



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
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ARLINGTON, TEXAS 76011-8064**

June 12, 2002

Edgar D. Bailey, Chief
Radiological Health Branch
Division of Food, Drug, & Radiation Safety
P.O. Box 942732
Sacramento, CA 94234-7320

Dear Mr. Bailey:

A periodic meeting with California was held on May 22, 2002. The purpose of this meeting was to review and discuss the status of California's Agreement State Program. The NRC was represented by Linda McLean from NRC's Region IV office and Richard Blanton from the Office of State and Tribal Programs.

I have completed and enclosed a general meeting summary, including any specific actions that will be taken as a result of the meeting.

If you feel that our conclusions do not accurately summarize the meeting discussion, or have any additional remarks about the meeting in general, please contact me at (817) 860-8116 or e-mail mlm1@nrc.gov to discuss your concerns.

Sincerely,

/RA/

Linda McLean
Regional State Agreements Officer

Enclosure and Attachments:

As stated

cc: Paul Lohaus, Director, STP

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DOCUMENT NAME: S:\DNMS\SAO\Periodic Meetings\2002\California\ California Periodic Mtg Summary.wpd
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NAME	MLMcLean		DDChamberlain		
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DATE	06/15/02		06/12/02		

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AGREEMENT STATE PERIODIC MEETING SUMMARY FOR CALIFORNIA
DATE OF MEETING: MAY 22, 2002

ATTENDEES:

NRC

Linda McLean, Regional State Agreements Officer, Region IV
Richard Blanton, Agreement State Project Officer, STP

State of California

Edgar Bailey, Chief, Radiological Health Branch
Robert Greger, Supervising Health Physicist, Compliance and Enforcement Section
David Wesley, Supervising Health Physicist, Radioactive Materials Licensing Section
Victor Anderson, Supervising Health Physicist, Certifications, Standards and Training

DISCUSSION:

The following is a summary of the meeting held in Sacramento, California, on May 22, 2002, between representatives of the NRC and the State of California. During the meeting, the topics suggested in a letter dated March 6, 2002, from Mrs. McLean to Mr. Bailey were discussed. The discussion pertaining to each topic is summarized below.

Strengths and/or weaknesses of the State program as identified by the State or NRC, including identification of actions that could diminish weaknesses.

Strengths

The Branch supervisors are very experienced and are Certified Health Physicists. Currently the Branch has six Certified Health Physicists on staff. The staff are well qualified and experienced in the diverse radioactive materials program activities.

Weaknesses

Currently there are four proposed California bills that may affect the State's radiation control program. The four bills address two main areas, the License Termination Rule and Low-Level Waste (LLW) disposal facilities. The criteria for license termination under the Senate draft legislation would be more stringent (nothing above background or 10^{-6} risk) than the NRC criteria. The bills and their potential impact on the State's program were discussed with STP management during the May 5 -8, 2002, CRCPD meeting.

Two attorneys originally assigned to the Branch have been reassigned leaving part-time legal assistance to the Branch.

The adoption of regulations continues to be a program weakness. The process is laborious and it can take up to three years to promulgate new regulations.

The Branch has several staff vacancies that have been not been filled, in part, due to the State's difficult hiring process.

Feedback on NRC's program as identified by the State and including identification of any action that should be considered by NRC. The Branch feels that the lack of agreement by NRC and the EPA on the release criteria for D&D activities will impact the program.

Status of State Program or policy changes under development or recently completed including:

- a. Changes in program staff/redistribution of responsibilities: Existing Sections in the Branch include: 1) the Radioactive Materials Licensing; 2) the Registration, Certification, Mammography and Standards; 3) the Inspection, Compliance, and Enforcement; and 4) the Financial Operations and Analysis.

A fifth Section has been proposed to be named the Science and Standards Section. The new section would consist of the Radiation Assessment Unit (currently part of the Radioactive Materials Licensing Section), the Regulations Unit (currently reports directly to the Branch Chief), and the QA/QC Unit (currently part of the Inspection, Compliance, and Enforcement Section)

- b. Program reorganization: The issue of possibility relocating portions or all of the radioactive materials program from the Department of Health into the California Environmental Protection Agency has been raised in legislative hearings. The Branch does not have firm details of the proposal.
- c. Legislative changes: Four proposed bills are being considered that may significantly affect the State's program, as noted above.
- d. Changes in program budget/funding: The FY2003 Department budget was reduced by approximately \$8 million dollars; however, the reduction is in external consulting fees and is not expected to affect the Branch's program. A rule package increasing licensee fees has been submitted.

Status of inspection and licensing activities: The Branch has no overdue inspections as of March 2002 (attachment 1). The Branch has changed from a seven year license renewal system to a ten year renewal. This change will allow additional resources to be put into reducing the licensing backlog. The biggest license backlog is in the industrial unit (attachment 2). The licensing section has two vacant positions.

Status of NRC program changes (similar to those in 4) that could impact Agreement States: Several recent NRC news releases and STP letters were discussed, including the creation of the new Office of Nuclear Security and Incident Response; and letters STP 02-018, *Changes to NRC Participation in the International Nuclear Event Scale*, and STP 02-031, *Opportunity to Participate in Pilot on Materials Inspection*.

Results of any internal program audits/self assessments conducted by the State: Each section (Licensing and Inspection/Enforcement) has a quality assurance (QA) staff member. Three signatures are required on all license actions as part of the Department's QA program.

Status of all allegations and concerns previously referred by NRC to the Agreement State Radiation Control Program for action, and methods used to resolve allegations that have been closed: There were three allegations forwarded to the State during this review period, and they were appropriately resolved.

Compatibility of Agreement State regulations: The Branch is working on several regulation packages. (See attached States Regulation Status report.)

NMED reporting including event follow-up and closure information: Event follow-up was discussed. The State suggested that INEEL or STP send out periodic notices to States on events that are not closed out in the NMED database.

Schedule for the next IMPEP review: The next IMPEP is scheduled for fiscal year 2004.