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

November 10, 1998

MEMORANDUM TO: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: Dennis K. Rathbun, Director
Office of Congressional Affairs

SUBJECT: STATUS OF ISSUES

DR

Attached for your information is a summary and update of issues that were relevant to the NRC during the 105th Congress. The Office of Congressional Affairs will continue to keep you informed of progress on these and other issues of importance to the NRC.

Attachment: As Stated

- cc: EDO
- OGC/Cyr
- OGC
- SECY ✓
- OPA
- OIP
- OIG
- CFO
- CIO
- ACRS
- ACNW
- ASLBP
- OCAA

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IN THE 105TH CONGRESS**

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I. BUDGET

A. NRC FY 1999 Appropriations

Background

On June 2, 1998, the Senate Subcommittee on Energy and Water Development marked up and referred S. 2138 to the Senate Committee on Appropriations. The subcommittee bill recommended \$465,655,000 for the NRC including \$17 million derived from the Nuclear Waste Fund, \$33 million from the General Fund, and \$4.8 million to the Inspector General. The base appropriation for the agency was \$438.3 million with an additional \$22.5 million made available for expenses related to a reduction in staff and related expenses. The subcommittee recommended specific reductions throughout the agency which totaled 704 FTE by the end of FY 2000. The subcommittee bill also extended NRC's user fee collection authority for one year, but permitted the NRC to remove \$33 million from the fee base.

On June 4, 1998, the Senate Committee on Appropriations met to consider S. 2138. The Committee amended the referred bill by increasing the base appropriations to \$466 million and deleting the language requiring \$22.4 million to be used for reductions in staff. The Committee retained the subcommittee's recommendation of \$17 million from the Nuclear Waste Fund, \$33 million from the General Fund, \$4.8 million for the Inspector General, and extended the user fee collection authority for one year. S. 2138, as reported, allocated \$466 million, a \$17.3 million reduction from the budget request and \$4.8 million for the Inspector General - a reduction of \$500,000.

On June 18, 1998, the Senate passed S. 2138 by a voice vote, 98-1.

On June 10, 1998, the House Appropriations Subcommittee on Energy and Water Development agreed to H.R. 4060, the FY 1999 Energy and Water Development Appropriations Act. The bill provided \$470.8 million to the NRC, including \$4.8 million for the Inspector General -- \$14.8 million to be derived from the Nuclear Waste Fund and \$3.2 million for DOE-related work. The bill also provided for a one year extension of NRC's user fees. H.R. 4060, as reported, cut \$21.1 million from the FY 1999 budget request.

On June 16, 1998, the House Committee on Appropriations agreed with the subcommittee's recommendations and on June 22, 1989, the House passed H.R. 4060, without amendments, by a vote of 405-4.

Update

House Report 105-749, the conference report accompanying H.R. 4060, the FY 1999 Energy and Water Development Appropriations Bill, was agreed to by the conferees on September 24, 1998 and cleared the Congress on September 29, 1998. The report allocates \$469.8 million to the NRC; this includes \$4.8 million for the IG, \$17 million from the Nuclear Waste Fund, and \$3.2 million for DOE regulatory reviews and other assistance provided to DOE and other Federal agencies. These reviews are excluded from license fee revenues. The report provides buyout authority through December 31, 2000 and Official Representation expenses not to exceed \$15 thousand. The conferees dropped the House provision which would have granted NRC regulatory authority over Lawrence Berkeley National Laboratory. Finally, the report extends the NRC's authority to collect approximately 100% of its budget through user fees through September 30, 1999. On October 7, 1998, the President signed H.R. 4060, becoming P.L. 105-245.

Appropriations Committee Changes

The leadership of the House Energy and Water Development Subcommittee, both Chairman Joseph McDade (R-PA) and Ranking Minority Member Vic Fazio (D-CA), are retiring at the end of the 105th Congress.

B. NRC Authorization

Background

H.R. 3532, the NRC Authorization Act for Fiscal Year 1999, was introduced by Representative Dan Schaefer (R-CO) on March 24, 1998. The bill authorized \$483.3 million for the NRC and \$5.3 million for the Inspector General. The bill extended NRC user fees through FY 2003 and included the NRC's legislative proposals.

