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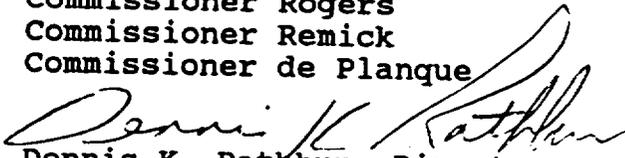
UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

December 8, 1993

MEMORANDUM FOR:

The Chairman  
Commissioner Rogers  
Commissioner Remick  
Commissioner de Planque

FROM:

  
Dennis K. Rathbun, Director  
Office of Congressional Affairs

SUBJECT:

STATUS OF ISSUES IN THE 103RD CONGRESS

Attached for your information and use is the status of issues relevant to the NRC and being monitored by the Office of Congressional Affairs.

Attachment:  
As Stated

cc: EDO  
OGC  
SECY  
OPA  
OIP  
OIG  
ACRS  
ACNW  
OCAA

A/17

INDEX

STATUS OF ISSUES  
IN THE 103RD CONGRESS

December 8, 1993

Page Number

I. NRC BUDGET

|    |   |   |
|----|---|---|
| A. | NRC FY 1994 Appropriations .....                                  | 1 |
| B. | NRC FYs 1994-1995 Authorization .....                             | 1 |
| C. | NRC Budget - Omnibus Budget Reconciliation<br>Act/User Fees ..... | 2 |

II. NRC-RELATED ISSUES AND LEGISLATION

|    |  |   |
|----|--|---|
| A. | Advanced Neutron Source .....                                | 2 |
| B. | Advanced Reactors .....                                      | 3 |
| C. | Clean Air .....  | 3 |
| D. | Clean Water .....  | 3 |
| E. | Emergency Preparedness.....                                  | 3 |
| F. | Fire Protection/Thermo-Lag .....                             | 4 |
| G. | High-Level Waste .....                                       | 4 |
| H. | International .....  | 5 |
| I. | Low-Level Waste (LLW) .....                                  | 5 |
| J. | Mixed Waste - (RCRA Reauthorization) .....                   | 5 |
| K. | Monitored Retrievable Storage (MRS) .....                    | 6 |
| L. | Nonproliferation/Export Issues .....                         | 6 |
| M. | Nuclear Enforcement Accountability Act - S.2265              | 6 |
| N. | NRC Legislative Proposals .....                              | 7 |
| O. | NRC Nuclear Materials and Agreement States<br>Programs ..... | 8 |
| P. | Nuclear Waste Negotiator .....                               | 8 |
| Q. | Nuclear Whistleblowers .....                                 | 8 |
| R. | Regulation of DOE Facilities .....                           | 8 |
| S. | Risk/Cost Analysis for Environmental<br>Initiatives .....    | 9 |

III. GOVERNMENT-WIDE LEGISLATION

|    |   |    |
|----|---|----|
| A. | Acceptance of Honoraria by Federal Employees .. | 9  |
| B. | Administrative Law Judge Corps Act .....        | 9  |
| C. | Crime Bill .....                                | 9  |
| D. | Department of Environmental Protection (DEP)... | 10 |
| E. | Family and Medical Leave Act .....              | 10 |
| F. | Federal Buy-Out Legislation .....               | 10 |
| G. | Federal Employees Fairness Act .....            | 11 |

Page Number

|    |   |    |
|----|---|----|
| H. | Federal Employees Leave Sharing Act .....                       | 11 |
| I. | Government Reform and Savings Act, H.R. 3400 ..                 | 11 |
|    | • Cap on Accrual of SES Leave.....                              | 12 |
|    | • Financial Reform/Reinventing Support<br>Services .....        | 12 |
|    | • Termination of Advanced Liquid Metal<br>Reactor Program ..... | 12 |
|    | • Reduction in the Federal Workforce .....                      | 12 |
| J. | Hatch Act Reform/Garnishment of Wages .....                     | 12 |
| K. | Health Care Reform .....  | 13 |
| L. | Paperwork Reduction Act .....                                   | 13 |
| M. | Procurement Reform .....  | 13 |

## I. NRC BUDGET

### A. NRC FY 1994 Appropriations

H.R. 2445, the FY 1994 Energy and Water Development and Appropriations Act passed the House of Representatives on June 24, 1993, and the Senate on September 30, 1993. Both versions provide \$547.9 million to the NRC which includes \$4.8 million for the Inspector General and \$22 million from the Nuclear Waste Fund.

The House of Representatives and Senate agreed to the Conference Report accompanying H.R. 2445 on October 26 and 27, 1993. The President signed the bill on October 29, 1993, becoming P.L. 103-127. (See Attachment for Conference Report language.)

### B. NRC FYs 1994-1995 Authorization

H.R. 2743, a bill to authorize appropriations for the NRC for FYs 1994-1995 was introduced, by request, by Representative Richard Lehman on May 18, 1993. A hearing regarding this legislation was held on May 27, 1993, before the Subcommittee on Energy and Mineral Resources, House Committee on Natural Resources. The Subcommittee will consider further action when comparable legislation clears the Senate.

