



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

May 30, 2000

OFFICE OF THE
CHAIRMAN

MEMORANDUM TO: William M. Beecher, Director
Office of Public Affairs

FROM: Dennis K. Rathbun
Chief of Staff

SUBJECT: PRESS RELEASE CONCURRENCE

The Chairman has concurred in the text of the attached press release(s). However, prior to issuing this text to the public, you are requested to confirm with appropriate staff that all special actions or companion document releases associated with this PR have already been carried out. Please indicate in the space provided below the name of the person contacted to confirm actions necessary for release of the PR and return this form to the Office of the Chairman.

NRC Amends Licensing, Inspection and Annual Fees Rule

Date: 6/1/00

Name of person contacted Glenda Jackson

Telephone 415-6057

Office and Title CFO

Called for pickup 5/26 8:50

PRESS RELEASE CONCURRENCE

HEADLINE: NRC Amends Licensing, Inspection and Annual Fees Rule

	<u>PRINTED REVIEWER NAME</u>	<u>OFFICE</u>	<u>INITIALS</u>	<u>DATE</u>
<input checked="" type="checkbox"/>	<u>JAMES Turdin</u>	<u>OCFO/DAF</u>	<u>T</u>	<u>5/24/00</u>
<input checked="" type="checkbox"/>	<u>Jesse Funches</u>		<u>JF</u>	<u>5/25/00</u>
<input type="checkbox"/>	_____		_____	_____
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<input type="checkbox"/>	<u>Bleha</u>	<u>EDO</u>	<u>B</u>	<u>5/25/00</u>
<input type="checkbox"/>	<u>Utman</u>	<u>CHRMN</u>	<u>Utman</u>	<u>5/30/00</u>

NOTE: All press releases require the concurrence of the EDO or his designee and the Chairman or his designee.

OPA Contact: Bob Jacuska 8203

SIGNIFY ANY SPECIAL ACTION OR ISSUANCE THAT IS REQUIRED BEFORE PRESS RELEASE GOES OUT:

OPA DRAFT

(Source: Final Rule)

NRC AMENDS LICENSING, INSPECTION AND ANNUAL FEES RULE

The Nuclear Regulatory Commission is amending its regulations for the licensing, inspection and annual fees it charges to licensees for fiscal year 2000.

The agency is statutorily required to collect nearly all of its operating budget through two types of fees. One type is for NRC services such as licensing and inspection activities. The other is an annual fee paid by all licensees, which recovers generic regulatory expenses and other costs not recovered through fees for service. These fees are contained in Commission regulations 10 CFR Part 170 (licensing and inspection services) and 10 CFR Part 171 (annual fees).

For fiscal year 2000, the Commission must recover \$447.0 million in fees. This excludes \$19.15 million appropriated from the Nuclear Waste Fund for high-level waste activities and \$3.85 million appropriated for NRC's activities related to selected reviews for the Department of Energy and other federal agencies.

The total amount to be recovered in fees this year is about \$2.6 million less than that recovered for fiscal year 1999. However, the final FY 2000 annual fees are about 1.4 percent higher than the previous year for a number of reasons. An overcollection of \$4.1 million from FY 1998 was available to reduce the amount to be recovered through annual fees for FY 1999. There is no overcollection from FY 1999 to reduce the FY 2000 annual fees. In addition, the number of licensees paying annual fees has decreased. There are about 530 fewer materials licensees paying annual fees because they were transferred from NRC to Ohio which, as an Agreement State, assumed regulatory oversight of the materials licensees operating in the state.

Also, there is a \$3 increase over FY 1999 in hourly rates for NRC inspection and other professional staff services. This results primarily from the pay raises given to all federal employees. The final hourly rates are \$144 for reactor program activities and \$143 for the nuclear materials program activities.

In accordance with the Regulatory Flexibility Act that requires agencies to minimize impacts of rule changes on small businesses, the NRC reviewed its fees established in 1991 and 1992 for such businesses. Changes in economic circumstances, the NRC fee structure, and other factors call for an increase.

The NRC is increasing the maximum annual fees for small entities -- those businesses that qualify for paying reduced annual fees -- from the current \$1,800 to \$2,300, and the maximum annual fee for such businesses with relatively low gross receipts or supporting populations, from the current \$400 to \$500.

The final FY 2000 annual fees for some licensees are as follows:

<u>Categories of Licensees</u>	<u>FY 2000 Annual Fee</u>	<u>FY 1999 Annual Fee</u>
Power Reactors (including spent fuel storage/reactor decommissioning annual fee)	\$2,815,000	\$2,776,000
High-enriched Uranium Fuel Facility	3,327,000	3,281,000
Low-enriched Uranium Fuel Facility	1,116,000	1,100,000
Radiographers	14,900	14,700
Broad Scope Medical	28,100	27,800
Distribution of Radiopharmaceuticals	3,800	3,800

The final rule will be published with additional details in an upcoming edition of *The Federal Register*.

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