The legislative proposals:

1. Authorize guards to carry firearms at NRC-licensed facilities where there are special nuclear materials present;
2. Make unauthorized introduction of weapons at facilities subject to licensing or certification by the NRC a Federal crime;
3. Make it a Federal crime to sabotage a production, utilization, waste storage, waste treatment, or waste disposal, uranium enrichment or nuclear fuel fabrication facility during its construction, if the action could jeopardize public health and safety, or to sabotage a uranium enrichment or nuclear fuel fabrication facility during its operation;
4. Allow a Commissioner whose term has expired to continue in office for a limited time if a successor has not been confirmed;
5. Provide the NRC with general gift acceptance authority;
6. Eliminate the requirement that the NRC maintain an office for the services of process and paper within the District of Columbia.
7. Provide that the initial period of a combined construction permit for a production or utilization facility may not exceed 40 years from the date on which the NRC finds that the acceptance criteria for facility operation have been met.

The House Commerce Subcommittee on Energy and Power held an oversight hearing on March 25, 1998 to receive testimony from the NRC and review the need for legislation.

The Subcommittee on Energy and Power referred H.R. 3532 to the full Committee, and on April 29, 1998, the Committee on Commerce agreed to and reported H.R. 3532. On August 6, 1998, the accompanying report, House Report 105-680, was issued.

No comparable authorization legislation was introduced in the Senate. The Senate Committee on Environment and Public Works agreed to a five-year user fee extension in S.2090 but not other authorizing legislation or legislative proposals. On June 25, 1998, the Committee report was issued.

Update

No further action occurred in the House or Senate during the second session of the 105th.

Authorization/Oversight Committee Change

Representative Dan Schaefer (R-CO), Chairman of the House Commerce Committee's Subcommittee on Energy and Power, is retiring at the end of the 105th Congress.

C. NRC User Fees

Background

The NRC's authority to collect approximately 100% of its budget through user fees expired on September 30, 1998. If no action was taken, fees would revert to 33% of the budget, with the remaining 67% coming from the General Fund and the Nuclear Waste Fund. In FY 1997, the Administration included a five-year fee extension in the FY 1998 NRC authorization bill proposal. The House Commerce Committee included an extension of NRC's authority to collect approximately 100% of its budget through user fees with its budget reconciliation package, but the Senate Environment and Public Works Committee did not include such an extension. During the Conference, the Senate discussed the concept of a fee extension that was less than 100%. The Committees chose to defer consideration of fees until FY 1998.

In 1998 both House and Senate Oversight Committees took action on NRC User Fees. The House Committee on Commerce's Subcommittee on Energy and Power held an oversight hearing on March 25, 1998 to discuss, among other things, NRC user fees. The Subcommittee on Energy and Power and the full Commerce Committee agreed to a five-year extension of 100% user fees (minus funding from the Nuclear Waste Fund and costs associated with its work with other Federal agencies) from September 30, 1998 to September 30, 2003. On August 6, 1998, the committee issued its report on the proposed legislation, H.R. 3532.

In the Senate, the Committee on Environment and Public Works, without holding a hearing on user fees agreed to and reported S. 2090, the NRC Fairness in Funding Act of 1998. The legislation provided for a five-year extension of NRC user fees less the amount appropriated from the Nuclear Waste Fund. The bill also amended current law to require that the NRC exclude from the total amount collected in annual charges from licensees the costs of those activities the NRC determines would not be fair and equitable to assess on NRC licensees. The bill set \$30 million as the maximum amount that may be excluded from the fee base.

Update

No further action occurred on NRC user fees in the House or Senate. NRC's authority to collect user fees will be addressed during the next Congress.

II. PERFORMANCE PLANS AND FINANCIAL STATEMENTS

In April 1998, the House evaluated agencies' FY 1999 performance plans; the NRC received a 58.5, the fourth highest score. The NRC was ranked high for compliance in validation and verification, format, and timeliness. Also in April, the House Government Reform and Oversight Committee's Subcommittee on Government Management, Information, and Technology gave the NRC's FY 1997 Financial Statement a B minus, a grade placing it among the top seven agencies.