S. 1166, a bill to authorize appropriations for the NRC for FYs 1994-1995 was introduced by Senators Max Baucus (D-MT) and Joseph Lieberman (D-CT). A hearing was held on June 30, 1993, before the Subcommittee on Clean Air and Nuclear Regulation, Senate Committee on Environment and Public Works. The Senate Subcommittee on Clean Air and Nuclear Regulation marked up S. 1166, the NRC legislative proposals and S. 1162, the NRC Fiscal Years 1994/95 authorization bill on October 29, 1993. S. 2166 and S. 1162 were revised and incorporated into S. 1166.

Senator Metzenbaum offered an amendment which would raise the base civil penalty for violations by medical licensees to \$20,000. The NRC could raise or lower that amount using the factors in its enforcement policy. The amendment was agreed to and the Subcommittee then adopted the substitute, as amended.

The Subcommittee deleted NRC language in the staff draft which was considered a restatement of the NRC's current authority to conduct searches of applicants, licensees, and persons subject to section 206 of the Energy Reorganization Act of 1974. Additionally, the language concerning a "judicially-approved" warrant in the NRC's proposed language has been replaced with language referring to a warrant that is approved by "a federal judge or magistrate."

Following the markup the Subcommittee staff requested a briefing to provide additional information regarding the need for search warrant authority by the NRC. The meeting took place on November 10, 1993. The Subcommittee staff remains concerned about this provision but it remains a part of the legislation.

Senators Lieberman and Simpson have committed to move this legislation to the full Committee and ultimately to the Senate; however, no date has been set for Environment and Public Works Committee markup.

### C. NRC Budget - Omnibus Budget Reconciliation Act/User Fees

On August 5 and 6 the House of Representatives and the Senate agreed to the conference report accompanying H.R. 2264, the Omnibus Budget Reconciliation Act of 1993. The President signed the bill into law on August 10, 1993.

The law extends NRC's 100% user fee authority an additional three years -- through FY 1998. The three-year extension is expected to provide approximately \$1.2 billion in budget savings.

The Congress remains very interested in the implementation of user fees. Eliminating the non-profit exemption earlier in the year produced many letters and calls from Congressional offices regarding this issue. The Senate Subcommittee on Clean Air and Nuclear Regulation, Committee on Environment and Public Works, is planning a hearing in February 1994 on NRC user fees.

## II. NRC-RELATED ISSUES AND LEGISLATION

### A. Advanced Neutron Source

DOE, the isotope community, and several members will be interested in pushing for a commitment to build the Advanced Neutron Source in Oak Ridge. It is likely that any proposed authorization to move ahead on this project would provide that it be licensed by the NRC. Necessary appropriations and such authorization are far from certain. Several members are not convinced of the need for such a facility or believe that if it is truly needed, then a private firm or group would be financing it. Representative Lloyd's hearing regarding university and non-power reactors during October could be seen as a beginning in building the case in favor of the reactor. Representative Synar's hearing in December represented a more critical view. NRC should be prepared to testify, at least for the record, on licensing procedures and resources necessary should DOE's budget include the next level of funding for this project.

B. Advanced Reactors

There will be continued interest and oversight by the Energy and Water Appropriations and the Energy authorizing Committees concerning the progress we make on certifying the designs of the reactors currently under staff review. At this point there is general satisfaction regarding our progress. No congressional action is likely unless there are new slips in these schedules.

C. Clean Air

Enactment of the Clean Air Act amendments last year settled many of the outstanding issues. Interest this year has been in EPA implementation of the Clean Air Act initiatives. Representatives Synar (D-OK), Sharp (D-IN), and Waxman (D-CA) have asked the EPA Administrator not to rescind the Clean Air Act standards in Subpart I of 10 CFR Part 61 for NRC and Agreement State licensed nuclear facilities other than power reactors. Senators Johnston (D-LA) and Simpson (R-WY) have urged EPA to rescind Subpart I.

Also with regard to EPA, Mary Nichols was confirmed by the Senate as EPA's Assistant Administrator for Air and Radiation.

D. Clean Water

The reauthorization of the Clean Water Act is a priority of the Senate Committee on Environment and Public Works. A number of bills have been introduced and OGC has completed a review of the Senate bills, which are not a cause for concern from NRC's perspective. Hearings could begin in the Senate early in the next session. The House is taking a slower approach; no comprehensive water bills have been introduced and no hearings have been held.

E. Emergency Preparedness

On May 20, 1993, Senator Mikulski (D-MD) introduced S. 995, the "Federal Disaster Preparedness and Response Act of 1993." The bill directs the President to develop a Presidential Response Plan to provide federal assistance to states when needed. This bill would also restructure the Federal Emergency Management Agency. The bill was referred to the Committee on Governmental Affairs. On November 19, 1993, Senator Mikulski introduced S. 1697 which modifies the previous bill in some areas but is basically the same as S. 995. Senator Glenn, Chairman of the Committee on Governmental Affairs would like to have hearings during the first part of the second session of the 103rd Congress and then vote it out of Committee. Representative Deutsch (D-FL) introduced H.R. 2548, the companion bill to S. 995. A similar bill (H.R. 2692) was introduced by Representative Peterson (D-FL) and was referred to the Committees on Armed

Services, and Public Works and Transportation. At the end of the first session there were several similar bills introduced but no hearings have been scheduled at this time.

