

STATEMENT OF DAVID GROVES,
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*Regulations Governing Fees for Services Performed in Connection with
Licensing and Related Services—2004 Update,*
STB Ex Parte No. 542 (Sub-No. 11)

Good morning Chairman Nober, Vice Chairman Mulvey and Commissioner Buttrey.

You have before you an STB decision and Federal Register Notice dealing with the Board's 2004 User Fee Update. This update decision is required by language contained in the Code of Federal Regulations (CFR) at 1002.3(a), where it states that the user fee schedule is to be updated at least once a year.

This decision is designed to give affect to the combined 2004 Government-Wide salary and 2004 locality salary increase of 4.42% that became effective in January of 2004. The decision also gives consideration to changes in the Board's overhead factors from last year's update (decreases to two factors and an increase to the third factor).

The results of this decision show that approximately 60% of the fees schedule or 78 fee or sub-fee items (items) out of the 127 total items contained in the user fee schedule will receive either an increase of \$100 or less (38 items) or no increase at all (40 items).

The Board's 2003 user fee update decision was served on August 25, 2003 and became effective on September 24, 2003 (exactly one year ago today).

Thank you for considering this decision and I will be happy to answer any questions you