III. NRC NOMINATIONS

The Senate received the nomination of Greta J. Dicus on May 21, 1998, and the nomination of Jeffrey S. Merrifield on September 29, 1998. Their joint confirmation hearing was held by the Senate Environment and Public Works Committee on October 1 with the Committee recommending their confirmation on October 2.

On October 21, 1998, the Senate confirmed the two nominees; Commissioner Dicus' term expires on June 30, 2003, and Commissioner Merrifield's term expires on June 30, 2002. Commissioner Merrifield was sworn in on October 23, and Commissioner Dicus on October 27.

IV. ISSUES AND LEGISLATION

A. CERCLA / Superfund

Background

The NRC submitted proposed amendments to CERCLA legislation that would make it clear that the standards issued by the NRC and Agreement States would govern the cleanup of Atomic Energy Act material at licensed facilities. Representative Mike Oxley (R-OH), Chairman of the House Commerce Committee's Subcommittee on Finance and Hazardous Materials included the NRC's proposal in H.R. 3000, the "Superfund Reform Act." The subcommittee held a number of hearings but was unable to achieve enough bipartisan support to hold a legislative markup.

The Senate Environment and Public Works Committee reported its version of Superfund reauthorization, S. 8, on March 26, 1998. The vote was along party lines with only one Democrat, Senator Bob Graham (D-FL), voting for passage. This version does not contain NRC's proposed language. The NRC language was offered as an amendment by Senator Graham but it was withdrawn after an objection by Chairman John Chafee (R-RI). Chairman Chafee thought the amendment to be controversial and offered to hold a hearing on dual NRC/EPA regulation. The hearing was not held. S. 8 was not considered by the Senate because of opposition by the Administration.

In a related effort, the House report, H. Rpt. 105-610, on the VA, HUD, Independent Agencies (including EPA) Appropriations bill, H.R. 4194, contained language that directed EPA, "to spend no funds to enforce cleanup requirements at sites being remediated under regulatory requirements enforced through the NRC licensing procedure." The Senate report did not contain this language. On July 23, 1998, during Floor consideration of the bill, Representative Henry Waxman (D-CA) offered an amendment that, among other things, would have removed this limitation. Representative Jerry Lewis (R-CA) argued against accepting the NRC-related portion of the Waxman Amendment and the House voted against the entire amendment 243 - 176. The House passed H.R. 4194 on July 29, 1998. The Senate had earlier passed the bill on July 17, 1998.

Update

In the final appropriations conference report, House Report 105-769, all previous report language not modified or specifically excluded was adopted, including the EPA spending prohibition.

B. Civil Service Issues

Civil Service Reform

Comprehensive civil service reform did not occur this year. Chairman Mica (R-FL) of the House Government Reform and Oversight Committee's Subcommittee on Civil Service had ambitious plans for such legislation. Due to opposition to elements contained in the comprehensive approach, however, only individual bills which enjoyed bipartisan support advanced. The Senate Governmental Affairs Committee did not pursue civil service reform this year. Described below are individual bills that advanced which affect Federal employees:

Federal Employees Life Insurance Improvement Act, P.L. 105-311

This Act requires OPM to submit a study to Congress in six months of additional forms of insurance that could be made available under FEGLI such as universal group life and accidental death and dismemberment insurance. Additionally, the Act makes two benefit changes: 1) greater coverage can be purchased for one's spouse and dependent children, and 2) coverage will no longer be phased out when an enrollee turns 65.

Federal Pay Raise

The President approved a federal pay raise of 3.6%, effective January 1999, and has proposed a 4.4% pay raise for January 2000. The 3.6% will be allocated between the base pay rate and locality pay, so some federal workers will receive a pay raise greater than 3.6% and some less, depending upon where they work. The President's budget for FY 1999 had proposed a 3.1% federal pay raise while federal employee unions advocated 5.8%. The FY 1999 Treasury/Postal Service appropriations bill, the text of which was included in the Omnibus Consolidated and Emergency Supplemental Appropriations, P.L. 105-277, includes a 3.6% raise, and the President accepted that figure.