F. Fire Protection/Thermo-Lag

A staff to staff status briefing for interested oversight committees was held in late November regarding our recent activities and initiatives in resolving the Thermo-Lag issue. There is particular interest in how the NUMARC tests will be applied to plant specific applications and how many fixes will be made by reference to the generic tests, how many will result from plant specific testing, and how many will result from some alternative to Thermo-Lag. The pace of bringing this issue to closure will also be watched.

G. High-Level Waste

The Energy Policy Act of 1992 dealt with many of the most pressing high-level waste issues facing Congress. The remaining legislative issue is whether to take the high-level waste fund off budget. Senator J. Bennett Johnston (D-LA) attempted to take the fund off budget in his Senate Energy Committee but was prevented from doing so primarily because of last minute opposition from the Office of Management and Budget. There is still wide-spread support in both Houses. Senator Johnston may make another attempt through his position on the Senate Appropriations Committee.

The Sharp and Lehman Subcommittees in the House (Committee on Energy and Commerce's Subcommittee on Energy and Power and Committee on Natural Resources' Subcommittee on Energy and Mineral Resources) held a joint oversight hearing on DOE's civilian high-level radioactive waste program (OCRWM). Chairmen Philip Sharp (D-IN) and Richard Lehman (D-CA) called on DOE to support an independent study of the OCRWM program but cautioned against stopping work at Yucca Mountain pending completion of the study. The Senate Energy and Natural Resources Committee scheduled but cancelled a hearing on the OCRWM program. The Committee plans to hold a hearing this year.

Representative Mike Synar's (D-OK) Subcommittee on Environment, Energy and Natural Resources of the Committee on Government Operations plans to hold a hearing on the Waste Isolation Pilot Project (WIPP) early next year.

Daniel Dryfus, a former Administrative Assistant to Senator J. Bennett Johnston was confirmed by the Senate as the Director of the Office of Civilian Radioactive Waste Management (OCRWM).

#### H. International

Representative Sharp (D-IN), Chairman of the Subcommittee on Energy and Power, House Committee on Energy and Commerce, and Senator Johnston (D-LA), Chairman of the Senate Committee on Energy and Natural Resources held separate hearings on October 28 on U.S. assistance to the former Soviet Union. At this time there are no international hearings anticipated for the second session of this Congress.

On September 30 the President signed into law (P.L. 103-87) the Foreign Operations Appropriations bill which appropriates \$100 million in fiscal year 1994 for nuclear safety assistance programs in the Newly Independent States.

#### I. Low-Level Waste (LLW)

Despite all of the press and public interest in the siting of new low-level radioactive waste disposal facilities, Congress has remained conspicuously silent. No legislation has been introduced and no action has been taken on Senator Robert Kerrey's (D-NE) "Sense of the Senate" language which passed as an amendment to last Congress' Energy Policy Act of 1992. That amendment contemplated a Senate review in this Congress of the progress of the States in forming compacts and siting new facilities and whether the number of proposed sites is too many.

Senator Barbara Boxer (D-CA) seems to have been successful in keeping the Department of the Interior from transferring Bureau of Land Management land to California for its LLW site while a court decision on an adjudicatory hearing is pending. It is possible that Senator Boxer may hold an Environment and Public Works Committee field hearing in California in the next session.

No other hearings have been held or scheduled although Senator Lieberman's (D-CT) staff has indicated that he may hold a hearing on LLW in his Subcommittee on Clean Air and Nuclear Regulation, Committee on Environment and Public Works.

#### J. Mixed Waste - (RCRA Reauthorization)

The legislative vehicle for dealing with issues relating to the disposal of mixed waste could be the reauthorization of the Resource Conservation and Recovery Act (RCRA). Neither the Senate nor the House have held hearings and no comprehensive RCRA bills have been introduced. Hearings and a push toward a piecemeal or "light" bill will likely occur sometime next year.

K. Monitored Retrievable Storage (MRS)

Public Law 103-126, the Energy and Water Appropriations for FY 1994, contained provisions which prohibit funds to be made available for Phase II-B grants from the Department of Energy to study the feasibility of siting an MRS facility. This provision stops all federal funding for phase II work, in effect stopping the federal MRS effort. However, private funds can be used to explore efforts of interested Indian Tribes or States.

L. Nonproliferation/Export Issues

Senator Glenn (D-OH) and Representative Lantos (D-CA) have introduced identical bills, S. 1054 and H.R. 2358 respectively, that are similar to the nonproliferation bill Senator Glenn introduced last year. These bills would impose sanctions against persons and firms (domestic and foreign) that materially contribute through the export of goods or technology to any non-nuclear weapon state's effort to acquire unsafeguarded weapons-grade uranium or plutonium, or to use, develop, or otherwise acquire a nuclear explosive device. Also, these bills would require that NRC submit for the President's annual report a description of each component export licensed by the NRC during the previous year. The bills have been referred to the Committees on Foreign Relations and Foreign Affairs, and they are likely to be the subject of hearings during the early part of the second session of the 103rd Congress.

Senator Glenn also introduced S. 1055, the "Nuclear Export Reorganization Act of 1993." This bill will allow NRC to obtain access to all of Commerce Department's data on nuclear dual-use export cases, give NRC the authority to request additional information beyond the dual-use cases, and require NRC concurrence on the issuance of all dual-use export licenses. The bill was referred to the Committee on Foreign Relations, and they are likely to have hearings during the early part of the second session. Representative Lantos introduced the companion bill in the House.

