

May 31, 2001

STATE LIAISON OFFICERS

SUBJECT: MATERIAL CONTROL AND ACCOUNTING AMENDMENTS

The United States Nuclear Regulatory Commission (NRC) has sent to the Office of the Federal Register for publication the enclosed proposed amendment (Enclosure 1) to the Commission's regulations in 10 CFR Parts 51, 61, 70, 72, 73, 74, 75, 76, and 150. These proposed amendments resulted from a review of safeguard report submittals and an effort, initiated in 1982, to relocate all material control and accounting (MC&A) requirements from Part 70 to Part 74.

These amendments would revise the frequency and timing for submittal of Material Balance Reports and Inventory Composition Reports and revise the categorical exclusion for approving initial safeguards plans to specifically include approval of amendments to safeguards plans. The proposed rule would also relocate the general MC&A requirements and the MC&A requirements for Category II facilities from Part 70 to Part 74. Earlier rulemakings relocated the MC&A requirements for Categories I and II facilities from Part 70 to Part 74. In addition, the proposed rule would make the MC&A requirements for Category II facilities more risk-informed. Furthermore, the proposed rule would make miscellaneous changes to correct typographical errors, update and add terminology to reflect current practice, and remove old implementation dates.

Also enclosed is an Environmental Assessment (EA) (Enclosure 2) that has been prepared in support of the proposed rule. The conclusion of the EA is the Commission's finding that no significant environmental impact will result from the proposed rule. The EA and Federal Register notice are provided for your review and comment. If you have any comments on the rule and its environmental impact, please submit them by **[insert date 75 days from date of publication in the FRN]**. Comments received after this date will be considered if it is practical to do so, but the Commission is able to assure consideration only for comments received on or before this date.

You may use the following methods to transmit your comments: (1) mail written comments to: Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff; (2) fax comments to 301415-1672; or (3) provide comments via the NRC's interactive rulemaking website at <http://ruleforum.llnl.gov>. This site provides capability to upload comments as files (any format), if your web browser supports that function. For information about the interactive rulemaking website, contact Ms. Carol Gallagher (301) 415-5905 (e-mail: cag@nrc.gov).

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For additional information on this action, contact Merri Horn, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone (301) 415-8126, e-mail mlh1@nrc.gov.

Sincerely,

/RA/

Paul H. Lohaus, Director
Office of State and Tribal Programs

Enclosures: As stated

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