Veterans' Employment Opportunities Act, P.L. 105-339

This Act creates a uniform mechanism for veterans who believe that they were wrongly treated in a hiring process or reduction-in-force to seek redress from the Federal Government. Additionally, a violation of veterans' preference laws becomes a prohibited personnel practice.

Civil Service Bills Which Were Not Enacted

The following civil service bills received attention during the 105th Congress but were not enacted. 1. H.R. 2526 would increase to the maximum IRS annual limit (\$10,000 in 1998) the amount which both FERS and CSRS employees could contribute to TSP. The bill's budgetary impact resulting from increased tax-deferred contributions proved to be an insurmountable obstacle to advancement, as it was in the last Congress. 2. H.R. 2566 would allow federal employees who had previously received refunds of their pension contributions the option of: (a) redepositing, with interest, the refunds or (b) being credited for the service but having a reduced annuity; the only action was approval by the House Government Reform and Oversight Committee. 3. The Federal Employee Retirement Coverage Correction Act, which corrects retirement coverage for those employees who were placed in the wrong pension program during the transition from CSRS to FERS, died in the 105th Congress but is likely to be reconsidered in the 106th. The House approved H.R. 3249 which would hold the federal government responsible for paying both the employee and employer contributions to TSP during the time period to be corrected. The Administration's approach, contained in S. 1710, was the subject of a hearing before Senate Governmental Affairs. S. 1710 would have the federal government liable only for the employer portion. Inability to resolve the revenue differences killed the legislation. 4. The Senate did not clear two bills that had been approved by the House: (a) H.R. 4280 would allow federal agencies, at their own discretion, to subsidize child care for their lower income employees, and (b) H.R. 2943 would authorize an additional 30 days of leave each calendar year for federal employees who are organ donors.

Civil Service Health Benefits Program

A hearing held by the House Government Reform and Oversight Committee in September highlighted the increase in FEHBP premiums for the upcoming year: an average increase of 7.4% for enrollees and 11.4% for the government's share. The increase was attributed to enrollees' high average age (57), the rising cost and increased use of prescription drugs combined with OPM's refusal to allow insurers to impose drug co-payments on Medicare Part B participants, and the reduced reserve fund available to subsidize premiums. Additionally, 20% of plans will not be returning in 1999, which OPM related to the plans' inability to attract sufficient numbers of enrollees or maintain competitive rates, and the effects of managed care. The FEHBP open season is from 11/9 to 12/14.

Civil Service Provisions in the Omnibus Consolidated Appropriations Act, PL 105-277

Federal Employees' Equalization Allowance

The Omnibus Consolidated Appropriations Act, P.L. 105-277, that was signed into law on October 21, 1998, includes a provision that would prohibit Federal employees who return after working for an international organization, such as the IAEA, from receiving from their agency a differential in pay allowance between what they received from the international organization and what they would have received if they had been on detail from their agency.

Pay Raise for Executive Schedule and SES Employees

It appears that there will be no pay raise for Executive Schedule employees, which effectively bars a pay increase for SES 5 and 6 employees as well, since their pay is tied to the Executive Schedule. It may also limit pay increases for some SES 4 employees.

SES Awards

The Act increases SES meritorious and distinguished service awards and the funds available for SES performance awards.

Tort Liability

The Act provides additional tort liability immunity for certain Federal law enforcement officers, including the Office of Inspector General investigators.

The Office of the General Counsel is preparing an analysis of relevant portions of the Act.

C. DOE Facilities - External Regulation

There are several Congressional arenas in which various initiatives on external regulation were discussed:

Appropriations

Background

The House and Senate Appropriations staffs worked on legislative language that would end DOE self-regulation at Lawrence Berkeley National Laboratory (LBNL) on August 1, 1999 and provide that NRC assumes regulatory authority. Another issue concerned the authorities of NRC and OSHA pertaining to worker safety at the Lab and how to write it in the bill.

Update

The final bill did not provide for NRC regulatory authority for Lawrence Berkeley National Laboratory. The conference report did include direction to DOE to ensure all parties

(OSHA, states, etc.) were included in pilot programs so that issues relating to their prospective roles could be efficiently addressed. The conferees also directed that all new DOE nuclear facilities constructed in the year 2000 and beyond are built to NRC standards. The bill provided NRC with \$1 million for FY 1999's external regulation pilot projects.