M. Nuclear Enforcement Accountability Act - S. 1165

Senator Lieberman's (D-CT) S. 1165 would provide standards for NRC evaluation of 2.206 petitions and for judicial review of NRC's decisions on 2.206 petitions. The Commission testified against S. 1165, asserting that it would restrict the agency's discretionary authority and that NRC's enforcement actions should not be singled out for judicial review. Additionally, the Commission directed the staff to evaluate potential improvements to the 2.206 process. The staff is expected to report back to

the Commission in December. While expressing interest in the forthcoming report, in October the Subcommittee on Clean Air and Nuclear Regulation, on a party line vote, decided to move ahead with S. 1165 and approved it for full Committee consideration.

#### N. NRC Legislative Proposals

On March 3, 1993, the Commission sent legislative proposals to Congress. The legislation would (1) help ensure that defects in components and regulatory violations will be reported to the NRC, (2) confirm the Commission's authority to impose civil monetary penalties, (3) modify a Congressional reporting requirement applicable to the NRC's Advisory Committee on Reactor Safeguards, (4) authorize guards at NRC licensed facilities to use deadly force in certain circumstances, (5) make unauthorized introduction of weapons at certain NRC licensed facilities a federal crime, (6) make sabotage of a production, utilization or waste storage facility during its construction a federal crime if action jeopardizes public health and safety during construction, and (7) authorize the NRC to obtain administrative search warrants.

In the House of Representatives, Representative Richard Lehman introduced H.R. 2170, The Omnibus Nuclear Power Safety and Security Enhancement Act of 1993. The bill is similar to the NRC package; there were only minor editorial revisions. H.R. 2170 was discussed at the May 27, 1993 hearing before the House Committee on Natural Resources' Subcommittee on Energy and Mineral Resources. As with the NRC authorization bill, the Subcommittee will wait until the Senate has completed action on this proposal before further consideration.

In the Senate, Senators Max Baucus (D-MT) and Joseph Lieberman (D-CT) introduced S. 1166. The bill is identical to the package submitted by the NRC. The Senate Committee on Environment and Public Works' Subcommittee on Clean Air and Nuclear Regulation held a hearing on June 30, 1993, to consider the NRC FYs 1994-1995 authorization bill and the legislative proposals. The Subcommittee incorporated the legislative proposal package with the NRC authorization bill during markup on October 29, 1993 (see page 1).

Separately, the agency submitted a legislative proposal which would provide the NRC with the authority to repay student loans as a means to enhance employee recruitment. While the NRC's proposal has not been introduced in Congress, Representative Gilman (R-NY) introduced H.R. 511, the Public Service Scholarship Act, which addresses this concern. This bill would provide federal agencies with the authority to award scholarships to outstanding students who agree to work for them for a certain

period of time. Additionally, it includes a section authorizing student loan repayment for those agencies, such as the NRC, who do not currently have such authority. No action has occurred on H.R. 511.

O. NRC Nuclear Materials and Agreement States Programs

The interest of Representative Mike Synar (D-OK), Chairman of the Subcommittee on Environment, Energy, and Natural Resources, House Committee on Government Operations, remains high. The Subcommittee plans to hold a hearing on the NRC materials program some time next year as a followup to their August hearing on the Agreement States Program.

P. Nuclear Waste Negotiator

Richard H. Stallings from Idaho was nominated by President Clinton to be the Nuclear Waste Negotiator. His confirmation hearing was held on October 22, 1993, before the Senate Committee on Energy and Natural Resources. He was confirmed by the Senate on November 10, 1993. Mr. Stallings is a former Representative from the second Congressional district in Idaho.

Q. Nuclear Whistleblowers

On July 15, the Senate Clean Air and Nuclear Regulation Subcommittee held a hearing at which the NRC testified on the process for handling allegations of harassment and intimidation raised by nuclear industry employees. At that time, Senator Lieberman (D-CT) stated that he planned to hold a second hearing in order to receive testimony from the U.S. Department of Labor (DOL) about its process. The Subcommittee staff indicated that they are awaiting receipt of DOL answers to questions posed in August before they determine whether to schedule such a hearing.

R. Regulation of DOE Facilities

The Subcommittee on Energy and Mineral Resources (Rep. Lehman) of the House Committee on Natural Resources will likely introduce legislation early in the session which would provide that NRC license any new DOE nuclear facilities. It will also call for a study of who should regulate existing DOE facilities with particular focus on the suitability of NRC, EPA, and the Defense Nuclear Facilities Safety Board. A hearing, postponed from last November, is expected early in the session. NRC may be asked to testify at that hearing.

S. Risk/Cost Analysis for Environmental Initiatives

There is a growing consensus among the energy and environment committees that government actions, especially those by EPA, ought to be accompanied and/or justified by an assessment of the risk a particular hazard poses and the relative costs of addressing it. Such a provision is included in the Senate-passed version creating a Department of Environmental Protection. There will likely be some additional proposed legislation in this area. In a related vein, there likely will be some legislative initiatives to authorize recycling of decontaminated material resulting from the DOE cleanup activities. Several bills have already been introduced.

