

May 1, 2000

The Honorable Ron Packard, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In its report on the Energy and Water Development Appropriations Act for Fiscal Year 2000 (House Report 106-253), the House Committee on Appropriations urged the Commission to consider submitting legislation to repeal those provisions of law that require the NRC "to establish certain offices and functions." The Committee commended the NRC for responding positively to issues raised in Congress over the last few years with respect to moving toward a more efficient and effective regulatory system. However, the Committee also suggested that in order for the benefits of the NRC's reform initiatives to be fully realized, the NRC must be able to decide what organizational structure will best enable it to meet its responsibilities. This provision of the House report was adopted by the Conference Committee. (House Report 106-336.)

The Commission believes that the statutorily established organizational structure has worked well over the past twenty-five years. It continues to satisfy the original congressional interests in emphasizing the functions that are vital to the public health and safety (*i.e.*, regulation of nuclear facilities, materials, and safeguards) and in ensuring that health and safety decisions are made independently of promotional interests, while at the same time allowing the NRC adequate flexibility to devise its own organizational structure. It is significant that the NRC staff's comprehensive strategic assessments over the past several years in the reactor, waste, materials, and international arenas did not identify a need for revising either the statutory program offices or other statutory offices or committees, such as the Advisory Committee on Reactor Safeguards, that have long been in place. We note in particular that the ACRS, an advisory committee composed of acknowledged experts in the field of nuclear safety whose congressional mandate is to provide the Commission with independent advice in this area, serves a unique and important function in the Commission's regulatory process. In short, we believe that the Commission already has sufficient flexibility to control the Committee's review process and make any alterations that may be necessary to improve efficiency.

We would also point out that the assistance provided to the NRC by other Federal agencies as directed in statutory provisions establishing the Office of Nuclear Regulatory Research (Section 205(c) of the Energy Reorganization Act of 1974) has been invaluable to the NRC. A repeal of these provisions could have adverse effects on the NRC's research program and would not further the public interest in assuring adequate protection of the public health and safety.

In sum, the Commission has carefully pursued the House Committee's suggestion that the NRC consider the submission of legislation to repeal the statutory office provisions in order to increase flexibility. The Commission's experience indicates that it has the flexibility to devise an efficient and effective organizational structure within the existing statutory boundaries. In this context, the Commission has directed both the ACRS and the Office of Research to assess their programs to ensure that they are effectively and efficiently carried out. In view of this flexibility, the Commission has not identified a need for legislation at this time.

Sincerely,

/RA/

Richard A. Meserve

cc: Representative Peter J. Visclosky

May 1, 2000

The Honorable Pete V. Domenici, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510

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Richard A. Meserve

cc: Senator Harry Reid