Defense Authorization

Background

The Senate bill provided that any MOX fuel fabrication facility that may be constructed must be licensed by the NRC. The House bill provided that no tritium produced in a NRC-licensed facility could be used for nuclear explosive purposes. This provision would have effectively terminated the light water reactor option and eliminated the need for DOE to choose between accelerator production and commercial reactor production of tritium.

Update

A legislative change of significance in the 105th Congress comes from the FY 1999 Defense Authorization Act. The Act provides that any MOX fuel fabrication facility built to provide civilian reactor fuel will be licensed by the NRC. In that same provision, the statutory prohibition regarding NRC's expenditure of appropriated funds for defense projects was dropped for this specific endeavor.

The Defense Authorization Act did leave the Secretary of Energy free to choose between a civilian light water reactor option and an accelerator option for future tritium production. The Secretary is required to make a choice between technologies by the end of December 1998.

Hearings

Subcommittees of the House Commerce Committee (May 20, 1998, with the Commission as witnesses) and the House Science Committee (May 21, 1998 with the Chairman as witness) held hearings on this matter. At both hearings, the DOE indicated a number of difficult issues required further study, including who should be the licensee, before legislative changes were made. Members and other witnesses, including the Commission and the Chairman, differed with DOE on the difficulty of resolving these issues. These hearings served to build a hearing record in the House should either Committee wish to move forward in the next Congress.

House Science Committee

Committee staff had indicated that a number of the Committee Members intended to introduce a bill before the end of the 105th which would have provided that DOE self-regulation of nine nonmilitary DOE labs would cease on August 1, 1999 and, on that date, NRC and OSHA would become the regulators of those facilities. While such a bill was not introduced before the Congress adjourned, it is likely that one will be introduced in the 106th Congress. There was no comparable effort underway in the Senate.

D. DOE - Secretary of Energy

On July 31 the Senate confirmed Ambassador Bill Richardson as Secretary of Energy; he was sworn in August 18 and began serving on August 24. Prior to the confirmation vote President Clinton wrote to Senate Energy and Natural Resources Chairman Frank Murkowski assuring him that Ambassador Richardson would have full authority to carry out his responsibilities with regard to resolving the high-level radioactive waste issue. Based upon that letter, Senator Murkowski issued a statement supporting Ambassador Richardson.

E. Electricity Deregulation

Although there were more than 30 hearings held by various congressional committees on electricity deregulation during the 105th Congress, no legislation advanced due to the lack of agreement on whether federal action was necessary. The Administration belatedly weighed in July with its legislative proposal to the Hill. Many Members believe that sufficient action is being taken by the states to advance competition, while others believe that competition parameters should be framed by Congress to ensure protection for such items as energy conservation and low-income heating assistance. Supply concerns in the Midwest this summer also colored the debate as to whether the marketplace was ready for electricity competition. Rep. Bliley (R-VA), Chairman of the Commerce Committee, remains committed to pursuing a deregulation bill in the next Congress, after pulling draft legislation from further consideration by the Subcommittee on Energy and Power this summer, acknowledging that there were not enough votes to move a bill. The Subcommittee Chair, Rep. Schaefer (R-CO), is retiring this Congress, so future action in the House will be affected by whomever replaces him as Chair.

F. Federal Activities Inventory Reform Act, P.L. 105-270

Congress approved the Federal Activities Inventory Reform Act in October. This Act requires agencies to annually submit a list of their activities that are not inherently governmental to OMB for review and consultation. Following that review, OMB will publish a final list. Agency heads are then required "within a reasonable time" to review the activities and to determine whether the activities should be privatized. Originally, the federal government would have been prohibited from competing with the private sector for the listed activities.