III. GOVERNMENT-WIDE LEGISLATION

A. Acceptance of Honoraria by Federal Employees

H.R. 1095, introduced by Representative Frank (D-MA), would restore the right of most federal workers to accept honoraria while limiting the annual amount accepted to \$2000. The House Judiciary Committee's Subcommittee on Administrative Law approved the bill by voice vote on 11/17/93. This action was taken in response to the Ethics Reform Act of 1989 which prohibits executive branch employees from accepting money for speeches. While a federal court of appeals struck down that provision of the Act earlier this year--ruling that it was an unconstitutional infringement on free speech--the Administration has yet to decide whether to appeal the decision. The Subcommittee action symbolizes Congress' view that the decision should not be appealed.

B. Administrative Law Judge Corps Act

Senator Heflin's (D-AL) S. 486 would establish a corps of administrative law judges, separate from individual agencies. The Senate approved the bill in November, and it is now pending before the House Judiciary Committee. Senator Heflin's staff has been working closely with that of Representative Glickman (D-KS) on the issue; Representative Glickman introduced a similar bill, H.R. 2586 in July. In past Congresses, the efforts of these two men have resulted in similar bills advancing as far as being reported out of the respective Judiciary Committees.

C. Crime Bill

In late November, the Senate passed H.R. 3355, the Omnibus Crime Control and Safe Streets Act. This bill is wide-ranging, covering such areas as capital punishment, community grants, and

gun control. The House version of the bill is very limited, dealing just with community grants. The House approach to date has been to consider a number of individual bills rather than one broad one. Included in the Senate version is a provision regarding banning the possession or transfer of certain semi-automatic weapons after the date of enactment. Federal or state agencies would be exempted from this ban. OGC and the staff are currently reviewing how this provision would affect NRC licensees.

D. Department of Environmental Protection (DEP)

In May, the Senate passed Senator Glenn's (D-OH) S. 171, which would elevate EPA to Cabinet-level status. The bill would abolish the Council on Environmental Quality and transfer most of its functions to the DEP. Additionally, the Senate adopted Senator Johnston's (D-LA) amendment which would require, before new regulations could be issued, an assessment of the compliance costs of the risk addressed by the regulation relative to other risks to which the public is exposed. In late November, H.R. 3425, also elevating EPA to the Cabinet level, was ready for Floor consideration; however, concern over how the Johnston amendment would be accommodated and debate over whether there should be just a simple elevation of the EPA or accompanying reorganization, caused the bill to be too controversial for consideration during the hectic last days of the session.

Separately, Rep. Studds (D-MA) introduced H.R. 3512, abolishing the Council on Environmental Quality and replacing it with the Office of NEPA compliance. The House approved H.R. 3512 in November. OGC is preparing an analysis of H.R. 3512 for the Commission.

E. Family and Medical Leave Act

The Family and Medical Leave Act, P.L. 103-3, was enacted in February. The provisions of this law entitle federal employees to up to 12 weeks of job-protected leave without pay in a 12-month period due to: the birth or placement for adoption or foster care of a child; the serious health condition of a child, spouse, or parent; or the serious health condition of the employee.

F. Federal Buy-Out Legislation

While significant Committee action occurred on buy-out legislation this year, no final action was taken. Both the Senate Governmental Affairs and the House Post Office and Civil Service Committees approved legislation to authorize the payment of voluntary separation incentive payments (VSIP) of up to \$25,000 to federal employees as a means to downsize and rightsize

the government. Late in the session, concerns were raised about the short-term costs of offering buy-outs as well as whether FTE reductions would result or if agencies would simply fill the jobs of those departing. As a result of these concerns, the House dropped the buy-out provision from H.R. 3400, a package of reinventing government proposals which was subsequently approved by the House. Senate Floor action has also yet to occur. While the original goal was to have the buy-out authority available to agencies to reduce FTE's in FY 1994, it is uncertain whether the above controversies will kill or simply delay the consideration of such authority.

#### G. Federal Employee Fairness Act

Senator Glenn's S. 404, the Federal Employee Fairness Act, would 1) transfer authority for investigating and adjudicating complaints of discrimination from individual agencies to the Equal Employment Opportunity Commission (EEOC); 2) retain with the agencies the authority for counseling complainants and attempting to resolve claims; 3) transfer principal fact-gathering responsibility from the agencies to the parties under the supervision of an Administrative Judge; 4) impose strict time limits on complainants, agencies, and the EEOC; 5) give federal employees who prevail interest on their awards of back pay; and 6) subject discriminating officials to investigation by the Office of Special Counsel with a possible result of disciplinary action.

The Senate Governmental Affairs Committee held a hearing on S. 404 in May, and reported the bill to the Senate Floor in late October; the Senate recessed without taking further action. On the House side, Representative Martinez (D-CA) introduced a related measure, H.R. 2721, in July. A subcommittee of the House Education and Labor Committee held a hearing on the bill in October.

#### H. Federal Employees Leave Sharing Act

The President signed the Federal Employees Leave Sharing Act, P.L. 103-103, into law in October. This Act permanently authorizes the donation of annual leave to fellow federal employees experiencing an extended personal or family medical crisis.

