

June 11, 2001

The Honorable George V. Voinovich, Ranking Member  
Subcommittee on Oversight of Government Management,  
Restructuring, and the District of Columbia  
Committee on Governmental Affairs  
United States Senate  
Washington, D.C. 20510

Dear Senator Voinovich:

Thank you for your letter of April 23, 2001, concerning the need to develop solutions to help the Federal government meet its human capital challenges and to ensure the excellence of the Federal workforce in the 21<sup>st</sup> century. The Commission needs to ensure that it has the appropriate staff to fulfill its traditional safety mission, as well as its regulatory responsibilities in the area of licensing new reactor designs.

As with many other Federal agencies, the Commission is currently challenged to meet its existing workload with available resources. We confront an aging NRC workforce, potential shortages of staff with critical skills, the challenge of succession planning, and adverse external market trends in critical skill areas. As a result, we are implementing a systematic strategic workforce planning process that will address the need to hire personnel with the knowledge, skills, and abilities necessary to conduct the safety reviews, licensing, research, and oversight actions that are essential to our safety mission. This effort is of vital importance to the NRC since the number of individuals with the technical skills critical to the achievement of the Commission's safety mission is rapidly declining in the U.S. and our national educational system is not replacing them.

The Commission recognizes that NRC's human capital management challenge is exacerbated by developments beyond our immediate control. These include shifts in mission requirements, a changing regulatory environment, increasing stakeholder/customer expectations, the introduction of computer technologies, on a wide scale basis, and increasing market competition for a shrinking labor pool.

In response to the Commission's request, the NRC staff is systematically identifying future staffing needs and developing strategies to address the gaps. We believe that the maintenance of a technically competent staff will require substantial effort for an extended period of time. The Commission has therefore implemented the following short-term strategies to retain and attract employees:

- Hire employees prior to the departure of experienced, technical staff to facilitate knowledge transfer

- Increase compensation/number of higher level positions
- Increase permanent entry-level interns and cooperative education students
- Provide grants for college students
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- Increase the use of recruitment bonuses
- Continue training and retraining efforts

The agency will continue to use these strategies to retain staff with critical skills. We will also continue to provide robust training opportunities, flexible work schedules, high-quality working conditions, up-to-date information technology tools, on-site day-care, and health and fitness programs. Through the use of these strategies and an expanded recruitment program, NRC is addressing the human capital challenge.

As part of the NRC's package of legislative proposals to be submitted to the 107<sup>th</sup> Congress, the Commission will recommend two proposals that will focus on the NRC's human capital needs. One would amend section 161 of the Atomic Energy Act to authorize the Commission to spend appropriated funds to provide fellowships, scholarships, and other support to students in colleges and universities in the United States that provide training in technical skills that the Commission determines are critical to the safety functions of the Commission and are in short supply.

The other would amend section 161d. of the Atomic Energy Act by providing permanent authorization for the NRC to pay full compensation to retired former employees of the NRC or another Federal agency who the Commission appoints as special Government employees. Currently, agencies who hire Federal retirees as consultants are required to deduct from these retirees' pay the amount they receive from the Government for their pension. (NRC has recently received limited authority in this regard from the Office of Personnel Management.) This amendment would also authorize the Commission to pay employees without regard to the usual civil-service compensation limitations and to provide the same type and amounts of compensation or additional benefits if they are authorized to any of the financial agencies referred to under section 1206 of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989. The Commission would be given sole authority to determine employee compensation and benefits under this provision, but it would be administered under merit system principles.

The Commission believes that, if these proposed amendments are adopted, the NRC will be in a better position to address its human capital issues.

I want to assure you that the Commission considers human capital management to be one of our highest priority issues. We will ensure that all levels of agency management are aware of the existing strategies and will hold managers accountable for recognizing and resolving human capital issues in their areas of responsibility.

The Commission appreciates the attention that you and your House and Senate colleagues are focusing on the Human Capital Management issue.

Sincerely,

***/RA/***

Richard A. Meserve

June 11, 2001

The Honorable Richard J. Durbin, Chairman  
Subcommittee on Oversight of Government Management,  
Restructuring, and the District of Columbia  
Committee on Governmental Affairs  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

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Sincerely,

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Richard A. Meserve

June 11, 2001

The Honorable Daniel K. Akaka, Chairman  
Subcommittee on International Security,  
Proliferation, and Federal Service  
Committee on Governmental Affairs  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

Thank you for your letter of April 23, 2001, concerning the need to develop solutions to help the Federal government meet its human capital challenges and to ensure the excellence of the Federal workforce in the 21<sup>st</sup> century. The Commission needs to ensure that it has the appropriate staff to fulfill its traditional safety mission, as well as its regulatory responsibilities in the area of licensing new reactor designs.

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Sincerely,

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Richard A. Meserve

cc: Senator Thad Cochran

June 11, 2001

The Honorable Danny K. Davis, Chairman  
Subcommittee on Civil Service  
Committee on Government Reform  
United States House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

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Subcommittee on Civil Service  
Committee on Government Reform  
United States House of Representatives  
Washington, D.C. 20515

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