G. Federal Advisory Committee Streamlining Act

Legislation regarding federal advisory committees did not pass this Congress, but the issue is likely to be considered again in the 106th. In July the Senate Governmental Affairs Committee approved S. 2228, the Federal Advisory Committee Streamlining Act, which would sunset statutorily-authorized federal advisory committees three years after the bill's enactment. The bill is of interest to the NRC because ACRS is statutorily-established and is subject to S. 2228's provisions; ACMUI and ACNW are not established by statute. A

hearing was held in the House on the general effectiveness of FACA and federal advisory committees.

Although statutorily-mandated advisory committees would be sunset three years after S. 2228's enactment, the bill contained an exemption provision for those committees whose purpose is to "address critical needs relating to health, safety, national security, or other concerns as the President may certify"; the ACRS might qualify under this exemption.

H. Government Paperwork Elimination Act

This Act, which was included in the Omnibus Consolidated and Emergency Supplemental Appropriations Act, P.L. 105-277, amends the Paperwork Reduction Act to allow for the use of electronic submission of federal forms with an electronic signature to the federal government within five years. It also directs OMB, within 18 months, to develop procedures for the use and acceptance of electronic signatures by Federal agencies.

I. High-Level Radioactive Waste

On April 15, 1997, the Senate passed S. 104, to address the high-level waste disposal issue and, among other things, establish an interim high-level radioactive waste storage facility at Yucca Mountain, Nevada. The bill was then referred to the House.

The House passed its version of the legislation, H.R. 1270, on October 29, 1997. Subsequently, on March 5, 1998, the House adopted H. Res. 379, to send S. 104 back to the Senate arguing that the Senate's proposed change in assessing fees on utilities paying into the Nuclear Waste Fund was a revenue measure that must originate in the House.

The House Commerce Committee and Senate Energy and Natural Resources Committee attempted to preconference a bill that would satisfy outstanding concerns. Senate Majority Leader Trent Lott (R-MS) tried to bring up the House passed H.R. 1270; however, the vote on a cloture petition to stop a filibuster by the Nevada Senators failed to gather the 60 votes necessary to proceed. This ended the bill's chances in this Congress.

The subject received some renewed interest when it became an issue in the confirmation of Ambassador Bill Richardson as Secretary of Energy. A July 30, 1998, letter from the President to Senate Energy Committee Chairman Frank Murkowski provided assurance that Secretary Richardson would have the authority to deal with nuclear waste disposal once DOE's viability assessment has been issued. Based on that assurance, Bill Richardson was confirmed.

J. International Issues

Convention on Nuclear Safety

In June 1998, the Senate Committee on Foreign Relations drafted a resolution on the ratification of the Convention on Nuclear Safety. Representatives from the State Department and NRC met to discuss the draft resolution and come up with a text they could agree upon. The State Department representatives then met with the Committee staff to discuss the revised draft. The resolution was finalized and put on the Committee's schedule for a vote before going to the Senate Floor for ratification. However, the resolution was dropped from Committee action at the last minute.

Update

Congress adjourned without completing action on the Convention on Nuclear Safety.

Convention on Waste Management

The Convention on Waste Management was not submitted to the Senate for ratification.

Liability Convention

The Liability Convention was not submitted to the Senate for ratification.

Nuclear Exports

The House passed an amendment to H.R. 3616, the Department of Defense Authorization Act, that requires nuclear exports, except for general licensed exports and exports to a country that is a member of the Organization for Economic Cooperation and Development, to sit before Congress for 30 days for final approval. This amendment was introduced by Representative Gilman (R-NY) and was not included in the Senate version.

Update

During conference, Rep. Gilman's amendment was modified to require the President to notify Congress when the NRC granted a nuclear export license to a country that: 1) the President has determined is a country that has detonated a nuclear explosive device, 2) is not a member of the North Atlantic Treaty Organization. The conference report was signed into law on October 17, 1998 (P.L. 105-261).

Withholding U.S. Funds for IAEA Programs in Iran

On August 3, 1998, the House passed H.R. 3743, a bill introduced by Representative Menendez (D-NJ) prohibiting the International Atomic Energy Agency (IAEA) from using U.S. funds for Iran's nuclear power program. On October 20, 1998, the House passed H.R. 4851, a modified version of H.R. 3743. The Administration supported the intent of the bill but opposed the approach. It would prefer that the IAEA not lose access to Iran's nuclear program. The Senate did not act on either bill before adjournment.