#### I. Government Reform and Savings Act, H.R. 3400

In November, the House approved H.R. 3400 which is the first package of spending cuts and organizational improvements resulting from recommendations of Vice President Gore's Reinventing Government initiative. A similar package is not pending before the Senate. By a margin of only 6 votes, the

House defeated an amendment proposing deeper spending cuts, including raising the federal retirement age to 65. This close vote indicates that such cuts may be revisited next year. Provisions of interest in H.R. 3400 include:

- Cap on Accrual of SES Leave

Caps the amount of leave which can be accrued by members of the SES at 90 days. All of those currently in the SES, however, would be allowed to keep amounts in excess of 90 days that they had accumulated by the end of the last pay period for 1993.

- Financial Reform/Reinventing Support Services

Reforms the printing and dissemination practices of the federal government, requires that all new employees and new retirees be paid through electronic funds transfer, requires annual agency-wide audited financial statements in FY96, improves financial management systems and collection of money owed to the federal government and establishes innovation funds to improve efficiency.

- Termination of Advanced Liquid Metal Reactor Program

Terminates all funding for the ALMR.

- Reduction in the Federal Workforce

Mandates reduction of the federal workforce by 252,000 FTE's by the end of FY 1998. This reduction is also contained in the Senate version of the crime bill, S. 1607, with the savings resulting from the FTE reduction to be applied to the Violent Crime Reduction Trust Fund.

J. Hatch Act Reform/Garnishment of Wages

In October, the President signed Hatch Act Amendments Reform, P.L. 103-94, into law. This Act, which takes effect in February 1994, eases the legal restrictions on the political activities of federal employees so that they can participate actively in partisan campaigns and elections, such as holding office in political parties, managing campaigns, distributing literature, and organizing political meetings. Members of the SES, however, are prohibited from these activities. For more information, see the OGC memo of 10/25/93. While unrelated, the Act also authorizes the garnishment of federal wages for repayment of debt; previously, only child support and alimony could be involuntarily deducted from federal pay.

K. Health Care Reform

The President's health care reform proposal, H.R. 3600 and S. 1757, would repeal the Federal Employees Health Benefits Program (FEHBP) after 1997. Federal employees and non-medicare eligible retirees, along with other Americans, would then choose health insurance coverage from among health plans offered by a regional health alliance or state single-payer plan. Those who are retired as of the day preceding repeal would have their current level of benefits preserved. Supplemental health plans would be available to current employees and future retirees.

The House Post Office and Civil Service Committee held a hearing on the proposal in November at which time Committee members questioned why FEHBP, as a program that worked, should be tampered with. OPM's view was that federal employees should be included in the national effort to reform health care to avoid being singled out for criticism of non-participation. This subject will receive extensive deliberation in the next session.

L. Paperwork Reduction Act

Senators Glenn (D-OH) and Nunn (D-GA) each introduced bills (S. 681 and S. 560, respectively) to revise the Paperwork Reduction Act and reauthorize the Office of Information and Regulatory Affairs (OIRA). In August, Representative Sisisky (D-VA) introduced H.R. 2995, which is identical to Senator Nunn's bill. According to the Senate Governmental Affairs Committee, the two Senators share the goal of developing a compromise bill for OIRA, but other time commitments have prevented such a development. The Committee hopes to advance development of a bill during the recess with a hearing to follow in the spring.

M. Procurement Reform

Congress has been examining ways to reform the federal procurement process. In July, the House Government Operations Committee ordered to be reported H.R. 2238, the Federal Acquisition Improvement Act. In October, Senator Glenn (D-OH) introduced S. 1587, the Federal Acquisition Streamlining Act. These bills would raise the threshold level for small orders and require the government to purchase products, when possible, that can be bought off-the-shelf rather than those specially designed for government use. Procurement reform is likely to receive heightened attention next year not only due to these bills but also due to its presence in Vice President Gore's National Performance Review initiative.

## SALARIES AND EXPENSES

## GROSS APPROPRIATIONS

|                                |               |
|--------------------------------|---------------|
| Appropriations, 1993 .....     | \$536,415,000 |
| Budget estimate, 1994 .....    | 542,900,000   |
| House allowance .....          | 542,900,000   |
| Committee recommendation ..... | 542,900,000   |

## REVENUES

|                                |               |
|--------------------------------|---------------|
| Appropriations, 1993 .....     | \$514,315,000 |
| Budget estimate, 1994 .....    | 520,900,000   |
| House allowance .....          | 520,900,000   |
| Committee recommendation ..... | 520,900,000   |

SECRET

## NET APPROPRIATION

|                                |              |
|--------------------------------|--------------|
| Appropriations, 1993 .....     | \$21,100,000 |
| Budget estimate, 1994 .....    | 22,000,000   |
| House allowance .....          | 22,000,000   |
| Committee recommendation ..... | 22,000,000   |

A net appropriation of \$22,000,000 is recommended for the Nuclear Regulatory Commission [NRC].

As a result of enacted legislation, NRC has been directed to offset expenses with user fees. The fiscal year 1994 budget request and recommendation reflect this legislation. In addition, the administration proposes that \$22,000,000 of the appropriation for the NRC be derived from the nuclear waste fund which is required to fund the NRC efforts focused on implementation of the Nuclear Waste Policy Act as amended in 1987 and DOE's efforts to characterize the Yucca Mountain site.

