under section 744B(c)(1) of the FD&C Act, applicable inflation adjustments to base revenue shall be made beginning with FY 2024.

Under section 744B(c)(2) of the FD&C Act, beginning with FY 2024, FDA shall, in addition to the inflation adjustment, apply a capacity planning adjustment to further adjust, as needed, the fee revenue and fees to reflect changes in the resource capacity needs of FDA for human generic drug activities.

Under section 744B(c)(3) of the FD&C Act, beginning with FY 2024, FDA may, in addition to the inflation and capacity planning adjustments, apply an operating reserve adjustment to further increase the fee revenue and fees if necessary to provide operating reserves of carryover user fees for human generic drug activities for not more than the number of weeks specified in such section (or as applicable, shall apply such adjustment to decrease the fee revenues and fees to provide for not