K. Low-Level Radioactive Waste

DOE Low-Level Waste Disposal

The NRC's General Counsel appeared at a Senate Armed Services Committee hearing on September 3, 1998. The hearing looked into DOE's practice of sending low-level waste from its sites only to facilities that have an NRC or Agreement State license (Envirocare). In general, NRC's participation was to confirm that there is no NRC requirement for such a practice. At that hearing, DOE witnesses indicated that their practice would be reviewed. Also, at a subsequent hearing, Secretary of Energy Richardson emphasized that the practice is receiving a serious review.

Southwest Compact/Ward Valley

On July 22, 1997, the Senate Energy and Natural Resources Committee held a hearing concerning the status of the Department of the Interior's transfer of public land to the State of California for the Ward Valley low-level waste site. The land transfer has not taken place and no legislation was introduced to require them to do so.

Texas Compact, P.L. 105-236

The House and Senate both passed the Texas low-level Radioactive Waste Disposal Compact, H.R. 629 and S. 270 respectively and a conference committee report was issued. An amendment by Representative Lloyd Doggett (D-TX) and Senator Paul Wellstone (D-MN) to void the Compact if waste was brought in from outside the Compact's member states -- Texas, Maine and Vermont -- was dropped by the conferees. A second Wellstone amendment on environmental justice was also dropped. Prior to the August recess, the House passed the conferenced bill and the Senate came to an agreement with Senator Wellstone to vote on it during the first week back in session. The bill subsequently passed and was signed into law by the President.

L. Regulatory Reform

Regulatory reform, the object of contentious debate in past Congresses, had a similar history in this Congress. Senators Thompson's (R-TN) and Levin's (D-MI) S. 981, Regulatory Improvement Act, was approved by the Senate Governmental Affairs Committee in March. The bill would place new requirements on agencies' rulemaking process, imposing risk assessment and cost benefit analyses of all major rules. Four days before the markup, Majority Leader Lott introduced his own version which was similar to that which was withdrawn in the previous Congress. Then in July, the Administration and Senators Thompson and Levin agreed to further modifications of S. 981, but the legislation was not brought to the Senate Floor. Regulatory reform is likely to be revisited in the 106th Congress.

The Omnibus Appropriations Act (PL 105-277), signed into law October 21, included a provision that requires OMB to issue guidelines to agencies on standardizing measures of regulatory costs and benefits.

M. Reports Elimination Act

Congress approved the Reports Elimination Act in October and the President has until November 16, 1998 to sign it. This Act eliminates the ACRS and Price-Anderson Act annual reports, modifies NRC's reporting requirement for gaseous diffusion facilities, and eliminates government-wide reports to which NRC contributes such as those on appointment and payment of ALJ's, payment to providers of property and services, civil monetary penalties, and matching programs of Government agencies.

N. Travel and Transportation Reform Act, P.L. 105-264

This Act mandates the use of government credit cards for work-related travel by employees. The Congress approved the Travel and Transportation Reform Act in October.

O. U.S. Enrichment Corporation

On July 28, 1998, the United States Enrichment Corporation (USEC) became a wholly private company with shares being sold to the public.

Senator Mitch McConnell (R-KY) introduced legislation, S. 2316, to require the Secretary of Energy to prepare a report to ensure that all monies that had been accrued by USEC for environmental restoration will be used to treat and recycle the stockpile of depleted uranium hexafluoride. On July 16, 1998, the Senate passed S. 2316 and on July 20, 1998, the House passed the same bill. The President signed the bill into law on July 21, 1998, as P.L. 105-204

Update

The FY 1999 Energy and Water Development Appropriations Act amends Section 3107 (h) of the USEC Privatization Act to provide that all security police officers at the two gaseous diffusion facilities are to carry sidearms at all times. The Senate Appropriations Committee language, in S. Rept. 104-206, agreed with NRC that DOE is responsible for issuance and implementation of guidelines affecting the arming and arrest authority conferred by Section 161k. of the Atomic Energy Act.