The Committee directs the NRC to continue its efforts to complete the "Preapplication Safety Evaluation Report" on the present schedule for the modular high temperature gas-cooled reactor [MHTGR] and the advanced liquid metal reactor [ALMR].

*Standard reactor designs.*—The Committee is encouraged by the Nuclear Regulatory Commission's rulemaking on standardization and licensing reform and believes that this action is a major step toward removing the uncertain licensing process as a major obstacle to continued development of nuclear power. The Committee has long urged the Commission to take action on these issues and believes the final rule to be a major step in making necessary improvements in the nuclear licensing process.

The Committee notes with concern the delays in certification of standard reactor designs submitted to the Commission for approval. The Committee directs the Commission to ensure that the necessary resources and management attention to these reviews be allocated. In that vein, the Committee notes that in past years it has requested the Commission to submit an annual report to Congress describing the agency's progress in the certification of standardized advanced light water reactor designs, plans for current and subsequent fiscal years, and the resources necessary to maintain the established schedules. These reports should continue.

The Committee also urges that appropriate attention continue to be directed toward renewal of current operating licenses to ensure a stable predictable regulatory process. The Committee is encouraged by the Commission's efforts to address concerns with the license renewal process.

*Advanced reactor designs.*—The Committee notes that the many new licensing issues facing the advanced reactor designs are complex and the resolution of those issues is an essential step in restoring nuclear energy as a viable option in the United States. The Committee is concerned, however, that the recently revised schedules issued by the NRC staff represent additional delays. Notwith-

standing the lack of new plant orders in the United States, it is important to recognize that the two large, evolutionary ALWR's are currently being bid overseas, in competition with foreign suppliers. Success by either of the U.S. designs would be a significant stimulus to the U.S. economy and would ensure that U.S. safety standards are being applied by other nations. The Committee feels that the Commission should make every effort to complete the reviews of those two designs as quickly as possible, so that they are not disadvantaged in the international competition. The Commission should also be careful to avoid directly providing one U.S. design an advantage over the other. Timely completion of those reviews will then allow the Commission to devote full resources to completing the two small, passive ALWR on a timely basis.

The Committee is also concerned that the NRC review fees charged to the ALWR design certification applicants are becoming overly burdensome. The recent schedule delay will exacerbate the problem. The Commission should reconsider its policy for allowing payment of those fees to be deferred until the certification is actually employed.

*Operations.*—The Committee has long been uneasy, as noted in previous appropriations, that the Commission's expansions in staffing, research programs, and the number of regulations may bring diminishing returns and lead to overregulation that may, in fact, negatively impact the level of safety achieved to date. The Committee notes with approval the Commission's initiative in the formation of a regulatory review group and looks forward to the group's findings. The Committee requests that the Commission, within 6 months of the regulatory review group's final report, submit a detailed action plan with objectives and milestones to the Committee.

The Committee understands that in the past, international program costs have been recovered through the international participants. The Committee believes that the Commission should ensure that these international costs are not collected through domestic licensees.

Finally, the Committee is concerned about problems in financial management identified by the NRC inspector general. The Committee strongly encourages the Commission to ensure that the necessary followup actions are taken with regard to the Office of Nuclear Regulatory Research and an independent review be undertaken to make certain that similar problems do not exist in other Commission offices.

*University research reactors.*—The Committee is concerned by the Nuclear Regulatory Commission's recent rule change that imposes an annual charge on university research reactors. While budget reconciliation laws have required the NRC to recover part of its budget through annual charges on its licensees since 1985, university research reactors were previously exempt from these charges. In response to a recent court decision, however, the NRC has imposed an annual charge of \$62,100 on each university research reactor. This amount represents a substantial percentage of the annual operating budget for most of the Nation's 38 university research reactors and, in a couple of cases, it is two or four times as much as the university spends to operate the reactor.

University research reactors constitute a valuable national asset. They serve as the training ground for the next generation of nuclear powerplant operators, government regulators, and scientists. They are on the front line of both pure and applied science research and provide important contributions to our knowledge of subjects as practical as the mechanics of nuclear power plants and as esoteric as the secrets of the atom. They contribute not only to the science of physics, but to medicine, geology, archaeology, food science, and textiles.

The Committee expects the Commission to take appropriate action to prevent the loss of these important research reactors. The Committee is confident that the Commission can do so without additional legislation, either in response to the petition for reconsideration of the new charge filed by several of the universities or in response to section 2903 of the Energy Policy Act of 1992. In the meantime, the Committee expects the Commission to make full use of its authority to grant case-by-case fee exemptions to prevent severe financial hardships on universities' operating research reac-

**OFFICE OF INSPECTOR GENERAL**

**GROSS APPROPRIATION**

|                                |             |
|--------------------------------|-------------|
| Appropriations, 1993 .....     | \$4,585,000 |
| Budget estimate, 1994 .....    | 4,800,000   |
| House allowance .....          | 4,800,000   |
| Committee recommendation ..... | 4,800,000   |

**REVENUES**

|                                |             |
|--------------------------------|-------------|
| Appropriations, 1993 .....     | \$4,585,000 |
| Budget estimate, 1994 .....    | 4,800,000   |
| House allowance .....          | 4,800,000   |
| Committee recommendation ..... | 4,800,000   |

The appropriation recommended provides for the Office of the Inspector General of the Nuclear Regulatory Commission.