P. Uranium Mill Tailings

On July 27, 1998, the House Commerce Committee's Subcommittee on Energy and Power held a hearing on a proposal to increase the amount of money under Title X of the Energy Policy Act that the government will pay to reimburse companies to reclaim Uranium Mill Tailing Radiation Control Act Title II (civilian) sites from \$6.25 per ton to \$9.50 per ton.

Update

While no bill was introduced to accomplish this, a separate provision in the FY 1999 Energy and Water Development Appropriations Act increased the government's share of cleaning up the West Chicago thorium site from \$65 million to \$140 million.

Q. Year 2000 (Y2K) Problem

Hearings and Grades

The NRC testified on Y2K twice during the 105th Congress. On May 14, Hugh Thompson testified before the House Science Committee's Technology Subcommittee at a hearing, "Millennium Short Circuit: Effects of Year 2000 on Energy Utilities." On June 12, Chairman Jackson testified before the Senate Special Y2K Technology Problem Committee regarding "Y2K and the Power Grid." Both hearings provided an opportunity to discuss NRC's Y2K efforts internally and externally, particularly NRC Generic Letter 98-01 which addresses Y2K readiness of nuclear power plants. OCA memos dated May 15 and June 22, 1998 provide additional information on the hearings.

Rep. Horn (R-CA), Chair of the House Government Reform and Oversight Committee's Subcommittee on Government Management, Information and Technology, continued his quarterly grading of agencies' progress in addressing Y2K concerns. In March, NRC was given a grade of C- versus a government-wide grade of D-. This grade was based on the assumption that the rate of progress at which agencies had proceeded to date would be continued into the future, resulting in a noncompliance. In June, NRC was given a B. In August, the NRC was given a D, again based on NRC's progress in the past rather than its schedule for compliance in the upcoming months. More mission-critical systems are expected to be compliant by the next grading period in November.

Y2K Bills

In October, Congress approved the Year 2000 Information and Readiness Disclosure Act, P.L. 105-271, to encourage the sharing of information on Y2K preparedness solutions. Also in October, Rep. Morella (R-MD) introduced H.R. 4756, which would require OMB to submit monthly reports to Congress on agencies' Y2K progress, require agencies' quarterly Y2K reports to OMB to be submitted to Congress, and would require a compliance outreach program to be organized for small businesses. No further action was taken on H.R. 4756. The House passed H.R. 4756 in October, but the Senate did not take up the matter.

OFFICE OF CONGRESSIONAL AFFAIRS

Dennis K. Rathbun, Director

Linda Portner, Associate Director

Teresa Schultze
Dorothea Hill-Simms

Program and administrative support.

Issue assignments in the Office of Congressional Affairs are listed below:

Issues/Assignments

Mike Callahan	Region 1 Reactors, Fuel Cycle Facilities, and Materials Licensees Specific Issues; Advanced Reactors; External Regulation of DOE; Reactor Generic Issues, such as maintenance, Thermo-Lag, Core Shroud and Steam Generators
Laura Gerke	Region III Reactors, Fuel Cycle Facilities, and Materials Licensees Specific Issues; Government and Regulatory Reform; Federal Employee Issues; Generic Medical Issues; Generic Whistle blower Issues; Fitness-for-Duty; Nominations; NRC Organizational Issues; Inspector General
Betsy Keeling	Region II Reactors, Fuel Cycle Facilities, and Materials Licensees Specific Issues; International Issues (including terrorism and non- proliferation); Research; Contract Negotiations; Emergency Planning; Safeguards
Tom Madden	Regions IV Reactors, Fuel Cycle Facilities and Materials Licensees Specific Issues; Transportation; Reactor Operator Issues; Budget Issues; User Fees; Decommissioning; WIPP; RCRA; Legislative Proposals; Substandard Materials; DOE Defense Programs; Spent Fuel Storage; Radioactive Waste backup (HLW, LLW, Mill Tailings)
Tom Combs	Fuel Cycle Facilities, and Materials Licensees Generic Issues; Radiation Testing; Radioactive Waste (HLW, LLW, Mill Tailings); Environment (Clean Water Act, Superfund, Risk Assessment); Uranium Enrichment; Decommissioning backup