The Inspector General Acts Amendments of 1988 established a statutory Office of the Inspector General within the NRC, effective on April 17, 1989. The functions of the Office of the Inspector General are to provide the Commission with an independent review and appraisal of the integrity of NRC programs and operations. Internal audits review and evaluate all facets of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving agency programs, personnel, and operations.

## NUCLEAR REGULATORY COMMISSION

## GROSS APPROPRIATION

|                             |               |
|-----------------------------|---------------|
| Appropriation, 1993 .....   | \$535,415,000 |
| Budget Estimate, 1994 ..... | 542,900,000   |
| Recommended, 1994 .....     | 542,900,000   |
| Comparison:                 |               |
| Appropriation, 1993 .....   | +7,485,000    |
| Budget Estimate, 1994 ..... |               |

## REVENUES

|                             |                |
|-----------------------------|----------------|
| Appropriation, 1993 .....   | -\$514,315,000 |
| Budget Estimate, 1994 ..... | -520,900,000   |
| Recommended, 1994 .....     | -520,900,000   |
| Comparison:                 |                |
| Appropriation, 1993 .....   | -6,585,000     |
| Budget Estimate, 1994 ..... |                |

## NET APPROPRIATION

|                             |              |
|-----------------------------|--------------|
| Appropriation, 1993 .....   | \$21,100,000 |
| Budget Estimate, 1994 ..... | 22,000,000   |
| Recommended, 1994 .....     | 22,000,000   |
| Comparison:                 |              |
| Appropriation, 1993 .....   | +900,000     |
| Budget Estimate, 1994 ..... |              |

As a result of enacted legislation, NRC has been directed to offset expenses with user fees. The fiscal year 1994 budget request and recommendation reflect this legislation. In addition, the Adminis-

tration proposes that \$22,000,000 of the appropriation for the NRC be derived from the Nuclear Waste Fund which is required to fund the NRC efforts focused on implementation of the Nuclear Waste Policy Act as amended in 1987 and DOE's efforts to characterize the Yucca Mountain site.

The Committee directs the NRC to continue its efforts to complete the Preapplication Safety Evaluation Report on the present schedule for the Modular High Temperature Gas-Cooled Reactor (MHTGR) and the Advanced Liquid Metal Reactor (ALMR).

The Committee is encouraged by the Nuclear Regulatory Commission's rulemaking on standardization and licensing reform and believes that this action is a major step towards removing the uncertain licensing process as a major obstacle to continued development of nuclear power. The Committee has long urged the Commission to take action on these issues and believes the final rule to be a major step in making necessary improvements in the nuclear licensing process.

However, the Committee notes with concern the delays in certification of standard reactor designs submitted to the Commission for approval. The Committee directs the Commission to ensure that the necessary resources and management attention to these reviews be allocated. The Committee requests the Commission to submit an annual report to Congress describing the agency's progress in the certification of standardized advanced light water reactor designs.

The Committee also urges that appropriate attention continue to be directed toward renewal of current operating licenses to ensure a stable predictable regulatory process. The Committee is encouraged by the Commission's efforts to address concerns with the license renewal process.

Finally, the Committee is concerned about problems in financial management identified by the NRC Inspector General. The Committee strongly encourages the Commission to ensure that the necessary followup actions are taken with regard to the Office of Nuclear Regulatory Research and an independent review be undertaken to make certain that similar problems do not exist in other Commission offices.

The Committee expects the Commission to closely monitor the Turkey Point 3 and 4 reactors, Florida, to insure their safe operation. The Committee is pleased with the concern the Commission expressed during its hearing and agrees that close scrutiny is definitely warranted.

OFFICE OF INSPECTOR GENERAL

GROSS APPROPRIATION

|                             |             |
|-----------------------------|-------------|
| Appropriation, 1993 .....   | \$4,585,000 |
| Budget Estimate, 1994 ..... | 4,800,000   |
| Recommended, 1994 .....     | 4,800,000   |
| Comparison:                 |             |
| Appropriation, 1993 .....   | +215,000    |
| Budget Estimate, 1994 ..... |             |

REVENUES

|                             |              |
|-----------------------------|--------------|
| Appropriation, 1993 .....   | -\$4,585,000 |
| Budget Estimate, 1994 ..... | -4,800,000   |
| Recommended, 1994 .....     | -4,800,000   |
| Comparison:                 |              |
| Appropriation, 1993 .....   | -215,000     |
| Budget Estimate, 1994 ..... |              |

This appropriation provides for the Office of Inspector General of the Nuclear Regulatory Commission.

As a result of enacted legislation, the Office of Inspector General of the NRC is to offset expenses with NRC user fees. The fiscal year 1994 budget request and recommendation reflect this legislation.

The Inspector General Act Amendments of 1988 established a statutory Office of the Inspector General within the NRC, effective on April 17, 1989. The function of the Office of the Inspector General is to provide the Commission with an independent review and appraisal of the integrity of NRC programs and operations. Internal audits review and evaluate all facets of agency operations. The investigative function provides for the detection and investigation of improper and illegal activities involving agency programs, personnel, and operations.